

Andiamo Metropolitan District

Adopted Annual Budget

For the year ending December 31, 2026



Accountants' Report

Board of Directors
Andiamo Metropolitan District
Pueblo County, Colorado

We have compiled the accompanying forecasted budget of revenue, expenditures, and fund balances of the Andiamo Metropolitan District for the General Fund for the year ending December 31, 2026, including the forecasted estimate of comparative information for the year ending December 31, 2025, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditures, and fund balances or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

The Henn Group, LLC

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Pueblo County, Colorado

October 15, 2025

Andiamo Metropolitan District

2026 Budget Message

Andiamo Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act.

At this time the district has no employees and all operations and administrative functions are contractual.

The following budget is prepared using the modified accrual basis of accounting.

The district was formed with the primary purposes of 1) to provide for all or part of the Public Improvements, as defined in the district's Service Plan, for the use and benefit of all anticipated inhabitants and taxpayers of the District in a manner consistent with City-approved development plans; 2) to finance construction of public improvements as defined in the Service Plan for the district and; 3) to operate and maintain such public improvements that are not otherwise dedicated or conveyed to the City or other governmental entities.

BUDGET STRATEGY

The District's strategy in preparing the 2026 budget is to strive to provide the scope of services defined in the service plan in the most economic manner possible.

REVENUE

The District set a mill levy for property tax collection in 2026. The calculation of the taxes levied is displayed on the Assessed Value, Property Tax and Mill Levy Information page at the adopted mill levy of 50.00 mills.

The District is reliant on developer advances to cover 30% of anticipated expenditures.

The District anticipated the issuance of Bonds before the end of 2025; however, this did not occur and is now expected to happen before the end of 2026. A portion of the bond will be transferred to the Capital Fund to fund 2026 capital infrastructure.

EXPENDITURES

The District budgeted for administrative expenses to be accounted for in the General Fund for 2026 and the issuance of Bonds for the debt services. A contingency amount has also been budgeted for unforeseen expenditures.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. As the District anticipates no TABOR eligible revenues for 2026, an emergency Reserve for 2026 has not been provided, as defined under TABOR.

Andiamo Metropolitan District
Assessed Value, Property Tax and Mill Levy Information
For the Years Ended and Ending December 31st

	Actual 2024	Estimated Actual 2025	Adopted Budget 2026
ASSESSED VALUATION	\$ 199,476,900	\$ 204,138.00	\$ 65,180.00
Mill Levy			
General Fund	50.00	50.00	50.00
Debt Service Fund	-	-	-
Refunds and Abatements	-	-	-
Total Mill Levy	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>
Property Taxes			
General Fund	-	-	-
Debt Service Fund	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	<u>\$ 9,973.00</u>	<u>\$ 10,026.00</u>	<u>\$ 3,259.00</u>

Andiamo Metropolitan District
Summary
Adopted 2026 Budget

	Actual Prior 2024	Adopted Budget 2025	Estimate Through Year 2025	Proposed Budget Year 2026	Notes/Assumptions
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 2,501	\$ -	
REVENUE					
Property Taxes	2,155	10,206	2,155	3,259	
Specific Ownership Tax	187	-	163	-	
Miscellaneous Revenue	354	-	36	-	
Interest Income	-	-	-	-	
Total Revenue	2,696	10,206	2,354	3,259	
EXPENDITURES					
<u>General Fund</u>					
Accounting Fees	975	10,000	2,500	10,000	Accounting, Budgets, Cert
Legal Fees	-	35,000	3,000	35,000	Legal & Administration
District Administration	-	-	-	-	District Employment
Dues & Subscriptions	440	-	658	-	
Office Expense	-	-	-	-	District Office, Etc.
Insurance and Bonds	100	50,000	-	50,000	Liability Insurance & Bond
Miscellaneous	-	-	-	-	
Contingency	-	50,000	-	50,000	Unforeseen Costs
Treasurer's Fees	56	-	33	-	
<u>Debt Fund Service</u>			---		
Bond Interest	-	-	-	-	
Bond Principal	-	-	-	-	
Developer Advances Repayment	-	-	-	-	
<u>Capital Fund Services</u>					
Infrastructure	-	500,000	2,500	500,000	
Engineering Services	29,410	50,000	35,000	50,000	
Total Expenditures	30,981	695,000	43,691	695,000	
Revenues Over (Under) Expenditures	28,285	(684,794)	(41,337)	(691,741)	
OTHER SOURCES/(USES)					
Developer Advances	28,285	206,426	41,337	211,741	
Bond Proceeds	-	480,000	-	480,000	
Total Other Sources/(Uses)	28,285	685,794	41,337	691,741	
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	

This financial information should be read only in connection with the accompanying accountants' compilation report and summary of significant assumptions.