

**MEADOWBROOK HEIGHTS  
METROPOLITAN DISTRICT**

**FINANCIAL STATEMENTS**

**December 31, 2025**



**Logan and Associates, LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

## TABLE OF CONTENTS

|                                                                                                                                                   |        |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Independent Auditor's Report                                                                                                                      | a - c  |
| <b>Basic Financial Statements</b>                                                                                                                 |        |
| Statement of Net Position                                                                                                                         | 1      |
| Statement of Activities                                                                                                                           | 2      |
| Balance Sheet - Governmental Funds                                                                                                                | 3      |
| Statement of Revenues, Expenditures and Changes in Fund Balances -<br>Governmental Funds                                                          | 4      |
| Reconciliation of the Statement of Revenues, Expenditures and<br>Changes in Fund Balances of Governmental Funds to the<br>Statement of Activities | 5      |
| Notes to Financial Statements                                                                                                                     | 6 - 17 |
| <b>Required Supplementary Information</b>                                                                                                         |        |
| Budgetary Comparison Schedule - General Fund                                                                                                      | 18     |
| Notes to Required Supplementary Information                                                                                                       | 19     |
| <b>Supplementary Information</b>                                                                                                                  |        |
| Budgetary Comparison Schedule - Debt Service Fund                                                                                                 | 20     |
| <b>Other Information</b>                                                                                                                          |        |
| Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected                                                                            | 21     |



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Meadowbrook Heights Metropolitan District  
Jefferson County, Colorado

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities and each major fund of the Meadowbrook Heights 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 the Meadowbrook Heights Metropolitan District as of December 31, 2025, and the respective changes in financial position 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 Meadowbrook Heights Metropolitan District, and to meet our 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 the accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the 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 of 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 of the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate 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***

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule of the general fund on pages 21 - 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that GASB requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Meadowbrook Heights Metropolitan District's basic financial statements. The budgetary comparison schedule – debt service fund is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

#### *Other Information*

Management is responsible for the other information included in the annual report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance 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 concluded that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Logan and Associates, LLC*

Aurora, Colorado  
September 16, 2026

## **BASIC FINANCIAL STATEMENTS**

# MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

## STATEMENT OF NET POSITION December 31, 2025

|                                                 | GOVERNMENTAL<br>ACTIVITIES   |
|-------------------------------------------------|------------------------------|
| ASSETS                                          |                              |
| Cash and Investments                            | \$ 39,569                    |
| Cash and Investments - Restricted               | 210                          |
| Receivable - County Treasurer                   | 915                          |
| Prepaid Expenses                                | 2,558                        |
| Property Taxes Receivable                       | 400,044                      |
| Capital Assets, Net of Accumulated Depreciation | <u>124,513</u>               |
| TOTAL ASSETS                                    | <u>567,809</u>               |
| LIABILITIES                                     |                              |
| Accounts Payable                                | 12,750                       |
| Bonds and Unpaid Accrued Interest Payable       |                              |
| Due Within One Year                             | 315,118                      |
| Due in More Than One Year                       | <u>4,921,000</u>             |
| TOTAL LIABILITIES                               | <u>5,248,868</u>             |
| DEFERRED INFLOWS OF RESOURCES                   |                              |
| Deferred Property Taxes                         | <u>400,044</u>               |
| NET POSITION                                    |                              |
| Restricted for Emergencies                      | 3,900                        |
| Unrestricted                                    | <u>(5,085,003)</u>           |
| TOTAL NET POSITION                              | <u><u>\$ (5,081,103)</u></u> |

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

# MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

## STATEMENT OF ACTIVITIES Year Ended December 31, 2025

| FUNCTIONS/PROGRAMS             | EXPENSES   | PROGRAM REVENUES        |                                        | NET (EXPENSE)<br>REVENUE AND<br>CHANGE IN<br>NET POSITION |
|--------------------------------|------------|-------------------------|----------------------------------------|-----------------------------------------------------------|
|                                |            | CHARGES FOR<br>SERVICES | CAPITAL<br>GRANTS AND<br>CONTRIBUTIONS | GOVERNMENTAL<br>ACTIVITIES                                |
| PRIMARY GOVERNMENT             |            |                         |                                        |                                                           |
| <b>Governmental Activities</b> |            |                         |                                        |                                                           |
| General Government             | \$ 112,622 | \$ -                    | \$ -                                   | \$ (112,622)                                              |
| Interest on Long-Term Debt     | 258,383    | -                       | -                                      | (258,383)                                                 |
| Total Governmental Activities  | 371,005    | -                       | -                                      | (371,005)                                                 |
| GENERAL REVENUES               |            |                         |                                        |                                                           |
| Property Taxes                 |            |                         |                                        | 374,138                                                   |
| Specific Ownership Taxes       |            |                         |                                        | 24,181                                                    |
| Investment Income              |            |                         |                                        | 10,090                                                    |
| Miscellaneous Income           |            |                         |                                        | 1,591                                                     |
| TOTAL GENERAL REVENUES         |            |                         |                                        | 410,000                                                   |
| CHANGE IN NET POSITION         |            |                         |                                        | 38,995                                                    |
| NET POSITION, Beginning        |            |                         |                                        | (5,120,098)                                               |
| NET POSITION, Ending           |            |                         |                                        | \$ (5,081,103)                                            |

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

# MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

## BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2025

|                                                                               | GENERAL           | DEBT<br>SERVICE   | TOTALS            |
|-------------------------------------------------------------------------------|-------------------|-------------------|-------------------|
| <b>ASSETS</b>                                                                 |                   |                   |                   |
| Cash and Investments                                                          | \$ 39,569         | \$ -              | \$ 39,569         |
| Cash and Investments - Restricted                                             | -                 | 210               | 210               |
| Receivable - County Treasurer                                                 | 203               | 712               | 915               |
| Prepaid Expenses                                                              | 2,558             | -                 | 2,558             |
| Property Taxes Receivable                                                     | 132,424           | 267,620           | 400,044           |
| <b>TOTAL ASSETS</b>                                                           | <u>\$ 174,754</u> | <u>\$ 268,542</u> | <u>\$ 443,296</u> |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES AND FUND BALANCES</b>       |                   |                   |                   |
| <b>LIABILITIES</b>                                                            |                   |                   |                   |
| Accounts Payable                                                              | \$ 12,750         | \$ -              | \$ 12,750         |
| <b>TOTAL LIABILITIES</b>                                                      | <u>12,750</u>     | <u>-</u>          | <u>12,750</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                          |                   |                   |                   |
| Deferred Property Taxes                                                       | 132,424           | 267,620           | 400,044           |
| <b>FUND BALANCES</b>                                                          |                   |                   |                   |
| Nonspendable                                                                  | 2,558             | -                 | 2,558             |
| Restricted for Emergencies                                                    | 3,900             | -                 | 3,900             |
| Restricted for Debt Service                                                   | -                 | 922               | 922               |
| Unassigned                                                                    | 23,122            | -                 | 23,122            |
| <b>TOTAL FUND BALANCES</b>                                                    | <u>29,580</u>     | <u>922</u>        | <u>30,502</u>     |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS<br/>OF RESOURCES AND FUND BALANCES</b> | <u>\$ 174,754</u> | <u>\$ 268,542</u> | <u>\$ 443,296</u> |

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

|                                                                                                                                                                                                          |                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Total Fund Balances of Governmental Funds                                                                                                                                                                | \$ 30,502             |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.                                                                                | 124,513               |
| Long-term liabilities, including bonds payable (\$4,921,000) and unpaid accrued interest payable (\$315,118), are not due and payable in the current year and, therefore, are not reported in the funds. | (5,236,118)           |
| Total Net Position of Governmental Activities                                                                                                                                                            | <u>\$ (5,081,103)</u> |

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

# MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS Year Ended December 31, 2025

|                                    | GENERAL     | DEBT<br>SERVICE | TOTALS      |
|------------------------------------|-------------|-----------------|-------------|
| REVENUES                           |             |                 |             |
| Property Taxes                     | \$ 117,377  | \$ 256,761      | \$ 374,138  |
| Specific Ownership Taxes           | 7,586       | 16,595          | 24,181      |
| Miscellaneous Income               | 1,591       | -               | 1,591       |
| Investment Income                  | 1,710       | 8,380           | 10,090      |
|                                    | <hr/>       | <hr/>           | <hr/>       |
| TOTAL REVENUES                     | 128,264     | 281,736         | 410,000     |
|                                    | <hr/>       | <hr/>           | <hr/>       |
| EXPENDITURES                       |             |                 |             |
| General Government                 |             |                 |             |
| District Management and Accounting | 28,000      | -               | 28,000      |
| Auditing                           | -           | -               | -           |
| County Treasurer Fees              | 1,765       | 3,861           | 5,626       |
| Dues, Membership and Website       | 6,124       | -               | 6,124       |
| Election                           | -           | -               | -           |
| Insurance                          | 3,908       | -               | 3,908       |
| Legal                              | 20,568      | -               | 20,568      |
| Miscellaneous                      | 153         | -               | 153         |
| Irrigation Repairs                 | 2,254       | -               | 2,254       |
| Landscaping                        | 11,017      | -               | 11,017      |
| Snow Removal                       | 5,844       | -               | 5,844       |
| Trash Removal                      | 19,994      | -               | 19,994      |
| Water - Irrigation                 | 4,579       | -               | 4,579       |
| Debt Service                       |             |                 |             |
| Debt Interest                      | -           | 316,600         | 316,600     |
| Paying Agent Fees                  | -           | 271             | 271         |
|                                    | <hr/>       | <hr/>           | <hr/>       |
| TOTAL EXPENDITURES                 | 104,206     | 320,732         | 424,938     |
|                                    | <hr/>       | <hr/>           | <hr/>       |
| NET CHANGE IN FUND BALANCES        | 24,058      | (38,996)        | (14,938)    |
|                                    | <hr/>       | <hr/>           | <hr/>       |
| FUND BALANCES, Beginning           | 5,522       | 39,918          | 45,440      |
|                                    | <hr/>       | <hr/>           | <hr/>       |
| FUND BALANCES, Ending              | \$ 29,580   | \$ 922          | \$ 30,502   |
|                                    | <hr/> <hr/> | <hr/> <hr/>     | <hr/> <hr/> |

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

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2025

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

|                                                                                                                                                                                                                                                                                                                                                                                          |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Net Change in Fund Balances of Governmental Funds                                                                                                                                                                                                                                                                                                                                        | \$ (14,938)      |
| Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount of depreciation expense in the current year. | (4,555)          |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the change in unpaid accrued interest payable in the current year.                                                                                                            | <u>58,488</u>    |
| Change in Net Position of Governmental Activities                                                                                                                                                                                                                                                                                                                                        | <u>\$ 38,995</u> |

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

# MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2025

### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Meadowbrook Heights Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the state of Colorado, located entirely in Jefferson County, Colorado was organized on November 5, 2019, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was formed to provide financing for the acquisition, installation and construction of public improvements and services, including water, sanitation, streets, traffic and safety control devices, television relay and translation, landscaping, mosquito control, security, covenant enforcement, fire protection and parks and recreation within its boundaries. The District is governed by a five-member Board of Directors elected by the residents.

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

#### **Reporting Entity**

The definition of the reporting entity is based primarily on financial accountability. The District is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if District officials appoint a voting majority of the organization's governing body and either it is 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. The District may also be financially accountable for organizations that are fiscally dependent upon it. Based on the application of this criteria, the District does not include additional organizations in its reporting entity.

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

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported in a single column.

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

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and used. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year.

Property taxes, specific ownership taxes, intergovernmental revenues, and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

In the fund financial statements, the District reports the following major governmental funds:

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

Debt Service Fund accounts for resources accumulated for, and payments made on, long-term debt obligations of the District.

**Assets, Liabilities and Net Position/Fund Balances**

*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, cash is deposited to and disbursed from a limited number of accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investments are reported at fair value or net asset value.

*Due to/from Other Funds* – During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified in the fund financial statements as due to/from other funds.

*Capital Assets* - Capital assets, which include primarily land, infrastructure, and related improvements, 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, using the straight-line method. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Landscaping

30 Years

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Assets, Liabilities and Net Position/Fund Balances** (Continued)

*Long-Term Debt* - In the government-wide financial statements, long-term debt is reported as a liability. Bond premium/discount and cost of refunding are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

*Deferred Inflows of Resources* - In addition to assets, the balance sheet - governmental funds and statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement classification represents an acquisition of fund balance or net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until then. The District has an item related to property taxes levied in the current year to be collected in the following year at December 31, 2025.

*Net Position* - The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net Investment in Capital Assets - This classification reflects the portion of net position that is associated with non-liquid, capital assets less outstanding capital asset related debt.
- Restricted Net Position - This classification includes amounts for which constraints have been placed on net position either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position - This classification includes the remaining net position that is not restricted or part of the net investment in capital assets.

*Fund Balance Classification* - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items) or (b) are legally or contractually required to be maintained intact.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Assets, Liabilities and Net Position/Fund Balances** (Continued)

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District'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 – This classification includes amounts that are constrained by the District'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 changed than those imposed on committed amounts.
- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The District has not established a formal policy for its use of restricted and unrestricted fund balance. However, if both the restricted and unrestricted fund balances are available the District uses restricted fund balance first.

**Property Taxes**

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the District on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources are reported at December 31.

**Use of Estimates**

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Subsequent Events**

The District has evaluated events subsequent to the year ended December 31, 2025 through September 16, 2026, the date of these financial statements were issued, and has incorporated any required recognition into these financial statements.

**NOTE 2: CASH AND INVESTMENTS**

At December 31, 2025, the District had the following cash and investments.

|             |                         |
|-------------|-------------------------|
| Deposits    | \$ 3,590                |
| Investments | <u>36,189</u>           |
| Total       | <u><u>\$ 39,779</u></u> |

Cash and investments are reported in the financial statements as follows:

|                                   |                         |
|-----------------------------------|-------------------------|
| Cash and Investments              | \$ 39,569               |
| Cash and Investments – Restricted | <u>210</u>              |
| Total                             | <u><u>\$ 39,779</u></u> |

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors up to \$250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2025, the District had bank deposits totaling \$3,590, all of which were insured by FDIC.

**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 Local Government Investment Pools, obligation of the United States and certain U.S. government agency securities, which are believed to have minimal credit risk; minimal interest rate risk and no foreign currency risk.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**Investments (Continued)**

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.

State statutes specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest which include the following.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

At December 31, 2025, the District had the following investments, which are recorded at amortized cost:

|                                              | <u>Maturity</u>                   | <u>2025</u>      |
|----------------------------------------------|-----------------------------------|------------------|
| Colorado Surplus Asset<br>Fund Trust (CSAFE) | Weighted Average<br>under 60 days | <u>\$ 36,189</u> |

CSAFE

The District invested in the Colorado Surplus Asset Fund (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE is 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 rate commercial paper. A designated custodial bank serves as custodian for CSAFE's investment portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as a depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor's. 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.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**Restricted Cash and Investments**

Restricted cash and investments consist of amounts restricted for future debt service requirements.

**NOTE 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Accountability**

The Governmental Activities had deficit net position of \$5,081,103 December 31, 2025. The Governmental Activities deficit is primarily related to the District issuing debt and developing capital assets infrastructure that was conveyed to the Jefferson County, Colorado and other special districts. Management expects this deficit balance to be eliminated as the debt principal and unpaid interest are paid.

**NOTE 4: CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2025, is summarized below:

|                                             | Balances<br>12/31/2024 | Additions         | Deletions   | Balances<br>12/31/2025 |
|---------------------------------------------|------------------------|-------------------|-------------|------------------------|
| <b>Governmental Activities:</b>             |                        |                   |             |                        |
| Capital Assets, being depreciated           |                        |                   |             |                        |
| Landscaping                                 | 136,661                | -                 | -           | 136,661                |
| Total Capital Assets, being depreciated     | 136,661                | -                 | -           | 136,661                |
| Less accumulated depreciation               |                        |                   |             |                        |
| Landscaping                                 | (7,593)                | (4,555)           | -           | (12,148)               |
| Total accumulated depreciation              | (7,593)                | (4,555)           | -           | (12,148)               |
| Governmental Activities Capital Assets, net | <u>\$ 129,068</u>      | <u>\$ (4,555)</u> | <u>\$ -</u> | <u>\$ 124,513</u>      |

Depreciation expense was charged to the general government program of the District.

The remainder of this page is intentionally left blank.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 5: LONG-TERM DEBT**

Following is a summary of long-term debt transactions for the year ended December 31, 2025.

|                         | <u>Balances</u><br><u>12/31/2024</u> | <u>Additions</u>  | <u>Repayments</u> | <u>Balances</u><br><u>12/31/2025</u> | <u>Due Within</u><br><u>One Year</u> |
|-------------------------|--------------------------------------|-------------------|-------------------|--------------------------------------|--------------------------------------|
| G.O. Limited Tax Bonds  |                                      |                   |                   |                                      |                                      |
| Refunding and           |                                      |                   |                   |                                      |                                      |
| Series 2021(A)(3)       | \$ 4,921,000                         | \$ -              | \$ -              | \$ 4,921,000                         | \$ -                                 |
| Unpaid Accrued Interest |                                      |                   |                   |                                      |                                      |
| Series 2021(A)(3)       | 373,606                              | 258,112           | 316,600           | 315,118                              | 315,118                              |
|                         | <u>\$ 5,294,606</u>                  | <u>\$ 258,112</u> | <u>\$ 316,600</u> | <u>\$ 5,236,118</u>                  | <u>\$ 315,118</u>                    |

**General Obligation Limited Tax Bonds, Series 2021A(3)**

On July 13, 2021, the District issued General Obligation Limited Tax Bonds, Series 2021A(3) (the "Bonds") in the principal amount of \$4,921,000 for the purpose of financing or reimbursing construction of certain public improvements and to pay the costs of issuance of the Bonds.

The Bonds are payable annually on December 1, beginning December 1, 2021, from, and to the extent of Pledged Revenue available, if any, bearing interest at 4.875%, per annum through December 1, 2051. The Bonds are structured as cash flow bonds, meaning that there are no scheduled payments of principal and interest prior to the final maturity date. Unpaid interest on the Bonds, compounds annually on each December 1. On December 2, 2061, (the "Termination Date"), all of the unpaid principal and interest remaining on the Bonds will be deemed to be paid and discharged.

The Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2026, and on any date thereafter, upon payment of par, accrued interest and a redemption premium equal to a percent of the principal amount redeemed, as follows:

| <u>Date of Redemption</u>           | <u>Redemption</u><br><u>Premium</u> |
|-------------------------------------|-------------------------------------|
| September 1, 2026 – August 31, 2027 | 3.00%                               |
| September 1, 2027 – August 31, 2028 | 2.00%                               |
| September 1, 2028 – August 31, 2029 | 1.00%                               |
| September 1, 2029, and thereafter   | 0.00%                               |

The Bonds are secured by and payable from moneys derived by the District from the following sources: (a) the required mill levy; (b) the portion of the specific ownership tax which is collected as a result of the imposition of the required mill levy; and (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 5: LONG-TERM DEBT (Continued)**

The District is required to impose a required mill levy on all taxable property in the District each year in the amount of 55.664 mills less the number of mills necessary to pay unlimited debt (subject to adjustment for changes in the method of calculating assessed valuation that occur after January 1, 2019), or such lesser mill levy as will fund the Bond Fund to an amount sufficient to pay all outstanding principal and interest (both accrued and compounded) due on the Bonds. The required mill levy is net of the collection costs of Jefferson County and any tax refunds or abatements authorized by or on behalf of Jefferson County.

The District's debt service requirements relating to the Series 2021A(3) G.O. Bonds will be paid with available cash flow, therefore a schedule of principal and interest payments is not presented.

The occurrence of one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under the Indenture (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be affected by operation of law or pursuant to any judgement, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this section:

- (a) The District fails or refuses to impose the required mill levy or to apply the Pledged Revenue as required by the Indenture.
- (b) The District defaults in the performance or observance of any of the covenants, agreements, or conditions on the part of the District in the Indenture or the Bond Resolution;
- (c) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds.

To the extent that the principal of any Bond is not paid when due, such principal shall remain outstanding until the earlier of its payments or the Termination Date and shall continue to bear interest at the rate then borne by the bond. To the extent that interest on any Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Bond.

The remainder of this page is intentionally left blank.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 5: LONG-TERM DEBT (Continued)**

**Authorized Debt**

On November 5, 2019, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$144,000,000 at an interest rate not to exceed 15% per annum. At December 31, 2025, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

|                          | Amount<br>Authorized on<br>November 5,<br>2019 | Authorization<br>Used for<br>Series 2021A(3)<br>Bonds | Authorized<br>but<br>Unused |
|--------------------------|------------------------------------------------|-------------------------------------------------------|-----------------------------|
| Water                    | \$ 8,000,000                                   | \$ 450,000                                            | \$ 7,550,000                |
| Streets                  | 8,000,000                                      | 3,721,000                                             | 4,279,000                   |
| Traffic and Safety       | 8,000,000                                      | -                                                     | 8,000,000                   |
| TV Relay                 | 8,000,000                                      | -                                                     | 8,000,000                   |
| Park and Recreation      | 8,000,000                                      | -                                                     | 8,000,000                   |
| Sanitation               | 8,000,000                                      | 750,000                                               | 7,250,000                   |
| Mosquito Control         | 8,000,000                                      | -                                                     | 8,000,000                   |
| Public Transportation    | 8,000,000                                      | -                                                     | 8,000,000                   |
| Security                 | 8,000,000                                      | -                                                     | 8,000,000                   |
| Business Recruitment     | 8,000,000                                      | -                                                     | 8,000,000                   |
| Fire Protection          | 8,000,000                                      | -                                                     | 8,000,000                   |
| O&M Debt                 | 8,000,000                                      | -                                                     | 8,000,000                   |
| IGA Debt                 | 8,000,000                                      | -                                                     | 8,000,000                   |
| Revenue Debt             | 8,000,000                                      | -                                                     | 8,000,000                   |
| Special Assessment Debt  | 8,000,000                                      | -                                                     | 8,000,000                   |
| Reimbursement Agreements | 8,000,000                                      | -                                                     | 8,000,000                   |
| Refunding                | 16,000,000                                     | -                                                     | 16,000,000                  |
| Total                    | <b>\$ 144,000,000</b>                          | <b>\$ 4,921,000</b>                                   | <b>\$ 139,079,000</b>       |

The District's Service Plan also limits the total mill levy to 55.664 mills. Required mill levy is discussed previously, under the Bonds.

The District's Service Plan also limits the total debt issuance not to exceed \$8,000,000. In the future, the District may issue a portion of the remaining authorized by unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

**NOTE 6: PUBLIC ENTITY RISK POOL**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. For these risks of loss, the District participates in the Colorado Special Districts Property and Liability Pool (the "Pool"), a separate and independent governmental and legal entity formed by intergovernmental agreement.

The purposes of the Pool are to provide members defined liability, and property coverages and to assist members in preventing and reducing losses and injuries to

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

**NOTE 6: PUBLIC ENTITY RISK POOL (Continued)**

property and to persons or property which might result in claims being made against members of the Pool, their employees and officers.

It is the intent of the members of the Pool to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of the Pool against stated liability of loss, to the limit of the financial resources of the Pool.

It is also the intent of the members to have the Pool provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its members. The Pool is a separate legal entity and the District does not approve budgets nor does it have the ability to significantly affect the operations of the Pool.

**NOTE 7: COMMITMENTS AND CONTINGENCIES**

**Tabor Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment is complex and subject to judicial interpretation.

On November 5, 2019, a majority of the District's voters authorized the District to collect, spend or retain in reserve all currently levied taxes and fees of the District without regard to any limitations under the Amendment. The District believes it is in compliance with the requirements of the Amendment.

The District has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2025, the emergency reserve of \$3,900 was reported as a restriction of fund balance in the General Fund and restricted net position in the statement of net position.

**Tax Spending Limitation**

Section 29-1-1702, Colorado Revised Statutes (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 from property taxes is generally limited to a 10.50% increase over a two-year period (5.25% each year); such increase is determined based on a prior assessment period and adjusted for allowable exclusion 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.

## REQUIRED SUPPLEMENTARY INFORMATION

# MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

## BUDGETARY COMPARISON SCHEDULE

### GENERAL FUND

Year Ended December 31, 2025

|                                    | ORIGINAL<br>AND FINAL<br>BUDGET | ACTUAL     | VARIANCE<br>WITH FINAL<br>BUDGET |
|------------------------------------|---------------------------------|------------|----------------------------------|
| REVENUES                           |                                 |            |                                  |
| Property Taxes                     | \$ 117,377                      | \$ 117,377 | \$ -                             |
| Specific Ownership Taxes           | 5,869                           | 7,586      | 1,717                            |
| Investment Income                  | 350                             | 1,710      | 1,360                            |
| Miscellaneous Income               | -                               | 1,591      | 1,591                            |
| TOTAL REVENUES                     | 123,596                         | 128,264    | 4,668                            |
| EXPENDITURES                       |                                 |            |                                  |
| General Government                 |                                 |            |                                  |
| District Management and Accounting | 39,600                          | 28,000     | 11,600                           |
| Auditing                           | 9,000                           | -          | 9,000                            |
| County Treasurer Fees              | 1,761                           | 1,765      | (4)                              |
| Dues, Membership and Website       | 1,410                           | 6,124      | (4,714)                          |
| Election                           | 600                             | -          | 600                              |
| Insurance                          | 3,400                           | 3,908      | (508)                            |
| Legal                              | 10,000                          | 20,568     | (10,568)                         |
| Miscellaneous                      | 1,500                           | 153        | 1,347                            |
| Irrigation Repairs                 | 1,000                           | 2,254      | (1,254)                          |
| Landscaping                        | 9,000                           | 11,017     | (2,017)                          |
| Snow Removal                       | 10,000                          | 5,844      | 4,156                            |
| Trash Removal                      | 19,404                          | 19,994     | (590)                            |
| Water - Irrigation                 | 7,800                           | 4,579      | 3,221                            |
| Contingency                        | 3,500                           | -          | 3,500                            |
| TOTAL EXPENDITURES                 | 117,975                         | 104,206    | 13,769                           |
| NET CHANGE IN FUND BALANCE         | 5,621                           | 24,058     | (9,101)                          |
| FUND BALANCE, Beginning            | 1,850                           | 5,522      | 3,672                            |
| FUND BALANCE, Ending               | \$ 7,471                        | \$ 29,580  | \$ 22,109                        |

See the accompanying Independent Auditor's Report.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025

**NOTE 1: BUDGETARY INFORMATION**

**Budgets and Budgetary Accounting**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- In October, District management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15<sup>th</sup>, the budget is legally enacted through passage of a resolution.
- District management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board of Directors.
- Budgets are legally adopted for all funds of the District on a basis consistent with generally accepted accounting principles (GAAP).
- All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.
- The District amended the Debt Service Fund budget for the year ended December 31, 2025.

## **SUPPLEMENTARY INFORMATION**

# MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

## BUDGETARY COMPARISON SCHEDULE DEBT SERVICE FUND Year Ended December 31, 2025

|                                   | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL     | VARIANCE<br>WITH FINAL<br>BUDGET |
|-----------------------------------|--------------------|-----------------|------------|----------------------------------|
| REVENUES                          |                    |                 |            |                                  |
| Property Taxes                    | \$ 256,761         | \$ 256,761      | \$ 256,761 | \$ -                             |
| Specific Ownership Taxes          | 12,838             | 16,595          | 16,595     | -                                |
| Investment Income                 | 2,000              | 8,380           | 8,380      | -                                |
| TOTAL REVENUES                    | 271,599            | 281,736         | 281,736    | -                                |
| EXPENDITURES                      |                    |                 |            |                                  |
| General Government                |                    |                 |            |                                  |
| Treasurer's Fees                  | 3,851              | 3,861           | 3,861      | -                                |
| Debt Service                      |                    |                 |            |                                  |
| Debt Interest                     | 256,510            | 316,600         | 316,600    | -                                |
| Paying Agent Fees                 | 4,000              | 271             | 271        | -                                |
| TOTAL EXPENDITURES                | 264,361            | 320,732         | 320,732    | -                                |
| NET CHANGE IN FUND BALANCE        | 7,238              | (38,996)        | (38,996)   | -                                |
| FUND BALANCE (DEFICIT), Beginning | (1,461)            | 39,918          | 39,918     | -                                |
| FUND BALANCE, Ending              | \$ 5,777           | \$ 922          | \$ 922     | \$ -                             |

See the accompanying Independent Auditor's Report.

## OTHER INFORMATION

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT

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

| Year Ended<br>December 31, | Prior Year<br>Assessed Valuation<br>for Current Year<br>Property Tax Levy | Mills Levied |        | Property Taxes |             | Percentage<br>Collected<br>to Levied |
|----------------------------|---------------------------------------------------------------------------|--------------|--------|----------------|-------------|--------------------------------------|
|                            |                                                                           | General      | Debt   | Levied         | Collected   |                                      |
| 2020                       | \$ -                                                                      | 0.000        | 0.000  | \$ -           | \$ -        | 0.0%                                 |
| 2021                       | 597,021                                                                   | 75.664       | 0.000  | 45,173         | 45,706      | 101.2%                               |
| 2022                       | 253,109                                                                   | 20.000       | 55.664 | 19,151         | 154,426 (a) | 806.4%                               |
| 2023                       | 2,600,314                                                                 | 20.519       | 57.110 | 201,860        | 201,861     | 100.0%                               |
| 2024                       | 3,494,854                                                                 | 23.228       | 64.650 | 307,120        | 309,451     | 100.8%                               |
| 2025                       | 3,668,018                                                                 | 32.000       | 70.000 | 374,138        | 374,138     | 100.0%                               |
| Estimate for<br>2026       | \$ 4,206,472                                                              | 31.481 *     | 63.621 | \$ 400,044     |             |                                      |

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

(a) Taxes collected in 2022 were significantly higher than what was levied. This is due to additional parcels of land assessed by the County after the final certification was prepared.

(\*) includes temporary mill levy reduction of 0.519.

See the accompanying Independent Auditor's Report.