EVAN'S PLACE METROPOLITAN DISTRICT
Weld County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

EVAN'S PLACE METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025

INDEPENDENT AUDITOR'S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	22
OTHER INFORMATION	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	24
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	25

Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Evan's Place Metropolitan District
Weld County, Colorado

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our 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 District's basic financial statements. The Supplementary Information, as listed in the table of contents, 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements 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 thereon.

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

Dassio & Associates, P.C.

July 17, 2026

BASIC FINANCIAL STATEMENTS

EVAN'S PLACE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 77,532
Cash and Investments - Restricted	2,014,125
Property Taxes Receivable	460,584
Prepaid Expense	2,642
Total Assets	2,554,883
LIABILITIES	
Accounts Payable	13,395
Accrued Interest Payable	37,333
Noncurrent Liabilities:	
Due Within One Year	5,000
Due in More Than One Year	11,478,957
Total Liabilities	11,534,685
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	460,584
Total Deferred Inflows of Resources	460,584
NET POSITION	
Restricted for:	
Emergency Reserves	2,000
Debt Service	1,146,792
Unrestricted	(10,589,178)
Total Net Position	$ (9,440,386)

See accompanying Notes to Basic Financial Statements.

EVAN'S PLACE METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Change in Net Position: Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 56,308	$ -	$ -	$ -	$ (56,308)
Interest and Related Costs on Long-Term Debt	590,448	-	-	-	(590,448)
Total Governmental Activities	$ 646,756	$ -	$ -	$ -	(646,756)
GENERAL REVENUES					
Property Taxes					677,206
Specific Ownership Taxes					27,434
Net Investment Income					75,752
Total General Revenues					780,392
CHANGE IN NET POSITION					133,636
Net Position - Beginning of Year					(9,574,022)
NET POSITION - END OF YEAR					$ (9,440,386)

See accompanying Notes to Basic Financial Statements.

EVAN'S PLACE METROPOLITAN DISTRICT
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	$ 77,532	$ -	$ 77,532
Cash and Investments - Restricted	2,000	2,012,125	2,014,125
Property Taxes Receivable	63,954	396,630	460,584
Prepaid Expense	2,642	-	2,642
Total Assets	$ 146,128	$ 2,408,755	$ 2,554,883
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 9,395	$ 4,000	$ 13,395
Total Liabilities	9,395	4,000	13,395
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	63,954	396,630	460,584
Total Deferred Inflows of Resources	63,954	396,630	460,584
FUND BALANCES			
Nonspendable for:			
Prepaid Expense	2,642	-	2,642
Restricted for:			
Emergency Reserves	2,000	-	2,000
Debt Service	-	2,008,125	2,008,125
Assigned for:			
Subsequent years expenditures	35,988	-	35,988
Unassigned:			
General Government	32,149	-	32,149
Total Fund Balances	72,779	2,008,125	2,080,904
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 146,128	$ 2,408,755	

Amounts reported for governmental activities in the statement of net position are different because:

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded in the funds:	
Bonds Payable	(8,960,000)
Bonds Premium	(28,100)
Accrued Interest Payable - Series 2016 Bonds	(37,333)
Developer Advance Payable and Accrued Interest	(2,495,857)
Net Position of Governmental Activities	$ (9,440,386)

See accompanying Notes to Basic Financial Statements.

EVAN'S PLACE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	$ 63,382	$ 613,824	$ 677,206
Specific Ownership Taxes	2,567	24,867	27,434
Net Investment Income	5	75,747	75,752
Total Revenues	65,954	714,438	780,392
EXPENDITURES			
Accounting	30,736	-	30,736
Auditing	5,500	-	5,500
County Treasurer's Fee	951	9,208	10,159
Dues and Licenses	322	-	322
Insurance and Bonds	1,174	-	1,174
Legal Services	14,707	-	14,707
Election Expense	1,518	-	1,518
Website	1,400	-	1,400
Paying Agent Fees	-	4,000	4,000
Bond Interest	-	448,000	448,000
Total Expenditures	56,308	461,208	517,516
OTHER FINANCING SOURCES (USES)			
Repay Developer Advance	(34,000)	-	(34,000)
Total Other Financing Sources	(34,000)	-	(34,000)
NET CHANGE IN FUND BALANCES	(24,354)	253,230	228,876
Fund Balances - Beginning of Year	97,133	1,754,895	1,852,028
FUND BALANCES - END OF YEAR	$ 72,779	$ 2,008,125	$ 2,080,904

See accompanying Notes to Basic Financial Statements.

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

Net Change in Fund Balances - Governmental Funds	$	228,876
Amounts reported for governmental activities in the statement of activities are different because:		
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of 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. The net effect of these differences in the treatment of long-term debt and related items is as follows:		
Repay Developer Advance		34,000
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued Interest Payable on Developer Advance - Change in Liability		(130,706)
Amortization of Bond Premium		1,466
Change in Net Position of Governmental Activities	$	133,636

See accompanying Notes to Basic Financial Statements.

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

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 63,382	$ 63,382	$ -
Specific Ownership Tax	2,535	2,567	32
Interest Income	100	5	(95)
Total Revenues	66,017	65,954	(63)
EXPENDITURES			
Accounting	27,000	30,736	(3,736)
Auditing	6,000	5,500	500
County Treasurer's Fee	951	951	-
Dues and Licenses	500	322	178
Election Expense	5,000	1,518	3,482
Insurance and Bonds	3,500	1,174	2,326
Legal Services	21,000	14,707	6,293
Website	1,200	1,400	(200)
Contingency	8,849	-	8,849
Total Expenditures	74,000	56,308	17,692
OTHER FINANCING SOURSES (USES)			
Repay Developer Advance	(34,000)	(34,000)	-
Total Other Financing Sources	(34,000)	(34,000)	-
NET CHANGE IN FUND BALANCES	(41,983)	(24,354)	17,629
Fund Balance - Beginning of Year	82,461	97,133	14,672
FUND BALANCE - END OF YEAR	$ 40,478	$ 72,779	$ 32,301

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Evan's Place Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by Order and Decree of the District Court in and for Weld County, Colorado on November 21, 2019, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

At a special election of the eligible electors of the District held on November 5, 2019, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the acquisition, construction, installation, and completion of certain public improvements.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

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

Property Taxes

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

Capital Assets

Capital assets, which include infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of the net investment in capital assets component of the District's net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Amortization

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

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

Deferred Inflows of Resources

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

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

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

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

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

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

Adoption of New Accounting Standards

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

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

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025, are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Investments	$	77,532
Cash and Investments - Restricted		2,014,125
Total Cash and Investments	$	2,091,657

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

Deposits with Financial Institutions	$	86,532
Investments		2,005,125
Total Cash and Investments	$	2,091,657

Cash Deposits

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

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

At December 31, 2025, the District's cash deposits had a bank balance and carrying balance of $86,532.

Investments

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

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

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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

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

Investment	Maturity	Amount
Colorado Liquid Asset Trust (COLOTRUST PLUS+)	Weighted-Average Under 60 Days	$ 2,005,125
Total Investments		$ 2,005,125

COLOTRUST

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

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

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

NOTE 4 LONG-TERM OBLIGATIONS

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

	Balance - December 31, 2024	Net Issues	Retirements/ Refundings	Balance - December 31, 2025	Due Within One Year
Bonds Payable					
General Obligation Bonds:					
Series 2020A(3)	$ 8,960,000	$ -	$ -	$ 8,960,000	$ 5,000
Series 2020A(3) - Premium	29,566	-	1,466	28,100	-
Subtotal Bonds Payable	8,989,566	-	1,466	8,988,100	5,000
Other Debts					
Developer Advance - Operating	68,162	-	34,000	34,162	-
Developer Advance - Capital	1,805,209	-	-	1,805,209	-
Accrued Interest on:					
Developer Advance - Operating	15,894	4,341	-	20,235	-
Developer Advance - Capital	509,886	126,365	-	636,251	-
Subtotal Other Debts	2,399,151	130,706	34,000	2,495,857	-
Total Long-Term Obligations	$ 11,388,717	$ 130,706	$ 35,466	$ 11,483,957	$ 5,000

The details of the District's general obligation bonds outstanding are as follows:

Bond Proceeds

The District issued the Bonds on November 25, 2020, in the par amount of $8,960,000. Proceeds from the sale of the Bonds were used to: (i) reimburse the costs of constructing public improvements related to the Development; (ii) fund capitalized interest on the Bonds; (iii) fund an initial deposit to the Surplus Fund; and (iv) pay the costs of issuing the Bonds.

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Bonds Details

The Bonds bear interest at 5.000% per annum (yield 4.969%) and are payable semiannually on June 1 and December 1, beginning on June 1, 2021. The Bonds were issued as two term bonds that have annual mandatory sinking fund principal payments due on December 1, beginning on December 1, 2026. The Bonds mature on December 1, 2050.

To the extent principal of the Bonds is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 2, 2060. To the extent interest on the Bonds is not paid when due, such unpaid interest shall compound on each interest payment date, at the rate then borne by the Bonds. The Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 2, 2060. The Bonds are not subject to early termination. The Bonds are not subject to acceleration. The Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds.

Events of Default of the Bonds

Events of default occur if the District fails to impose the Required Mill Levy, or to apply the Pledged Revenues as required by the Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

Bonds Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which means: (a) all Property Tax Revenues; (b) all Specific Ownership Tax Revenues; and (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund. Property Tax Revenues means all moneys derived from imposition by the District of the Required Mill Levy. Property Tax Revenues are net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County and do not include specific ownership tax revenues. Specific Ownership Tax Revenues means the specific ownership taxes remitted to the District as a result of its imposition of the Required Mill Levy.

Required Mill Levy

The District is required to impose a Required Mill Levy on all taxable property of the District each year in an amount necessary to generate Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Bonds when due (less any amounts then on deposit in the Bond Fund and, solely to the extent provided in the Indenture, the Surplus Fund), but not in excess of 60.000 mills less the then applicable Permitted O&M Mill Levy (both mill levies are subject to adjustment for changes in the method of calculating assessed valuation that occur on or after January 1, 2020).

For so long as the amount in the Surplus Fund is less than the Maximum Surplus Amount, the Required Mill Levy is to be 60.000 mills less the then applicable Permitted O&M Mill Levy (subject to adjustment), or such lesser amount that will generate Property Tax Revenues (A) sufficient to pay the principal of, premium if any, and interest on the Bonds when due and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Bond Fund and the Surplus Fund, will pay the Bonds in full in the year such levy is collected.

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Required Mill Levy (Continued)

The maximum mill levy of 60 mills less the then applicable Permitted O&M Mill Levy (as adjusted) is to be reduced by the number of mills necessary to pay unlimited mill levy debt. Permitted O&M Mill Levy means, for any particular Mill Levy Certification Date, the lesser of: (i) the ad valorem property tax levy imposed on such Mill Levy Certification Date for general, administrative, operation and maintenance costs; or (ii) the number of mills which would generate property taxes in the succeeding collection year, after deduction of collection costs, in an amount equal to $60,000 in collection year 2021 (plus 1% annually for each collection year thereafter).

Bonds Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2025, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

Date of Redemption	Redemption Premium
December 1, 2025, to November 30, 2026	3.00%
December 1, 2026, to November 30, 2027	2.00
December 1, 2027, to November 30, 2028	1.00
December 1, 2028, and thereafter	0.00

Additional Security for Bonds

The Bonds are additionally secured by capitalized interest which was funded from proceeds of the Bonds in the amount of $1,344,000 and by amounts, if any, in the Surplus Fund. Except for an initial deposit of $824,000 from proceeds of the Bonds, the Surplus Fund will be funded from Pledged Revenue that is not needed to pay debt service on the Bonds in any year, up to the Maximum Surplus Amount of $1,792,000. Amounts on deposit in the Surplus Fund (if any) on the final maturity date of the Bonds are to be applied to payment of the Bonds. The availability of such amount is to be taken into account in calculating the Required Mill Levy to be imposed in the levy year prior to the year of the final maturity of the Bonds. The balance in the Surplus Fund as of December 31, 2025, is $1,799,443.

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Additional Security for Bonds (Continued)

The outstanding principal and interest of the Bonds are due as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 5,000	$ 448,000	$ 453,000
2027	5,000	447,750	452,750
2028	35,000	447,500	482,500
2029	40,000	445,750	485,750
2030	70,000	443,750	513,750
2031-2035	640,000	2,149,000	2,789,000
2036-2040	1,355,000	1,922,500	3,277,500
2041-2045	2,310,000	1,494,000	3,804,000
2046-2050	4,500,000	788,750	5,288,750
Total	$ 8,960,000	$ 8,587,000	$ 17,547,000

Authorized Debt

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to $13,150,000 (Service Plan Debt Issuance Limit). In no event is the District authorized to issue debt in excess of the Service Plan Debt Issuance Limit, with the exception that such limit is not applicable to refunding of the debt authorized to be issued under the Service Plan.

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, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer or streets). Therefore, the Service Plan Debt Issuance Limit was voted in every power relative to debt for public improvements. With that understanding, on November 5, 2019, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $341,900,000. At December 31, 2025, the District had authorized but unissued indebtedness of $332,940,000.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area; however, as of the date of this audit, the amount and timing of any debt issuances is not determinable.

NOTE 5 NET POSITION

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

The restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2025, as follows:

Restricted Net Position:		
Emergency Reserve	$	2,000
Debt Service		1,146,792
Total Restricted Net Position	$	1,148,792

The District has a deficit in unrestricted net position. This deficit is primarily due to costs of bonds issuance, interest paid on bonds to date, operating expenses paid by advances from Developer, and as a result of the District being responsible for the repayment of bonds issued for public improvements, which are owned and maintained by other governmental entities.

NOTE 6 RELATED PARTIES

The property within the District is being developed by LGI Homes – Colorado, LLC (the Developer). During 2025, all of the members of the Board of Directors were officers or employees of, or otherwise associated with the Developer, and may have conflicts of interest in matters involving the District.

Infrastructure Reimbursement Agreement

The District and the Developer entered into a Public Improvement Acquisition and Reimbursement Agreement on November 3, 2020. Pursuant to the Agreement, the District and the Developer acknowledge that the District is authorized to construct, acquire and install public improvements and other facilities and services that benefit the Property, subject to the limitations set forth in the Service Plan and the Special District Act.

Pursuant to the Agreement, the obligations of the District in this Agreement are subject to annual appropriation and shall not be deemed to be multiple fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution, and may not exceed amounts permitted by the District's electoral authorization and Service Plan. The District's obligations under this Agreement shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or twenty (20) years from the execution date. The District agrees to reimburse the Developer for certified construction costs related to public improvements together within simple interest that shall accrue on amounts reimbursable to the Developer under the Agreement, until paid, at the rate of seven percent (7%) per annum.

Prior to reimbursement, the Developer is required to provide certain materials to the District for review. Following receipt of such materials, the District's accountant and engineer shall review the materials to substantiate the costs and issue a cost certification to the District. No payment is due until the District has adopted an Acceptance Resolution.

NOTE 6 RELATED PARTIES (CONTINUED)

Infrastructure Reimbursement Agreement (Continued)

As of December 31, 2025, outstanding advances under this Agreement totaled $1,805,209 and accrued interest totaled $636,251.

Funding and Reimbursement Agreement (Operations and Maintenance)

The District and the Developer entered into a Funding and Reimbursement Agreement on December 6, 2019, for the purpose of funding operations and maintenance costs. The Developer agreed to loan to the District one or more sums of money, not to exceed an aggregate of $100,000 through December 31, 2021. Thereafter, the Developer may agree to renew its obligations by providing written notice thereof to the District, in which case the termination date shall be amended to the date provided in such notice, which date shall not be earlier than December 31 of the succeeding year.

Pursuant to the Agreement, the obligations of the District in this Agreement are subject to annual appropriation and shall not be deemed to be multiple fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution, and may not exceed amounts permitted by the District's electoral authorization and Service Plan. The District's obligations under this Agreement shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or thirty (30) years from the execution date. With respect to each loan advance made under this agreement prior to the issuance of any Reimbursement Obligation reflecting such advance, the interest rate shall be six and one half (6.5%) per annum, from the date any such advance is made, simple interest, to the earlier of the date the Reimbursement Obligation is issued to evidence such advance, or the date of repayment of such amount.

As of December 31, 2025, outstanding advances under this Agreement totaled $34,162 and accrued interest totaled $20,235.

NOTE 7 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). 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 officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 8 TAX, SPENDING, AND DEBT LIMITATION

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

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

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

On November 5, 2019, the District's voters approved for an annual increase in taxes for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

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

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado.

Annual operating property tax revenue is limited to a 5.25% increase (10.5% increase over a two year period), such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. As of December 31, 2025 the District was unable to impose the maximum General Fund mill levy as allowed in the Service Plan, due to the constraints contained within the provisions of Section 29-1-1702.

The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

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

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 613,823	$ 613,824	$ 1
Specific Ownership Taxes	24,553	24,867	314
Net Investment Income	80,000	75,747	(4,253)
Total Revenues	718,376	714,438	(3,938)
EXPENDITURES			
County Treasurer's Fee	9,207	9,208	(1)
Paying Agent Fees	4,000	4,000	-
Bond Interest	448,000	448,000	-
Contingency	3,793	-	3,793
Total Expenditures	465,000	461,208	3,792
NET CHANGE IN FUND BALANCES	253,376	253,230	(146)
Fund Balance - Beginning of Year	1,750,674	1,754,895	4,221
FUND BALANCE - END OF YEAR	$ 2,004,050	$ 2,008,125	$ 4,075

OTHER INFORMATION

EVAN'S PLACE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

Year Ending December 31,	$8,960,000 General Obligation Refunding Series 2020A(3) Dated November 25, 2020 Interest at 5.000% Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2026	$ 5,000	$ 448,000	$ 453,000
2027	5,000	447,750	452,750
2028	35,000	447,500	482,500
2029	40,000	445,750	485,750
2030	70,000	443,750	513,750
2031	75,000	440,250	515,250
2032	115,000	436,500	551,500
2033	120,000	430,750	550,750
2034	160,000	424,750	584,750
2035	170,000	416,750	586,750
2036	215,000	408,250	623,250
2037	225,000	397,500	622,500
2038	275,000	386,250	661,250
2039	290,000	372,500	662,500
2040	350,000	358,000	708,000
2041	365,000	340,500	705,500
2042	430,000	322,250	752,250
2043	450,000	300,750	750,750
2044	520,000	278,250	798,250
2045	545,000	252,250	797,250
2046	625,000	225,000	850,000
2047	655,000	193,750	848,750
2048	740,000	161,000	901,000
2049	780,000	124,000	904,000
2050	1,700,000	85,000	1,785,000
Total	$ 8,960,000	$ 8,587,000	$ 17,547,000

EVAN'S PLACE METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
		General Operations	Debt Service	Levied	Collected	
2021	$ 121,170	60.000	32.724	$ 7,270	$ 7,271	100.01 %
2022	3,821,660	15.856	44.144	229,299	229,300	100.00
2023	7,559,740	8.219	53.482	466,444	466,444	100.00
2024	9,303,090	6.746	66.094	677,637	677,637	100.00
2025	9,296,260	6.818	66.029	677,205	677,206	100.00
Estimated for Year Ending December 31, 2026	$ 8,814,000	7.256	45.000	$ 460,584		

NOTE:

Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessment.