MERIDIAN METROPOLITAN DISTRICT
Douglas County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

MERIDIAN METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2025

FISCAL FOCUS PARTNERS LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Meridian Metropolitan District
Douglas County, Colorado

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District as of December 31, 2025, and the respective changes in financial position and, where applicable cash flows thereof, 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Fiscal Focus Partners, LLC

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Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary 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 identified in the table of contents is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Continuing Disclosure Information

The continuing disclosure information as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Fiscal Focus Partners, LLC

Arvada, Colorado
July 13, 2026

BASIC FINANCIAL STATEMENTS

MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	$ 4,226,402	$ 3,165,174	$ 7,391,576
Cash and Investments - Restricted	369,039	-	369,039
Due from Other Governments	3,316	-	3,316
Accounts Receivable	127,808	675,966	803,774
Receivable from County Treasurer	69,208	-	69,208
Prepaid Insurance	95,844	111,835	207,679
Prepaid Expenses	10,056	-	10,056
Security Deposits	5,000	-	5,000
Property Tax Receivable	10,483,585	-	10,483,585
Capital Assets:			
Capital Assets, Not Being Depreciated	43,668,878	-	43,668,878
Capital Assets, Net of Depreciation	10,932,486	36,937,267	47,869,753
Total Assets	69,991,622	40,890,242	110,881,864
DEFERRED OUTFLOWS OF RESOURCES			
Cost of Refunding, Net	397,027	-	397,027
Total Deferred Outflows of Resources	397,027	-	397,027
LIABILITIES			
Accounts Payable	532,019	1,176,591	1,708,610
Retainage Payable	570,451	3,480	573,931
Security Deposits	-	322,000	322,000
Accrued Interest Payable	220,513	-	220,513
Noncurrent Liabilities:			
Due Within One Year	3,492,584	-	3,492,584
Due in More Than One Year	87,076,612	-	87,076,612
Total Liabilities	91,892,179	1,502,071	93,394,250
		-	
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	10,483,585	-	10,483,585
Total Deferred Inflows of Resources	10,483,585	-	10,483,585
NET POSITION			
Net Investment In Capital Assets	-	36,937,267	36,937,267
Restricted for:			
Emergency Reserve	190,500	-	190,500
Unrestricted Net Position	(32,177,615)	2,450,904	(29,726,711)
Total Net Position	$ (31,987,115)	$ 39,388,171	$ 7,401,056

See accompanying Notes to Basic Financial Statements.

MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS							
Primary Government:							
Governmental Activities:							
General Government	$ 2,901,659	$ 39,678	$ 248,362	$ 736,413	$ (1,877,206)	$ -	$ (1,877,206)
Parks and Open Space Maintenance	1,892,208	-	-	-	(1,892,208)	-	(1,892,208)
Transfer of Capital Assets to the Enterprise Fund	2,711,810	-	-	-	(2,711,810)	-	(2,711,810)
Interest on Long-Term Debt and Related Costs	2,829,523	-	-	-	(2,829,523)	-	(2,829,523)
Total Governmental Activities	$ 10,335,200	$ 39,678	$ 248,362	$ 736,413	(9,310,747)	-	(9,310,747)
Business-Type Activities:							
Water/Sewer Facilities	$ 11,416,654	8,575,014	-	4,219,095	-	1,377,455	1,377,455
Total Business-Type Activities	$ 11,416,654	$ 8,575,014	$ -	$ 4,219,095	-	1,377,455	1,377,455
GENERAL REVENUES							
Property Taxes					10,286,935	-	10,286,935
Specific Ownership Taxes					828,658	-	828,658
Other Revenue					240,234	20,310	260,544
Interest Income					382,385	116,738	499,123
Transfers					(1,160,816)	1,160,816	-
Total General Revenues and Transfers					10,577,396	1,297,864	11,875,260
CHANGES IN NET POSITION					1,266,649	2,675,319	3,941,968
Net Position - Beginning of Year					(33,253,764)	36,712,852	3,459,088
NET POSITION - END OF YEAR					$ (31,987,115)	$ 39,388,171	$ 7,401,056

See accompanying Notes to Basic Financial Statements.

MERIDIAN METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	Debt Service Fund	Capital Project Fund	Total Governmental Funds
ASSETS				
Cash and Investments	$ 272,079	$ -	$ 3,954,323	$ 4,226,402
Cash and Investments - Restricted	190,500	178,524	15	369,039
Due from Other Governments	3,316	-	-	3,316
Accounts Receivable	127,808	-	-	127,808
Receivable from County Treasurer	35,844	33,364	-	69,208
Property Tax Receivable	4,942,280	5,541,305	-	10,483,585
Security Deposits	5,000	-	-	5,000
Prepaid Insurance	95,844	-	-	95,844
Prepaid Expenses	10,056	-	-	10,056
Total Assets	$ 5,682,727	$ 5,753,193	$ 3,954,338	$ 15,390,258
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 279,265	$ -	$ 252,754	$ 532,019
Retainage Payable	-	-	570,451	570,451
Total Liabilities	279,265	-	823,205	1,102,470
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	4,942,280	5,541,305	-	10,483,585
	4,942,280	5,541,305	-	10,483,585
FUND BALANCES				
Nonspendable:				
Prepaid Expense	105,900	-	-	105,900
Restricted for:				
Emergency Reserves	190,500	-	-	190,500
Capital Projects	-	-	15	15
Debt Service	-	211,888	-	211,888
Assigned to:				
Subsequent Year's Expenditures	442,321	-	-	442,321
Capital Projects	-	-	3,131,118	3,131,118
Unassigned	(277,539)	-	-	(277,539)
Total Fund Balances	461,182	211,888	3,131,133	3,804,203
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 5,682,727	$ 5,753,193	$ 3,954,338	

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.	54,601,364
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Cost of Refunding, Net	397,027
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 Payable	(220,513)
Loans Payable	(55,985,439)
Bonds Payable, Net of Discount and Premium	(34,583,757)
Net Position of Governmental Activities	$ (31,987,115)

See accompanying Notes to Basic Financial Statements.

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

	General Fund	Debt Service Fund	Capital Project Fund	Total Governmental Funds
REVENUES				
Property Taxes	$ 5,314,310	$ 4,972,625	$ -	$ 10,286,935
Specific Ownership Taxes	429,176	399,482	-	828,658
In-Lieu Income	111,489	478	-	111,967
Interest Income	75,943	121,999	184,443	382,385
Intergovernmental Revenues	248,362	-	-	248,362
Lease Payments	39,678	-	-	39,678
Miscellaneous Income	51,809	-	-	51,809
Reimbursed Expenditures	76,458	-	-	76,458
System Development Fees	-	-	420,413	420,413
Park And Trail Fees	-	-	316,000	316,000
Total Revenues	6,347,225	5,494,584	920,856	12,762,665
EXPENDITURES				
Current:				
Accounting	75,195	-	-	75,195
Auditing	8,112	-	-	8,112
Board Support	25,316	-	-	25,316
Consulting	960	-	-	960
Contingency	5,145	-	-	5,145
Contract Services	606,601	-	-	606,601
County Treasurer's Fee	79,783	74,645	-	154,428
Dues and Membership	8,332	-	-	8,332
Electric and Gas	77,064	-	-	77,064
Election	4,970	-	-	4,970
Engineering	-	-	241,815	241,815
Insurance	87,113	-	-	87,113
Interest Expense	15,251	-	-	15,251
Irrigation	16,262	-	-	16,262
Legal	30,390	-	-	30,390
Materials	199,057	-	-	199,057
Multimodal	252,312	-	-	252,312
Office Overhead	55,050	-	-	55,050
Operational Labor	1,892,208	-	-	1,892,208
Payroll Taxes	344	-	-	344
Reimbursable Landscape and Maintenance	58,010	-	-	58,010
Support Management	-	-	90,660	90,660
Debt Service:				
Bond Interest	-	1,449,925	-	1,449,925
Bond Principal	-	250,000	-	250,000
Loan Interest	-	1,272,329	-	1,272,329
Loan Principal	-	3,123,000	-	3,123,000
Paying Agent Fees	-	1,230	-	1,230
Capital Expenditures	-	-	5,529,945	5,529,945
Total Expenditures	3,497,475	6,171,129	5,862,420	15,531,024
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,849,750	(676,545)	(4,941,564)	(2,768,359)
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(4,160,816)	37,250	2,962,750	(1,160,816)
Total Other Financing Sources (Uses)	(4,160,816)	37,250	2,962,750	(1,160,816)
NET CHANGE IN FUND BALANCES	(1,311,066)	(639,295)	(1,978,814)	(3,929,175)
Fund Balances - Beginning of Year	1,772,248	851,183	5,109,947	7,733,378
FUND BALANCES - END OF YEAR	$ 461,182	$ 211,888	$ 3,131,133	$ 3,804,203

See accompanying Notes to Basic Financial Statements.

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

Net Change in Fund Balances - Total Governmental Funds	$	(3,929,175)
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 expense. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.		
Capital Outlay		5,026,271
Depreciation Expense		(454,514)
Transfers of Capital Outlay to Enterprise Fund		(2,711,810)
Right of Use Asset Amortization Expense		(38,306)
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.		
Bond Principal		250,000
Loan Principal		3,123,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Reclass of Lease Expense, to be Applied to Lease Liability		32,577
Accrued Interest Payable - Change in Liability		6,455
Amortization of Bond Discount		(14,722)
Amortization of Cost of Bond Refunding		(49,942)
Amortization of Bond Premium		26,815
Changes in Net Position of Governmental Activities	$	1,266,649

See accompanying Notes to Basic Financial Statements.

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

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 5,575,917	$ 5,314,310	$ (261,607)
Specific Ownership Taxes	501,833	429,176	(72,657)
In-Lieu Income	100	111,489	111,389
Interest Income	59,000	75,943	16,943
Intergovernmental Revenues	254,086	248,362	(5,724)
Lease Payments	40,200	39,678	(522)
Miscellaneous Income	-	51,809	51,809
Reimbursed Expenditures	78,000	76,458	(1,542)
Total Revenues	6,509,136	6,347,225	(161,911)
EXPENDITURES			
Accounting	79,000	75,195	3,805
Auditing	9,000	8,112	888
Board Support	9,600	25,316	(15,716)
Consulting	12,000	960	11,040
Contingency	206,931	5,145	201,786
Contract Services	672,200	606,601	65,599
County Treasurer's Fee	83,639	79,783	3,856
Dues and Membership	9,000	8,332	668
Electric and Gas	64,000	77,064	(13,064)
Election	2,000	4,970	(2,970)
Insurance	75,000	87,113	(12,113)
Interest Expense	-	15,251	(15,251)
Irrigation	16,000	16,262	(262)
Legal	72,000	30,390	41,610
Materials	188,100	199,057	(10,957)
Multimodal	281,000	252,312	28,688
Office Overhead	46,800	55,050	(8,250)
Operational Labor	1,972,000	1,892,208	79,792
Payroll Taxes	450	344	106
Reimbursable Landscape and Maintenance	66,000	58,010	7,990
Total Expenditures	3,864,720	3,497,475	367,245
EXCESS OF REVENUES OVER EXPENDITURES	2,644,416	2,849,750	205,334
OTHER FINANCING (USES)			
Transfers In (Out)	(4,185,800)	(4,160,816)	24,984
Total Other Financing (Uses)	(4,185,800)	(4,160,816)	24,984
NET CHANGE IN FUND BALANCE	(1,541,384)	(1,311,066)	230,318
Fund Balances - Beginning of Year	1,677,694	1,772,248	94,554
FUND BALANCE - END OF YEAR	$ 136,310	$ 461,182	$ 324,872

See accompanying Notes to Basic Financial Statements.

MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2025

	Enterprise
ASSETS	
CURRENT ASSETS	
Cash and Investments	$ 2,834,166
Cash and Investments - DCC	331,008
Accounts Receivable	675,966
Prepaid Insurance	111,835
Total Current Assets	3,952,975
NONCURRENT ASSETS	
Capital Assets:	
Conduit System	270,283
Re-Use Water System	11,321,130
Sewer System Facilities	11,253,014
Software	425,043
Water System Facilities	16,509,702
Waste Water Treatment Plant	11,603,078
Wells	10,553,035
Less: Accumulated Depreciation	(24,998,018)
Total Capital Assets	36,937,267
Total Assets	$ 40,890,242
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable	$ 1,176,591
Retainage Payable	3,480
DCC Security Deposits	289,000
Security Deposits	33,000
Total Current Liabilities	1,502,071
NET POSITION	
Net Investment in Capital Assets	36,937,267
Unrestricted	2,450,904
Total Net Position	39,388,171
Total Liabilities and Net Position	$ 40,890,242

See accompanying Notes to Basic Financial Statements.

MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2025

	Enterprise
OPERATING REVENUES	
Service Charges	$ 7,958,491
Lease Payments	588,523
Total Operating Revenues	8,547,014
OPERATING EXPENSES	
Cost of Services:	
Electric and Gas	907,263
Materials	1,930
Operational Labor	2,441,545
Water Operations	4,173,080
Water Purchase/Lease	936,282
Administration and General Expenses:	
Accounting	75,195
Auditing	8,113
Dues and Membership	19,017
Engineering	466,613
Insurance	93,574
Legal	35,166
Office Overhead	11,021
Support Management	168,369
Capital Expenses	620,387
Depreciation Expense	1,212,513
Total Operating Expenses	11,170,068
OPERATING LOSS	(2,623,054)
NONOPERATING REVENUES AND EXPENSES	
DCC Fees	28,000
Tap Fees	1,507,285
Interest Income	116,738
Other Income	20,310
DCC Expenditures	(246,586)
Total Nonoperating Revenues and Expenses	1,425,747
OTHER FINANCING SOURCES	
Capital Asset Transfer from the Capital Project Fund	2,711,810
Transfers In	1,160,816
Total Other Financing Sources	3,872,626
CHANGE IN NET POSITION	2,675,319
Net Position - Beginning of Year	36,712,852
NET POSITION - END OF YEAR	$ 39,388,171

See accompanying Notes to Basic Financial Statements.

MERIDIAN METROPOLITAN DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2025

	Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	$ 7,895,056
Payments to Suppliers	(10,302,805)
Other Receipts	597,523
Net Cash Used by Operating Activities	(1,810,226)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Revenue	1,580,595
Other Expenses	(246,586)
Transfers In	1,160,816
Net Cash Provided by Noncapital Financing Activities	2,494,825
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	116,738
Net Cash Provided by Investing Activities	116,738
INCREASE IN CASH AND CASH EQUIVALENTS	801,337
Cash and Cash Equivalents - Beginning of Year	2,363,837
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 3,165,174
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	$ (2,623,054)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	1,212,513
(Increase) Decrease in:	
Accounts Receivable	(63,435)
Prepaid Expense	(30,767)
Increase (Decrease) in:	
Accounts Payable	(317,964)
Security Deposits Payable	9,000
Retainage Payable	3,481
Net Cash Used by Operating Activities	$ (1,810,226)

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Meridian Metropolitan District (the Original District) is a quasi-municipal corporation and political sub-division of the state of Colorado organized by order and decree of the District Court for Douglas County on September 30, 1980, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The Original District's service area is located in Douglas County, Colorado. The Original District was organized to provide water and wastewater service, street construction, construction and maintenance of parks and recreation facilities, and public transportation. It derives its revenue principally from water and sewer sales and general property taxes.

On May 11, 2021, the Original District and North Meridian Metropolitan District (North Meridian) adopted a joint resolution to consolidate and operate as Meridian Metropolitan District (the District). The public health, safety, prosperity, and general welfare of the inhabitants of both the Original District and North Meridian will be better served by the District. The District, a quasi-municipal corporation and Political Subdivision of the State of Colorado, was organized by order and decree of the District Court for Douglas County on December 30, 2021. The Original District and North Meridian continued to exist as separate entities until December 31, 2021.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District has no employees, and contracts for all of its management and professional services.

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. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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 and proprietary funds. Major individual governmental and enterprise 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, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or 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 debt of the governmental funds.
>
> The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major proprietary fund:

> The Enterprise Fund accounts for operations that are financed and operated in a manner where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transfers and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for services provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

Leases

The District determines if an arrangement is a lease at inception. Leases are included as right-to-use assets in capital assets and as leases payable in noncurrent liabilities in the Statement of Net Position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position. For individual lease contracts where information about the discount rate implicit in the lease is not included, the District has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

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 and investments.

Cash Equivalents

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents.

Property Taxes

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

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

Accounts Receivable and Allowance for Doubtful Accounts

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type 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. 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 the net investment in capital assets.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Building/Equipment	25 to 50 Years
Infrastructure	30 to 50 Years
Parks and Recreation, Street Lights, Signage	15 to 50 Years
Water/Sewer System	40 Years
Conduit System	20 Years

Amortization

Cost of Refunding

In the government-wide financial statements, the deferred cost of refunding is being amortized using the interest method over the life of the refunding loan. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

Original Issue Discount/Premium

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports 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 and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *cost of refunding, net,* is deferred and recognized as an outflow of resources in the period that the amount is incurred.

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

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

Adoption of New Accounting Standards

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

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

NOTE 3 CASH AND 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	$	7,391,576
Cash and Investments - Restricted		369,039
Total Cash and Investments	$	7,760,615

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

Deposits with Financial Institutions	$	988,131
Investments		6,772,484
Total Cash and Investments	$	7,760,615

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102.00% of the aggregate uninsured deposits.

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

PNC Bank Premium Business Money Market Account

The Loan Payment Fund monies that are included in the trust accounts at PNC Bank are invested in the Premium Business Money Market Account. This account is not actually a Money Market Mutual Fund, but a standard bank depository savings account held by PNC Bank, which is an eligible public depository in Colorado, so the account is held subject to the requirements of the PDPA.

At December 31, 2025, the District's cash deposits had a bank statement balance of $988,338 and a carrying balance of $988,131.

Investments

The District has adopted a formal investment policy which follows state statutes regarding investments.

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

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

. Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
. General obligation and revenue bonds of U.S. local government entities
. Certain certificates of participation.
. Certain securities lending agreements
. Bankers' acceptances of certain banks
. Commercial paper
. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
. Certain money market funds
. Guaranteed investment contracts
* Local government investment pools

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

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	$ 6,772,484

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to $1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

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

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 842,552	$ -	$ -	$ 842,552
Landscaping/Parks	3,500,358	-	-	3,500,358
Construction in Progress:				
Parks and Recreation	28,730	291,368	-	320,098
Software	-	45,152	45,152	-
Street Intersection	-	6,810	-	6,810
Wastewater Treatment Plant	2,098,521	642,968	2,602,218	139,271
Water Systems Facilities	34,884,256	4,039,973	64,440	38,859,789
Total Capital Assets, Not Being Depreciated	41,354,417	5,026,271	2,711,810	43,668,878
Capital Assets, Being Depreciated:				
Building/Equipment	1,979,160	-	-	1,979,160
Parks and Recreation	4,539,477	-	-	4,539,477
Signs	4,285,368	-	-	4,285,368
Street Lights	2,737,197	-	-	2,737,197
Conduit System	1,583,106	-	-	1,583,106
Storm Water System	877,915	-	-	877,915
Traffic Signals	1,419,988	-	-	1,419,988
Total Capital Assets, Being Depreciated	17,422,211	-	-	17,422,211
Lease Assets, Being Amortized				
Right-to-Use Lease Building	195,360	-	-	195,360
Total Lease Assets Being Amortized	195,360	-	-	195,360
Less Accumulated Depreciation for:				
Building/Equipment	643,078	38,551	-	681,629
Parks and Recreation	1,610,495	151,513	-	1,762,008
Signs	1,091,762	134,712	-	1,226,474
Street Lights	1,063,785	76,469	-	1,140,254
Conduit System	1,497,635	7,311	-	1,504,946
Storm Water System	196,709	17,558	-	214,267
Traffic Signals	54,113	28,400	-	82,513
Total Accumulated Depreciation	6,157,577	454,514	-	6,612,091
Less Lease Asset Accumulated Amortization:				
Right-to-Use Lease Building	34,688	38,306	-	72,994
Total Lease Assets Being Accumulated Amortization	34,688	38,306	-	72,994
Total Capital Assets Being Depreciated and Amortized, Net	11,425,306	(492,820)	-	10,932,486
Governmental Activities Capital Assets, Net	$ 52,779,723	$ 4,533,451	$ 2,711,810	$ 54,601,364

NOTE 4 CAPITAL ASSETS (CONTINUED)

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress:				
Conduit System	$ 172,243	$ -	$ 172,243	$ -
Total Capital Assets, Not Being Depreciated	172,243	-	172,243	-
Capital Assets, Being Depreciated:				
Conduit System	98,040	172,243	-	270,283
Re-Use Water System	11,321,130	-	-	11,321,130
Sewer System Facilities	9,101,159	2,151,855	-	11,253,014
Software	379,891	45,152	-	425,043
Water System Facilities	16,445,262	64,440	-	16,509,702
Waste Water Treatment Plant	11,152,715	450,363	-	11,603,078
Wells	10,553,035	-	-	10,553,035
Total Capital Assets, Being Depreciated	59,051,232	2,884,053	-	61,935,285
Less Accumulated Depreciation for:				
Conduit System	22,059	9,208	-	31,267
Re-Use Water System	1,485,171	283,028	-	1,768,199
Sewer System Facilities	7,803,635	84,600	-	7,888,235
Software	87,269	10,062	-	97,331
Water System Facilities	7,785,462	275,461	-	8,060,923
Waste Water Treatment Plant	3,444,900	286,330	-	3,731,230
Wells	3,157,009	263,824	-	3,420,833
Total Accumulated Depreciation	23,785,505	1,212,513	-	24,998,018
Total Capital Assets, Being Depreciated, Net	35,265,727	1,671,540	-	36,937,267
Business-Type Activities Capital Assets, Net	$ 35,437,970	$ 1,671,540	$ 172,243	$ 36,937,267

Streets are recorded on the statements of the District until the local municipality accepts the completed streets for maintenance. After acceptance, the investment is transferred to the local municipality.

The District transferred the majority of its public infrastructure improvements to other entities for maintenance responsibility. The District is responsible for the repayment of bonds issued to construct the aforementioned improvements. Consequently, a deficit balance is reflected on the District's statement of net position. The historical value of all transferred improvements is $33,746,171.

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

Governmental Activities:	
General Government	$ 454,514
Total Depreciation Expense - Governmental Activities	$ 454,514
Business-Type Activities:	
Conduit/Water/Sewer Facilities	$ 1,212,513
Total Depreciation Expense - Business-Type Activities	$ 1,212,513

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
Governmental Activities					
General Obligation Bonds Payable:					
Series 2023 Bonds	$ 20,870,000	$ -	$ -	$ 20,870,000	$ -
Series 2017 Bonds	13,920,000	-	250,000	13,670,000	260,000
Notes from Direct Borrowings and Placements:					
Series 2020A Refunding Loan	45,905,000	-	2,431,000	43,474,000	2,487,000
Series 2020B Refunding Loan	7,930,000	-	420,000	7,510,000	430,000
Series 2020C Improvement Loan	5,132,000	-	272,000	4,860,000	278,000
Lease Payable	174,016	-	32,577	141,439	37,584
Total Bonds/Loan Payable	93,931,016	-	3,405,577	90,525,439	$ 3,492,584
Bond Premium/Discount:					
Bond Discount - Series 2023	(366,893)	-	(14,722)	(352,171)	
Bond Premium - Series 2017	422,743	-	26,815	395,928	
Subtotal Bond Premium / Discount	55,850	-	12,093	43,757	
Total Long-Term Obligations	$ 93,986,866	$ -	$ 3,417,670	$ 90,569,196	

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

General Obligation Bonds – Series 2017

On November 14, 2017, the District issued General Obligation Bonds, Series 2017 in the amount of $14,720,000 with interest rates of 3.50% to 5.00%, consisting of serial bonds in the amount of $4,970,000 due annually through 2037, term bonds in the amount of $2,995,000 due December 1, 2042 and term bonds in the amount of $6,755,000 due December 1, 2047. The proceeds of these bonds will be used for public infrastructure within the District. The bonds maturing on or after December 1, 2028, are subject to redemption prior to maturity, at the option of the District, without redemption premium.

The Series 2017 bonds are insured by Assured Guaranty Inc. (AG). At December 31, 2025, AG was rated AA by Standard & Poor's and A1 by Moody's. The Series 2017 Bonds are not subject to acceleration and early termination. The Bonds do not have any unused lines of credit, and are not collateralized. Pursuant to the Bond Resolution, no events of default are described.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Taxable (Convertible to Tax-Exempt) Refunding Loan (Series 2020A) (the 2020A Note), **General Obligation Taxable (Convertible to Tax-Exempt) Refunding Loan (Series 2020B)** (the 2020B Note and with the 2020A Note, the Refunding Notes) and **General Obligation Improvement Loan (Series 2020C)** (the 2020C Note, and together with the Refunding Notes, the 2020 Notes)

2020 Notes

The District entered into a Loan Agreement on March 24, 2020, with BBVA Mortgage Corporation (the Lender) which is evidenced by promissory notes the District issued in the amounts of $54,616,000 for the 2020A Note, $9,434,000 for the 2020B Note and $6,013,000 for the 2020C Note.

Proceeds from the issuance of the Refunding Notes were used to: 1) advance refund the District’s outstanding General Obligation Refunding Bonds, Series 2011A, that mature after December 1, 2021; 2) advance refund the District’s outstanding General Obligation Refunding Bonds, Series 2011B, that mature after December 1, 2021; and 3) pay costs of issuance of the Refunding Notes. Proceeds from the issuance of the 2020C Note were used to: 1) pay for costs of certain improvements within the District; and 2) to pay costs of issuance of the 2020C Note.

Interest payments on the 2020 Notes are due on June 1 and December 1 (each an Interest Payment Date) of each year, beginning June 1, 2020, through and including the Maturity Date of December 1, 2040. Interest is calculated on the basis of a 360-day year and twelve 30-day months. Interest not paid when due shall remain due and owing, but shall not compound or bear additional interest. Principal on the 2020 Notes is due on December 1 of each year, beginning December 1, 2020, for the Refunding Notes and beginning December 1, 2021, for the 2020C Note.

On September 2, 2021, the 2020A Note converted to the 2020A Tax-Exempt Rate. Prior to the 2020A Conversion Date, the 2020A Note bore interest at 2.74% (the 2020A Taxable Rate). Upon the Lender’s receipt of a Conversion Opinion from Bond Counsel, beginning on the 2020A Conversion Date through and including the Maturity Date, the 2020A Note bears interest at 2.16% (the 2020A Tax-Exempt Rate).

On September 2, 2021, the 2020B Note converted to the 2020B Tax-Exempt Rate. Prior to the 2020B Conversion Date, the 2020B Note bore interest at 2.74% (the 2020B Taxable Rate). Upon the Lender’s receipt of a Conversion Opinion from Bond Counsel, beginning on the 2020B Conversion Date through and including the Maturity Date, the 2020B Note bears interest at 2.16% (the 2020B Tax-Exempt Rate).

The 2020C Note bears interest at 2.16%. Upon any Determination of Taxability, the 2020C Note will bear interest at 2.74%.

The 2020 Notes do not have any unused lines of credit, and are collateralized by Pledged Revenue and all amounts from time to time credited to each Loan Payment Account.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Prepayment

The District may, at its option, prepay the 2020 Notes on any Interest Payment Date, as follows. If any of the 2020 Notes are prepaid prior to June 1, 2026, the prepayment price equals the principal amount of the 2020 Notes prepaid plus accrued interest to the date of prepayment together with the following prepayment penalty:

(i) any applicable Yield Maintenance Fee, defined below, that may apply; and

(ii) the following applicable prepayment premium (expressed as a percentage of par):
  a. through and including December 1, 2023, 3.00%;
  b. June 1, 2024 and December 1, 2024, 2.00%
  c. June 1, 2025 and December 1, 2025, 1.00%
  d. June 1, 2026 and after, 0.00%.

If any of the 2020 Notes are prepaid on or after June 1, 2026, but prior to June 1, 2030, the prepayment price equals the principal amount of such 2020 Notes prepaid, plus accrued interest to the date of prepayment, together with any premium, which premium shall be limited to any applicable Yield Maintenance Fee that may apply. If any of the 2020 Notes are prepaid on or after June 1, 2030, the prepayment price equals the principal amount of such 2020 Notes prepaid, plus accrued interest to the date of prepayment, without premium or any prepayment penalty.

The Yield Maintenance Fee is the Annual Yield Differential multiplied by the Percent Being Prepaid, multiplied by the Average Remaining Outstanding Principal Amount, multiplied by the number of days from the Prepayment Date through the Maturity Date, divided by 360. The Annual Yield Differential is the difference (but not less than zero) between (i) the U.S. Treasury constant maturity yield for the Closing Date, for a maturity that is the same as the Maturity Date as of the Closing Date, and (ii) the U.S. Treasury constant maturity yield for the Prepayment Date for a maturity that is the same as the remaining term of the Loan at the Prepayment Date. Percent Being Prepaid means the amount determined by dividing the principal amount of the Loan being prepaid by the unpaid principal balance of the Loan as of the Prepayment Date. Average Remaining Outstanding Principal Amount is the simple average of (i) the outstanding principal balance of the Loan being prepaid plus any accrued and unpaid fees as of the Prepayment Date, and (ii) the schedule principal amount of such Loan as of the Maturity Date.

Pledged Revenue

Pledged Revenue means the moneys derived by the District from the following sources, net of any costs of collection: (a) the Required Mill Levy; and (b) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Lender for deposit into the applicable Loan Payment Account.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Required Mill Levy

Property was excluded from the District in 1999 (the 1999 Excluded Property), from 2003 to 2006 (the 2003-2006 Excluded Property) and in 2012 (the 2012 Excluded Property, and collectively the Excluded Property). The District is required to impose a Required Mill Levy without limitation as to rate on all taxable property of:

(A) the District (and the Excluded Property) each year in an amount which will generate tax revenues of not less than the Estimated Debt Requirements for the 2020A Note for the next fiscal year.

(B) the District (which shall not include the 1999 Excluded Property) each year in an amount which will generate tax revenues of not less than the Estimated Debt Requirements for the 2020B Note for the next fiscal year.

(C) the District each year in an amount which will generate tax revenues of not less than the Estimated Debt Requirements for the 2020C Note for the next fiscal year.

(D) The District each year in an amount which will not generate tax revenues in excess of the maximum tax increase permitted by the District's electoral authorization.

Events of Default

The District's outstanding 2020 Notes stipulate events of default occur if the District does not impose the Required Mill Levy, does not make payments of principal and interest when due, and other customary terms and conditions consistent with normal municipal financings. Upon the occurrence of an Event of Default, the Lender may apply all Pledged Revenue to the unpaid principal of the 2020 Notes and all interest accrued and unpaid. The 2020 Notes are not subject to early termination and acceleration.

General Obligation Bonds, Series 2023 (the Series 2023 Bonds)

The District issued the Series 2023 Bonds on July 20, 2023, in the amount of $20,870,000.

Proceeds of the Bonds

Proceeds from the sale of the Series 2023 Bonds were used to: (i) pay the costs of acquiring, constructing, installing and completing capital improvements of the District; and (ii) pay the costs of issuing the Series 2023 Bonds.

Bonds Details

The Series 2023 Bonds were issued as three term bonds bearing interest at rates ranging from 4.000% to 4.375%, payable semi-annually on June 1 and December 1, beginning on December 1, 2023. Principal payments on the Series 2023 Bonds are due annually on each December 1, beginning on December 1, 2043. The Series 2023 Bonds mature on December 1, 2053.

All of the taxable property in the District is subject to the levy of an ad valorem tax to pay the principal of and interest on the Series 2023 Bonds without limitation as to rate in an amount sufficient to pay the Series 2023 Bonds when due.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 2023 (the Series 2023 Bonds) (Continued)

Bonds Details (Continued)

The Series 2023 Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds. The Bonds are secured by the District's obligation to certify a sufficient rate to meet the debt service requirements of the Bond. The Bond Resolution does not provide for any events of default.

Insurance

The scheduled payment of principal and interest on the Series 2023 Bonds when due are guaranteed under an insurance policy issued concurrently with the delivery of the Series 2023 Bonds by Assured Guaranty Inc.

Optional Redemption

The Series 2023 Bonds maturing on or before December 1, 2033, are not subject to redemption prior to maturity at the option of the District. The Series 2023 Bonds maturing on or after December 1, 2034, are subject to redemption prior to maturity, at the option of the District beginning on December 1, 2033, or on any date thereafter, at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date without a redemption premium.

Mandatory Redemption

The term Series 2023 Bonds maturing on December 1, 2043, December 1, 2048, and December 1, 2053, are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the redemption date.

The District's long-term obligations will mature as follows:

Year Ending	Bonded Debt		Notes from Direct Borrowings and Direct Placements		
December 31,	Principal	Interest	Principal	Interest	Total
2026	$ 260,000	$ 1,439,925	$ 3,195,000	$ 1,206,230	$ 6,101,155
2027	270,000	1,429,525	3,262,000	1,137,218	6,098,743
2028	280,000	1,418,725	3,332,000	1,066,759	6,097,484
2029	295,000	1,407,525	3,403,000	994,789	6,100,314
2030	305,000	1,395,725	3,476,000	921,284	6,098,009
2031-2035	1,720,000	6,785,825	18,542,000	3,446,885	30,494,710
2036-2040	2,105,000	6,399,925	20,634,000	1,355,962	30,494,887
2041-2045	9,545,000	5,316,100	-	-	14,861,100
2046-2050	11,565,000	3,301,388	-	-	14,866,388
2051-2053	8,195,000	727,344	-	-	8,922,344
Total	$ 34,540,000	$ 29,622,006	$ 55,844,000	$ 10,129,126	$ 130,135,132

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 2, 2021, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount of $512,000,000 for the financing of new improvements, $500,000,000 for the purpose of debt refunding and $300,000,000 for the purposes of revenue and special assessment.

At December 31, 2025, the District had authorized but unissued indebtedness remaining in the amounts of $491,130,000 for the financing of new improvements, $500,000,000 for the purposes of debt refunding and $300,000,000 for revenue and special assessment.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

Lease Liability

The Entity leases office facilities under long-term, noncancelable lease agreements. The lease expires on February 1, 2029. The right-to-use lease assets and the related accumulated amortization are detailed in Capital Asset footnote. Principal and interest requirements to maturity under lease agreements are as follows:

Year Ending December 31,	Principal	Interest	Minimum Lease Payments
2026	$ 37,584	$ 11,918	$ 49,502
2027	43,153	8,081	51,234
2028	49,327	3,700	53,027
2029	11,375	2,229	13,604
Total	$ 141,439	$ 25,928	$ 167,367

NOTE 6 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

As of December 31, 2025, the District had net investment in capital assets calculated as follows:

	Governmental Activities	Business-Type Activities
Net Investment in Capital Assets:		
Capital Assets, Net	$ -	$ 36,937,267
Net Investment in Capital Assets	$ -	$ 36,937,267

NOTE 6 NET POSITION (CONTINUED)

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

The District had restricted net position as of December 31, 2025, as follows:

	Governmental Activities	Business-Type Activities
Restricted Net Position:		
Emergency Reserve	$ 190,500	$ -
Total Restricted Net Position	$ 190,500	$ -

The District has a deficit in unrestricted net position for governmental activities. The deficit amount in the governmental activities is a result of the District being responsible for repayment of bonds issued for public improvements which were conveyed to other governmental entities and to the Enterprise Fund.

NOTE 7 RELATED-PARTY TRANSACTIONS

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

The Developer, through various related entities, performs certain maintenance and management functions for the District and the District provides certain facilities to the Developer. During 2025, the District paid $5,883,791 to the Developer. At December 31, 2025, $457,928 in related party amounts are included in accounts payable. The District received payments from the Developer of approximately $74,654 for the office building lease and utilities.

NOTE 8 AGREEMENTS

Connector Agreements

On October 1, 1998, the District and the Developer entered into an agreement whereby the District will provide water and sewer connections to a parcel of land south of the District's boundaries, which is the South Meridian Metropolitan District (South Meridian). The Developer of South Meridian will provide available water to the District's water supply system in sufficient volume to enable the District to make water taps available to the South Meridian property without using or impairing the water rights presently owned by the District. The South Meridian Developer will construct the needed lines and, upon completion, will convey them to the District for maintenance and operations. As permitted by the agreement, these responsibilities were assigned by the Developer to the South Meridian Metropolitan District, and restated in a Regional Facilities Agreement.

On June 6, 2000, the District entered into an agreement (restated June 1, 2003, and amended December 7, 2004) whereby the District will provide water and sewer connections to a parcel of land, which constitutes Meridian Village Metropolitan District No. 1 and Meridian Village Metropolitan District No. 2 (Meridian Village No. 1 and Meridian Village No. 2, respectively). Meridian Village No. 1 and Meridian Village No. 2 will make water available to the District's water supply system in sufficient volume to enable the District to make water connections available to the Meridian Village No. 1 and Meridian Village No. 2 properties without using or impairing the water rights presently owned by the District. Meridian Village No. 1 and Meridian Village No. 2 will construct the needed lines and, upon completion, will convey them to the District for maintenance and operations.

Covenant Obligations

Effective January 1, 2025, the District entered into a covenant obligations and support services agreement with Shea Colorado, LLC (Shea), Meridian-MB Investments, LLC (Meridian-MB), MB Land LLC (MB), the Design Control Committee of Meridian International Business Center (Meridian DCC), the Design Control Committee of Meridian Commons (Meridian Commons DCC) and the Design Control Committee of Meridian (North Area) (Meridian North DCC).The Design Control Committees were created to administer the protective covenants of properties which lie in the District's service area. With this agreement, Shea, Meridian-MB, MB and the Design Control Committees have delegated to the District the responsibility for the performance of certain functions and duties pursuant to the protective covenants. The Design Control Committees will continue to bear responsibility for and exercise all the powers granted and/or assigned to them in the protective covenants.

Fees for services for the period from and after the effective date until December 31, 2025, shall be $25,084 per month. For each calendar year following the year 2025 the fee for services shall be increased by the increase, if any, in the Consumer Price Index for All Urban Consumers for the Denver-Boulder Metropolitan Area, as published by the United States Bureau of Labor Statistics during the most recent 12-month period prior to the commencement of that calendar year.

To the extent that the service charges are not sufficient to cover the full cost of the operations, the District will fund the Design Control Committees. This agreement shall be for 10 years, commencing on January 1, 2025, and terminating on December 31, 2035.

NOTE 8 AGREEMENTS (CONTINUED)

Covenant Obligations (Continued)

At December 31, 2025, the District had $331,008 in cash and investments and liabilities related to the ACC and DCC covenant obligations composed of payables and security deposits being held by the District.

Interchange Agreement

On January 1, 2020, the District entered into an Agreement with Denver South Transportation Management Association (the TMA) to provide landscaping and related improvements for certain territory adjacent to or near the interchange of Interstate 25 and Lincoln Avenue located in the City of Lone Tree and in unincorporated Douglas County, Colorado (the Interchange). Pursuant to the Agreement, the District shall perform on an annual basis certain operations and maintenance responsibilities (the Base Services). In addition to the Base Services, the District shall consider and make recommendations to the TMA concerning additions, repairs, replacements and removal of the Improvements' landscaping and hardscaping materials and installations (the Added Services). The TMA agrees to fund the District for the annual costs of operation and maintenance of the Improvements. In 2025, the District received, from TMA, $55,081 for Base Services and $12,409 for Added Services. The Agreement was extended through 2026 and the District may continue to provide landscaping and related Improvements under the terms of the agreement in future years.

Park and Trail Impact Fee Agreement

On July 9, 2025, the District entered into a Park and Trail Impact Fee Agreement with Shea Colorado, LLC to facilitate the construction of park and trail improvements required under the Meridian Planned Development. Under the Agreement, the District will undertake and supervise the planning, design, and construction of the improvements. Shea Colorado, LLC is required to pay a Park and Trail Impact Fee of $2,000 per Converted Dwelling Unit, subject to annual CPI adjustments beginning January 1, 2026. The District will use the impact fee revenues to fund the associated park and trail improvements and may supplement project costs with other legally available funds. As of December 31, 2025, $316,000 of fees were received under this agreement.

NOTE 9 DISTRICT COST SHARING PARTICIPATION AGREEMENTS

South Metro Water Supply Authority

In 2000, the District signed a participation agreement for funding of the South Metro Water Supply Authority (SMWSA) to define water strategies to meet near and long-term water needs of the south metro area. In 2025, the District paid $16,666 to SMWSA.

NOTE 9 DISTRICT COST SHARING PARTICIPATION AGREEMENTS (CONTINUED)

South Metro WISE Authority

On July 10, 2013, the District along with other political subdivisions entered into the South Metro WISE (Water, Infrastructure, and Supply Efficiency) Authority Formation and Organizational Intergovernmental Agreement to form the South Metro WISE Authority (WISE Partnership). This Agreement commits the District to participate in the WISE Partnership. The Agreement also defines how costs will be shared between participating members. The District committed to subscribing to 300-acre feet (AF) out of a total of 7,225 AF (4.15%) of renewable water to be delivered annually from the WISE Partnership.

Effective January 1, 2020, the District entered into a Second Amendment which increased the commitment to 775-acre feet (AF) out of a total of 10,000 AF (7.75%). During 2025, the District paid WISE $77,500 for administrative costs.

The WISE Partnership entered into the WISE Partnership – Water Delivery Agreement between the city and county of Denver, acting by and through its Board of Water Commissioners, the city of Aurora acting by and through its Utility Enterprise, and the South Metro WISE Authority. The Water Delivery Agreement is the overarching agreement that defines the terms under which Denver and Aurora will deliver water to the South Metro WISE Authority members. The WISE Partnership entered into multiple engineering design and construction contracts which were required to transport water in order to begin taking deliveries of water. The District paid $3,240,493 in capital costs related to these contracts.

Additionally, there are subscription fees, WISE operations and maintenance costs, WISE capital costs, District variable pumping costs, and the District's share of operating and maintenance costs which are billed based upon water delivered. For the year ended December 31, 2025, water capacity expense totaled $447,039. The District is responsible for paying its share of 7.75% of the WISE Operations based on the District's infrastructure capacity. The District's portion of operational costs for 2025 are $95,848.

NOTE 10 RISK MANAGEMENT

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

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

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

NOTE 11 COMMITMENTS AND CONTINGENCIES

Water Lease

The District has entered into a lease for water rights from the Developer, which together with water rights owned by the District, are sufficient to meet current demand within the District's service area. The original term of the lease is 50 years, 1982 through 2032, with two 35-year renewal options and provisions for annual adjustments. Total lease payments were $867,482 for the year ended December 31, 2025.

Construction Commitments

As of December 31, 2025, the District had unexpended construction related contract commitments of $1,106,868.

NOTE 12 REGIONAL FACILITIES AGREEMENTS

The District has entered into separate Regional Facilities Agreements (RFA), dated January 1, 1999, with South Meridian. The purpose of each RFA is to set forth the rights and obligations of South Meridian to issue indebtedness to fund, and for the District to construct, own or transfer, and operate and maintain, public facilities that benefit each district. The District is obligated to acquire all necessary water rights for the provision of water supply for the full estimated build out of South Meridian, and to manage construction of improvements and handle the books and records of the district. South Meridian is obligated to fund the improvements through limited tax obligation debt or other revenues that are legally available. At December 31, 2025, South Meridian owed the District $3,316.

NOTE 13 TAX, SPENDING, AND DEBT LIMITATION

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

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes a significant portion of its operations qualifies for this exclusion.

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

On November 2, 2021, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and other revenue of the District for 2021 and any year thereafter, without regard to any limitations under TABOR.

NOTE 13 TAX, SPENDING, AND DEBT LIMITATION (CONTINUED)

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

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

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado. On November 4, 2025, the qualified electors of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2026 and all future budget years. The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

NOTE 14 INTERFUND TRANSFERS

The transfer of $1,160,816 from the General Fund to the Enterprise Fund was to support DCC and water operations.

The transfer of $3,000,000 from the General Fund to the Capital Project Fund was to support budgeted capital expenditures.

The transfer of $37,250 from the Capital Project Fund to the Debt Service Fund was made to reclassify unused cost of issuance funds to debt service, consistent with the terms of the bond agreement.

SUPPLEMENTARY INFORMATION

MERIDIAN METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 5,190,130	$ 4,972,625	$ (217,505)
Specific Ownership Taxes	467,112	399,482	(67,630)
In-Lieu Income	450	478	28
Interest Income	85,000	121,999	36,999
Total Revenues	5,742,692	5,494,584	(248,108)
EXPENDITURES			
Bond Interest	1,449,925	1,449,925	-
Bond Principal	250,000	250,000	-
Contingency	5,536	-	5,536
County Treasurer's Fee	77,852	74,645	3,207
Loan Interest	1,273,687	1,272,329	1,358
Loan Principal	3,123,000	3,123,000	-
Paying Agent Fees	-	1,230	(1,230)
Total Expenditures	6,180,000	6,171,129	8,871
EXCESS OF REVENUES UNDER EXPENDITURES	(437,308)	(676,545)	(239,237)
OTHER FINANCING SOURCES			
Transfers From Other Funds	-	37,250	37,250
Total Other Financing Sources	-	37,250	37,250
NET CHANGE IN FUND BALANCE	(437,308)	(639,295)	(201,987)
Fund Balance - Beginning of Year	927,003	851,183	(75,820)
FUND BALANCE - END OF YEAR	$ 489,695	$ 211,888	$ (277,807)

MERIDIAN METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
System Development Fees	$ 1,000,000	$ 420,413	$ (579,587)
Interest Income	120,000	184,443	64,443
Park and Trail Fees	-	316,000	316,000
Total Revenues	1,120,000	920,856	(199,144)
EXPENDITURES			
Engineering	180,000	241,815	(61,815)
Support Management	90,658	90,660	(2)
Capital Outlay:			
Streets/Sidewalks/Transportation:			
Conduit Infrastructure	150,000	3,322	146,678
District Road Replacement and Rehab	300,000	6,810	293,190
SCADA Improvements	-	45,152	(45,152)
Sidewalks	100,000	-	100,000
Street Lights	100,000	-	100,000
Park/Landscape:			
Landscaping and Walls	300,000	54,042	245,958
Trail Expansion	500,000	291,368	208,632
Water/Wastewater Facilities:			
Lift Station A Rebuild/Rehab	-	100,519	(100,519)
Meridian Water Campus	2,550,000	3,975,533	(1,425,533)
Regional Wastewater/WWTP Upgrade	1,000,000	525,195	474,805
Safety and Security	120,000	128,879	(8,879)
WISE Projects:			
DIA Connection	660,000	387,500	272,500
Salinity Management	100,000	11,625	88,375
WISE Infrastructure	500,000	-	500,000
Total Expenditures	6,650,658	5,862,420	788,238
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,530,658)	(4,941,564)	589,094
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	3,000,000	3,000,000	-
Transfers to Other Funds	-	(37,250)	(37,250)
Total Other Financing Sources (Uses)	3,000,000	2,962,750	(37,250)
NET CHANGE IN FUND BALANCE	(2,530,658)	(1,978,814)	551,844
Fund Balances - Beginning of Year	4,746,053	5,109,947	363,894
FUND BALANCE - END OF YEAR	$ 2,215,395	$ 3,131,133	$ 915,738

MERIDIAN METROPOLITAN DISTRICT
PROPRIETARY FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Water Sales - Irrigation	$ 1,000,000	$ 1,412,719	$ 412,719
Water Sales - Potable	3,800,000	3,540,124	(259,876)
Water Sales - Waste Water	3,000,000	2,790,553	(209,447)
Water Sales - Hydrant	108,000	86,878	(21,122)
Water Sales - Miscellaneous	72,000	128,218	56,218
Tap Fees	1,000,000	1,507,285	507,285
Lease Payments	13,200	13,226	26
Conduit Lease	575,000	575,297	297
Reimbursed Expenditures	1,800	2,052	252
Interest Income	26,000	116,738	90,738
DCC Fees	34,000	28,000	(6,000)
Other Revenue	-	18,258	18,258
Total Revenues	9,630,000	10,219,348	589,348
EXPENDITURES			
Cost of Services:			
Materials	14,400	1,930	12,470
Operational Labor	2,540,000	2,441,545	98,455
Water Operations	4,089,600	4,173,080	(83,480)
Water Purchase/Lease	600,166	936,282	(336,116)
Electric and Gas - Irrigation	1,005,000	907,263	97,737
Administration and General Expenses:			
Accounting	78,000	75,196	2,804
Auditing	10,000	8,113	1,887
Conduit Maintenance	60,000	-	60,000
Contingency	17,551	-	17,551
Consulting	46,000	42,000	4,000
Dues And Membership	17,000	19,017	(2,017)
Engineering	600,000	466,613	133,387
Insurance	70,000	93,574	(23,574)
Legal	96,000	38,293	57,707
Office Overhead	18,600	11,021	7,579
Support Management	369,830	369,828	2
Capital Expenditures/Outlay:			
Infrastructure Operations	102,000	95,848	6,152
SM WISE Project Participation Dues	114,375	77,500	36,875
WISE Water Purchase	1,319,903	447,039	872,864
Total Expenditures	11,168,425	10,204,142	964,283
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,538,425)	15,206	1,553,631
OTHER FINANCING SOURCES			
Transfers From Other Funds	1,185,800	1,160,816	(24,984)
Total Other Financing Sources	1,185,800	1,160,816	(24,984)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	$ (352,625)	$ 1,176,022	$ 1,528,647

MERIDIAN METROPOLITAN DISTRICT
PROPRIETARY FUND
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2025

	Actual
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES) (BUDGETARY BASIS)	$ 1,176,022
Addback:	
Capital Asset Transfer from Capital Project Fund	2,711,810
Deduct:	
Depreciation	(1,212,513)
CHANGE IN NET POSITION	2,675,319
Total Net Position - Beginning of Year	36,712,852
TOTAL NET POSITION - END OF YEAR	$ 39,388,171

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

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$14,720,000 General Obligation Bonds Interest Rate - 3.50% to 5.00% Series 2017 Dated November 14, 2017 Interest Payable June 1 and December 1 Principal Payable December 1			$54,616,000 General Obligation Tax-Exempt Refunding Loan Interest Rate - 2.16% Series 2020A Dated March 24, 2020 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ 260,000	$ 542,975	$ 802,975	$ 2,487,000	$ 939,038	$ 3,426,038
2027	270,000	532,575	802,575	2,537,000	885,319	3,422,319
2028	280,000	521,775	801,775	2,592,000	830,520	3,422,520
2029	295,000	510,575	805,575	2,649,000	774,533	3,423,533
2030	305,000	498,775	803,775	2,708,000	717,315	3,425,315
2031	315,000	486,575	801,575	2,767,000	658,822	3,425,822
2032	330,000	473,975	803,975	2,824,000	599,054	3,423,054
2033	345,000	460,775	805,775	2,887,000	538,056	3,425,056
2034	355,000	446,975	801,975	2,946,000	475,697	3,421,697
2035	375,000	432,775	807,775	3,010,000	412,063	3,422,063
2036	385,000	417,775	802,775	3,078,000	347,047	3,425,047
2037	405,000	402,375	807,375	3,145,000	280,562	3,425,562
2038	415,000	386,175	801,175	3,212,000	212,631	3,424,631
2039	440,000	365,425	805,425	3,282,000	143,251	3,425,251
2040	460,000	343,425	803,425	3,350,000	72,360	3,422,360
2041	480,000	320,425	800,425	-	-	-
2042	1,200,000	296,425	1,496,425	-	-	-
2043	1,260,000	236,425	1,496,425	-	-	-
2044	1,305,000	192,325	1,497,325	-	-	-
2045	1,350,000	146,650	1,496,650	-	-	-
2046	1,395,000	99,400	1,494,400	-	-	-
2047	1,445,000	50,575	1,495,575	-	-	-
2048	-	-	-	-	-	-
2049	-	-	-	-	-	-
2050	-	-	-	-	-	-
2051	-	-	-	-	-	-
2052	-	-	-	-	-	-
2053	-	-	-	-	-	-
Total	$ 13,670,000	$ 8,165,150	$ 21,835,150	$ 43,474,000	$ 7,886,268	$ 51,360,268

MERIDIAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2025

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$9,434,000 General Obligation Tax-Exempt Refunding Loan Interest Rate - 2.16% Series 2020B Dated March 24, 2020 Interest Payable June 1 and December 1 Principal Payable December 1			$6,013,000 General Obligation Improvement Loan Interest Rate - 2.16% Series 2020C Dated March 24, 2020 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ 430,000	$ 162,216	$ 592,216	$ 278,000	$ 104,976	$ 382,976
2027	441,000	152,928	593,928	284,000	98,971	382,971
2028	450,000	143,402	593,402	290,000	92,837	382,837
2029	458,000	133,683	591,683	296,000	86,573	382,573
2030	466,000	123,790	589,790	302,000	80,179	382,179
2031	478,000	113,724	591,724	309,000	73,656	382,656
2032	488,000	103,399	591,399	316,000	66,982	382,982
2033	498,000	92,858	590,858	323,000	60,156	383,156
2034	511,000	82,102	593,102	329,000	53,179	382,179
2035	519,000	71,064	590,064	337,000	46,073	383,073
2036	531,000	59,854	590,854	344,000	38,794	382,794
2037	542,000	48,384	590,384	351,000	31,363	382,363
2038	556,000	36,677	592,677	359,000	23,782	382,782
2039	565,000	24,667	589,667	367,000	16,027	383,027
2040	577,000	12,463	589,463	375,000	8,100	383,100
2041	-	-	-	-	-	-
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
2046	-	-	-	-	-	-
2047	-	-	-	-	-	-
2048	-	-	-	-	-	-
2049	-	-	-	-	-	-
2050	-	-	-	-	-	-
2051	-	-	-	-	-	-
2052	-	-	-	-	-	-
2053	-	-	-	-	-	-
Total	$ 7,510,000	$ 1,361,211	$ 8,871,211	$ 4,860,000	$ 881,647	$ 5,741,647

MERIDIAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2025

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$20,870,000 General Obligation Bonds Interest Rate - 4.00% to 4.375% Series 2023 Dated July 20th, 2023 Interest Payable June 1 and December 1 Principal Payable December 1			Total		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ -	$ 896,950	$ 896,950	$ 3,455,000	$ 2,646,155	$ 6,101,155
2027	-	896,950	896,950	3,532,000	2,566,743	6,098,743
2028	-	896,950	896,950	3,612,000	2,485,484	6,097,484
2029	-	896,950	896,950	3,698,000	2,402,314	6,100,314
2030	-	896,950	896,950	3,781,000	2,317,009	6,098,009
2031	-	896,950	896,950	3,869,000	2,229,727	6,098,727
2032	-	896,950	896,950	3,958,000	2,140,360	6,098,360
2033	-	896,950	896,950	4,053,000	2,048,795	6,101,795
2034	-	896,950	896,950	4,141,000	1,954,903	6,095,903
2035	-	896,950	896,950	4,241,000	1,858,925	6,099,925
2036	-	896,950	896,950	4,338,000	1,760,420	6,098,420
2037	-	896,950	896,950	4,443,000	1,659,634	6,102,634
2038	-	896,950	896,950	4,542,000	1,556,215	6,098,215
2039	-	896,950	896,950	4,654,000	1,446,320	6,100,320
2040	-	896,950	896,950	4,762,000	1,333,298	6,095,298
2041	1,275,000	896,950	2,171,950	1,755,000	1,217,375	2,972,375
2042	630,000	845,950	1,475,950	1,830,000	1,142,375	2,972,375
2043	655,000	820,750	1,475,750	1,915,000	1,057,175	2,972,175
2044	680,000	794,550	1,474,550	1,985,000	986,875	2,971,875
2045	710,000	765,650	1,475,650	2,060,000	912,300	2,972,300
2046	745,000	735,475	1,480,475	2,140,000	834,875	2,974,875
2047	775,000	703,813	1,478,813	2,220,000	754,388	2,974,388
2048	2,300,000	670,875	2,970,875	2,300,000	670,875	2,970,875
2049	2,400,000	573,125	2,973,125	2,400,000	573,125	2,973,125
2050	2,505,000	468,125	2,973,125	2,505,000	468,125	2,973,125
2051	2,615,000	358,531	2,973,531	2,615,000	358,531	2,973,531
2052	2,730,000	244,125	2,974,125	2,730,000	244,125	2,974,125
2053	2,850,000	124,688	2,974,688	2,850,000	124,688	2,974,688
Total	$ 20,870,000	$ 21,456,856	$ 42,326,856	$ 90,384,000	$ 39,751,132	$ 130,135,132

MERIDIAN METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

	Prior Year Assessed Valuation for Current Year Property Tax Levy (1)		Mills Levied		Total Property Taxes		Percentage
Year Ended December 31,	General Fund	Debt Service	General Fund	Debt Service	Levied	Collected	Collected to Levied
2020	$ 185,423,880	$ 210,887,570	24.250	25.260	$ 10,134,134	$ 10,043,728	99.1%
2021	179,382,980	205,308,200	28.250	21.260	9,432,421	9,397,631	99.6%
2022	183,323,450	211,265,770	28.740	21.260	9,766,525	9,726,009	99.6%
2023	185,473,160	212,513,270	28.740	21.260	9,848,531	9,548,358 (2)	97.0%
2024	197,893,030	231,909,200	27.000	22.000	10,516,766	10,395,124	98.8%
2025							
Debt Service		$ 239,000,270		21.716	$ 5,136,579	$ 4,972,625	
Operational	$ 199,488,990		27.951		5,380,187	5,314,310	
					$ 10,516,766	$ 10,286,935 (3)	97.8 %
Estimated for Calendar Year December 31, 2026							
Debt Service		$ 201,802,880		27.459	$ 5,541,305		
Operational	$ 158,406,420		31.200		4,942,280		
					$ 10,483,585		

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

(1) Certain properties within the District are included for the debt service mill levy, but excluded for general fund purposes as a result of the residents electing to be excluded from the District's services.

(2) Balance collected is net of tax abatements and refunds totaling ($236,799).

(3) Balance collected is net of tax abatements and refunds totaling ($280,059).

CONTINUING DISCLOSURE OBLIGATION

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION
YEAR ENDED DECEMBER 31, 2025

BUDGET SUMMARY AND COMPARISON
GENERAL FUND
(UNAUDITED)

	2025			2026
	Final Budget	Actual	Variance	Budget
REVENUES				
Property Taxes	$ 5,575,917	$ 5,314,310	$ (261,607)	$ 4,942,280
Specific Ownership Taxes	501,833	429,176	(72,657)	370,671
In-Lieu Income	100	111,489	111,389	112,100
Interest Income	59,000	75,943	16,943	25,002
Intergovernmental Revenues	254,086	248,362	(5,724)	259,107
Lease Payments	40,200	39,678	(522)	41,400
Miscellaneous Income	-	51,809	51,809	50,030
Other Revenue	-	-	-	4,000
Reimbursed Expenditures	78,000	76,458	(1,542)	84,000
Total Revenues	6,509,136	6,347,225	(161,911)	5,888,590
EXPENDITURES				
Accounting	79,000	75,195	3,805	81,600
Auditing	9,000	8,113	887	8,400
Board Support	9,600	25,316	(15,716)	12,000
Consulting	12,000	960	11,040	6,000
Contingency	206,931	5,145	201,786	120,000
Contract Services	672,200	606,601	65,599	622,400
County Treasurer's Fees	83,639	79,783	3,856	74,134
Dues and Membership	9,000	8,332	668	4,000
Electric and Gas	64,000	77,064	(13,064)	66,000
Election	2,000	4,970	(2,970)	-
Insurance	75,000	87,113	(12,113)	92,600
Interest	-	15,251	(15,251)	-
Irrigation	16,000	16,262	(262)	14,400
Legal	72,000	30,390	41,610	54,000
Materials	188,100	199,057	(10,957)	198,800
Multimodal	281,000	252,312	28,688	138,000
Office Overhead	46,800	55,050	(8,250)	57,600
Operational Labor	1,972,000	1,892,208	79,792	2,000,000
Payroll Taxes	450	344	106	600
Promo and Special Events	-	-	-	11,100
Reimbursable Landscape and Maintenance	66,000	58,010	7,990	60,000
Total Expenditures	3,864,720	3,497,476	367,244	3,621,634
EXCESS OF REVENUES OVER EXPENDITURES	2,644,416	2,849,749	205,333	2,266,956
OTHER FINANCING (USES)				
Transfers In (Out)	(4,185,800)	(4,160,816)	24,984	(2,709,277)
Total Other Financing (Uses)	(4,185,800)	(4,160,816)	24,984	(2,709,277)
NET CHANGE IN FUND BALANCES	(1,541,384)	(1,311,067)	230,317	(442,321)
Fund Balances - Beginning of Year	1,677,694	1,772,248	94,554	710,032
FUND BALANCES - END OF YEAR	$ 136,310	$ 461,181	$ 324,871	$ 267,711

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

BUDGET SUMMARY AND COMPARISON
DEBT SERVICE FUND
(UNAUDITED)

	2025			2026
	Final Budget	Actual	Variance	Budget
REVENUES				
Property Taxes	$ 5,190,130	$ 4,972,625	$ (217,505)	$ 5,541,305
Specific Ownership Taxes	467,112	399,482	(67,630)	420,000
In-Lieu Income	450	478	28	500
Interest Income	85,000	121,999	36,999	85,977
Total Revenues	5,742,692	5,494,584	(248,108)	6,047,782
EXPENDITURES				
Bond Interest	1,449,925	1,449,925	-	1,439,925
Bond Principal	250,000	250,000	-	260,000
Contingency	5,536	-	5,536	-
County Treasurer's Fees	77,852	74,645	3,207	83,120
Loan Interest	1,273,687	1,272,329	1,358	1,206,230
Loan Principal	3,123,000	3,123,000	-	3,195,000
Paying Agent Fees	-	1,230	(1,230)	700
Total Expenditures	6,180,000	6,171,129	8,871	6,184,975
EXCESS OF REVENUES UNDER EXPENDITURES	(437,308)	(676,545)	(239,237)	(137,193)
OTHER FINANCING SOURCES				
Transfers In (Out)	-	37,250	37,250	-
Total Other Financing Sources	-	37,250	37,250	-
NET CHANGE IN FUND BALANCES	(437,308)	(639,295)	(201,987)	(137,193)
Fund Balances - Beginning of Year	927,003	851,183	(75,820)	245,193
FUND BALANCES - END OF YEAR	$ 489,695	$ 211,888	$ (277,807)	$ 108,000

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

BUDGET SUMMARY AND COMPARISON
CAPITAL PROJECT FUND
(UNAUDITED)

	2025			2026
	Final Budget	Actual	Variance	Budget
REVENUES				
System Development Fees	$ 1,000,000	$ 420,413	$ (579,587)	$ 470,000
Interest Income	120,000	184,443	64,443	65,148
Park and Trail Fees	-	316,000	316,000	-
Total Revenues	1,120,000	920,856	(199,144)	535,148
EXPENDITURES				
Engineering	180,000	241,815	(61,815)	360,000
Support Management	90,658	90,660	(2)	91,567
Capital Outlay	6,380,000	5,529,945	850,055	4,551,250
Total Expenditures	6,650,658	5,862,420	788,238	5,002,817
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,530,658)	(4,941,564)	589,094	(4,467,669)
OTHER FINANCING SOURCES				
Transfers In (Out)	3,000,000	2,962,750	(37,250)	2,000,000
Total Other Financing Sources	3,000,000	2,962,750	(37,250)	2,000,000
NET CHANGE IN FUND BALANCES	(2,530,658)	(1,978,814)	551,844	(2,467,669)
Fund Balances - Beginning of Year	4,746,053	5,109,947	363,894	3,566,548
FUND BALANCES - END OF YEAR	$ 2,215,395	$ 3,131,133	$ 915,738	$ 1,098,879

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GENERAL FUND (UNAUDITED)

	2021	2022	2023	2024	2025
REVENUES					
Property Taxes	$ 5,035,627	$ 5,252,728	$ 5,157,959	$ 5,321,103	$ 5,314,310
Specific Ownership Taxes	486,391	466,354	493,776	402,994	429,176
In-Lieu Income	142	103	94	134	111,489
Interest Income	5,645	20,748	17,267	173,870	75,943
Intergovernmental Revenues	231,780	235,608	258,838	251,874	248,362
Lease Payments	32,985	34,139	37,041	38,523	39,678
Miscellaneous Income	500	500	50	184,898	51,809
Reimbursed Expenditures	102,265	70,813	74,504	80,578	76,458
Total Revenues	5,895,335	6,080,993	6,039,529	6,453,974	6,347,225
EXPENDITURES					
Accounting and Audit	70,061	71,678	71,979	79,738	83,308
Board Support	11,805	8,005	10,552	9,551	25,316
Community Events	562	-	-	-	-
Consulting	-	-	7,263	1,460	960
Contingency	-	58	-	-	5,145
Contract Services	229,924	355,202	315,922	508,850	606,601
County Treasurer's Fees	75,650	78,954	77,253	81,155	79,783
Dues and Membership	16,136	12,474	5,178	3,711	8,332
Electric and Gas	40,631	40,387	36,257	74,489	77,064
Election	-	-	-	-	4,970
Engineering and Consulting	10,101	8,852	-	-	-
Insurance	42,145	43,379	58,134	67,777	87,113
Interest	-	-	-	-	15,251
Irrigation	14,277	12,060	14,017	12,096	16,262
Legal	63,107	49,920	52,577	20,886	30,390
Materials	70,372	98,327	143,157	134,515	199,057
Multimodal	-	-	224,014	456,214	252,312
Office Overhead	43,269	45,154	44,779	63,589	55,050
Operational Labor	2,523,529	2,668,244	1,954,310	1,835,273	1,892,208
Payroll Taxes	834	367	413	344	344
Reimbursable Landscape and Maintenance	58,350	51,888	55,955	62,162	58,010
Total Expenditures	3,270,753	3,544,949	3,071,760	3,411,810	3,497,476
EXCESS OF REVENUES OVER EXPENDITURES	2,624,582	2,536,044	2,967,769	3,042,164	2,849,749
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)	(2,900,000)	(2,080,000)	(2,050,000)	(3,291,300)	(4,160,816)
Government Merger	(639,657)	-	-	-	-
Building Rental Lease Financing	-	-	-	195,360	-
Total Other Financing Sources (Uses)	(3,539,657)	(2,080,000)	(2,050,000)	(3,095,940)	(4,160,816)
NET CHANGE IN FUND BALANCES	(915,075)	456,044	917,769	(53,776)	(1,311,067)
Fund Balances - Beginning of Year	1,367,286	452,211	908,255	1,826,024	1,772,248
FUND BALANCES - END OF YEAR	$ 452,211	$ 908,255	$ 1,826,024	$ 1,772,248	$ 461,181

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - DEBT SERVICE FUND (UNAUDITED)

	2021	2022	2023	2024	2025
REVENUES					
Property Taxes	$ 4,362,004	$ 4,473,281	$ 4,390,399	$ 5,074,021	$ 4,972,625
Specific Ownership Taxes	421,239	397,099	418,574	384,747	399,482
In-Lieu Income	426	346	315	450	478
Interest Income	8,632	54,079	104,004	127,144	121,999
Total Revenues	4,792,301	4,924,805	4,913,292	5,586,362	5,494,584
EXPENDITURES					
County Treasurer's Fees	65,519	67,222	65,771	77,203	74,645
Debt Service	5,195,461	5,206,365	5,536,424	6,098,912	6,096,484
Total Expenditures	5,260,980	5,273,587	5,602,195	6,176,115	6,171,129
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(468,679)	(348,782)	(688,903)	(589,753)	(676,545)
OTHER FINANCING SOURCES					
Transfers In (Out)	-	-	-	-	37,250
Government Merger	12	-	-	-	-
Total Other Financing Sources	12	-	-	-	37,250
NET CHANGE IN FUND BALANCES	(468,667)	(348,782)	(688,903)	(589,753)	(639,295)
Fund Balances - Beginning of Year	2,947,288	2,478,621	2,129,839	1,440,936	851,183
FUND BALANCES - END OF YEAR	$ 2,478,621	$ 2,129,839	$ 1,440,936	$ 851,183	$ 211,888

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUND (UNAUDITED)

	2021	2022	2023	2024	2025
REVENUES					
Interest Income	$ 9,549	$ 323,693	$ 1,085,875	$ 906,572	$ 184,443
Reimbursed Expenditures	523,000	251,644	251,658	-	-
Storm Facility Reimbursement	714,126	-	-	-	-
System Development Fees	2,449,255	894,878	-	790,000	420,413
Other Revenue	-	54,425	51,508	-	316,000
Total Revenues	3,695,930	1,524,640	1,389,041	1,696,572	920,856
EXPENDITURES					
Bond Issuance Costs	-	-	470,549	-	-
Support Management	79,212	87,133	88,872	89,762	90,660
Engineering	135,240	221,385	176,592	284,241	241,815
Capital Outlay	5,446,171	6,901,732	13,501,099	22,802,506	5,529,945
Total Expenditures	5,660,623	7,210,250	14,237,112	23,176,509	5,862,420
EXCESS OF REVENUES UNDER EXPENDITURES	(1,964,693)	(5,685,610)	(12,848,071)	(21,479,937)	(4,941,564)
OTHER FINANCING SOURCES AND (USES)					
Transfers In (Out)	2,100,000	1,190,000	1,850,000	2,250,000	2,962,750
Bond Insurance Proceeds	-	-	20,870,000	-	-
Bond Discount	-	-	(386,972)	-	-
Government Merger	37,717	-	-	-	-
Total Other Financing Sources	2,137,717	1,190,000	22,333,028	2,250,000	2,962,750
NET CHANGE IN FUND BALANCES	173,024	(4,495,610)	9,484,957	(19,229,937)	(1,978,814)
Fund Balances - Beginning of Year	19,177,513	19,350,537	14,854,927	24,339,884	5,109,947
FUND BALANCES - END OF YEAR	$ 19,350,537	$ 14,854,927	$ 24,339,884	$ 5,109,947	$ 3,131,133

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

FIVE YEAR HISTORY OF ASSESSED VALUATIONS FOR THE DISTRICT
(UNAUDITED)

	Property Within the District and the 2003-06 & 2012 Excluded Property (Loan 2020B Property)		1999 Excluded Property		Total (Loan 2020A Property)	Property Consolidated from North Meridian	
Levy/ Collection Year	Assessed Valuation	Percent Change	Assessed Valuation	Percent Change	Assessed Valuation	Assessed Valuation	Percent Change
2021/2022	$ 193,834,050	2.4%	$ 17,431,720	9.2%	$ 211,265,770	$ 296,280	-64.8%
2022/2023	195,984,160	1.1%	16,529,110	-5.2%	212,513,270	-	na
2023/2024	212,202,210	8.3%	19,706,810	19.2%	231,909,020	-	na
2024/2025	219,288,670	3.3%	19,711,600	0.0%	239,000,270	-	na
2025/2026	183,388,160	-16.4%	18,414,720	-6.6%	201,802,880	-	na

All taxable property of the District is subject to levy for the purpose of paying the principal and interest on the 2020A Loan. All taxable property of the District except for the 1999 Excluded Property (taxing authority 4406) is subject to levy for the purpose of paying the principal and interest on the 2020B Loan.

FIVE YEAR HISTORY OF MILL LEVIES FOR THE DISTRICT
(UNAUDITED)

	Property Within the District and the 2003-06 Excluded Property				1999 Excluded Property	Property Consolidated from North Meridian
Levy/ Collection Year	General Fund	Debt Service	Special Abatement	Total	Debt Service	General Fund
2021/2022	28.740	21.260	-	50.000	21.260	50.000
2022/2023	28.740	21.260	-	50.000	21.260	-
2023/2024	27.000	22.000	0.340	49.340	22.000	-
2024/2025	27.951	21.716	-	49.667	21.716	-
2025/2026	31.200	27.459	-	58.659	27.459	-

FIVE YEAR HISTORY OF PROPERTY TAX COLLECTIONS FOR THE DISTRICT
(UNAUDITED)

	Property Within the District and the 2003-06 & 2012 Excluded Property			1999 Excluded Property			Property Consolidated from North Meridian		
Levy/ Collection Year	Taxes Levied	Current Tax Collections	Collection Rate	Taxes Levied	Current Tax Collections	Collection Rate	Taxes Levied	Current Tax Collections	Collection Rate
2020/2021	$ 9,093,190	$ 9,031,324	99.32%	$ 339,232	$ 339,232	100.00%	$ 52,733	$ 27,075	51.34%
2021/2022	9,381,113	9,344,158	99.61%	370,598	370,599	100.00%	14,814	11,252	75.96%
2022/2023	9,259,849	9,196,949	99.32%	351,409	351,409	100.00%	-	-	na
2023/2024	10,083,216	9,961,574	98.79%	433,550	433,550	100.00%	-	-	na
2024/2025	10,088,709	9,873,107	97.86%	428,057	413,828	96.68%	-	-	na

MERIDIAN METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

TEN LARGEST TAXPAYERS IN THE DISTRICT FOR 2025

Taxpayer Name	Assessed Valuation	Percentage of Total Assessed Valuation
Windsor at Meridian LLC	$ 14,852,560	6.40%
Sierra Nevada Company LLC	12,749,570	5.50%
Compass Meridian LLC	10,205,440	4.40%
Data Sales Co Inc.	9,407,650	4.06%
AGNL Engineering	8,769,960	3.78%
Echostart Real Estate Corporation	8,561,510	3.69%
Meridian Office Partners LLC	7,295,070	3.15%
Liberty Industrial LLC	6,113,740	2.64%
Zenith Meridian LLC	5,973,120	2.58%
Garvin Grounds II LLC	4,087,310	1.76%
	$ 88,015,930	37.96%

2025 ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT

	Property Within the District and the 2003-06 & 2012 Excluded Property		1999 Excluded Property	
Property Class	Total Assessed Valuation	Percent of Total Assessed Valuation	Total Assessed Valuation	Percent of Total Assessed Valuation
Commercial	$ 98,103,870	53.50%	$ -	0.00%
Personal	45,901,700	25.03%	156,560	0.86%
Residential	20,657,270	11.26%	18,258,160	99.15%
Industrial	14,246,670	7.77%	-	0.00%
Vacant	4,430,220	2.42%	-	0.00%
State Assessed	26,700	0.01%	-	0.00%
Agricultural	21,590	0.01%	-	0.00%
Natural Resources	140	0.00%	-	0.00%
	$ 183,388,160	100.00%	$ 18,414,720	100.00%