BRADBURN METROPOLITAN DISTRICT NO. 2

2025 ANNUAL REPORT
TO
THE CITY OF WESTMINSTER

Pursuant to §32-1-207(3)(c) and the Service Plan for Bradburn Metropolitan District No. 2 (the "**District**"), the District is required to provide an annual report with regard to the following matters:

For the year ending December 31, 2025, the District make the following report:

§32-1-207(3) Statutory Requirements

1. **Boundary changes made.**

   None.

2. **Intergovernmental Agreements entered into or terminated.**

   None.

3. **Access information to obtain a copy of rules and regulations adopted by the board.**

   The board has not adopted any rules or regulations.

4. **A summary of litigation involving public improvements owned by the District.**

   To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' public improvements as of December 31, 2025.

5. **Status of the construction of public improvements by the District.**

   All public improvements have been constructed.

6. **A list of facilities or improvements constructed by the District there were conveyed or dedicated to the county or municipality.**

   All principal public infrastructure has been completed, dedicated and accepted.

7. **The final assessed valuation of the District as of December 31st of the reporting year.**

   The 2025 final assessed valuation is attached hereto as **Exhibit A.**

8. **A copy of the current year's budget.**

A copy of the 2026 Budget is attached hereto as **Exhibit B.**

9. **A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

   The 2025 Audit is attached hereto as **Exhibit C.**

10. **Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

    None.

11. **Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

    None.

Service Plan Requirements

Pursuant to the Consolidated Service Plan for Bradburn Metropolitan District Nos. 1, 2 and 3, as modified by the First Amendment and Second Amendment to the original Consolidated Service Plan, Bradburn Metropolitan District No. 2 (the "District") reports the following information to the City of Westminster for the year ending December 31, 2025.

To the best of our actual knowledge, for the year ending December 31, 2025, the District makes the following report:

1. **Boundary changes made or proposed.**

   There were no boundary changes made or proposed in 2025.

2. **Intergovernmental Agreements with other governmental bodies entered into or proposed.**

   There were no intergovernmental agreements proposed or entered into in 2025.

3. **Changes or proposed changes in the District's policies.**

   There were no changes or proposed changes in the District's policies in 2025.

4. **Changes or proposed changes in the District's operations.**

   There were no changes or proposed changes in the District's operations in 2025.

5. **Changes in the financial status of the District including revenue projections or operating costs.**

   Please see the District's adopted 2026 budget, attached as **Exhibit B**.

6. **A summary of any litigation which involves the District.**

   To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District as of December 31, 2025.

7. **Proposed plans for the year immediately following the year summarized in the Annual Report.**

   The District does not anticipate constructing any public improvements in 2026. All Public Improvements have been constructed.

8. **Status of Public Improvement Construction Schedule.**

   There were no Public Improvements constructed by the District in 2025. All Public Improvements have been constructed.

9. **The assessed valuation of the District in 2025 was:**

   $17,761,870

10. **Submission of the next year's budget and anticipated assessed mill levy to service the general obligation debt as well as the operations and maintenance costs.**

    A copy of the District's 2026 budget is attached as **Exhibit B**.

EXHIBIT A
2025 Assessed Valuation

191 County Tax Entity Code

New Tax Entity? ☐YES ☐NO

CERTIFICATION OF VALUATION BY
ADAMS COUNTY ASSESSOR

DOLA LGID/SID 01099

Date 11/21/2025

NAME OF TAX ENTITY: BRADBURN METRO DISTRICT 2

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	$ 17,244,130.00
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	$ 17,761,870.00
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$ 0.00
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$ 17,761,870.00
5.	NEW CONSTRUCTION: *	5.	$ 0.00
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	$ 0.00
7.	ANNEXATIONS/INCLUSIONS:	7.	$ 0.00
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	$ 0.00
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	$ 0.00
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	$ 0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	$ 0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	$ 153,771,179.00
	ADDITIONS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	$ 0.00
3.	ANNEXATIONS/INCLUSIONS:	3.	$ 0.00
4.	INCREASED MINING PRODUCTION: §	4.	$ 0.00
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$ 0.00
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$ 0.00
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	$ 0.00
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$ 0.00
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$ 0.00
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$ 0.00

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: $ 0.00

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $ 59,212.00
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

DLG 57 (Rev. 7/21)

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25% LIMIT") 29-1-1703, C.R.S.

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1.	$ 17,761,870.00
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	$ 0.00
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	$ 17,761,870.00
4.	NEW CONSTRUCTION:	4.	$ 0.00
5.	ANNEXATIONS/INCLUSIONS:	5.	$ 0.00
6.	PREVIOUSLY EXEMPT PROPERTY:	6.	$ 0.00
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.): Includes all revenue collected on valuation not previously certified:	7.	$ 0.00
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION* (29-1-306(3)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	8.	$ 0.00
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	9.	$ 0.00
10.	TOTAL VALUATION FOR ASSESSMENT FROM PRODUCING MINES OR LANDS OR LEASEHOLDS PRODUCING OIL OR GAS	10.	$
11.	REVENUE INCREASE FROM EXPIRED TIF:	11.	$ 0.00

* Change in law for property tax classification does not include changes in classification due to property use changes.

Notes:
The property tax limit will apply to all property taxing entities with the exception of school districts and any county, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (https://dlg.colorado.gov/budget-information-and-resources). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

EXHIBIT B
2026 Budget

BRADBURN METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR YEAR ENDING DECEMBER 31, 2026

BRADBURN METROPOLITAN DISTRICT NO. 2
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/18/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 1,200,816	$ 1,211,313	$ 1,199,518
REVENUES			
Property taxes	1,172,228	1,178,205	1,191,999
Specific ownership taxes	57,849	58,000	71,518
Interest Income	85,223	52,000	48,000
Other Revenue	2,328	-	-
Total revenues	1,317,628	1,288,205	1,311,517
Total funds available	2,518,444	2,499,518	2,511,035
EXPENDITURES			
General Fund	66,612	85,000	85,000
Debt Service Fund	1,240,519	1,215,000	1,205,000
Total expenditures	1,307,131	1,300,000	1,290,000
Total expenditures and transfers out requiring appropriation	1,307,131	1,300,000	1,290,000
ENDING FUND BALANCES	$ 1,211,313	$ 1,199,518	$ 1,221,035
EMERGENCY RESERVE	$ 3,500	$ 3,400	$ 3,300
AVAILABLE FOR OPERATIONS	191,659	218,758	242,857
SURPLUS FUND	648,250	648,250	648,250
SENIOR RESERVE FUND	324,125	324,125	324,125
TOTAL RESERVE	$ 1,167,534	$ 1,194,533	$ 1,218,532

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/18/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential	$ 8,071,290	$ 8,071,290	$ 7,084,710
Commercial	7,680,550	7,680,550	9,170,920
State assessed	2,870	2,960	2,740
Vacant land	455,130	455,140	507,440
Personal property	1,124,920	1,034,190	996,060
Certified Assessed Value	$ 17,334,760	$ 17,244,130	$ 17,761,870
MILL LEVY			
General	5.768	5.799	5.630
Debt Service	61.602	62.526	61.480
Total mill levy	67.370	68.325	67.110
PROPERTY TAXES			
General	$ 99,987	$ 99,999	$ 99,999
Debt Service	1,067,856	1,078,206	1,092,000
Levied property taxes	1,167,843	1,178,205	1,191,999
Adjustments to actual/rounding	4,385	-	-
Budgeted property taxes	$ 1,172,228	$ 1,178,205	$ 1,191,999
BUDGETED PROPERTY TAXES			
General	**$ 100,362**	**$ 99,999**	**$ 99,999**
Debt Service	**1,071,866**	**1,078,206**	**1,092,000**
	$ 1,172,228	**$ 1,178,205**	**$ 1,191,999**

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/18/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 148,364	$ 195,159	$ 222,158
REVENUES			
Property taxes	100,362	99,999	99,999
Interest Income	10,717	12,000	9,000
Other Revenue	2,328	-	-
Total revenues	113,407	111,999	108,999
Total funds available	261,771	307,158	331,157
EXPENDITURES			
General and administrative			
Accounting	30,942	33,000	33,000
Auditing	6,400	6,600	7,200
County Treasurer's Fee	1,509	1,500	1,500
Dues and Membership	337	384	600
Insurance	3,236	3,086	2,391
Legal	20,415	27,000	28,000
Miscellaneous	-	300	300
Election	3,243	6,000	-
Contingency	-	2,430	8,509
Website	530	4,700	3,500
Total expenditures	66,612	85,000	85,000
Total expenditures and transfers out requiring appropriation	66,612	85,000	85,000
ENDING FUND BALANCES	$ 195,159	$ 222,158	$ 246,157
EMERGENCY RESERVE	$ 3,500	$ 3,400	$ 3,300
AVAILABLE FOR OPERATIONS	191,659	218,758	242,857
TOTAL RESERVE	$ 195,159	$ 222,158	$ 246,157

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/18/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 1,052,452	$ 1,016,154	$ 977,360
REVENUES			
Property taxes	1,071,866	1,078,206	1,092,000
Specific ownership taxes	57,849	58,000	71,518
Interest Income	74,506	40,000	39,000
Total revenues	1,204,221	1,176,206	1,202,518
Total funds available	2,256,673	2,192,360	2,179,878
EXPENDITURES			
General and administrative			
County Treasurer's Fee	16,119	16,173	16,380
Paying agent fees	8,000	8,000	8,000
Contingency	-	13,370	15,020
Debt Service			
Bond Interest - Series 2018A	441,400	433,200	424,600
Bond Interest - Series 2018B	570,000	339,257	203,000
Bond Principal - Series 2018A	205,000	215,000	220,000
Bond Principal - Series 2018B	-	190,000	318,000
Total expenditures	1,240,519	1,215,000	1,205,000
Total expenditures and transfers out requiring appropriation	1,240,519	1,215,000	1,205,000
ENDING FUND BALANCES	$ 1,016,154	$ 977,360	$ 974,878
SURPLUS FUND	$ 648,250	$ 648,250	$ 648,250
SENIOR RESERVE FUND	324,125	324,125	324,125
DEBT SERVICE FUND BALANCE	43,779	4,985	2,503
TOTAL RESERVE	$ 1,016,154	$ 977,360	$ 974,878

BRADBURN METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized to provide construction, installation, financing and operation of public improvements, including water, wastewater, streets, park and recreation facilities, and other improvements needed for the District. The District was organized in conjunction with two other related districts, Bradburn Metropolitan District No. 1 and Bradburn Metropolitan District No. 3. Under the Consolidated Service Plan, as amended by a Second Modification dated August 22, 2016, District No. 1 is the Operating District, District No. 2 is the Financing District, and District No. 3 operates as an independent district. The District's service area is located entirely within the City of Westminster, Adams County, Colorado.

The District was formed by Court Order on November 28, 2000, with its formation election held on November 7, 2000. The election approved general obligation indebtedness of $8,000,000 for street improvements, $1,000,000 for traffic safety, $5,500,000 for parks and recreation, $2,500,000 for water supply system, $2,500,000 for sanitary sewer system, $1,000,000 for television relay system, $1,000,000 for public transportation, $500,000 for mosquito control, $26,000,000 for debt associated with intergovernmental contracts, $23,500,000 for refinancing of District debt, and $2,500,000 for general operations and maintenance. The election also approved an annual increase in taxes of $100,000 for general operations and maintenance, and $2,500,000 in revenues other than ad valorem taxes.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

In 2019 Bradburn Metropolitan District No. 1 (“The District”) started the dissolution process. Pursuant to the District’s Service Plan approved by the City on September 11, 2000, as subsequently amended, subsequent to the financing and construction of the public improvements set forth in the Service Plan and upon the full payment or discharge of all its outstanding indebtedness and other financial obligations and upon completion of construction of all services and facilities, the District is to undertake effort for dissolution. A majority of all of the members of the Board of Directors deem it to be in the best interest of the District that it be dissolving. The District provides no services within its boundaries and all services authorized to be provided by the District are provided by Bradburn Metropolitan District No. 2 and Bradburn Metropolitan District No. 3, and as a result, no plan for the continuation of the District’s services is necessary. The District does not have any outstanding bonds or other financial obligations, and possesses no assets requiring disposition prior to dissolution. Upon dissolution, the District’s Board of Directors will immediately and permanently dissolve and none of members thereof will continue in the office.

In 2019 Bradburn Metropolitan District No. 2 started to operate as an independent district.

BRADBURN METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

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.

The District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2026, the adjusted maximum mill levy for debt service is 72.862 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2026, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewal Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	27.00%		State Assessed	27.00%
			Oil & Gas Production	87.50%

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County.

The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected by the District. The specific ownership taxes are pledged for the repayment of bonds; therefore, they are reported in the Debt Service Fund.

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

BRADBURN METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

General and administration Expenditures

General and administration expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting, and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt Service

Principal and interest payments due this year are provided based on the debt amortization schedule from the Series 2018A Bonds (discussed under Debt and Leases).

Debt and Leases

Series 2018 General Obligation Bonds

On March 14, 2018, the District issued the 2018 Bonds in the par amounts of $10,120,000 for the 2018A Senior Bonds, $2,988,000 for the 2018B Subordinate Bonds, and $3,271,000 for the 2018C Junior Lien Bonds. Proceeds of the 2018A Senior Bonds were applied to (i) pay the costs of refunding the District's General Obligation Bonds (Limited Tax Convertible to Unlimited Tax), Series 2004 and Supplemental General Obligation Limited Tax Bonds, Series 2004; (ii) finance or reimburse the costs of public improvements related to the development; (iii) fund the Senior Reserve Fund; and (iv) pay the costs of issuing the 2018 Bonds. Proceeds from the sale of the 2018B Subordinate Bonds were applied to (i) finance or reimburse public improvements related to the development; and (ii) pay other costs in connection with the issuance of the 2018B Subordinate Bonds. Proceeds from the 2018C Junior Lien Bonds were applied to pay and cancel obligations of the District to the Developer under Reimbursement Agreements.

The Senior Bonds are issued as term bonds that bear interest at 4.00% and 5.00%, and are payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2018. The Senior Bonds mature on December 1, 2047.

The Subordinate Bonds are issued at the rate of 7.25% per annum and are payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2047. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. In the event any amount of principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer be due and outstanding.

Series 2018 General Obligation Bonds (continued)

The 2018C Junior Lien Bonds bear interest at the rate of 7.50% per annum and is payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2051. The 2018C Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. In the event any amount of principal or interest on the 2018C Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer due and outstanding. In no event shall any principal, interest or Mandatory Redemption Price be paid on the 2018C Junior Lien Bonds until such time as there has been paid in full or defeased the 2018B Subordinate Bonds, and, to the extent required by the applicable Senior/Subordinate Obligation Indentures, any other Senior/Subordinated Obligations issued by the District.

At the end of the year 2018 the District accepted all of the remaining long-term liabilities from Bradburn Metropolitan District No. 1 in preparation for the Bradburn Metropolitan District No. 1 dissolution.

	Balance - December 31, 2024	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2025	Current Portion
2018A - $10,120,000					
G.O. Bonds	$ 8,845,000	$ -	$ 215,000	8,630,000	$ 220,000
Subordinate Bonds	2,988,000	-	190,000	2,798,000	-
Accrued interest -					
2018B Subordinate Bonds	124,335	223,935	339,257	9,013	-
2018C - $3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	2,079,925	401,319	-	2,481,244	-
Developer Advance - Operation	15,600	-	-	15,600	-
Accrued interest - Operation	228,191	1,248	-	229,439	-
Accrued interest - Capital	844,177	-	-	844,177	-
Total	$ 18,396,228	$ 626,502	$ 744,257	$ 18,278,473	$ 220,000

BRADBURN METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases (continued)

	Balance - December 31, 2025	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2026	Current Portion
2018A - $10,120,000					
G.O. Bonds	$ 8,630,000	$ -	$ 220,000	$ 8,410,000	$ 230,000
Subordinate Bonds	2,798,000	-	318,000	2,480,000	-
Accrued interest -					
2018B Subordinate Bonds	9,013	201,970	203,000	7,983	-
2018C - $3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	2,481,244	431,419	-	2,912,663	-
Developer Advance - Operation	15,600	-	-	15,600	-
Accrued interest - Operation	229,439	1,248	-	230,687	-
Accrued interest - Capital	844,177	-	-	844,177	-
Total	$ 18,278,473	$ 634,637	$ 741,000	$ 18,172,110	$ 230,000

This district has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2026, as defined under TABOR.

Debt Service Reserve

The District maintains a Debt Service Reserve as required with the issuance of the Series 2018A Bonds.

This information is an integral part of the accompanying budget.

BRADBURN METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$10,120,000
General Obligation
Refunding and Improvement Bonds
Limited Tax (Convertible to Unlimited Tax)
Series 2018A
Dated March 14, 2018
Interest Rate 4.000% - 5.000%
Due June 1 and December 1

Year Ended December 31,	Principal Due December 1 Principal	Interest	Total General Obligation Debt
2026	$ 220,000	$ 424,600	$ 644,600
2027	230,000	415,800	645,800
2028	240,000	406,600	646,600
2029	250,000	397,000	647,000
2030	260,000	384,500	644,500
2031	275,000	371,500	646,500
2032	290,000	357,750	647,750
2033	305,000	343,250	648,250
2034	320,000	328,000	648,000
2035	335,000	312,000	647,000
2036	350,000	295,250	645,250
2037	370,000	277,750	647,750
2038	385,000	259,250	644,250
2039	405,000	240,000	645,000
2040	425,000	219,750	644,750
2041	445,000	198,500	643,500
2042	470,000	176,250	646,250
2043	495,000	152,750	647,750
2044	520,000	128,000	648,000
2045	545,000	102,000	647,000
2046	570,000	74,750	644,750
2047	925,000	46,250	971,250
	$ 9,050,000	$ 6,786,100	$ 15,836,100

The Subordinate Bonds Series 2018B and 2018C are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

BRADBURN METROPOLITAN DISTRICT NO. 2
RESOLUTION TO AMEND 2026 BUDGET

WHEREAS, the Board of Directors of Bradburn Metropolitan District No. 2 (the "**District**") certifies that at a special meeting of the Board of Directors of the District held April 2, 2026, a public hearing was held regarding the 2026 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2026 as follows:

Debt Service Fund	$1,205,000

and;

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2026; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2026 as follows:

Debt Service Fund	$19,340,000

BE IT FURTHER RESOLVED that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

[Remainder of Page Intentionally Left Blank]

ADOPTED MAY 7, 2026.

DISTRICT:

BRADBURN METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
Officer of the District

ATTEST:

By: _____
Lenn A.Moldenhauer (May 15, 2026 12:17:52 MDT)

STATE OF COLORADO
COUNTY OF ADAMS
BRADBURN METROPOLITAN DISTRICT NO. 2

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held at 1881 16th Street Mall, Suite 500, Denver, CO 80202 and via teleconference Thursday, April 2, 2026, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of May, 2026.

_____
Signature

[Signature Page to Resolution to Amend 2026 Budget]

EXHIBIT C
2025 Audit

BRADBURN METROPOLITAN DISTRICT NO. 2
Adams County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

BRADBURN METROPOLITAN DISTRICT NO. 2
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FISCAL FOCUS PARTNERS LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Bradburn Metropolitan District No. 2
Adams County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Bradburn Metropolitan District No. 2 (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 thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Fiscal Focus Partners, LLC

P.O. Box 740339, Arvada, CO 80006
303.202.1800 Office www.ffpcpa.com

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate to 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 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 the purposes of additional analysis and legal compliance 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 supplementary 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Fiscal Focus Partners, LLC

Arvada, Colorado
June 11, 2026

BASIC FINANCIAL STATEMENTS

BRADBURN METROPOLITAN DISTRICT NO. 2
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 232,610
Investments - Restricted	1,000,695
Receivable - County Treasurer	3,057
Property Taxes Receivable	1,191,999
Prepaid Expenses	4,419
Capital Assets, Net of Accumulated Depreciation	4,599
Total Assets	2,437,379
LIABILITIES	
Accounts Payable	6,278
Accrued Interest Payable	35,383
Noncurrent Liabilities:	
Due Within One Year	220,000
Due in More Than One Year	18,218,979
Total Liabilities	18,480,640
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,191,999
Total Deferred Inflows of Resources	1,191,999
NET POSITION	
Net Investment in Capital Assets	(839,578)
Restricted for:	
Emergency Reserves	3,400
Debt Service	966,302
Unrestricted	(17,365,384)
Total Net Position	$ (17,235,260)

See accompanying Notes to Basic Financial Statements.

BRADBURN METROPOLITAN DISTRICT NO. 2
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	$ 123,514	$ -	$ -	$ -	$ (123,514)
Interest and Related Costs on Long-Term Debt	1,071,540	-	-	-	(1,071,540)
Total Governmental Activities	$ 1,195,054	$ -	$ -	$ -	(1,195,054)
GENERAL REVENUES					
Property Taxes					1,163,326
Specific Ownership Taxes					58,856
Net Investment Income					71,326
Total General Revenues					1,293,508
CHANGE IN NET POSITION					98,454
Net Position - Beginning of Year					(17,333,714)
NET POSITION - END OF YEAR					$ (17,235,260)

See accompanying Notes to Basic Financial Statements.

BRADBURN METROPOLITAN DISTRICT NO. 2
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	$ 232,610	$ -	$ 232,610
Investments - Restricted	3,400	997,295	1,000,695
Receivable - County Treasurer	-	3,057	3,057
Property Taxes Receivable	99,999	1,092,000	1,191,999
Prepaid Expense	3,086	1,333	4,419
Total Assets	$ 339,095	$ 2,093,685	$ 2,432,780
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 6,278	$ -	$ 6,278
Total Liabilities	6,278	-	6,278
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	99,999	1,092,000	1,191,999
Total Deferred Inflows of Resources	99,999	1,092,000	1,191,999
FUND BALANCES			
Nonspendable:			
Prepaid Expenses	3,086	1,333	4,419
Restricted for:			
Emergency Reserve	3,400	-	3,400
Debt Service	-	1,000,352	1,000,352
Unassigned:			
General Government	226,332	-	226,332
Total Fund Balances	232,818	1,001,685	1,234,503
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 339,095	$ 2,093,685	
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, Net of Accumulated Depreciation			4,599
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds:			
Developer Advance - Principal			(15,600)
Developer Advance - Interest			(1,073,616)
Bonds Payable - Principal			(14,703,000)
Bonds Payable - Interest			(35,383)
Bond Premium			(156,489)
Accrued Bond Interest Payable			(2,490,274)
Net Position of Governmental Activities			$ (17,235,260)

See accompanying Notes to Basic Financial Statements.

BRADBURN METROPOLITAN DISTRICT NO. 2
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	$ 98,736	$ 1,064,590	$ 1,163,326
Specific Ownership Taxes	-	58,856	58,856
Net Investment Income	11,778	59,548	71,326
Total Revenues	110,514	1,182,994	1,293,508
EXPENDITURES			
Accounting	33,521	-	33,521
Audit	6,600	-	6,600
County Treasurers' Fee	1,484	16,006	17,490
Dues and Licenses	384	-	384
Election Expense	5,895	-	5,895
Insurance and Bonds	3,086	-	3,086
Legal Services	21,303	-	21,303
Website Development	582	-	582
Paying Agent Fees	-	8,000	8,000
Bond Interest - Series 2018A	-	433,200	433,200
Bond Interest - Series 2018B	-	339,257	339,257
Bond Principal - Series 2018A	-	215,000	215,000
Bond Principal - Series 2018B	-	186,000	186,000
Total Expenditures	72,855	1,197,463	1,270,318
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	37,659	(14,469)	23,190
Fund Balances - Beginning of Year	195,159	1,016,154	1,211,313
FUND BALANCES - END OF YEAR	$ 232,818	$ 1,001,685	$ 1,234,503

See accompanying Notes to Basic Financial Statements.

BRADBURN METROPOLITAN DISTRICT NO. 2
RECONCILIATION OF THE STATEMENTS 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	$	23,190
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable assets over the estimated useful life of the asset.		
Depreciation Expense		(50,659)
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:		
Current Year Bond Principal Payment - Series 2018A		215,000
Current Year Bond Principal Payment - Series 2018B		186,000
Amortization of Bond Premium		11,468
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.		
Developer Advance - Interest		(1,248)
Accrued Interest Payable - 2018B Subordinate Bonds - Change in Liability		115,306
Accrued Interest Payable - 2018C Junior Lien Bonds - Change in Liability		(401,320)
Accrued Interest on Series 2018A Bonds - Change in Liability		717
Change in Net Position of Governmental Activities	$	98,454

See accompanying Notes to Basic Financial Statements.

BRADBURN METROPOLITAN DISTRICT NO. 2
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	$ 99,999	$ 98,736	$ (1,263)
Net Investment Income	6,300	11,778	5,478
Total Revenues	106,299	110,514	4,215
EXPENDITURES			
Accounting	38,500	33,521	4,979
Audit	7,000	6,600	400
County Treasurers' Fee	1,500	1,484	16
Dues and Licenses	500	384	116
Election Expense	50,000	5,895	44,105
Insurance and Bonds	4,000	3,086	914
Legal Services	27,700	21,303	6,397
Miscellaneous	300	-	300
Website Development	7,500	582	6,918
Contingency	3,000	-	3,000
Total Expenditures	140,000	72,855	67,145
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(33,701)	37,659	71,360
Fund Balance - Beginning of Year	176,054	195,159	19,105
FUND BALANCE - END OF YEAR	$ 142,353	$ 232,818	$ 90,465

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Bradburn Metropolitan District No. 2 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for Adams County on November 28, 2000, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized to provide construction, installation, financing, and operation of public improvements, including water, wastewater, streets, park and recreation facilities, and other improvements needed for the District. The District was organized in conjunction with two other related districts, Bradburn Metropolitan District No. 1 and Bradburn Metropolitan District No. 3 (collectively with District No. 2, the Districts). Under the Consolidated Service Plan approved by the City Council of Westminster on September 11, 2000, as amended by a First Modification dated April 23, 2001, District No. 1 was the Operating District and District Nos. 2 and 3 were the Financing Districts. On August 22, 2016, the City Council approved the Second Modification to the Service Plan. Under the provisions of the Second Modification, District Nos. 2 and 3 operate individually and independently. During 2018, the Board of Directors approved moving forward with the dissolution process for Bradburn Metropolitan District No.1. Dissolution of Bradburn Metropolitan District No. 1 was granted by court on June 17, 2020. The District's service area is located entirely within the City of Westminster, Adams County, Colorado.

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 District organization, including District No. 3, 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 property taxes and intergovernmental revenues.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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.

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 is due.

The District reports the following major governmental funds:

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

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

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.

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 or business-type 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 $1,000. 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.

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

Landscape Improvements	20 Years
Park Structure	15 Years

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

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.

Bond Premiums and Discounts

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

In the fund financial statements, governmental fund types recognize bonds 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 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:

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

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	$	232,610
Cash and Investments - Restricted		1,000,695
Total Cash and Investments	$	1,233,305

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

Deposits with Financial Institutions	$	358
Investments		1,232,947
Total Cash and Investments	$	1,233,305

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 bank balance and a carrying balance of $358.

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)

Deposits with Financial Institutions

Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

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
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	$ 249,009
Morgan Stanley Institutional Liquidity Funds	Weighted-Average Under 30 Days	983,938
Total Investments		$ 1,232,947

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.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

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.

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.

Morgan Stanley Institutional Liquidity Funds

The District's trust accounts at United Missouri Bank are invested in the Morgan Stanley Institutional Liquidity Funds (MSILF). This portfolio is a money market mutual fund which invests in repurchase agreements and US Treasury Debt with a weighted average life of less than 30 days. MSILF records its investments at fair value, and the District records its investment in MSILF using the net asset value method.

The Morgan Stanley Institutional Liquidity Funds is rated AAAm by Standard & Poor's, and AAA-mf by Moody's.

NOTE 4 CAPITAL ASSETS

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

By Classification	Balance at December 31, 2024	Additions	Retirements	Balance at December 31, 2025
Capital Assets, Being Depreciated:				
Landscape Improvements	$ 2,314,274	$ -	$ -	$ 2,314,274
Park Structure	46,000	-	-	46,000
Total Capital Assets, Being Depreciated	2,360,274	-	-	2,360,274
Less Accumulated Depreciation for:				
Landscape Improvements	(2,266,682)	(47,593)	-	(2,314,275)
Park Structure	(38,334)	(3,066)	-	(41,400)
Total Accumulated Depreciation	(2,305,016)	(50,659)	-	(2,355,675)
Total Capital Assets, Being Depreciated, Net	55,258	(50,659)	-	4,599
Governmental Activities - Capital Assets, Net	$ 55,258	$ (50,659)	$ -	$ 4,599

Depreciation expense was charged to the governmental operations of the District for the year ended December 31, 2025.

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 - December 31, 2024	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2025	Current Portion
2018A - $10,120,000 G.O. Bonds	$ 8,845,000	$ -	$ 215,000	$ 8,630,000	$ 220,000
Bonds Premium, Series 2018A	167,957	-	11,468	156,489	-
2018B - $2,988,000 Subordinate Bonds	2,988,000	-	186,000	2,802,000	-
Accrued Interest - 2018B Subordinate Bonds	124,335	223,951	339,257	9,029	-
2018C - $3,271,000 Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued Interest - 2018C Junior Lien Bonds	2,079,925	401,320	-	2,481,245	-
Developer Advance - Operation	15,600	-	-	15,600	-
Accrued Interest - Operation	228,191	1,248	-	229,439	-
Accrued Interest - Capital	844,177	-	-	844,177	-
Total	$ 18,564,185	$ 626,519	$ 751,725	$ 18,438,979	$ 220,000

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The detail of the District's general obligation bonds outstanding during 2025 is as follows:

Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding and Improvement Bonds, Series 2018A (the 2018A Senior Bonds); Subordinate Limited Tax General Obligation Bonds, Series 2018B (the 2018B Subordinate Bonds); and Junior Lien Limited Tax General Obligation Bonds, Series 2018C (the 2018C Junior Lien Bonds, and together with the 2018A Senior Bonds and 2018B Subordinate Bonds, the 2018 Bonds) dated March 14, 2018.

2018 Bonds Details

The District issued the 2018 Bonds on March 14, 2018, in the par amounts of $10,120,000 for the 2018A Senior Bonds, $2,988,000 for the 2018B Subordinate Bonds, and $3,271,000 for the 2018C Junior Lien Bonds. Proceeds of the 2018A Senior Bonds were applied to (i) pay the costs of refunding the District's General Obligation Bonds (Limited Tax Convertible to Unlimited Tax), Series 2004 and Supplemental General Obligation Limited Tax Bonds, Series 2004; (ii) finance or reimburse the costs of public improvements related to the development; (iii) fund the Senior Reserve Fund; and (iv) pay the costs of issuing the 2018 Bonds. Proceeds from the sale of the 2018B Subordinate Bonds were applied to (i) finance or reimburse public improvements related to the development; and (ii) pay other costs in connection with the issuance of the 2018B Subordinate Bonds. Proceeds from the 2018C Junior Lien Bonds were applied to pay and cancel obligations of the District to the Developer under Reimbursement Agreements.

The 2018A Senior Bonds were issued as three term bonds. The first term bond bears interest at 4% and matures on December 1, 2028, the second term bond bears interest at 5% and matures on December 1, 2038, and the third term bond bears interest at 5% and matures on December 1, 2047. The interest on the 2018A Senior Bonds is payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2018. To the extent principal of any bond is not paid when due, such principal shall remain outstanding until paid. To the extent interest on any bond is not paid when due, such interest shall compound semi-annually on each interest payment date at the rate borne by the bond; however, the District shall not be obligated to pay more than the amount permitted by law and the electoral authorization in repayment of the 2018A Senior Bonds.

The 2018B Subordinate Bonds bear interest at the rate of 7.25% per annum and is payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2047. The 2018B Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2018B Subordinate Bonds compounds annually on each December 15; however, the District shall not be obligated to pay more than the amount permitted by law and the electoral authorization in repayment of the 2018B Subordinate Bonds. In the event any amount of principal or interest on the 2018B Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer due and outstanding.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2018 Bonds Details (Continued)

The 2018C Junior Lien Bonds bear interest at the rate of 7.50% per annum and is payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2051. The 2018C Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2018C Junior Lien Bonds compounds annually on each December 15; however, the District shall not be obligated to pay more than the amount permitted by law and the electoral authorization in repayment of the 2018C Junior Lien Bonds. In the event any amount of principal or interest on the 2018C Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer due and outstanding. In no event shall any principal, interest or Mandatory Redemption Price be paid on the 2018C Junior Lien Bonds until such time as there has been paid in full or defeased the 2018B Subordinate Bonds, and, to the extent required by the applicable Senior/Subordinate Obligation Indentures, any other Senior/Subordinated Obligations issued by the District.

2018 Bonds Optional Redemption

The 2018A Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2028, and on any date thereafter, upon payment of par and accrued interest, without redemption premium.

The 2018B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount redeemed, as follows:

Date of Redemption	Redemption Premium
December 15, 2023 to December 14, 2024	3.00%
December 15, 2024 to December 14, 2025	2.00
December 15, 2025 to December 14, 2026	1.00
December 15, 2026 and Thereafter	0.00

The 2018C Junior Lien Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount redeemed, as follows:

Date of Redemption	Redemption Premium
December 15, 2023 to December 14, 2024	3.00%
December 15, 2024 to December 14, 2025	2.00
December 15, 2025 to December 14, 2026	1.00
December 15, 2026 and Thereafter	0.00

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2018 Senior Reserve Fund

The Senior Reserve Fund reserve requirement is $324,125. The balance in the Senior Reserve Fund at December 31, 2025, was $325,964.

2018 Senior Surplus Fund

The Senior Surplus Fund maximum amount is $648,250. The balance in the Senior Surplus Fund at December 31, 2025, was $655,872.

Unused Lines of Credit

The Series 2018A Bonds, Series 2018B Subordinate Bonds, and the 2018C Junior Lien Bonds do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the Series 2018A Bonds, Series 2018B Subordinate Bonds, and the 2018C Junior Lien Bonds.

Events of Default

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.

Termination Events

The Series 2018A Senior Bonds do not have a termination provision. Any amounts that are outstanding (including principal and interest) on the Series 2018B Subordinate Bonds, and the 2018C Junior Lien Bonds will be deemed to discharge and no longer due and outstanding after December 15, 2057.

Acceleration

The Series 2018A Senior Bonds, Series 2018B Subordinate Bonds, and the 2018C Junior Lien Bonds are not subject to acceleration.

2018A Senior Bonds Debt Service

The outstanding bond principal and interest of the 2018A Senior Bonds are due as follows:

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Year Ending December 31,	Principal	Interest	Total
2026	$ 220,000	$ 424,600	$ 644,600
2027	230,000	415,800	645,800
2028	240,000	406,600	646,600
2029	250,000	397,000	647,000
2030	260,000	384,500	644,500
2031-2035	1,525,000	1,712,500	3,237,500
2036-2040	1,935,000	1,292,000	3,227,000
2041-2045	2,475,000	757,500	3,232,500
2046-2047	1,495,000	121,000	1,616,000
Total	$ 8,630,000	$ 5,911,500	$ 14,541,500

The annual debt service requirements on the 2018B Subordinate Bonds and 2018C Junior Lien Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue and Junior Lien Pledged Revenue, respectively.

Authorized Debt

Pursuant to the Service Plan, as amended, the District and Bradburn Metropolitan District No. 3, collectively, are subject to a combined new money general debt limitation of $20,000,000 (the "Service Plan Debt Issuance Limit"). The Service Plan Debt Issuance Limit may be increased up to $30,000,000, subject to a request for administrative approval from the City of Westminster for such an increase, along with the submittal of a revised financing plan that supports the increased debt limitation. 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 refundings 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 7, 2000, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $77,000,000, at a net effective interest rate not to excess of 18% per annum. Such voted debt authorization has expired as of 2020, per C.R.S. 32-1-1101(2), due to 20 years passing since it was authorized at the 2000 election.

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:

Net Investment in Capital Assets:		
Capital Assets, Net	$	4,599
Noncurrent Long-Term Obligations		(844,177)
Net Investment in Capital Assets	$	(839,578)

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

Restricted Net Position:		
Emergency Reserves	$	3,400
Debt Service		966,302
Total Restricted Net Position	$	969,702

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

The District has a deficit in unrestricted net position. This deficit amount was a result of the District being responsible for the repayment of bonds issued for the construction of public improvements conveyed to other government entities.

NOTE 7 RELATED PARTIES

The members of the Board of Directors are employees of, owners of, or are otherwise associated with Continuum Partners, LLC, and may have conflicts of interest in dealing with the District. Continuum Partners, LLC (Continuum) has been responsible for the development of the property within the District. Continuum has created additional entities to fund the development within the District; however, these entities are controlled by Continuum and its management team. The entities are CP Bradburn Village Central, LLC, Bradburn Northern Associates, LLC (BNA), and Continuum Property Management Company, LLC (CPCM). Continuum and the additional entities are collectively referred to as the Developer.

NOTE 7 RELATED PARTIES (CONTINUED)

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

Developer Advance and Reimbursement Agreement

District No. 1, Bradburn Community Associates, LLC (BCA), Continuum Bruchez Associates, LLC (CBA), and Orchard Park Investments, Inc. (OPI) entered into separate Reimbursement Agreements dated August 6, 2001, December 2, 2002, and April 4, 2005, respectively, to fund certain costs of District No. 1 related to the construction of public improvements necessary to develop the property within its Service Area. District No. 1 was to reimburse the Developer from funds available, subject to annual appropriation.

Interest accrues on the BCA and CBA Reimbursement Agreements at the rate of 8.5%. Interest accrues on the OPI Reimbursement Agreement at the rate of 8%. The OPI Reimbursement Agreement is subordinate to the other Reimbursement Agreements. Each of these Reimbursement Agreements were amended on February 16, 2016, and subsequently assigned to Bradburn Northern Association LLC. In 2018, the Bradburn Metropolitan District No. 1 repaid developers $7,371,852 of previously received advances. All remaining amounts due and owing to the Developer under the Reimbursement Agreements were assigned to Bradburn Metropolitan District No. 2 as of March 14, 2018.

NOTE 8 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). 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 9 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.

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

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.

On November 7, 2000, the District's electors authorized the District to increase property taxes up to $100,000 annually for District operations. The District was authorized to collect, retain and spend such revenue as a permanent revenue change under TABOR and an exception to the limitations set forth in Section 29-1-203, Colorado Revised Statutes.

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, may require judicial interpretation.

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

Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues.

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

NOTE 10 SUBSEQUENT EVENT

2026 LOANS

On May 26, 2026 the District issued a $7,630,000 Taxable (Convertible to Tax-Exempt) Limited Tax General Obligation Refunding Loan Series 2026A-1 (2026A-1 Loan) and an $8,925,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Loan Series 2026A-2 (2026A-2 Loan), collectively the Loans. The 2026A-1 Loan will bear an interest rate of 5.93% until the Tax-Exempt Re-issuance Date; subsequent to the Tax-Exempt Re-issuance Date the 2026A-1 Loan will bear an interest rate of 4.41%.
The 2026A-2 Loan will bear an interest rate of 4.41%.

NOTE 10 SUBSEQUENT EVENT (CONTINUED)

2026 LOANS (Continued)

The Loans' proceeds of $16,555,000, all of which shall be transferred to UMB Bank, for credit in various capacities including:

$7,396,442 from the 2026A-1 Loan shall be credited to UMB Bank, in its capacity as Escrow Agent to an escrow account held under the escrow agreement representing an amount that when combined with other available funds is sufficient to fund the Escrow Account so as to fully defease the 2018A Senior Bonds.

$2,219,528 shall be credited and applied by UMB Bank, in its capacity as the Refunded Bonds Trustee, together with other funds held by the Refunded Bonds Trustee securing the 2018B Subordinate Bonds, to redemption of the 2018B Subordinate Bonds.

$5,958,144 shall be credited and applied by UMB Bank, in its capacity as the Refunded Bonds Trustee, to redemption of the 2018C Junior Lien Bonds.

$280,886 ($233,558 from proceeds of the 2026A-1 Loan and $47,328 from proceeds of the 2026A-2 Loan) shall be credited by UMB Bank, in its capacity as Escrow Agent, to the Costs of Issuance Fund established under the Escrow Agreement, for payment of the fees, costs and expenses incurred in connection with the issuance and delivery of the Loans and refunding the Refunded Bonds.

Payment of interest will be due on June 1 and December 1 of each year commencing on December 1, 2026. Principal payments are to be made on December 1 of each year as follows:

	2026A-1	2026A-2
2027	$ 60,000	$ -
2028	80,000	10,000
2029	100,000	100,000
2030	105,000	120,000
2031	110,000	125,000
2032	120,000	145,000
2033	125,000	150,000
2034	140,000	170,000
2035	145,000	175,000
2036	6,645,000	7,930,000

NOTE 10 SUBSEQUENT EVENT (CONTINUED)

2026 LOANS (Continued)

The District may prepay all or with consent of the Lender a part of the Principal on any payment date with a redemption premium as follows:

Date of Redemption	Redemption Premium
On or Before December 1, 2028	1.50%
December 2, 2028 Through and Including December 1, 2030	1.00
December 2, 2030 Through and Including December 1, 2031	0.50
December 2, 2031 and Thereafter	0.00

The District is required to establish and maintain a Loan Payment Account to secure the payment of principal and interest on the Loans. Pledged revenue consisting of all Property Tax Revenues, Specific Ownership Taxes and any other legally available moneys which the Board determines to apply as Pledged Revenue shall be credited to the Loan Payment Account no later than 10 business days after receipt until the amount of pledged revenue credited equals the annual debt requirements coming due in the year.

In addition to covenants which are typical of a loan of this nature, the District is required to impose upon all taxable property of the District each year an amount necessary to generate Property Tax Revenues sufficient, when combined with moneys then held in the Loan Payment Account, to pay the Annual Debt Requirements for the next Fiscal Year, but not in excess of 50 mills. In the event that the method of calculating assessed valuation for residential property is changed after April 23, 2001, the 50 mill maximum levy provided shall be increased or decreased to reflect such changes.

The District may not issue any additional debt without prior written consent of the Lender.

SUPPLEMENTARY INFORMATION

BRADBURN METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 1,078,206	$ 1,078,206	$ 1,064,590	$ (13,616)
Specific Ownership Taxes	70,690	58,000	58,856	856
Net Investment Income	39,000	40,000	59,548	19,548
Total Revenues	1,187,896	1,176,206	1,182,994	6,788
EXPENDITURES				
County Treasurers' Fee	16,173	16,173	16,006	167
Paying Agent Fees	8,000	8,000	8,000	-
Bond Interest - Series 2018A	433,200	433,200	433,200	-
Bond Interest - Series 2018B	339,258	339,257	339,257	-
Bond Principal - Series 2018A	215,000	215,000	215,000	-
Bond Principal - Series 2018B	160,742	190,000	186,000	4,000
Contingency	3,827	13,370	-	13,370
Total Expenditures	1,176,200	1,215,000	1,197,463	17,537
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	11,696	(38,794)	(14,469)	24,325
Fund Balance - Beginning of Year	978,145	1,016,154	1,016,154	-
FUND BALANCE - END OF YEAR	$ 989,841	$ 977,360	$ 1,001,685	$ 24,325

BRADBURN METROPOLITAN DISTRICT NO. 2
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	$ 14,540,000	5.752	57.523	$ 920,018	$ 905,764		98.45 %
2022	16,020,740	5.752	57.523	1,013,712	1,014,685		100.10
2023	15,327,980	5.992	59.924	1,010,359	955,233	(A)	94.54
2024	17,334,760	5.768	61.602	1,167,843	1,172,228		100.38
2025	17,244,130	5.799	62.526	1,178,205	1,163,326		98.74
Estimated for Year Ending December 31, 2026	$ 17,761,870	5.630	61.480	$ 1,191,999			

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.

(A) Includes a rebate of $61,912 to taxpayers in 2023.

BRADBURN METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

	$10,120,000 General Obligation Refunding and Improvement Bonds Limited Tax (Convertible to Unlimited Tax) Series 2018A Dated March 14, 2018 Interest Rate 4.000% - 5.000% Payable June 1 and December 1 Principal Due December 1		
Year Ending December 31,	Principal	Interest	Total
2026	$ 220,000	$ 424,600	$ 644,600
2027	230,000	415,800	645,800
2028	240,000	406,600	646,600
2029	250,000	397,000	647,000
2030	260,000	384,500	644,500
2031	275,000	371,500	646,500
2032	290,000	357,750	647,750
2033	305,000	343,250	648,250
2034	320,000	328,000	648,000
2035	335,000	312,000	647,000
2036	350,000	295,250	645,250
2037	370,000	277,750	647,750
2038	385,000	259,250	644,250
2039	405,000	240,000	645,000
2040	425,000	219,750	644,750
2041	445,000	198,500	643,500
2042	470,000	176,250	646,250
2043	495,000	152,750	647,750
2044	520,000	128,000	648,000
2045	545,000	102,000	647,000
2046	570,000	74,750	644,750
2047	925,000	46,250	971,250
Total	$ 8,630,000	$ 5,911,500	$ 14,541,500

NOTE:

The Subordinate Bonds Series 2018B and 2018C are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.