

CACHE METROPOLITAN DISTRICT NO. 1

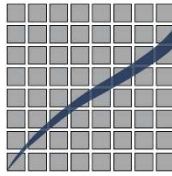
Weld County, Colorado

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025

**CACHE METROPOLITAN DISTRICT NO. 1
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YEAR ENDED DECEMBER 31, 2025**

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BiggsKofford

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Cache Metropolitan District No. 1
Weld County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Cache Metropolitan District No. 1 ("District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the

basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

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

BiggsKofford LLP

Colorado Springs, Colorado
April 6, 2026

BASIC FINANCIAL STATEMENTS

CACHE METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	\$ 1,338,558
Cash and Investments - Restricted	5,120,344
Prepaid Insurance	26,016
Property Tax Receivable	301,477
Capital Assets:	
Capital Assets Not Being Depreciated	6,144,970
Total Assets	12,931,365
LIABILITIES	
Accounts Payable	3,109,180
Retainage Payable	201,673
Noncurrent Liabilities:	
Due in More Than One Year	6,026,115
Total Liabilities	9,336,968
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	301,477
Total Deferred Inflows of Resources	301,477
NET POSITION	
Restricted for:	
Emergency Reserve	25,600
Capital Projects	1,809,332
Unrestricted	1,457,988
Total Net Position	\$ 3,292,920

See accompanying Notes to Basic Financial Statements.

**CACHE METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS				
Primary Government:				
Governmental Activities:				
General Government	\$ 331,968	\$ -	\$ -	\$ (331,968)
Total Governmental Activities	\$ 331,968	\$ -	\$ -	(331,968)
GENERAL REVENUES				
Property Taxes				597,333
Specific Ownership Taxes				24,199
Interest Income				122,035
Other Revenue				177,357
Total General Revenues				920,924
CHANGES IN NET POSITION				588,956
Net Position - Beginning of Year				2,703,964
NET POSITION - END OF YEAR				\$ 3,292,920

See accompanying Notes to Basic Financial Statements.

**CACHE METROPOLITAN DISTRICT NO. 1
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

ASSETS	General	Capital Projects	Total Governmental Funds
Cash and Investments	\$ 1,332,646	\$ 5,912	\$ 1,338,558
Cash and Investments - Restricted	25,600	5,094,744	5,120,344
Prepaid Insurance	26,016	-	26,016
Property Tax Receivable	301,477	-	301,477
Total Assets	<u>\$ 1,685,739</u>	<u>\$ 5,100,656</u>	<u>\$ 6,786,395</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 19,529	\$ 3,089,651	\$ 3,109,180
Retainage Payable	-	201,673	201,673
Total Liabilities	19,529	3,291,324	3,310,853
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	301,477	-	301,477
Total Deferred Inflows of Resources	301,477	-	301,477
FUND BALANCES			
Nonspendable:			
Prepaid Expense	26,016	-	26,016
Restricted for:			
Emergency Reserves	25,600	-	25,600
Capital Projects	-	1,809,332	1,809,332
Unassigned	1,313,117	-	1,313,117
Total Fund Balances	1,364,733	1,809,332	3,174,065
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,685,739</u>	<u>\$ 5,100,656</u>	

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.

6,144,970

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Developer Advance Payable

(6,026,115)

Net Position of Governmental Activities

\$ 3,292,920

**CACHE METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025**

	General	Capital Projects	Total Governmental Funds
REVENUES			
Property Taxes	\$ 597,333	\$ -	\$ 597,333
Specific Ownership Taxes	24,199	-	24,199
Interest Income	54,403	67,632	122,035
Other Revenue	177,357	-	177,357
Total Revenues	<u>853,292</u>	<u>67,632</u>	<u>920,924</u>
EXPENDITURES			
Current:			
Accounting	31,084	1,937	33,021
Auditing	6,050	-	6,050
County Treasurer's Fee	8,960	-	8,960
District Management	23,606	-	23,606
Dues And Membership	1,959	-	1,959
Election	14,592	-	14,592
Engineering	-	7,263	7,263
Insurance	28,432	-	28,432
Legal	62,605	15,733	78,338
Miscellaneous	357	-	357
Website	923	-	923
Bond Issue Costs	-	2,352	2,352
Capital Projects:			
Capital Outlay	-	4,592,097	4,592,097
Total Expenditures	<u>178,568</u>	<u>4,619,382</u>	<u>4,797,950</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	674,724	(4,551,750)	(3,877,026)
OTHER FINANCING SOURCES (USES)			
Developer Advance	-	6,344,278	6,344,278
Repay Developer Advance	-	(444,278)	(444,278)
Transfers In (Out)	(461,082)	461,082	-
Total Other Financing Sources (Uses)	<u>(461,082)</u>	<u>6,361,082</u>	<u>5,900,000</u>
NET CHANGE IN FUND BALANCES	213,642	1,809,332	2,022,974
Fund Balances - Beginning of Year	<u>1,151,091</u>	<u>-</u>	<u>1,151,091</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,364,733</u>	<u>\$ 1,809,332</u>	<u>\$ 3,174,065</u>

See accompanying Notes to Basic Financial Statements.

**CACHE METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

Net Change in Fund Balances - Total Governmental Funds \$ 2,022,974

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

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital Outlay 4,592,097

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Developer Advance (6,344,278)
Repay Developer Advance 444,278

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable Developer Advance - Change in Liability (126,115)

Changes in Net Position of Governmental Activities \$ 588,956

**CACHE METROPOLITAN DISTRICT NO. 1
GENERAL FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 597,332	\$ 597,332	\$ 597,333	\$ 1
Specific Ownership Taxes	23,893	25,580	24,199	(1,381)
Interest Income	35,000	54,550	54,403	(147)
Other Revenue	-	177,357	177,357	-
Total Revenues	<u>656,225</u>	<u>854,819</u>	<u>853,292</u>	<u>(1,527)</u>
EXPENDITURES				
Accounting	25,000	35,000	31,084	3,916
Auditing	6,000	6,050	6,050	-
Contingency	11,040	44,090	-	44,090
County Treasurer's Fee	8,960	8,960	8,960	-
District Management	25,000	32,000	23,606	8,394
Dues And Membership	2,500	1,959	1,959	-
Election	3,000	14,570	14,592	(22)
Insurance	27,000	27,992	28,432	(440)
Legal	30,000	55,000	62,605	(7,605)
Miscellaneous	-	357	357	-
Website	1,500	923	923	-
Total Expenditures	<u>140,000</u>	<u>226,901</u>	<u>178,568</u>	<u>48,333</u>
EXCESS OF REVENUES OVER EXPENDITURES	516,225	627,918	674,724	46,806
OTHER FINANCING SOURCES (USES)				
Transfers To Other Fund	-	(1,673,099)	(461,082)	1,212,017
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,673,099)</u>	<u>(461,082)</u>	<u>1,212,017</u>
NET CHANGE IN FUND BALANCE	516,225	(1,045,181)	213,642	1,258,823
Fund Balance - Beginning of Year	<u>1,743,633</u>	<u>1,151,091</u>	<u>1,151,091</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,259,858</u>	<u>\$ 105,910</u>	<u>\$ 1,364,733</u>	<u>\$ 1,258,823</u>

See accompanying Notes to Basic Financial Statements.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 DEFINITION OF REPORTING ENTITY

Cache Metropolitan District No. 1 (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado was organized by order and decree of the District Court in and for Weld County on November 16, 2020, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

Under a Consolidated Service Plan, approved by the City Council of the City of Greeley (the City) on September 15, 2020 and amended on October 15, 2024, the District was organized in conjunction with seven other related districts, Cache Metropolitan District No. 2 (District No. 2), Cache Metropolitan District No. 3 (District No. 3), Cache Metropolitan District No. 4 (District No. 4), Cache Metropolitan District No. 5 (District No. 5), Cache Metropolitan District No. 6 (District No. 6), Cache Metropolitan District No. 7 (District No. 7), and Cache Metropolitan District No. 8 (District No. 8, and together with the District, District No. 2, District No. 3, District No. 4, District No. 5, District No. 6, and District No. 7, the Districts). The District serves as the Operating District for District Nos. 2-8. The Districts' service area is located entirely within the City, Weld County, Colorado. The District was established to provide financing for the design, acquisition, installation, construction, and completion of public improvements and services, including water, sanitation, street, safety protection, parks and recreation, transportation, television relay and translation, and mosquito control improvements and services.

The District is a quasi-municipal governmental entity governed by an elected Board of Directors with the power to impose property taxes and other fees and charges for services within the District's service area and is an independent unit of local government, separate and distinct from the City.

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

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 to any other organization, nor is the District a component unit of any other primary governmental entity, including the City and Cache Metropolitan District Nos. 2-8.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

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 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 government 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 and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

**CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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 twice for the year ended December 31, 2025.

Property Taxes

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

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

Capital Assets

Capital assets, which include 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 \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of investment in capital assets.

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.

Deferred Inflow 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 amounts become available.

Equity

Net Position

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

Fund Balance

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

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

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

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

Adoption of New 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.

**CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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	\$ 1,338,558
Cash and Investments - Restricted	5,120,344
Total Cash and Investments	\$ 6,458,902

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

Deposits with Financial Institutions	\$ 8,764
Investments	6,450,138
Total Cash and Investments	\$ 6,458,902

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.

As of December 31, 2025, the District had a bank and carrying balance of \$8,764.

Investments

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

The District generally limits its concentration of investments to those 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.

**CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

- . Obligations of the United States, certain U.S. government agency securities, 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 investments as follows:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 6,450,138
		<u>\$ 6,450,138</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under Section 24-75-601.1, C.R.S.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

**CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

CSAFE (Continued)

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAAMmf and CSAFE CORE is rated AA Af/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Capital Assets Not Being Depreciated	\$ 1,552,873	\$ 4,592,097	\$ -	\$ 6,144,970
Total Capital Assets, Not Being Depreciated	\$ 1,552,873	\$ 4,592,097	\$ -	\$ 6,144,970

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Other Debts:					
Developer Advance - Capital	\$ -	\$ 6,344,278	\$ 444,278	\$ 5,900,000	\$ -
Accrued Interest on:					
Developer Advance - Capital	-	126,115	-	126,115	-
Subtotal Other Debts	-	6,470,393	444,278	6,026,115	-
 Total Long-Term Obligations	 \$ -	 \$ 6,470,393	 \$ 444,278	 \$ 6,026,115	 \$ -

**CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 3, 2020, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$3,200,000,000 at an interest rate not to exceed 18% per annum. On May 6, 2025, District voters approved additional debt authorization in the amount of \$3,600,000,000 at an interest rate not to exceed 18% per annum. As of December 31, 2025, the District had authorized but unissued electoral indebtedness of \$6,800,000,000.

Pursuant to the Service Plan, the District and Cache Metropolitan District Nos. 2-8 combined are permitted to issue bond indebtedness of \$200,000,000.

NOTE 6 AGREEMENTS

Advance and Reimbursement Agreement (Operations and Maintenance Expenses) (Termination)

On January 21, 2021, the District entered into an Advance and Reimbursement Agreement (Operations and Maintenance Expenses) with The Cache LLC (the Developer), as amended by that First Amendment to Advance and Reimbursement Agreement (Operations and Maintenance Expenses), dated January 1, 2022, and that Second Amendment to Advance and Reimbursement Agreement (Operations and Maintenance Expenses), dated January 1, 2023, (collectively, the Operations Agreement). As of November 12, 2025, this Agreement was terminated.

Advance and Reimbursement and Facilities Acquisition Agreement (Capital Expenses)

On January 21, 2021, the District entered into an Advance and Reimbursement and Facilities Acquisition Agreement (Capital Expenses) with the Developer, as amended by that First Amendment to the Advance and Reimbursement and Facilities Acquisition Agreement, dated November 8, 2022, and as amended by that Amendment to the Advance and Reimbursement and Facilities Acquisition Agreement, dated August 23, 2025 (collectively, the Capital Agreement), to reimburse advances made by the Developer for Advances and Certified District Eligible Costs, as each is defined within the Capital Agreement. The District agreed to repay the Developer Advances, subject to annual appropriations, for such capital advances plus accrued interest at the rate of 8% per annum from the date such costs are incurred by the Developer, provided, however, that no interest shall begin to accrue on any advance made to the District prior to November 20, 2020, and the interest shall stop accruing under the Capital Agreement on the date of payment of such amount in full. The Developer agreed to advance funds or expend funds on behalf of the District in an amount not to exceed \$23,504,396. As of December 31, 2025, there was \$5,900,000 in principal and \$126,115 in interest outstanding under this agreement. The Capital Agreement terminates 40 years after its effective date, at which point, any outstanding principal and interest will be deemed discharged and satisfied in full. As of December 31, 2025, there were unspent advances of \$1,809,332. These funds are restricted under the Capital Agreement for capital projects (Note 7).

**CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 6 AGREEMENTS (CONTINUED)

Intergovernmental Agreement By and Between the City of Greeley, Colorado

The Districts and the City entered into an intergovernmental agreement, dated January 21, 2021, regarding compliance with the Consolidated Service Plan of the Districts.

Operating Agreement

The District anticipates entering into an Intergovernmental Agreement Concerning District Operations and Funding with Cache Metropolitan District Nos. 2-8.

Private and Public Works Construction/Improvement Contract

On August 26, 2025, the District and The Cache Development Corporation, entered into a Private and Public Works Construction/Improvement Contract (the Contract) with Crow Creek Construction, LLC, for the purpose of constructing both public and private infrastructure. The costs are reviewed by a third-party engineer to determine the public and private portions of the contract and are then paid by the respective parties separately based on that determination.

NOTE 7 NET POSITION

The District has net position consisting of two components: restricted and unrestricted. 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 government or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2025, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 25,600
Capital Projects Reserve	1,809,332
Total Restricted Net Position	\$ 1,834,932

NOTE 8 RELATED PARTIES

All of the Board of Directors are employees, owners, or are otherwise associated with the Developer and The Cache Development Corporation, and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed in accordance with State law.

NOTE 9 INTERFUND TRANSFERS

The transfer from the General Fund to the Capital Projects Fund was related to covering the capital expenditures incurred.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 10 COMMITMENTS AND CONTINGENCIES

As of December 31, 2025, the District has unexpended construction related contract commitments of approximately \$5,061,463.

NOTE 11 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 natural disasters.

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 general and automobile liability, public officials' liability, auto physical damage and workers' compensation coverage. In the event aggregate 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 12 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.

On May 6, 2025 the District's voters authorized the District to increase property taxes \$10,000,000 annually, without limitation of rate and without regard to any spending, revenue raising or other limitations contained within Article X, section 20 of the Colorado Constitution (TABOR) or section 2-1-301, C.R.S., to pay the District's operations, maintenance and other expenses. Additionally the District's electors authorized the District to collect, spend or retain without regard to any limitation under TABOR.

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 3, 2020, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 12 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

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 and qualification as an Enterprise will require judicial interpretation.

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

On May 6, 2025, the qualified electors of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2026 and all future budget years.

SUPPLEMENTARY INFORMATION

**CACHE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ -	\$ -	\$ 67,632	\$ 67,632
Total Revenues	<u>-</u>	<u>-</u>	<u>67,632</u>	<u>67,632</u>
EXPENDITURES				
Accounting	-	5,000	1,937	3,063
Engineering	-	20,000	7,263	12,737
Legal	-	-	15,733	(15,733)
Capital Outlay	15,000,000	24,975,000	4,592,097	20,382,903
Bond Issue Costs	-	-	2,352	(2,352)
Total Expenditures	<u>15,000,000</u>	<u>25,000,000</u>	<u>4,619,382</u>	<u>20,380,618</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(15,000,000)	(25,000,000)	(4,551,750)	20,448,250
OTHER FINANCING SOURCES (USES)				
Developer Advance	15,000,000	23,504,396	6,344,278	(17,160,118)
Repay Developer Advance	-	-	(444,278)	(444,278)
Transfers From Other Funds	-	1,495,604	461,082	(1,034,522)
Total Other Financing Sources (Uses)	<u>15,000,000</u>	<u>25,000,000</u>	<u>6,361,082</u>	<u>(18,638,918)</u>
NET CHANGE IN FUND BALANCE	-	-	1,809,332	1,809,332
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,809,332</u>	<u>\$ 1,809,332</u>

OTHER INFORMATION

CACHE METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
			General Operations	Total	Levied	Collected	
2021/2022	\$ 10	0.0%	70.000	70.000	\$ 1	\$ 1	100.00 %
2022/2023	19,760,770	197607600.0%	70.000	70.000	1,383,254	1,383,254	100.00 %
2023/2024	22,305,620	12.9%	70.000	70.000	1,561,393	1,563,128	100.11 %
2024/2025	8,533,320	-61.7%	70.000	70.000	597,332	597,333	100.00 %
Estimated for Year Ending December 31, 2026	\$ 4,306,810	-49.5%	70.000	70.000	\$ 301,477		

Note:

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

Source: Weld County Assessor and Treasurer.