MW RETAIL BUSINESS IMPROVEMENT DISTRICT
El Paso County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

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BiggsKofford

INDEPENDENT AUDITOR'S REPORT

Board of Directors
MW Retail Business Improvement District
El Paso County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of MW Retail Business Improvement District ("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, 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 the 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 auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

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

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

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

Other Matters

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 which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for 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 as a whole.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information 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 provide any 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.

BiggsKofford LLP

Colorado Springs, Colorado
March 27, 2026

BASIC FINANCIAL STATEMENTS

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 4,316
Cash and Investments - Restricted	823,926
PIF Receivable	13,582
Receivable from County Treasurer	175
Property Tax Receivable	35,797
Capital Assets:	
Capital Assets Not Being Depreciated	3,619,390
Capital Assets Net of Depreciation	736,844
Total Assets	5,234,030
LIABILITIES	
Accounts Payable	51,480
Accrued Bond Interest	27,090
Noncurrent Liabilities:	
Due in More Than One Year	7,875,837
Total Liabilities	7,954,407
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	35,797
Total Deferred Inflows of Resources	35,797
NET POSITION	
Net Investment in Capital Assets	(2,579,203)
Restricted for:	
Emergency Reserve	800
Debt Service	64,375
Unrestricted	(242,146)
Total Net Position	$ (2,756,174)

See accompanying Notes to Basic Financial Statements.

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 135,474	$ -	$ -	$ -	$ (135,474)
Interest on Long-Term Debt and Related Costs	751,738	-	-	-	(751,738)
Total Governmental Activities	$ 887,212	$ -	$ -	$ -	(887,212)
	GENERAL REVENUES				
	Property taxes				22,908
	Specific ownership taxes				2,196
	PIF Revenue				100,037
	Interest Income				22,155
	Late fees/penalties				407
	Total General Revenues and Transfers				147,703
	CHANGES IN NET POSITION				(739,509)
	Net Position - Beginning of Year (as Restated)				(2,016,665)
	NET POSITION - END OF YEAR				$ (2,756,174)

See accompanying Notes to Basic Financial Statements.

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	$ 4,316	$ -	$ -	$ 4,316
Cash and Investments - Restricted	800	566,097	257,029	823,926
Receivable from County Treasurer	175	-	-	175
PIF Receivable	-	13,582	-	13,582
Property Tax Receivable	35,797	-	-	35,797
Total Assets	$ 41,088	$ 579,679	$ 257,029	$ 877,796
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 29,512	$ 2,229	$ 19,739	$ 51,480
Total Liabilities	29,512	2,229	19,739	51,480
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	35,797	-	-	35,797
Total Deferred Inflows of Resources	35,797	-	-	35,797
FUND BALANCES				
Restricted for:				
Emergency Reserves	800	-	-	800
Debt Service	-	577,450	-	577,450
Capital Projects	-	-	237,290	237,290
Unassigned	(25,021)	-	-	(25,021)
Total Fund Balances	(24,221)	577,450	237,290	790,519
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 41,088	$ 579,679	$ 257,029	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets, Not Being Depreciated	3,619,390
Capital Assets, Net of Depreciation	736,844
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued Interest	(44,579)
Bonds Payable	(4,190,000)
Bonds Payable - Series 2025A	(1,140,000)
Bonds Payable - Series 2025B	(2,280,000)
Developer Advance Payable	(248,348)
Net Position of Governmental Activities	$ (2,756,174)

See accompanying Notes to Basic Financial Statements.

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property taxes	$ 22,908	$ -	$ -	$ 22,908
Specific ownership taxes	2,196	-	-	2,196
Late fees/penalties	-	407	-	407
Interest Income	36	21,364	755	22,155
PIF Revenue	-	100,037	-	100,037
Total Revenues	25,140	121,808	755	147,703
EXPENDITURES				
Current:				
Accounting	32,333	-	713	33,046
Auditing	5,335	-	-	5,335
County Treasurer's Fee	344	-	-	344
District management	12,259	-	-	12,259
Dues and Membership	375	-	-	375
Election	4,084	-	-	4,084
Electricity	875	-	-	875
Insurance	1,400	-	-	1,400
Legal	28,962	-	-	28,962
Miscellaneous	1,000	-	-	1,000
Landscape Contract	24,482	-	-	24,482
PIF Collection Fees	-	5,876	-	5,876
Repairs and maintenance	2,589	-	-	2,589
Snow removal	3,486	-	-	3,486
Water	8,193	-	-	8,193
Debt Service:				
Bond interest	-	251,400	-	251,400
Capital Projects:				
Capital outlay	-	-	549,771	549,771
Engineering	-	-	9,044	9,044
Bond issue costs	-	-	258,350	258,350
Total Expenditures	125,717	257,276	817,878	1,200,871
EXCESS OF REVENUES UNDER EXPENDITURES	(100,577)	(135,468)	(817,123)	(1,053,168)
OTHER FINANCING SOURCES (USES)				
Bond issuance proceeds	-	-	3,420,000	3,420,000
Developer advance	78,306	-	559,618	637,924
Repay developer advance	-	-	(2,836,618)	(2,836,618)
Transfers in/(out)	-	102,000	(102,000)	-
Total Other Financing Sources	78,306	102,000	1,041,000	1,221,306
NET CHANGE IN FUND BALANCES	(22,271)	(33,468)	223,877	168,138
Fund Balances (Deficit) - Beginning of Year	(1,950)	610,918	13,413	622,381
FUND BALANCES (DEFICIT) - END OF YEAR	$ (24,221)	$ 577,450	$ 237,290	$ 790,519

See accompanying Notes to Basic Financial Statements.

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Total Governmental Funds	$ 168,138
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.	
Capital Outlay	549,771
Depreciation Expense	(26,980)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.	
Bond Principal - Series 2025A	(1,140,000)
Bond Principal - Series 2025B	(2,280,000)
Developer Advance	(637,924)
Repay Developer Advance	2,637,064
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.	
Accrued Interest Payable - Change in Liability	(23,629)
Accrued Interest Payable Developer Advance - Change in Liability	14,051
Changes in Net Position of Governmental Activities	$ (739,509)

See accompanying Notes to Basic Financial Statements.

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	$ 22,908	$ 22,908	$ -
Specific ownership taxes	2,291	2,196	(95)
Interest Income	-	36	36
Total Revenues	25,199	25,140	(59)
EXPENDITURES			
Accounting	30,000	32,333	(2,333)
Auditing	5,000	5,335	(335)
Contingency	8,656	-	8,656
County Treasurer's Fee	344	344	-
District management	-	12,259	(12,259)
Dues and Membership	1,000	375	625
Election	1,500	4,084	(2,584)
Electricity	3,000	875	2,125
Insurance	2,500	1,400	1,100
Legal	27,500	28,962	(1,462)
Miscellaneous	-	1,000	(1,000)
Repairs and maintenance	-	2,589	(2,589)
Snow removal	13,000	3,486	9,514
Landscape Contract	24,000	24,482	(482)
Water	8,500	8,193	307
Website	5,000	-	5,000
Total Expenditures	130,000	125,717	4,283
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(104,801)	(100,577)	4,224
OTHER FINANCING SOURCES (USES)			
Developer advance	103,701	78,306	(25,395)
Total Other Financing Sources (Uses)	103,701	78,306	(25,395)
NET CHANGE IN FUND BALANCE	(1,100)	(22,271)	(21,171)
Fund Balance (Deficit) - Beginning of Year	1,900	(1,950)	(3,850)
FUND BALANCE (DEFICIT) - END OF YEAR	$ 800	$ (24,221)	$ (25,021)

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

MW Retail Business Improvement District (the District), a quasi-municipal corporation, was organized by ordinance of the City of Colorado Springs (the City) on September 24, 2019, and is governed pursuant to provisions of the Colorado Business Improvement Act (Title 31). The District's service area is located entirely within the City in El Paso County, Colorado. The District was organized to provide the financing, acquisition, construction, completion, installation, replacement, and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District include parking facilities, roadways, lighting, driveways, public utilities, and landscaping.

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

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

The District's annual budget is required to be submitted to and approved by the City, thus enabling the City to impose its will on the District. Consequently, the District is considered to be a component unit of the City.

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 property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District 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 instead 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.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

Pooled Cash and Investments

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

Property Taxes

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

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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 net (don't use the term net if there is no debt) investment in capital assets.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Streets	30 years
Landscaping	15 years

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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, 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.

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

Deficits

The General Fund reported a deficit in the fund financial statements as of December 31, 2025. The deficit will be eliminated with the receipt of developer advances in 2026.

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	$	4,316
Cash and Investments - Restricted		823,926
Total Cash and Investments	$	828,242

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

Deposits with Financial Institutions	$	1,727
Investments		826,515
Total Cash and Investments	$	828,242

Deposits with Financial Institutions

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

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

At December 31, 2025, the District’s cash deposits had a bank balance of $1,727 and a carrying balance of $1,727.

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)

Investments (Continued)

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

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

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

Investment	Maturity	Amount
Federated Treasury Money Market Fund	Weighted-Average Under 60 Days	$ 761,909
ColoTrust	Weighted-Average Under 60 Days	64,606
		$ 826,515

Federated Treasury Money Market Fund

The debt service money that is included in the trust accounts at United Missouri Bank (successor of American National Bank) is invested in the Federated Treasury Obligations Fund. This portfolio is a money market mutual fund which invests in U.S. Treasury obligations, which are fully guaranteed as to principal and interest by the United States, with maturities of 13 months or less and repurchase agreements collateralized by U.S. Treasury obligations. The Federated Treasury Obligation Fund is rated AAAm by Standard & Poor's.

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.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

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 Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

A designated custodial bank serves as custodian for 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 CAPITAL ASSETS

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

	Restated Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	$ 3,833,443	$ 549,771	$ 763,824	$ 3,619,390
Total Capital Assets, Not Being Depreciated	3,833,443	549,771	763,824	3,619,390
Capital Assets, Being Depreciated:				
Parks and Recreation	-	45,568	-	45,568
Streets	-	718,256	-	718,256
Total Capital Assets, Being Depreciated	-	763,824	-	763,824
Less Accumulated Depreciation for:				
Accumulated Depreciation - Parks and Rec	-	3,038	-	3,038
Accumulated Depreciation - Streets	-	23,942	-	23,942
Total Accumulated Depreciation	-	26,980	-	26,980
Total Capital Assets, Being Depreciated, Net	-	736,844	-	736,844
Governmental Activities Capital Assets, Net	$ 3,833,443	$ 1,286,615	$ 763,824	$ 4,356,234

During 2025, a significant portion of the capital assets constructed by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District’s financial records.

NOTE 5 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 at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable					
Special Revenue Bonds					
Series 2024	$ 4,190,000	$ -	$ -	$ 4,190,000	$ -
Series 2025A	-	1,140,000	-	1,140,000	-
Subordinate Special Revenue Bonds					
Series 2025B	-	2,280,000	-	2,280,000	-
Accrued Interest					
Series 2025B	-	17,489	-	17,489	-
Subtotal Bonds Payable	4,190,000	3,437,489	-	7,627,489	-
Note/Loans from Direct Borrowings and Direct Placements:					
Developer Advance - Operating	133,985	78,306	-	212,291	-
Developer Advance - Capital	2,077,446	559,618	2,637,064	-	-
Accrued Interest on:					
Developer Advance - Operating	22,415	13,642	-	36,057	-
Developer Advance - Capital	27,693	171,861	199,554	-	-
Loans and Notes Payable Subtotal	2,261,539	823,427	2,836,618	248,348	-
Total Long-Term Obligations	$ 6,451,539	$ 4,260,916	$ 2,836,618	$ 7,875,837	$ -

Special Revenue Bonds, Series 2024 (the 2024 Bonds)

The District issued the 2024 Bonds on October 31, 2024, in the amount of $4,190,000.

Proceeds of the 2024 Bonds

The proceeds from the sale of the 2024 Bonds were used for the purposes of: (a) paying the Project Costs, (b) funding the reserve fund, (c) funding capitalized interest on the 2024 Bonds; and (c) paying other costs in connection with the issuance of the Bonds.

Details of the 2024 Bonds

The Bonds bear interest at the rate of 6.00%, payable semi-annually to the extent of Pledged Revenue available on June 1 and December 1 (each, an Interest Payment Date), beginning on December 1, 2024. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2027. The 2024 Bonds mature on December 1, 2054.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Special Revenue Bonds, Series 2024 (the 2024 Bonds) (Continued)

Reserve Requirements

The 2024 Bonds are additionally secured by capitalized interest in the amount of $252,098.33; the Reserve Fund, which were funded on the date of issuance of the 2024 Bonds in an amount equal to the Reserve Requirement of $358,000; and the Surplus Fund, which will not be funded with proceeds of the 2024 Bonds, but instead will be funded with excess Pledged Revenue, if any, up to the Maximum Surplus Amount of $419,000.

Optional Redemption

The 2024 Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2029, 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, 2029, to November 30, 2030	3.00%
December 1, 2030, to November 30, 2031	2.00
December 1, 2031, to November 30, 2032	1.00
December 1, 2032, and thereafter	0.00

Pledged Revenue

The 2024 Bonds are secured by and payable solely from Pledged Revenue, consisting of the moneys derived by the District from the following sources: (a) all PIF Revenue; and (b) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

Events of Defaults and Remedies

The occurrence of any 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 effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default thereunder except as provided below:

- The District fails or refuses to apply the Pledged Revenue as required by the Indenture;
- The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Indenture or the Bond Resolution and fails to remedy the same after notice thereof pursuant to the Indenture; or
- The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the 2024 Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Special Revenue Bonds, Series 2024 (the 2024 Bonds) (Continued)

Events of Defaults and Remedies (Continued)

Upon the occurrence and continuance of an Event of Default, the Trustee shall have the following rights and remedies which may be pursued:

- Receivership
- Suit for Judgment
- Mandamus or Other Suit

Special Revenue Bonds, Series 2025A (the 2025A Senior Bonds) and Subordinate Special Revenue Bonds, Series 2025B (the 2025B Subordinate Bonds and together with the 2025A Senior Bonds, the 2025 Bonds)

The District Issued the Series 2025A Senior Bonds and Series 2025B Subordinate Bonds on November 26, 2025, in the amounts of $1,140,000 and $2,280,000, respectively.

Proceeds of the Series 2025A Senior Bonds

The Series 2025A Senior Bonds are being issued for the purpose of: (i) financing or reimbursing the costs of public improvements necessary to support the Development; (ii) funding the Reserve Fund to the Reserve Requirement; and (iii) paying the costs of issuing the 2025A Senior Bonds.

Proceeds of the Series 2025B Subordinate Bonds

The 2025B Subordinate Bonds are being issued for the purpose of reimbursing costs of public improvements necessary to support the Development and in connection therewith paying amounts due and owing under the Reimbursement Agreement.

Details of the Series 2025A Senior Bonds

The Series 2025A Senior Bonds will bear interest at a rate of 6.375% payable semiannually to the extent of Senior Pledged Revenue available on each June 1 and December 1 (each an “Interest Payment Date”), beginning on June 1, 2026. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2027. The Series 2025A Senior Bonds mature on December 1, 2054 and have a discharge date of December 2, 2065.

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Special Revenue Bonds, Series 2025A (the 2025A Senior Bonds) and Subordinate Special Revenue Bonds, Series 2025B (the 2025B Subordinate Bonds and together with the 2025A Senior Bonds, the 2025 Bonds) (Continued)

Details of the Series 2025B Subordinate Bonds

The Series 2025B Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Rather, principal on the Series 2025B Subordinate Bonds is payable annually on each December 15, commencing December 15, 2026, from, and to the extent of available Subordinate Pledged Revenue (defined below). The Series 2025B Subordinate Bonds have a final maturity date of December 15, 2055 and have a discharge date of December 2, 2065.

The Series 2025B Subordinate Bonds will bear interest at the rate of 7.875% per annum payable annually on December 15, but only from and to the extent of available Subordinate Pledged Revenue, beginning on December 15, 2026.

To the extent principal of any Series 2025B Subordinate Bonds is not paid when due, such principal shall remain outstanding until its payment. In the event interest on any Series 2025B Subordinate Bonds is not paid when due, such interest is to compound annually on each December 15, at the rate then borne by Series 2025B Subordinate Bonds. The District shall not be obligated to pay more than the amount permitted by law in repayment of the Series 2025B Subordinate Bonds.

Senior Pledged Revenue

The Senior Indenture defines Senior Pledged Revenue as the moneys derived by the District from the following sources:

(a) all Senior PIF Revenue; and
(b) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

Subordinate Pledged Revenue

The Subordinate Indenture defines Subordinate Pledged Revenue as the moneys derived by the District from the following sources:

(a) all Subordinate PIF Revenue; and
(b) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Additional Security for the Series 2025A Senior Bonds

Reserve Fund

Reserve Fund is defined in the Indenture as additional security for the 2025 Bonds, the Reserve Fund will be funded from a portion of the proceeds of the 2025 Bonds on the date of issuance of the 2025 Bonds in the amount of $102,000 (the “Reserve Requirement”).

Senior Surplus Fund

The Series 2025A Senior Bonds are additionally secured by the Surplus Fund. The Surplus Fund shall be funded solely by Pledged Revenue that is not needed to pay debt service on the Series 2024 Bonds or Series 2025A Senior Bonds in any year, up to the Maximum Surplus Amount of $533,000. The Surplus Fund is to be maintained as provided in the Indenture for so long as any Series 2025A Senior Bond is Outstanding. The Surplus Fund reaches the Maximum Surplus Amount in 2028 is released in 2054 upon the final maturity of the Series 2025A Senior Bonds.

The District acknowledges that State law places certain restrictions upon the use of amounts appropriated or added to the tax levy to pay the principal of, premium, and interest on any bonds, and any then existing pledge or encumbrance on such revenues.

Optional Redemption

The 2025A Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2029, 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, 2029, to November 30, 2030	3.00%
December 1, 2030, to November 30, 2031	2.00
December 1, 2031, to November 30, 2032	1.00
December 1, 2032, and thereafter	0.00

The 2025B Bonds can be redeemed on any date.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Events of Default

The occurrence of any 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 effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default thereunder except as provided below:

- The District fails or refuses to apply the Pledged Revenue as required by the Indenture;
- The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Indenture or the Bond Resolution and fails to remedy the same after notice thereof pursuant to the Indenture; or
- The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the 2025 Bonds.

Upon the occurrence and continuance of an Event of Default, the Trustee shall have the following rights and remedies which may be pursued:

- Receivership
- Suit for Judgment
- Mandamus or Other Suit

For the year ended December 31, 2025, the district does not believe it was in default at any time. The District's 2024 Bonds and 2025A Senior Bonds as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 325,084	$ 325,084
2027	30,000	324,075	354,075
2028	35,000	322,256	357,256
2029	45,000	320,138	365,138
2030	50,000	317,400	367,400
2031-2035	360,000	1,533,263	1,893,263
2036-2040	595,000	1,396,594	1,991,594
2041-2045	910,000	1,180,219	2,090,219
2046-2050	1,350,000	853,126	2,203,126
2051-2054	1,955,000	347,362	2,302,362
Total	$ 5,330,000	$ 6,919,517	$ 12,249,517

NOTE 5 LONG-TERM OBLIGATIONS (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 $300,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2025, the District had authorized but unissued indebtedness of $292,390,000.

As set forth in the District's 2025 Operating Plan, the City has limited the amount of debt to be issued by the District to a total of $10,000,000, without further approval by the City. As of December 31, 2025, the District had $2,390,000 of debt capacity available under its Operating Plan.

Developer Advances

The District has entered into a Funding and Reimbursement Agreement with the Developer as follows:

Reimbursement Agreement

On December 10, 2019, the District entered into a Reimbursement Agreement with Thompson Investments, LLC whereby the District agrees to reimburse the Developer for costs incurred on behalf of the District. The District agreed to repay the Developer along with accrued interest at a rate of 8% simple interest beginning on the date of advance to the date of repayment. On October 23, 2023, Thompson Investments, LLC assigned all of the rights, title and interest in and to the Reimbursement Agreement to PKW Capital, LLC. As of December 31, 2025, outstanding Developer advances under the agreement totaled $212,291 and accrued interest totaled $36,057.

Facilities Funding and Acquisition Agreement

On January 1, 2022, the District entered into a Facilities Funding and Acquisition Agreement with MW Colorado Springs, LLC whereby the District agrees to reimburse the Developer for costs incurred on behalf of the District. The District agreed to repay the Developer along with accrued interest at a rate of 8% simple interest from the date of expenditures through the date the date of repayment. On October 23, 2023, MW Colorado Springs, LLC assigned all of the rights, title and interest in and to the Facilities Funding and Acquisition Agreement to PKW Capital, LLC. As of December 31, 2025, there were no outstanding obligations under this agreement.

NOTE 6 NET POSITION

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2025, the District had net investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	$ 3,404,118
Less	
Outstanding Prinicpal of Capital Related Debt	(5,946,727)
Outstanding Accounts Payable Related to Capital	(15,425)
Outstanding Senior Bond Interest Payable	(21,169)
Net Investment in Capital Assets	$ (2,579,203)

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

Restricted Net Position:	
Emergencies	$ 800
Debt Service Reserve	64,375
Total Restricted Net Position	$ 65,175

The District has a deficit in the unrestricted net position as of December 31, 2025. This deficit amount is a result of the District being responsible for the repayment of developer advances for operations.

NOTE 7 INTERFUND TRANSFERS

The transfer from the Capital Projects Fund to the Debt Service fund was related to the Bond Issuance in regard to funding the Reserve Fund.

NOTE 8 RELATED PARTIES

The Developer of the property which constitutes the District is PKW Capital, LLC. The members of the Board of Directors are officers of, employees of, or associated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 9 ECONOMIC DEPENDENCY

The District has not yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

NOTE 10 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (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 11 TAX, SPENDING AND DEBT LIMITATIONS

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.

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.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

On November 5, 2019, the District's voters authorized the District to increase property taxes $10,000,000 annually, for general operations and maintenance. The election also allows the District to collect, spend, and retain all revenues without regard to the limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR).

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

On November 4, 2025, the qualified electors of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2026 and all future budget years.

NOTE 12 RESTATEMENT

The District has restated the beginning net position (government-wide) to capture the conveyance of capital assets to other entities during 2024.

Net Position, as Originally Reported at December 31, 2024	$ (790,700)
Adjustment for conveyance of assets	(1,225,965)
Net Position, as Restated on January 1, 2025	$ (2,016,665)

SUPPLEMENTARY INFORMATION

MW RETAIL BUSINESS IMPROVEMENT 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			
Interest Income	$ 47,000	$ 21,364	$ (25,636)
Late fees/penalties	-	407	407
PIF Revenue	220,000	100,037	(119,963)
Total Revenues	267,000	121,808	(145,192)
EXPENDITURES			
PIF Collection Fees	3,500	5,876	(2,376)
Paying agent fees	4,000	-	4,000
Bond interest	251,400	251,400	-
Contingency	41,100	-	41,100
Total Expenditures	300,000	257,276	42,724
EXCESS OF REVENUES UNDER EXPENDITURES	(33,000)	(135,468)	(102,468)
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	102,000	102,000
Total Other Financing Sources	-	102,000	102,000
NET CHANGE IN FUND BALANCE	(33,000)	(33,468)	(468)
Fund Balance - Beginning of Year	594,950	610,918	15,968
FUND BALANCE - END OF YEAR	$ 561,950	$ 577,450	$ 15,500

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Interest Income	$ -	$ 332	$ 755	$ 423
Other Revenue	-	106,637	-	(106,637)
Total Revenues	-	106,969	755	(106,214)
EXPENDITURES				
Accounting	2,500	350	713	(363)
Engineering	7,500	8,168	9,044	(876)
Capital outlay	400,000	900,332	549,771	350,561
Bond issue costs	-	253,000	258,350	(5,350)
Total Expenditures	410,000	1,161,850	817,878	343,972
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(410,000)	(1,054,881)	(817,123)	237,758
OTHER FINANCING SOURCES (USES)				
Bond issuance proceeds	-	3,420,000	3,420,000	-
Developer advance	410,000	559,618	559,618	-
Repay developer advance	-	(2,833,150)	(2,836,618)	(3,468)
Transfers to other fund	-	(105,000)	(102,000)	3,000
Total Other Financing Sources (Uses)	410,000	1,041,468	1,041,000	(468)
NET CHANGE IN FUND BALANCE	-	(13,413)	223,877	237,290
Fund Balance (Deficit) - Beginning of Year	-	13,413	13,413	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ 237,290	$ 237,290

OTHER INFORMATION

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied General Operations	Total Property Taxes Levied	Total Property Taxes Collected	Percent Collected to Levied
2020/2021	$ 20,750	2.17%	1.000	$ 21	$ 21	100.00 %
2021/2022	442,770	2033.83%	1.000	443	443	100.00 %
2022/2023	271,350	-38.72%	10.000	2,714	2,714	100.00 %
2023/2024	967,090	256.40%	10.000	9,671	9,671	100.00 %
2024/2025	2,290,770	136.87%	10.000	22,908	22,908	100.00 %
Estimated for Year Ending December 31, 2026	$ 3,333,040	45.50%	10.740	$ 35,797		

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

Source: El Paso County Assessor and Treasurer.

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY – SERIES 2024
DECEMBER 31, 2025

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$4,190,000 Special Revenue Bonds Series 2024, Dated October 31, 2024 Interest Rate Fixed 6.000% Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2026	$ -	$ 251,400	$ 251,400
2027	25,000	251,400	276,400
2028	30,000	249,900	279,900
2029	35,000	248,100	283,100
2030	40,000	246,000	286,000
2031	45,000	243,600	288,600
2032	50,000	240,900	290,900
2033	60,000	237,900	297,900
2034	65,000	234,300	299,300
2035	70,000	230,400	300,400
2036	80,000	226,200	306,200
2037	85,000	221,400	306,400
2038	95,000	216,300	311,300
2039	105,000	210,600	315,600
2040	110,000	204,300	314,300
2041	120,000	197,700	317,700
2042	130,000	190,500	320,500
2043	145,000	182,700	327,700
2044	155,000	174,000	329,000
2045	170,000	164,700	334,700
2046	180,000	154,500	334,500
2047	195,000	143,700	338,700
2048	210,000	132,000	342,000
2049	225,000	119,400	344,400
2050	245,000	105,900	350,900
2051	260,000	91,200	351,200
2052	280,000	75,600	355,600
2053	300,000	58,800	358,800
2054	680,000	40,800	720,800
Total	$ 4,190,000	$ 5,344,200	$ 9,534,200

MW RETAIL BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY – SERIES 2025
DECEMBER 31, 2025

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$1,140,000 Special Revenue Bonds Series 2025, Dated November 26, 2025 Interest Rate Fixed 6.3750% Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2026	$ -	$ 73,684	$ 73,684
2027	5,000	72,675	77,675
2028	5,000	72,356	77,356
2029	10,000	72,038	82,038
2030	10,000	71,400	81,400
2031	10,000	70,763	80,763
2032	15,000	70,125	85,125
2033	10,000	69,169	79,169
2034	15,000	68,531	83,531
2035	20,000	67,575	87,575
2036	20,000	66,300	86,300
2037	20,000	65,025	85,025
2038	25,000	63,750	88,750
2039	25,000	62,156	87,156
2040	30,000	60,563	90,563
2041	35,000	58,650	93,650
2042	35,000	56,419	91,419
2043	35,000	54,188	89,188
2044	40,000	51,956	91,956
2045	45,000	49,406	94,406
2046	50,000	46,538	96,538
2047	55,000	43,350	98,350
2048	60,000	39,844	99,844
2049	65,000	36,019	101,019
2050	65,000	31,875	96,875
2051	75,000	27,731	102,731
2052	80,000	22,950	102,950
2053	85,000	17,850	102,850
2054	195,000	12,431	207,431
Total	$ 1,140,000	$ 1,575,317	$ 2,715,317