Weems Neighborhood Metropolitan District
2025 Annual Report

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT

2025 ANNUAL REPORT TO
CITY OF LAFAYETTE, STATE OF COLORADO

Pursuant to § 32-1-207(3)(c), C.R.S., Weems Neighborhood Metropolitan District (the "**District**") is required to provide an annual report to the with regard to the following matters.

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

§ 32-1-207(3) Statutory Requirements

1. **Boundary changes made.**

   No boundary changes were made or proposed during 2025.

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

   No intergovernmental agreements were entered into or terminated during 2025.

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

   A copy of the District's Covenant Enforcement and Design Review Services are available on the District website: https://weemsneighborhoodmetrodistrict.org/.

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

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

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

   The District has not constructed any Public Improvements as of December 31, 2025.

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

   The District has not constructed any facilities or improvements that have been dedicated to and accepted by the City of Lafayette, Colorado as of December 31, 2025.

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

   The final assessed valuation of the District for 2025 is $6,184,763.

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

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

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 in process and will be provided as a supplemental enclosure upon receipt.

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

    To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.

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.**

    To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

Service Plan Requirements

Pursuant to the Service Plan for Weems Neighborhood Metropolitan District (the "Service Plan"), the District is required to submit an annual report to the City of Lafayette, Colorado (the "City").

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

1. **Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.**

   No boundary changes were made or proposed during 2025.

2. **Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.**

   The District did not enter into any Intergovernmental Agreements during 2025.

3. **Copies of the District's rules and regulations, if any, as of December 31 of the prior year.**

   A copy of the District's Covenant Enforcement and Design Review Services are available on the District website: https://weemsneighborhoodmetrodistrict.org/

4. **A summary of any litigation which involves the District's Public Improvements as of December 31 of the prior year.**

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

5. **Status of the District's construction of the Public Improvements as of December 31 of the prior year.**

   The District has not constructed any Public Improvements as of December 31, 2025.

6. **A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.**

   The District has not constructed any facilities or improvements that have been dedicated to and accepted by the City as of December 31, 2025.

7. **The assessed valuation of the District for the current year.**

8. The final assessed valuation of the District for 2025 is $6,184,763.

9. **Current year budget including a description of the Public Improvements to be constructed in such year.**

   The 2026 Budget is attached hereto as **Exhibit A**. The District does not anticipate constructing improvements in 2026.

10. **Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

    The 2025 Audit is in process and will be provided as a supplemental enclosure upon receipt.

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

    To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.

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

To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

EXHIBIT A
2026 BUDGET

WEEMS NEIGHBORHOOD METRO DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/20/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 209,183	$ 339,603	$ 2,399,482
REVENUES			
Property taxes	182,229	310,068	391,279
Specific ownership taxes	7,598	12,516	15,651
Late fees/penalties	-	1,500	-
Operating Fees	-	35,000	-
Operating Fees - Townhomes	-	37,500	-
Real Estate Transfer	-	10,000	-
Interest Income	16,947	63,500	23,500
Other Revenue	2,072	-	-
Bond issuance proceeds	-	12,298,000	-
Total revenues	208,846	12,768,084	430,430
TRANSFERS IN	-	2,416,221	-
Total funds available	418,029	15,523,908	2,829,912
EXPENDITURES			
General Fund	76,679	155,206	79,567
Debt Service Fund	1,747	671,220	604,999
Capital Projects Fund	-	9,881,779	-
Total expenditures	78,426	10,708,205	684,566
TRANSFERS OUT	-	2,416,221	-
Total expenditures and transfers out requiring appropriation	78,426	13,124,426	684,566
ENDING FUND BALANCES	$ 339,603	$ 2,399,482	$ 2,145,346
EMERGENCY RESERVE	$ 2,200	$ 5,800	$ 4,000
AVAILABLE FOR OPERATIONS	25,763	69,769	124,383
DEBT SERVICE RESERVE	-	900,000	900,000
AVAILABLE FOR OPERATIONS - DEBT SERVICE	311,640	1,423,913	1,116,963
TOTAL RESERVE	$ 339,603	$ 2,399,482	$ 2,145,346

No assurance provided. See summary of significant assumptions.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/20/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential	$ 734,885	$ 4,086,400	$ 4,991,452
Commercial	30,223	31,070	129,879
Agricultural	4,049	4,049	19,274
State assessed	22,973	44,657	99,779
Vacant land	2,290,235	722,584	944,379
Certified Assessed Value	$ 3,082,365	$ 4,888,760	$ 6,184,763
MILL LEVY			
General	21.498	23.274	20.037
Debt Service	37.622	40.730	43.228
Total mill levy	59.120	64.004	63.265
PROPERTY TAXES			
General	$ 66,265	$ 113,781	$ 123,924
Debt Service	115,965	199,119	267,355
Levied property taxes	182,230	312,900	391,279
Adjustments to actual/rounding	(1)	-	-
Refunds and abatements	-	(2,832)	-
Budgeted property taxes	$ 182,229	$ 310,068	$ 391,279
BUDGETED PROPERTY TAXES			
General	**$ 64,946**	**$ 112,761**	**$ 123,924**
Debt Service	**117,283**	**197,307**	**267,355**
	$ 182,229	**$ 310,068**	**$ 391,279**

No assurance provided. See summary of significant assumptions.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/20/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 32,053	$ 27,963	$ 75,569
REVENUES			
Property taxes	64,946	112,761	123,924
Specific ownership taxes	2,763	4,551	4,957
Late fees/penalties	-	1,500	-
Operating Fees	-	35,000	-
Operating Fees - Townhomes	-	37,500	-
Interest Income	2,808	1,500	3,500
Real Estate Transfer	-	10,000	-
Other Revenue	2,072	-	-
Total revenues	72,589	202,812	132,381
Total funds available	104,642	230,775	207,950
EXPENDITURES			
General and administrative			
Accounting	14,464	30,000	25,000
Auditing	-	-	5,000
Administration fees	-	5,000	-
County Treasurer's Fee	998	1,707	1,859
Dues and Membership	906	1,009	3,000
Insurance	2,076	2,326	3,500
District management	-	17,500	-
Legal	27,269	32,500	30,000
Miscellaneous	-	5,000	2,500
Election	342	3,764	-
Website	600	1,400	1,000
Contingency	-	-	7,708
Operations and maintenance			
Engineering	30,024	-	-
Landscaping	-	40,000	-
Snow removal	-	15,000	-
Total expenditures	76,679	155,206	79,567
Total expenditures and transfers out requiring appropriation	76,679	155,206	79,567
ENDING FUND BALANCES	$ 27,963	$ 75,569	$ 128,383
EMERGENCY RESERVE	$ 2,200	$ 5,800	$ 4,000
AVAILABLE FOR OPERATIONS	25,763	69,769	124,383
TOTAL RESERVE	$ 27,963	$ 75,569	$ 128,383

No assurance provided. See summary of significant assumptions.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/20/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 177,130	$ 311,640	$ 2,323,913
REVENUES			
Property taxes	117,283	197,307	267,355
Specific ownership taxes	4,835	7,965	10,694
Interest Income	14,139	62,000	20,000
Total revenues	136,257	267,272	298,049
TRANSFERS IN			
Transfers from other funds	-	2,416,221	-
Total funds available	313,387	2,995,133	2,621,962
EXPENDITURES			
General and administrative			
County Treasurer's Fee	1,747	2,987	4,010
Paying agent fees	-	7,500	4,000
Contingency	-	-	9,489
Debt Service			
Bond interest	-	311,701	587,500
Bond issue costs	-	349,032	-
Total expenditures	1,747	671,220	604,999
Total expenditures and transfers out requiring appropriation	1,747	671,220	604,999
ENDING FUND BALANCES	$ 311,640	$ 2,323,913	$ 2,016,963
DEBT SERVICE RESERVE	$ -	$ 900,000	$ 900,000
AVAILABLE FOR OPERATIONS - DEBT SERVICE	311,640	1,423,913	1,116,963
TOTAL RESERVE	$ 311,640	$ 2,323,913	$ 2,016,963

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/20/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Bond issuance proceeds	-	12,298,000	-
Total revenues	-	12,298,000	-
Total funds available	-	12,298,000	-
EXPENDITURES			
Capital Projects			
Bond issue costs	-	268,940	-
Capital outlay	-	9,612,839	-
Total expenditures	-	9,881,779	-
TRANSFERS OUT			
Transfers to other fund	-	2,416,221	-
Total expenditures and transfers out requiring appropriation	-	12,298,000	-
ENDING FUND BALANCES	$ -	$ -	$ -

No assurance provided. See summary of significant assumptions.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The Weems Neighborhood Metropolitan District organization was approved by eligible electors of the District at an election held on November 8, 2016. The District was organized by order of the District Court in and for Boulder County on January 23, 2017. The formation of the District was approved by the City of Lafayette, Colorado in conjunction with the approval by the City Council of a Service Plan for the District on August 2, 2016. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.)

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act, subject to the limitations on fire protection, television relay and transmission and telecommunication facilities.

On November 8, 2016, the District's voters authorized general obligation indebtedness of $208,000,000 for District improvements. The service plan has a limitation on the issuance of debt to $13,000,000.

The Maximum Debt Service Mill Levy is 35 mills subject to the Gallagher adjustment. The Maximum Operations and Maintenance Mill Levy will be 20 mills as adjusted during the Developer Control Period. After the Developer Period, the District shall not be subject to the Maximum Operations and Maintenance Mill Levy.

The District has no employees and all administrative functions are contractual.

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.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
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 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.

The Maximum Debt Service Mill Levy is 35 mills subject to the Gallagher adjustment. The Maximum Operations and Maintenance Mill Levy will be 20 mills as adjusted during the Developer Control Period. After the Developer Period, the District shall not be subject to the Maximum Operations and Maintenance Mill Levy. The District shall not impose a levy for repayment of any all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed which exceeds 40 years after the initial imposition of such mill levy unless the majority of the Board of Directors of the district are residents of the District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in net present value savings as set forth in Section 11-56-101, C.R.S., et seq.

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable 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%

Revenues – (continued)

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 4% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%

Expenditures

Administrative Expenditures

Administrative expenditures for the project 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, audit, accounting, insurance, management, maintenance and other administrative expenses.

Debt and Leases

On May 20, 2025, the District issued its General Obligation Bonds, Series 2025A and 2025B in the total amount of $10,000,000 for the 2025A and $2,298,000 for the 2025B bearing interest of 5.875%. The General Obligation Bonds shall mature on December 1, 2055 with principal payments due December 1st.

The 2025A Senior Bonds shall constitute limited tax (convertible to unlimited tax) general obligations of the District payable from the Senior Pledged Revenue as provided in the 2025A Senior Indenture. "Senior Pledged Revenue"[1] is defined in the 2025A Senior Indenture as the following: (a) all Senior Property Tax Revenues; (b) all Senior Specific Ownership Tax Revenues; and (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

Debt and Leases – (Continued)

The 2025A Senior Bonds are additionally secured by: (i) the Senior Reserve Fund[2], funded with proceeds of the 2025A Senior Bonds in the amount of Reserve Requirement ($873,731.26*); (ii) the Senior Surplus Fund[3], which will not be funded with proceeds of the 2025A Senior Bonds, but instead will be funded with excess Senior Pledged Revenue, if any, up to the Maximum Surplus Amount ($1,057,500*), and which is subject to release upon satisfaction of certain requirements in accordance with the 2025A Senior Indenture, as described herein; and (iii) capitalized interest which will be funded with proceeds of the 2025A Senior Bonds in the amount of $1,285,229.71.*

The 2025A Senior Bonds are being issued for the purpose of: (a) financing Public Improvements necessary to support the Development, (b) funding capitalized interest on the 2025A Senior Bonds; (c) funding the Senior Reserve Fund to the Reserve Requirement; and (d) paying other costs in connection with the issuance of the 2025A Senior Bonds, 2025B Subordinate Bonds and 2025C Junior Lien Bonds. The 2025B Subordinate Bonds are being issued for the purpose of financing additional Public Improvements necessary to support the Development.

The 2025B Subordinate Bonds shall constitute limited tax general obligations of the District payable from the Subordinate Pledged Revenue as provided in the 2025B Subordinate Indenture. "Subordinate Pledged Revenue" is defined in the 2025B Subordinate Indenture as the following: (i) all Subordinate Property Tax Revenues; (ii) all Subordinate Specific Ownership Tax Revenues; (iii) any amounts released from the Senior Surplus Fund pursuant certain provisions of the 2025A Senior Indenture (described herein in paragraphs (e) and (g) of "THE 2025A SENIOR BONDS – Funds and Accounts – Senior Surplus Fund"), and including all amounts on deposit therein upon termination of the Senior Surplus Fund; and (iv) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

Debt and Leases – (Continued)

The District has outstanding developer advances and activity as follows:

	Balance - December 31, 2024	Additions	Retirements/ Reductions	Balance - December 31, 2025
Developer Advances	$ 96,257	$ -	$ -	$ 96,257
Accrued Interest - Developer Advances	25,414	6,257	-	31,671
Total	$ 121,671	$ 6,257	$ -	$ 127,928

	Balance - December 31, 2025	Additions	Retirements/ Reductions	Balance - December 31, 2026
Developer Advances	$ 96,257	$ -	$ -	$ 96,257
Accrued Interest - Developer Advances	31,671	6,257	-	37,928
Total	$ 127,928	$ 6,257	$ -	$ 134,185

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.

WEEMS NEIGHBORHOOD METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2025

Bonds and Interest Maturing in the Year Ending December 31,	$10,000,000 General Obligation Limited Tax Bonds Series 2025A Dated May 20, 2025 Interest Rate 5.875% Interest Payable June 1, December 1 Principal Due December 1		
	Principal	Interest	Total
2026	$ -	$ 587,500	$ 587,500
2027	-	587,500	587,500
2028	-	587,500	587,500
2029	-	587,500	587,500
2030	45,000	587,500	632,500
2031	80,000	584,856	664,856
2032	120,000	580,156	700,156
2033	125,000	573,106	698,106
2034	145,000	565,763	710,763
2035	155,000	557,244	712,244
2036	180,000	548,138	728,138
2037	190,000	537,563	727,563
2038	215,000	526,400	741,400
2039	225,000	513,769	738,769
2040	255,000	500,550	755,550
2041	270,000	485,569	755,569
2042	300,000	469,706	769,706
2043	320,000	452,081	772,081
2044	355,000	433,281	788,281
2045	375,000	412,425	787,425
2046	410,000	390,394	800,394
2047	435,000	366,306	801,306
2048	480,000	340,750	820,750
2049	505,000	312,550	817,550
2050	550,000	282,881	832,881
2051	585,000	250,569	835,569
2052	635,000	216,200	851,200
2053	675,000	178,894	853,894
2054	730,000	139,238	869,238
2055	1,640,000	96,350	1,736,350
	$ 10,000,000	$ 13,252,239	$ 23,252,239