

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
Boulder County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2025**

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Board of Directors
Weems Neighborhood Metropolitan District
Boulder County, Colorado

Independent Auditor's Report

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

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Other Matters

Required Supplemental Information

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

Supplementary Information

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

Other Information

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

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

The logo for Wipfli LLP, featuring the company name in a stylized, handwritten-style script.

Wipfli LLP
Denver, Colorado

September 24, 2026

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BASIC FINANCIAL STATEMENTS

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	\$ 163,263
Cash and Investments - Restricted	2,343,174
Prepaid Insurance	2,079
Receivable from County Treasurer	1,169
Property Tax Receivable	391,279
Capital Assets:	
Capital Assets Not Being Depreciated	9,612,839
Total Assets	<u>12,513,803</u>
LIABILITIES	
Accounts Payable	4,744
Accounts Payable - MSI	7,634
Other Current Liability	2,580
Accrued Interest	143,126
Noncurrent Liabilities:	
Due in More Than One Year	12,394,256
Total Liabilities	<u>12,552,340</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	391,279
Total Deferred Inflows of Resources	<u>391,279</u>
NET POSITION	
Restricted for:	
Emergency Reserve	5,900
Debt Service	1,468,780
Unrestricted	<u>(1,904,496)</u>
Total Net Position	<u><u>\$ (429,816)</u></u>

See accompanying Notes to Basic Financial Statements.

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

FUNCTIONS/PROGRAMS

Primary Government:
 Governmental Activities:
 General Government
 Interest on Long-Term Debt
 and Related Costs

 Total Governmental Activities

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Changes in Net Position Governmental Activities
\$	777,993	\$ 74,095	\$ -	\$ -	\$ (703,898)
	429,413	-	-	-	(429,413)
\$	<u>1,207,406</u>	<u>\$ 74,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,133,311)</u>
GENERAL REVENUES					
Property Taxes					306,141
Specific Ownership Taxes					14,069
Interest Income					73,080
Total General Revenues and Transfers					<u>393,290</u>
CHANGES IN NET POSITION					
Net Position - Beginning of Year					(740,021)
					<u>310,205</u>
NET POSITION - END OF YEAR					<u>\$ (429,816)</u>

See accompanying Notes to Basic Financial Statements.

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 163,263	\$ -	\$ 163,263
Cash and Investments - Restricted	5,900	2,337,274	2,343,174
Receivable from County Treasurer	425	744	1,169
Prepaid Insurance	2,079	-	2,079
Property Tax Receivable	123,924	267,355	391,279
	<u>123,924</u>	<u>267,355</u>	<u>391,279</u>
Total Assets	<u>\$ 295,591</u>	<u>\$ 2,605,373</u>	<u>\$ 2,900,964</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 4,744	\$ -	\$ 4,744
Accounts Payable - MSI	7,634	-	7,634
Other Current Liability	2,580	-	2,580
Total Liabilities	14,958	-	14,958
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	123,924	267,355	391,279
Total Deferred Inflows of Resources	123,924	267,355	391,279
FUND BALANCES			
Nonspendable:			
Prepaid Expense	2,079	-	2,079
Restricted for:			
Emergency Reserves	5,900	-	5,900
Debt Service	-	2,338,018	2,338,018
Unassigned	148,730	-	148,730
Total Fund Balances	156,709	2,338,018	2,494,727
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 295,591</u>	<u>\$ 2,605,373</u>	

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. 9,612,839

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 (143,126)
Bonds Payable (12,298,000)
Developer Advance Payable (96,256)

Net Position of Governmental Activities \$ (429,816)

See accompanying Notes to Basic Financial Statements.

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

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 111,323	\$ 194,818	\$ -	\$ 306,141
Specific Ownership Taxes	5,116	8,953	-	14,069
Interest Income	3,031	70,049	-	73,080
Late Fees/Penalties	1,481	-	-	1,481
Operating Fees	34,228	-	-	34,228
Operating Fees - Townhomes	32,886	-	-	32,886
Real Estate Transfer	5,500	-	-	5,500
Total Revenues	<u>193,565</u>	<u>273,820</u>	<u>-</u>	<u>467,385</u>
EXPENDITURES				
Current:				
Accounting	29,507	-	-	29,507
Administration Fees	2,738	-	-	2,738
County Treasurer's Fee	1,674	2,930	-	4,604
District Management	15,833	-	-	15,833
Dues And Membership	1,704	-	-	1,704
Election	3,959	-	-	3,959
Insurance	2,326	-	-	2,326
Landscaping	40,960	-	-	40,960
Legal	33,888	-	-	33,888
Miscellaneous	4,617	-	-	4,617
Snow Removal	18,485	-	-	18,485
Website	1,400	-	-	1,400
Debt Service:				
Bond Interest	-	311,701	-	311,701
Bond Issue Costs	-	341,532	268,940	610,472
Paying Agent Fees	-	7,500	-	7,500
Capital Projects:				
Capital Outlay	-	-	9,612,839	9,612,839
Total Expenditures	<u>157,091</u>	<u>663,663</u>	<u>9,881,779</u>	<u>10,702,533</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	36,474	(389,843)	(9,881,779)	(10,235,148)
OTHER FINANCING SOURCES (USES)				
Bond Issuance Proceeds	-	-	12,298,000	12,298,000
Transfers In (Out)	-	2,416,221	(2,416,221)	-
Total Other Financing Sources	<u>-</u>	<u>2,416,221</u>	<u>9,881,779</u>	<u>12,298,000</u>
NET CHANGE IN FUND BALANCES	36,474	2,026,378	-	2,062,852
Fund Balances - Beginning of Year	<u>120,235</u>	<u>311,640</u>	<u>-</u>	<u>431,875</u>
FUND BALANCES - END OF YEAR	<u>\$ 156,709</u>	<u>\$ 2,338,018</u>	<u>\$ -</u>	<u>\$ 2,494,727</u>

See accompanying Notes to Basic Financial Statements.

**WEEMS NEIGHBORHOOD 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	\$ 2,062,852
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital Outlay	9,612,839
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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.

Bonds Payable	(12,298,000)
Interest on Developer Advance	(6,257)
Interest on Bonds	<u>(111,455)</u>

Changes in Net Position of Governmental Activities	<u><u>\$ (740,021)</u></u>
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**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
GENERAL FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 113,781	\$ 113,781	\$ 111,323	\$ (2,458)
Specific Ownership Taxes	4,551	4,551	5,116	565
Interest Income	3,500	3,500	3,031	(469)
Late Fees/Penalties	-	2,000	1,481	(519)
Operating Fees	-	40,000	34,228	(5,772)
Operating Fees - Townhomes	-	40,000	32,886	(7,114)
Real Estate Transfer	-	10,000	5,500	(4,500)
Total Revenues	121,832	213,832	193,565	(20,267)
EXPENDITURES				
Accounting	21,000	30,000	29,507	493
Administration Fees	-	5,000	2,738	2,262
Contingency	4,293	4,293	-	4,293
County Treasurer's Fee	1,707	1,707	1,674	33
District Management	-	25,000	15,833	9,167
Dues And Membership	3,000	3,000	1,704	1,296
Election	-	7,500	3,959	3,541
Insurance	3,500	3,500	2,326	1,174
Landscaping	-	45,000	40,960	4,040
Legal	28,000	35,000	33,888	1,112
Miscellaneous	2,500	7,500	4,617	2,883
Snow Removal	-	20,000	18,485	1,515
Website	1,000	2,500	1,400	1,100
Total Expenditures	65,000	190,000	157,091	32,909
NET CHANGE IN FUND BALANCE	56,832	23,832	36,474	12,642
Fund Balance - Beginning of Year	47,776	120,235	120,235	-
FUND BALANCE - END OF YEAR	<u>\$ 104,608</u>	<u>\$ 144,067</u>	<u>\$ 156,709</u>	<u>\$ 12,642</u>

See accompanying Notes to Basic Financial Statements.

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 DEFINITION OF REPORTING ENTITY

Weems Neighborhood Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for Boulder County in 2017, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised statutes). The District's service area is located in Boulder County, Colorado. The District was established to provide public street, traffic and safety, water, sewer, park and recreation, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

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 all operation and administrative functions are contracted.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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.

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are shown as increases in assets, and redemption of bonds are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and system development fees. 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 general obligation 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.

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall of 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.

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

Pooled Cash and Investments

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

Capital Assets

Capital assets are capitalized and reported at cost or estimated historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation. Land and construction in progress are not depreciated. All of the District's capital assets as of December 31, 2025 were construction in progress.

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

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

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred 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 debt refunding*, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government'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.

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

Interfund Transfers

During the year ended December 31, 2025, the Capital Projects Fund transferred \$2,416,221 to the Debt Service Fund. The transfer was used to move bond proceeds from the capital projects fund to the debt service fund for future debt service payments.

Adoption of New Accounting Standard

In December 2023, the Government Accounting Standards Board (GASB) issued GASB Statement No. 102, *Certain Risk Disclosures*. This standard requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

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.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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	\$ 163,263
Cash and Investments - Restricted	<u>2,343,174</u>
Total Cash and Investments	<u><u>\$ 2,506,437</u></u>

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

Deposits with Financial Institutions	\$ 106,304
Investments	<u>2,400,133</u>
Total Cash and Investments	<u><u>\$ 2,506,437</u></u>

Deposits with Financial Institutions

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

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

At December 31, 2025, the District's cash deposits had a bank balance and a carrying balance of \$106,304.

Investments

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

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

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund	Weighted-Average	
Trust (CSAFE)	Under 60 Days	\$ 2,400,133
		<u>\$ 2,400,133</u>

CSAFE

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

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

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

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 LONG-TERM OBLIGATIONS

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

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
General Obligation Bonds					
Series 2025A	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -
Series 2025B	-	2,298,000	-	2,298,000	-
Subtotal Bonds Payable	-	12,298,000	-	12,298,000	-
Other Debts:					
Accrued Interest on:					
Series 2025B	-	111,455	-	111,455	-
Developer Advance - Operating	96,256	-	-	96,256	-
Accrued Interest on:					
Developer Advance - Operating	25,414	6,257	-	31,671	-
Subtotal Other Debts	121,670	117,712	-	239,382	-
Total Long-Term Obligations	\$ 121,670	\$ 12,415,712	\$ -	\$ 12,537,382	\$ -

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

\$12,298,000 General Obligation Bonds, Series 2025A and 2025B

On May 20, 2025, the District issued its General Obligation Bonds, Series 2025A and 2025B in the total amount of \$10,000,000 for the 2025A and \$2,298,000 for the 2025B bearing interest of 5.875%.

The 2025A Senior Bonds were issued for the purpose of: (a) financing Public Improvements necessary to support the Development; (b) funding capitalized interest on the 2025A Senior Bonds; (c) funding the Senior Reserve Fund to the Reserve Requirement; and (d) paying other costs in connection with the issuance of the Senior Bonds and 2025B Subordinate Bonds. The 2025B Subordinate Bonds are being issued for the purpose of financing additional Public Improvements necessary to support the Development.

The Senior Bonds bear interest at the rate of 5.875%, payable semiannually to the extent of Senior Pledged Revenue available on each June 1 and December 1 (each an "Interest Payment Date"), beginning on December 1, 2025. Annual mandatory sinking fund principal

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 LONG TERM OBLIGATIONS (CONTINUED)

\$12,298,000 General Obligation Bonds, Series 2025A and 2025B (Continued)

payments are due on December 1, beginning on December 1, 2030. The Senior Bonds mature on December 1, 2055.

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 1, 2061 (the "2025A Discharge Date"). To the extent interest on any Senior Bond is not paid when due, such interest shall compound semiannually on each Interest Payment Date at the rate then borne by the Senior Bond. The District shall not be obligated to pay more than the amount permitted by law in repayment of the Senior Bonds.

If any amount of principal of or interest on the Senior Bonds remains unpaid after the application of all Senior Pledged Revenue available therefore on December 1, 2061, the Senior Bonds will be deemed discharged.

The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Rather, principal on the Subordinate Bonds is payable annually on each December 15, commencing December 15, 2025, from, and to the extent of available Subordinate Pledged Revenue (defined below). The Subordinate Bonds mature on December 15, 2055.

The Subordinate Bonds bear interest at the rate of 7.875% per annum payable annually on December 15, but only from and to the extent of available Subordinate Pledged Revenue, beginning on December 15, 2025.

To the extent principal of any Subordinate Bonds is not paid when due, such principal shall remain outstanding until the earlier of its payment or December 15, 2061 (the "2025B Discharge Date").

In the event interest on any Subordinate Bonds is not paid when due, such interest is to compound annually on each December 15, at the rate then borne by the Subordinate Bonds.

Any amounts of principal of or interest on the Subordinate Bonds remaining unpaid after the application of all Subordinate Pledged Revenue on December 15, 2061, will be deemed discharged.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on June 1, 2030, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
June 1, 2030, to May 31, 2031	3.00%
June 1, 2031, to May 31, 2032	2.00
June 1, 2032, to May 31, 2033	1.00
June 1, 2033, and thereafter	0.00

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 LONG TERM OBLIGATIONS (CONTINUED)

\$12,298,000 General Obligation Bonds, Series 2025A and 2025B (Continued)

Senior Pledged Revenue

The Senior Bonds are secured by and payable solely from and to the extent of Senior Pledged Revenue which is defined generally in the Senior Indenture as:

- (a) all Senior Property Tax Revenues;
- (b) all Senior Specific Ownership Tax Revenues; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

Senior Required Mill Levy

Subject to the paragraphs below, prior to the Conversion Date, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in an amount necessary to generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds as the same become due and payable (less any amount thereof for which amounts are then on deposit, in the Senior Bond Fund and to the extent permitted by the Senior Indenture, the Senior Surplus Fund and the Reserve Fund, respectively) and to replenish the Reserve Fund to the Reserve

Requirement, but not in excess of 35 mills provided, however, if, after January 1, 2016, the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement is changed by law, the minimum mill levy of 35 mills and the maximum mill levy of 35 mills provided herein will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes (for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation).

Subject to the paragraphs below, on and after the Conversion Date, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary (without limitation as to rate) to generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds as the same become due and payable (less any amount thereof for which amounts are then on deposit in the Senior Bond Fund and to the extent provided in the Senior Indenture and the Reserve Fund) and to replenish the Reserve Fund to the Reserve Requirement. On and after the Conversion Date, the definition of "Senior Required Mill Levy" thereafter shall be determined exclusively by this paragraph in the Senior Indenture regardless of any subsequent increase in the Debt to Assessed Ratio.

Notwithstanding the foregoing, prior to the Surplus Fund Release Date, for so long as the amount on deposit in the Senior Surplus Fund is less than the Maximum Surplus Amount, the Senior Required Mill Levy shall be equal to 35 mills (subject to adjustment) or such lesser amount that will generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds as the same become due and payable, to replenish the Reserve Fund to the Reserve Requirement and to fully fund the Senior Surplus Fund to the Maximum Surplus Amount, or which, when combined with

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 LONG TERM OBLIGATIONS (CONTINUED)

\$12,298,000 General Obligation Bonds, Series 2025A and 2025B (Continued)

moneys then on deposit in the Senior Bond Fund, the Senior Surplus Fund and the Reserve Fund, will pay the Senior Bonds in full in the year such levy is collected by the County.

Additionally, notwithstanding anything herein to the contrary, in no event may the Senior Required Mill Levy be established at a mill levy which would cause the District to derive tax revenue in any year in excess of the maximum tax increases permitted by the District's electoral authorization, and if the Senior Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the District's electoral authorization, the Senior Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

Subordinate Pledged Revenue

The Subordinate Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue which is defined generally in the Subordinate Indenture as:

- (a) all Subordinate Property Tax Revenues;
- (b) all Subordinate Specific Ownership Tax Revenues;
- (c) any amounts released from the Senior Surplus Fund pursuant to Section 3.07(e) and (g) of the Senior Indenture, and including all amounts on deposit therein upon termination of the Senior Surplus Fund; and
- (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

"Subordinate Required Mill Levy" means an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in an amount equal to (i) 35 mills less the Senior Obligation Mill Levy, or (ii) such lesser amount which, if imposed by the District for collection in the succeeding calendar year, would generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the Subordinate Bonds in full in the year such levy is collected; provided however, that:

- (a) if, after January 1, 2016, the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement is changed by law, the mill levy of 35 mills (less the Senior Obligation Mill Levy) provided herein will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation; and
- (b) notwithstanding anything herein to the contrary, in no event may the Subordinate Required Mill Levy be established at a mill levy which would cause the District to derive tax revenue in any year in excess of the maximum tax increases permitted by the District's electoral authorization, and if the Subordinate Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 LONG TERM OBLIGATIONS (CONTINUED)

\$12,298,000 General Obligation Bonds, Series 2025A and 2025B (Continued)

District's electoral authorization, the Subordinate Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

The Series 2025A General Obligation Bond principal and interest will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ 587,500	\$ 587,500
2027	-	587,500	587,500
2028	-	587,500	587,500
2029	-	587,500	587,500
2030	45,000	587,500	632,500
2031-2035	625,000	2,861,125	3,486,125
2036-2040	1,065,000	2,626,420	3,691,420
2041-2045	1,620,000	2,253,062	3,873,062
2046-2050	2,380,000	1,692,881	4,072,881
2051-2055	4,265,000	881,251	5,146,251
Total	<u>\$ 10,000,000</u>	<u>\$ 13,252,239</u>	<u>\$ 23,252,239</u>

Debt Authorization

On November 8, 2016, the District's voters authorized general obligation indebtedness of \$208,000,000 for District improvements. The service plan has a limitation on the issuance of debt to \$13,000,000. At December 31, 2025, the District had authorized but unissued indebtedness of \$20,000. The District's service plan does not provide any additional debt limitations other than the voter authorizations. The annual debt service requirements of the Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenues.

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.

Developer Advances

On May 21, 2019, the District entered into an Operation Funding and Reimbursement Agreement to repay advances made by the Developer for operations and maintenance (O&M) costs. The District agreed to repay the Developer for such O&M advances plus accrued interest at the rate of 6.5 % (see Note 6 Agreements for additional information). As of December 31, 2025, outstanding advances under the agreement totaled \$96,256 and accrued interest totaled \$31,671.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 5 CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2025, was as follows:

	Balance at January 1, 2025	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ -	\$ 9,612,839	\$ -	\$ 9,612,839
 Governmental Activities Capital Assets, Net	 \$ -	 \$ 9,612,839	 \$ -	 \$ 9,612,839

NOTE 6 NET POSITION

The District has net position consisting of two components – restricted and unrestricted.

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

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

	Governmental Activities	Business- Type Activities
Restricted Net Position:		
Emergencies	\$ 5,900	\$ -
Debt Service Reserve	1,468,780	-
Total Restricted Net Position	<u>\$ 1,474,680</u>	<u>\$ -</u>

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

The District has a deficit in unrestricted net position. This deficit amount was the result of the District being responsible for the financing and repayment of bonds issued for the construction of public improvements which have been dedicated to other entities for maintenance.

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is Lennar Colorado, LLC (Lennar). Some members of the Board of Directors are employees, owners or are otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

Funding and Reimbursement Agreement (Operation and Maintenance)

The District and Lennar are parties to a Funding and Reimbursement Agreement (Operations and Maintenance) dated May 21, 2019 (the Operations Agreement). Pursuant to the Operations Agreement, Lennar agrees to loan to the District amounts not to exceed \$350,000 per annum. Loaned amounts are required to be reimbursed to Lennar with simple interest at 6.5% per annum. After 30 years from the date of this agreement, any principal and accrued interest outstanding is forgiven in its entirety and will be deemed a contribution to the District by Lennar and there will be no further obligation on the District to pay or reimburse Lennar. At December 31, 2025, outstanding advances under the Operations Agreement totaled \$96,256 and accrued interest totaled \$31,671.

NOTE 8 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, 2025. 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 9 TAX, SPENDING, AND DEBT LIMITATIONS

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

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

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (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, 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. Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

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

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 199,119	\$ 199,119	\$ 194,818	\$ (4,301)
Specific Ownership Taxes	7,965	7,965	8,953	988
Interest Income	10,000	70,000	70,049	49
Total Revenues	217,084	277,084	273,820	(3,264)
EXPENDITURES				
County Treasurer's Fee	2,987	2,987	2,930	57
Paying Agent Fees	4,000	7,500	7,500	-
Bond Interest	286,350	341,532	311,701	29,831
Bond Issue Costs	-	341,532	341,532	-
Contingency	-	16,449	-	16,449
Total Expenditures	293,337	710,000	663,663	46,337
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(76,253)	(432,916)	(389,843)	43,073
OTHER FINANCING SOURCES (USES)				
Transfers From Other Funds	843,400	2,416,221	2,416,221	-
Total Other Financing Sources	843,400	2,416,221	2,416,221	-
NET CHANGE IN FUND BALANCE	767,147	1,983,305	2,026,378	43,073
Fund Balance - Beginning of Year	307,995	311,640	311,640	-
FUND BALANCE - END OF YEAR	<u>\$ 1,075,142</u>	<u>\$ 2,294,945</u>	<u>\$ 2,338,018</u>	<u>\$ 43,073</u>

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

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	10,353,600	9,612,839	9,612,839	-
Bond Issue Costs	300,000	268,940	268,940	-
Total Expenditures	10,653,600	9,881,779	9,881,779	-
OTHER FINANCING SOURCES (USES)				
Bond Issuance Proceeds	11,497,000	12,298,000	12,298,000	-
Transfers To Other Fund	(843,400)	(2,416,221)	(2,416,221)	-
Total Other Financing Sources	10,653,600	9,881,779	9,881,779	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER INFORMATION

**WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025**

\$10,000,000			
General Obligation Limited Tax Bonds			
Series 2025A, Dated May 20, 2025			
Interest Rate Fixed 5.875%			
Interest Payable			
June 1 and December 1			
Principal Payable December 1			
Bonds/Loans and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2026	\$ -	\$ 587,500	\$ 587,500
2027	-	587,500	587,500
2028	-	587,500	587,500
2029	-	587,500	587,500
2030	45,000	587,500	632,500
2031	80,000	584,856	664,856
2032	120,000	580,156	700,156
2033	125,000	573,106	698,106
2034	145,000	565,763	710,763
2035	155,000	557,244	712,244
2036	180,000	548,138	728,138
2037	190,000	537,563	727,563
2038	215,000	526,400	741,400
2039	225,000	513,769	738,769
2040	255,000	500,550	755,550
2041	270,000	485,569	755,569
2042	300,000	469,706	769,706
2043	320,000	452,081	772,081
2044	355,000	433,281	788,281
2045	375,000	412,425	787,425
2046	410,000	390,394	800,394
2047	435,000	366,306	801,306
2048	480,000	340,750	820,750
2049	505,000	312,550	817,550
2050	550,000	282,881	832,881
2051	585,000	250,569	835,569
2052	635,000	216,200	851,200
2053	675,000	178,894	853,894
2054	730,000	139,238	869,238
2055	1,640,000	96,350	1,736,350
Total	<u>\$ 10,000,000</u>	<u>\$ 13,252,239</u>	<u>\$ 23,252,239</u>

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

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied			Total Property Taxes		Percent Collected to Levied
			General Operations	Debt Service	Total	Levied	Collected	
2021	\$ 85,091	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -	- %
2022	2,461,372	2792.6%	22,265	38,965	61,230	150,709	150,710	100.00 %
2023	1,896,599	-22.9%	20,053	35,094	55,147	104,591	104,591	100.00 %
2024	3,082,365	62.5%	21,498	37,622	59,120	182,229	182,229	100.00 %
2025	4,888,760	58.6%	23,274	40,730	64,004	310,900	306,141	98.47 %
Estimated for Year Ending December 31, 2026	\$ 6,184,763	26.5%	20,037	43,228	63,265	391,279		

Note:
Property taxes collected in any one year include collection of delinquent property taxes levied in prior years.
Source: Boulder Assessor and Treasurer.