

Muegge Farms Metropolitan District No. 4

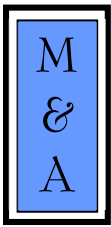
Financial Statements

December 31, 2025

**Muegge Farms Metropolitan District No. 4
Financial Statements
December 31, 2025**

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MCMAHAN AND ASSOCIATES, L.L.C.

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Muegge Farms Metropolitan District No. 4
Town of Bennett, Colorado**

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Muegge Farms Metropolitan District No. 4 (the "District"), as of and for the year ended December 31, 2025, which collectively comprise the District's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Muegge Farms Metropolitan District No. 4, as of December 31, 2025 and the respective changes in financial position thereof 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 ("U.S. 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 Muegge Farms Metropolitan District No. 4 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

The Muegge Farms Metropolitan District No. 4's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Muegge Farms Metropolitan District No. 4
Town of Bennett, Colorado

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 auditing standards generally accepted in the United States of America, we:

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

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

Required Supplementary Information

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

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison 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 U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Muegge Farms Metropolitan District No. 4
Town of Bennett, Colorado

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Muegge Farms Metropolitan District No. 4's basic financial statements. The individual funds budgetary comparison information in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Muegge Farms Metropolitan District No. 4's financial statements as a whole. The accompanying Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected in supplemental information is presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected in supplementary information as listed in the table of contents 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.



McMahan and Associates, L.L.C.
Avon, Colorado
June 9, 2026

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Muegge Farms Metropolitan District No. 4
Statement of Net Position
December 31, 2025

	Governmental Activities
Assets:	
Cash and investments - Unrestricted	35,028
Cash and investments - Restricted	1,548,984
Accounts receivable	1,638,211
Accounts receivable - County Treasurer	1
Property taxes receivable	293
Prepaid expenses	3,616
Capital assets, net	3,273,910
Total Assets	6,500,043
Liabilities:	
Accounts payable	184,025
Accrued interest payable	102,908
Due within more than one year:	
Bonds payable	6,467,000
Developer advances payable	499,047
Total Liabilities	7,252,980
Deferred Inflows of Resources:	
Property tax revenue	293
Total Deferred Inflows of Resources	293
Net Position:	
Net investment in capital assets	(2,020,148)
Restricted for:	
Emergencies	870
Debt service	1,331,838
Capital projects	1,685,034
Unrestricted	(1,750,824)
Total Net Position	(753,230)

The accompanying notes are an integral part of these financial statements.

Muegge Farms Metropolitan District No. 4
Statement of Activities
For the Year Ended December 31, 2025

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Functions/Programs:				
Governmental activities:				
General government	46,056	-	-	(46,056)
Interest and related costs on long-term debt	812,535	-	-	(812,535)
Total governmental activities	<u>858,591</u>	<u>-</u>	<u>-</u>	<u>(858,591)</u>
Total primary government	<u>858,591</u>	<u>-</u>	<u>-</u>	<u>(858,591)</u>
	General revenues:			
	Taxes:			
				362
				17
			Investment earnings and interest income	180,507
			Total general revenues	<u>180,886</u>
			Change in Net Position	(677,705)
			Net Position (Deficit) - Beginning	<u>(75,525)</u>
			Net Position (Deficit) - Ending	<u>(753,230)</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

Muegge Farms Metropolitan District No. 4
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2025

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Assets:				
Cash and investments - Unrestricted	28,531	-	6,497	35,028
Cash and investments - Restricted	-	1,331,838	217,146	1,548,984
Accounts receivable	-	-	1,638,211	1,638,211
Accounts receivable - County Treasurer	1	-	-	1
Property taxes receivable	53	240	-	293
Prepaid expenditures	3,616	-	-	3,616
Total Assets	<u>32,201</u>	<u>1,332,078</u>	<u>1,861,854</u>	<u>3,226,133</u>
Liabilities:				
Accounts payable	7,205	-	176,820	184,025
Total Liabilities	<u>7,205</u>	<u>-</u>	<u>176,820</u>	<u>184,025</u>
Deferred Inflows of Resources:				
Unavailable revenue - Property taxes	53	240	-	293
Total Deferred Inflows of Resources	<u>53</u>	<u>240</u>	<u>-</u>	<u>293</u>
Fund Balances:				
Non-spendable	3,616	-	-	3,616
Restricted for:				
Emergencies (TABOR)	870	-	-	870
Debt service	-	1,331,838	-	1,331,838
Capital projects	-	-	1,685,034	1,685,034
Unassigned	20,457	-	-	20,457
Total Fund Balances	<u>24,943</u>	<u>1,331,838</u>	<u>1,685,034</u>	<u>3,041,815</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>32,201</u>	<u>1,332,078</u>	<u>1,861,854</u>	<u>3,226,133</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. Details of these amounts are as follows:

Capital assets	3,273,910	
Accumulated depreciation	-	<u>3,273,910</u>

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Details of these amounts are as follows:

Accrued interest payable	(102,908)	
Bonds payable	(6,467,000)	
Developer advances payable	(499,047)	<u>(7,068,955)</u>

Net Position of Governmental Activities (753,230)

The accompanying notes are an integral part of these financial statements.

Muegge Farms Metropolitan District No. 4
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2025

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	362	-	-	362
Specific ownership taxes	17	-	-	17
Investment income	10	57,584	122,913	180,507
Total Revenues	<u>389</u>	<u>57,584</u>	<u>122,913</u>	<u>180,886</u>
Expenditures:				
General government	28,995	-	17,061	46,056
Debt service	-	283,203	200,000	483,203
Debt issue costs	-	432,493	-	432,493
Capital outlay	-	-	3,273,910	3,273,910
Total Expenditures	<u>28,995</u>	<u>715,696</u>	<u>3,490,971</u>	<u>4,235,662</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(28,606)</u>	<u>(658,112)</u>	<u>(3,368,058)</u>	<u>(4,054,776)</u>
Other Financing Sources (Uses):				
Bond proceeds	-	6,467,000	-	6,467,000
Transfer from (to) other fund	-	(4,477,050)	4,477,050	-
Developer advances	54,000	-	576,042	630,042
Total Other Financing Sources (Uses)	<u>54,000</u>	<u>1,989,950</u>	<u>5,053,092</u>	<u>7,097,042</u>
Net Change in Fund Balance	25,394	1,331,838	1,685,034	3,042,266
Fund Balances (Deficit) - Beginning	<u>(451)</u>	<u>-</u>	<u>-</u>	<u>(451)</u>
Fund Balances - Ending	<u>24,943</u>	<u>1,331,838</u>	<u>1,685,034</u>	<u>3,041,815</u>

The accompanying notes are an integral part of these financial statements.

Muegge Farms Metropolitan District No. 4
Reconciliation of Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2025

Net Change in Fund Balances of Governmental Funds 3,042,266

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay expenses for the current year:

Capital outlays	3,273,910	
Depreciation expense	-	
	-	3,273,910

The issuance of long-term debt (e.g., bonds, developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of developer advances	200,000	
Proceeds from bond issuance	(6,467,000)	
Developer advances	(630,042)	
Adjustments to current year interest	(96,839)	
	(6,993,881)	(6,993,881)

Change in Net Position of Governmental Activities **(677,705)**

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025

I. Summary of Significant Accounting Policies

Muegge Farms Metropolitan District No. 4 (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 29, 2018, and is governed pursuant to provisions of the Colorado Special District Act (Title 32). The District's service area is located in the Town of Bennett, Adams County, Colorado. The District operates under an Amended and Restated Service Plan approved by the Town Board of Trustees of the Town of Bennett, Colorado on March 24, 2020.

The District was established to plan for, design, acquire, construct, install, relocate, redevelop and finance the public improvements as identified in the Amended and Restated Service Plan, which include water, sanitary sewer, storm drain, roadways, interior costs, traffic signal, lift station, and parks. The District does not have any employees and all administrative services are contracted.

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the District are discussed below.

A. Reporting Entity

The District is governed by an elected Board which is responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with the provisions of the Colorado Special District Act.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits, to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria discussed above, the District is not financially accountable for any other entity, nor is the District a component unit of any other government.

B. Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, the governmental activities columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts – Net investment in capital assets; Restricted net position; and Unrestricted net position. The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The District reports the following 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* accounts for financial resources to be used for the acquisition and construction of capital equipment and facilities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

D. Financial Statement Accounts

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with maturities of three months or less.

Investments are stated at net asset value. The change in the value of investments is recognized as an increase or decrease to investment assets and investment income.

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.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

3. 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 generally 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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

4. Prepaid Expenses

Prepaid expenses are amounts paid in the current year for expenses related to next year.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

5. Capital Assets

Capital assets, which include infrastructure assets (e.g. road, water, sewer improvements and similar items), are reported 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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, by the straight-line method.

6. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District doesn't have any items that qualify for reporting in this category at December 31, 2025.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenue – property taxes, is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

7. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as "due from other funds" or "due to other funds" on the balance sheet when they are expected to be liquidated within a reasonable amount of time. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

8. Categories and Classifications of Fund Balance

The District classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

8. Categories and Classifications of Fund Balance (continued)

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of Directors. A board resolution is required to establish, modify or rescind a fund balance commitment.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the District or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

E. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the District's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

2. Credit Risk

Receivables in the District's funds are primarily due from other governments. Management believes that the credit risk related to these receivables is minimal.

3. Restricted and Unrestricted Resources

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

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

In the fall of each year, the District's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles ("GAAP").

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

II. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

As required by Colorado Statutes, the District followed the following time table in approving and enacting a budget for the ensuing years:

- (1) For the 2025 budget year, prior to August 25, 2024, the County Assessor sent to the District the certified assessed valuation of all taxable property within the District's boundaries and prior to December 10, 2024 the County Assessor sent the final recertified assessed valuation to the District.
- (2) On or before October 15, 2024, the District's accountant submitted to the District's Board of Directors a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the District's operating requirements.
- (3) A public hearing on the proposed budget and capital program was held by the Board not later than 45 days prior to the close of the fiscal year.
- (4) For the 2025 budget, prior to December 15, 2024, the District computed and certified to the County Commissioners a rate of levy that derived the necessary property taxes as computed in the proposed budget.
- (5) For the 2025 budget, the final budget and appropriating resolution was adopted prior to December 31, 2024.
- (6) After adoption of the budget resolution, the District may make the following changes: a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; b) supplemental appropriations to the extent of revenues in excess of the estimated in the budget; c) emergency appropriations; and d) reduction of appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2024 were collected in 2025 and taxes certified in 2025 will be collected in 2026 and may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th.

The level of control in the budget at which expenditure exceeds appropriations is at the fund level. All appropriations lapse at year end.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

II. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has restricted \$870 of December 31, 2025 fund balances for this purpose, which is the approximate required TABOR reserve at December 31, 2025.

On November 6, 2018, the District's voters approved several ballot questions that allow the District to collect, retain, and spend revenue without regard to limitations contained in Article X, Section 20 of the Colorado Constitution or any other law which purports to limit the District's revenue or expenditures.

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

III. Detailed Notes on All Funds

A. Deposits and Investments

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. The 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 equal to the aggregate uninsured deposits.

The State Regulatory Commissions 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.

Local Government Investment Pool – At December 31, 2025, the District had invested \$1,549,366 in the Colorado Government Liquid Asset Trust ("COLOTRUST"). COLOTRUST is an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds for investment purposes, and is registered with the State Securities Commissioner. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment.

The majority of securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify investments owned by COLOTRUST. COLOTRUST's investments consist of U.S. Treasury and U.S. agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. agency securities. These investments are not categorized because the underlying securities cannot be determined. Of the investments held in COLOTRUST at December 31, 2025, the Town had invested in COLOTRUST PLUS+, which operates similarly to money market funds and each share is equal in value to \$1.

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

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party. Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

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

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

At December 31, 2025, the District had the following cash and investments with the following maturities:

	<u>Standard & Poors Rating</u>	<u>Carrying Amounts</u>	<u>Maturities</u>	
			<u>Less Than One Year</u>	<u>One to Five Years</u>
<i>Deposits:</i>				
Checking and savings	Not Rated	34,646	34,646	-
<i>Investments:</i>				
Investment pool	AAAm	1,549,366	1,549,366	-
Total Cash and Investments		<u>1,584,012</u>	<u>1,584,012</u>	<u>-</u>

Reconciliation to Statement of Net Position:

Governmental activities - Unrestricted	35,028
Governmental activities - Restricted	1,548,984
Total Cash and Investments	<u>1,584,012</u>

Restricted cash and investments represent unspent bond proceeds (\$217,146) and future debt service requirements (\$1,331,838).

The District had the following recurring fair value measurements as of December 31, 2025:

<u>Investments Measured at Net Asset Value</u>	<u>Total</u>
COLOTRUST	<u>1,549,366</u>

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

B. Capital Assets

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

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Construction in progress	-	3,273,910	-	3,273,910
Total capital assets, not being depreciated	-	3,273,910	-	3,273,910

The District had capital outlay and depreciation expense for the following functions/programs:

Governmental Activities:	Capital Outlay	Depreciation Expense
General government	3,273,910	-
	3,273,910	-

C. Interfund Receivables, Payables, and Transfers

Interfund transfers during 2025 were as follows:

Transferred From:	Transferred To:		Purpose
	Debt Service Fund	Cap. Projects Fund	
Debt Service Fund	(4,477,050)	-	Project funds from issuance
Capital Projects Fund	-	4,477,050	
	(4,477,050)	4,477,050	

D. Long-term Debt

1. Series 2025A & B Limited Tax General Obligation Bonds

The District issued \$5,625,000 of General Obligation Limited Tax Bonds, Series 2025A (the "Senior Bonds") and \$842,000 of Subordinate General Obligation Limited Tax Bonds, Series 2025B (the "Subordinate Bonds") on February 11, 2025.

The Senior Bonds bear interest at a rate of 6.250% per annum, payable semiannually on June 1 and December 1, beginning June 1, 2025, and mature on December 1, 2054, subject to mandatory sinking fund redemption and optional redemption provisions. The Subordinate Bonds bear interest at a rate of 8.375% per annum, payable annually on December 15, beginning December 15, 2025, and mature on December 15, 2054.

The proceeds of the Bonds were used to (i) finance the costs of public improvements benefiting the District, (ii) fund capitalized interest on the Senior Bonds, (iii) fund an initial deposit to the Senior Surplus Fund, and (iv) pay costs of issuance, as provided in the respective Indentures of Trust.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

D. Long-term Debt (continued)

1. Series 2025A & B Limited Tax General Obligation Bonds (continued)

The Bonds constitute limited tax general obligations of the District and are payable solely from pledged revenues and certain funds and accounts established under the respective Indentures of Trust. The Senior Bonds are secured by Senior Pledged Revenue, which consists primarily of property tax revenues derived from a required mill levy of up to 55.277 mills (subject to adjustment for changes in assessment rates), specific ownership taxes, and other legally available revenues.

The Subordinate Bonds are secured by Subordinate Pledged Revenue, which consists primarily of (i) the subordinate required mill levy (net of the senior mill levy and any unlimited mill levy debt), (ii) specific ownership taxes attributable to such levy, (iii) certain amounts released from the Senior Surplus Fund, and (iv) other legally available revenues of the District.

The Bonds are subject to the terms of the respective Indentures of Trust, including provisions governing the flow of funds. Generally, Senior Pledged Revenue is applied as follows:

- (i) To payment of Trustee fees and expenses
- (ii) To credit the bond fund
- (iii) To credit the reserve fund
- (iv) To credit the surplus fund
- (v) To credit any other fund established for the payment of the principal and interest on subordinate bonds.
- (vi) To credit any other fund designated by the District to be used for any lawful purpose.

Subordinate Pledged Revenue is applied in accordance with the Subordinate Indenture to the payment of principal of, premium if any, and interest on the Subordinate Bonds after satisfaction of Senior Bond obligations.

The Bonds are limited tax obligations of the District and do not constitute a general obligation debt of the District within the meaning of any constitutional or statutory debt limitation. The District is not obligated to levy property taxes in excess of its authorized mill levy to pay debt service on the Bonds.

To the extent principal and interest on the Bonds are not paid from pledged revenues, the Bonds remain outstanding until the termination date of December 2, 2065 for the Senior Bonds and December 16, 2065 for the Subordinate Bonds, at which time any remaining balances are deemed discharged.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

D. Long-term Debt (continued)

2. Changes in Long-Term Debt

Changes in the District's long-term obligations for the year ended December 31, 2025 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Series 2025A General Obligation Bonds	-	5,625,000	-	5,625,000	-
Series 2025B General Obligation Bonds	-	842,000	-	842,000	-
Developer advances - Operating	69,005	54,000	-	123,005	-
Developer advances - Capital	-	576,042	(200,000)	376,042	-
Total	<u>69,005</u>	<u>7,097,042</u>	<u>(200,000)</u>	<u>6,966,047</u>	<u>-</u>

3. Annual Debt Service Requirements

The District had the following debt service requirements for the Series 2025A bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	-	351,563	351,563
2027	-	351,563	351,563
2028	-	351,563	351,563
2029	-	351,563	351,563
2030	55,000	351,563	406,563
2031-2035	375,000	1,699,063	2,074,063
2036-2040	630,000	1,552,500	2,182,500
2041-2045	975,000	1,315,000	2,290,000
2046-2050	1,455,000	954,063	2,409,063
2051-2054	2,135,000	390,625	2,525,625
Total	<u>5,625,000</u>	<u>7,669,066</u>	<u>13,294,066</u>

The Subordinate Bonds are structured as "cash flow" bonds, with no scheduled principal payments prior to maturity; instead, principal payable from available Subordinate Pledged Revenue through mandatory redemption provisions.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

D. Long-term Debt (continued)

4. Authorized but Unissued Debt

The District (District No. 4) was organized to provide services to the same service area with Muegge Farms Metropolitan District Nos. 1, 2, 3 and 5 through 8 (collectively, the "Districts") pursuant to the Amended and Restated Service Plan for Muegge Farms Metropolitan District Nos. 1-4, as approved by the Town Board of Trustees for the Town of Bennett, Colorado on March 24, 2020 (the "Service Plan", discussed below), and the Service Plan for Muegge Farms Metropolitan District Nos. 5-8, as approved by the Town Board of Trustees for the Town of Bennett, Colorado on March 24, 2020 (the "District Nos. 5-8 Service Plan, and together with the Service Plan, the "Service Plans"). The Districts, in aggregate, are limited in their ability to issue Debt as set forth in the Service Plans to a total amount not to exceed \$360,000,000, which consists of \$180,000,000 for Public Improvements and \$180,000,000 for Regional Improvements (the "Service Plan Debt Issuance Limit"). In no event is the District, which in aggregate with the Debt issued by the other Districts, to issue debt in an amount that is in excess of the Service Plan Debt Issuance Limit.

Of the \$360,000,000 in Service Plan Debt Issuance Limit, following the issuance of District No. 1's \$9,525,000 Limited Tax General Obligation Bonds (the District No. 1 2021 Bonds), the issuance of the District No. 3's \$10,431,000 Limited Tax General Obligation Bonds, Series 2021A(3), and the District's \$5,625,000 General Obligation Limited Tax Bonds, Series 2025A, and \$842,000 Subordinate General Obligation Limited Tax Bonds, Series 2025B, the remaining aggregate debt authorization under the Service Plan for all eight Muegge Farms Metropolitan Districts is \$333,577,000, which consists of \$153,577,000 for Public Improvements and \$180,000,000 for Regional Improvements. Therefore, the amount of debt authorization remaining within the Service Plan Debt Issuance Limit for all Districts combined is \$333,577,000. The Debt Allocation IGA (discussed below) further limits the District's debt authorization to \$15,000,000 for Public Improvements and \$15,000,000 for Regional Improvements.

The District has voter authorization in excess of the Service Plan Debt Issuance Limit as at the time of the election the actual costs of construction were not known. Without knowing the costs of construction or the amount of Debt to be issued by the other Districts, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer or streets) or to each District. Therefore, the Service Plan Debt Issuance Limit was voted in every power.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

IV. Other Information

A. Service Plan

The District operates pursuant to an Amended and Restated Service Plan for Muegge Farms Metropolitan District Nos. 1-4, as approved by the Town Board of Trustees for the Town of Bennett, Colorado on March 24, 2020. The Service Plan contemplates the phasing of development for the service area for all Muegge Farms Metropolitan District Nos. 1 through 8, and the infrastructure needs of each phase. It is contemplated that the Districts will cooperate with each other on certain infrastructure that benefits the taxpayers and inhabitants of the Service Area, and that each District will additionally have its own particular infrastructure needs.

B. Town Intergovernmental Agreement

On March 24, 2020, the District, Muegge Farms Metropolitan District No. 1 (“District No. 1”), Muegge Farms Metropolitan District No. 2 (“District No. 2”), and Muegge Farms Metropolitan District No. 3 (“District No. 3”), and the Town, entered into an Amended and Restated Intergovernmental Agreement (the “Town IGA”), which amends and restates an original, similar agreement dated January 1, 2019. The Town IGA incorporates the Service Plan and applicable special district provisions of Article XX of Chapter 16 of the Town Code (the Town Special District Code) into the Town IGA. Pursuant to the Town IGA, the District, District No. 1, District No. 2, and District No. 3 agreed to comply with all provisions of the Service Plan and the Town Special District Code.

C. Debt Allocation Intergovernmental Agreement

On May 26, 2021, District No. 1, District No. 2, and District No. 3 (the “Active Districts”) entered into an Amended and Restated Debt Allocation Intergovernmental Agreement for Muegge Farms Metropolitan Districts (the “Debt Allocation IGA”), under which the Active Districts acknowledge and agree that pursuant to the Service Plan, the Districts are limited in their aggregate authority to issue Debt in the maximum amount of the Total Debt Limit. The Parties agree that, based upon current development projections, the Total Debt Limit shall be allocated as between the Districts, so that each District has the authority to issue Debt under the Service Plans for Public Improvements or Regional Improvements, as applicable, up to the below respective maximum amounts.

In April 2022, the District entered into the First Amendment to the Debt Allocation IGA, under which the District agreed to the debt allocations set forth in the Debt Allocation IGA, and in June 2022, District No. 1, District No. 2, and District No. 3 acknowledged the First Amendment to the Debt Allocation IGA.

District	Public Improvement Debt Allocation	Regional Improvement Debt Allocation	Total Debt Allocation
District No. 1	15,000,000	15,000,000	30,000,000
District No. 3	15,000,000	15,000,000	30,000,000
District No. 2 and the other Districts	150,000,000	150,000,000	300,000,000

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

IV. Other Information (continued)

D. Facilities Acquisition and Reimbursement Agreement

On April 27, 2022, Muegge Farms Metropolitan District No. 4 (the "District") and MGV Investments, LLC ("MGV") entered into a Facilities Funding and Acquisition Agreement (the "Agreement"). Under the Agreement, MGV agreed to advance funds to the District for organization expenses, construction-related costs, and public improvements. The Agreement anticipates funding shortfalls, with an initial estimated amount of approximately \$6,000,000, subject to increase upon approval.

The District agrees to reimburse MGV for verified costs and advances, plus simple interest at 4% per annum. Reimbursement is contingent upon available funds, including bond proceeds, and is subject to annual appropriation; accordingly.

E. Operating Funding Agreements

On April 27, 2022, the District and MGV Investments, LLC ("MGV") entered into an Operation Funding Agreement (the "Agreement"), as amended on October 17, 2024 and October 16, 2025. Under the Agreement, MGV agreed to advance funds to the District, or pay costs directly, to fund operations, maintenance, and administrative expenses during periods in which the District's revenues are insufficient.

As amended, the Agreement provides for anticipated funding shortfalls for fiscal years 2021 through 2026 in an aggregate amount of approximately \$265,000. Advances accrue simple interest at a rate of 4% per annum from the date of advance or payment.

The District intends to reimburse MGV from legally available revenues, including taxes and other sources, after payment of annual obligations; however, repayment is subject to annual appropriation and available funds. Accordingly, the Agreement does not constitute a multiple-fiscal year financial obligation of the District.

F. Development Agreement – Major Roadways South

On October 22, 2024, the District, along with Muegge Farms Metropolitan District No. 3, the Town of Bennett, Colorado (the "Town"), MGV Investments, LLC (the "Developer"), and Muegge Farms, LLC (the "Property Owner"), entered into a Development Agreement (the "Agreement") for the construction of major roadway and related public infrastructure improvements.

In connection with the Agreement, the District is expected to issue approximately \$6,197,000 of Limited Tax General Obligation Bonds, Series 2024A and Subordinate Cash Flow Bonds, Series 2024B, of which approximately \$4,115,828 is anticipated to be deposited into the Project Fund to finance public improvements.

Pursuant to the Agreement, the District, together with District No. 3, is responsible for the design, construction, and installation of public improvements to be completed in phases, with an estimated total project cost of approximately \$3,241,788. The District is required to provide financial assurances, including encumbered funds and an improvement guarantee equal to approximately 115% of project costs.

The District is responsible for compliance with construction standards and for warranty and maintenance of the improvements following conditional acceptance by the Town. Upon final acceptance, the public improvements are to be dedicated to the Town.

Muegge Farms Metropolitan District No. 4
Notes to the Financial Statements
December 31, 2025
(continued)

IV. Other Information (continued)

G. Development Agreement – Muegge Way

On September 17, 2025, Muegge Farms Metropolitan District No. 4 (the “District”), along with Muegge Farms Metropolitan District No. 1, the Town of Bennett, Colorado (the “Town”), MGV Investments, LLC (the “Developer”), and Muegge Farms, LLC (the “Property Owner”), entered into a Development Agreement (the “Agreement”) for the construction of certain public infrastructure improvements within the District.

Under the Agreement, the District is responsible for the design, construction, and installation of roadway, utility, and related public improvements (the “Public Improvements”), which are to be completed in phases. The estimated cost of the Public Improvements is approximately \$533,526.

The Agreement provides that the Public Improvements will be financed first from available capital funds of District No. 1 and second from bond proceeds of the District, if necessary. The District is required to provide financial assurances, including encumbered funds and an improvement guarantee generally equal to 115% of the estimated project costs.

Upon completion and acceptance by the Town, the Public Improvements and related property interests are to be conveyed to the Town. The District is responsible for compliance with construction standards, as well as warranty and maintenance obligations for a period following acceptance.

H. Colorado Special Districts Property and Liability Pool

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

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

The District pays annual premiums to the Pool for liability, property and public official’s 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.

A summary of audited statutory basis financial information for the Pool can be found at: <https://csdpool.org/financials>

I. Commitments and Contingencies

During the normal course of business, the District may incur claims and other assertions against it from various agencies and individuals. Management of the District and their legal representatives have disclosed that there are no material outstanding claims against the District at December 31, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

Muegge Farms Metropolitan District No. 4
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2025

	Original & Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:			
Property taxes	362	362	-
Specific ownership taxes	21	17	(4)
Investment income	-	10	10
Total Revenues	383	389	6
Expenditures:			
General government:			
Accounting, admin management, and audit	43,500	17,582	25,918
Treasurer's fees	5	5	-
Insurance	3,300	4,843	(1,543)
Elections	10,000	2,850	7,150
Legal and professional fees	25,000	2,451	22,549
Other	3,300	1,264	2,036
Contingency	25,000	-	25,000
Total Expenditures	110,105	28,995	81,110
Excess (Deficiency) of Revenues over Expenditures	(109,722)	(28,606)	81,116
Other Financing Sources (Uses):			
Developer advances	110,000	54,000	(56,000)
Total Other Financing Sources (Uses)	110,000	54,000	(56,000)
Change in Fund Balance	278	25,394	25,116
Fund Balance (Deficit) - Beginning of Year	7,270	(451)	(7,721)
Fund Balance - End of Year	7,548	24,943	17,395

SUPPLEMENTARY INFORMATION

Muegge Farms Metropolitan District No. 4
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Final Budget Variance Positive (Negative)
Revenues:				
Investment income	-	-	57,584	57,584
Total Revenues	<u>-</u>	<u>-</u>	<u>57,584</u>	<u>57,584</u>
Expenditures:				
Debt service:				
Bond interest	375,637	275,870	283,203	(7,333)
Paying agents / Trustee fees	-	-	3,004	(3,004)
Bond issuance costs	430,260	476,749	429,489	47,260
Contingency	-	750,000	-	750,000
Total Expenditures	<u>805,897</u>	<u>1,502,619</u>	<u>715,696</u>	<u>786,923</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(805,897)</u>	<u>(1,502,619)</u>	<u>(658,112)</u>	<u>844,507</u>
Other Financing Sources (Uses):				
Bond proceeds	6,197,000	6,635,000	6,467,000	(168,000)
Bond premium	-	750,000	-	(750,000)
Transfer from (to) other fund	<u>(4,115,828)</u>	<u>(4,643,851)</u>	<u>(4,477,050)</u>	<u>166,801</u>
Total Other Financing Sources (Uses)	<u>2,081,172</u>	<u>2,741,149</u>	<u>1,989,950</u>	<u>(751,199)</u>
Change in Fund Balance	1,275,275	1,238,530	1,331,838	93,308
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>1,275,275</u>	<u>1,238,530</u>	<u>1,331,838</u>	<u>93,308</u>

Muegge Farms Metropolitan District No. 4
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Final Budget Variance Positive (Negative)
Revenues:				
Investment income	-	-	122,913	122,913
Total Revenues	<u>-</u>	<u>-</u>	<u>122,913</u>	<u>122,913</u>
Expenditures:				
General government:				
Accounting, admin management, and audit	-	-	6,785	(6,785)
Legal and professional fees	-	-	3,720	(3,720)
Bank fees	-	-	6,556	(6,556)
Debt service:				
Developer repayment	-	-	200,000	(200,000)
Capital outlay	4,115,828	9,000,000	3,273,910	5,726,090
Total Expenditures	<u>4,115,828</u>	<u>9,000,000</u>	<u>3,490,971</u>	<u>5,509,029</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,115,828)</u>	<u>(9,000,000)</u>	<u>(3,368,058)</u>	<u>5,631,942</u>
Other Financing Sources (Uses):				
Transfer from (to) other fund	4,115,828	4,643,851	4,477,050	(166,801)
Developer advances	-	4,356,149	576,042	(3,780,107)
Total Other Financing Sources (Uses)	<u>4,115,828</u>	<u>9,000,000</u>	<u>5,053,092</u>	<u>(3,946,908)</u>
Change in Fund Balance	-	-	1,685,034	1,685,034
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>-</u>	<u>-</u>	<u>1,685,034</u>	<u>1,685,034</u>

Muegge Farms Metropolitan District No. 4
Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected
For the Year Ended December 31, 2025

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property</u>	<u>Mills Levied</u>			<u>Total Property Taxes</u>		<u>Percent Collected to Levied</u>
		<u>General</u>	<u>Debt Service</u>	<u>Contractual Obligations</u>	<u>Levied</u>	<u>Collected</u>	
2025	\$ 5,140	70.396	0.000	0.000	\$ 362	\$ 362	0.00%
2026	4,040	11.875	59.372	1.188	\$ 293		

Note:

Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the County Treasurer does not permit identification of specific year of assessment.