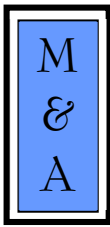


**Beaver Creek Metropolitan District
Eagle County, Colorado
December 31, 2023**

**Beaver Creek Metropolitan District
Financial Statements
December 31, 2023**

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Beaver Creek Metropolitan District
Avon, Colorado**

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaver Creek Metropolitan District (the "District"), as of and for the year ended December 31, 2023, which collectively comprise the District's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Beaver Creek Metropolitan District, as of December 31, 2023 and the respective changes in financial position and, where applicable, cash flows thereof 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 ("U.S. 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 Beaver Creek Metropolitan 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

The Beaver Creek Metropolitan District's 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 one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Beaver Creek Metropolitan District

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 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 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Beaver Creek Metropolitan District**

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Beaver Creek Metropolitan District's basic financial statements. The individual fund budgetary comparison information and statistical tables listed in the accompanying table of contents in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information in Section F are the responsibility of management and were derived from and relate 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 information in Section F is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
Avon, Colorado
July 24, 2024**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Beaver Creek Metropolitan District

Management's Discussion and Analysis December 31, 2023

As management of the Beaver Creek Metropolitan District ("District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2023.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the District's assets, deferred outflows, liabilities and deferred inflows, with the difference between the amounts reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include general government, public safety, streets, and transportation. The District has no business-type activities.

The government-wide financial statements can be found on pages C1 and C2 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The District's governmental fund financial statements are located on pages C3 and C4.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the expenditures and changes in fund balances provide a reconciliation (located on page C5) to facilitate this comparison between governmental funds and governmental activities.

Overview of the Financial Statements (continued)

The District adopts an annual appropriated budget for each fund. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

Proprietary Funds. The District maintains an Internal Service Fund as a proprietary fund. The Internal Service Fund accounts for the joint purchasing of parts, supplies and materials by the District and other entities providing services to the Beaver Creek community.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages C6 through C8 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages D1 through D20 of this report.

Government-wide Financial Analysis.

The following tables show condensed financial information derived from the government-wide financial statements comparing the current year to the prior year.

	Governmental Activities	
	<u>2023</u>	<u>2022</u>
Assets and Deferred Outflows:		
Current and other assets	\$ 20,198,299	\$ 16,287,622
Noncurrent assets	-	5,000,000
Capital assets	27,018,040	27,296,448
Total Assets and Deferred Outflows	<u>47,216,339</u>	<u>48,584,070</u>
Liabilities and Deferred Inflows:		
Current liabilities and deferred inflows	13,758,393	12,370,518
Long-term liabilities outstanding	6,023,496	7,875,961
Total Liabilities and Deferred Inflows	<u>19,781,889</u>	<u>20,246,479</u>
Net Position:		
Net Investment in capital assets	19,143,344	17,344,599
Restricted for emergencies	342,692	307,124
Restricted for debt service	6,147	7,829
Unrestricted	7,942,267	10,678,039
Total Net Position	<u>\$27,434,450</u>	<u>\$ 28,337,591</u>

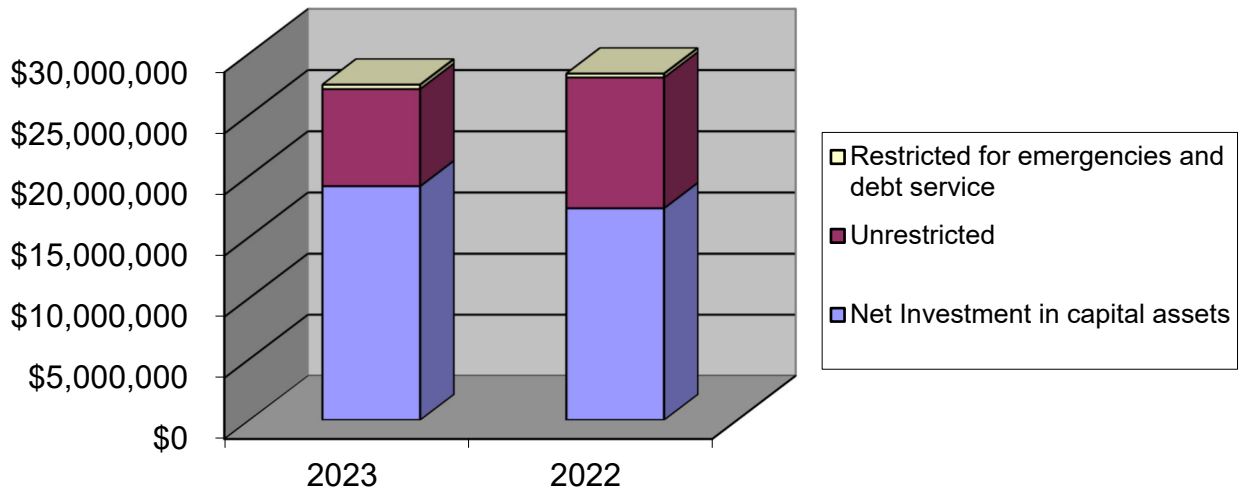
Overview of the Financial Statements (continued)

Beaver Creek Metropolitan District's Change in Net Position		
Governmental Activities		
	2023	2022
Revenues:		
Program revenues:		
Charges for services	\$ 154,844	\$ 186,935
Operating grants and contributions	2,417,514	1,752,612
Capital grants and contributions	425,000	435,407
General revenues:		
Property taxes	9,380,432	9,235,194
Other taxes	538,055	497,107
Interest and other revenue	650,615	427,183
Gain on sale of assets	74,205	118,500
Total Revenues	<u>13,640,665</u>	<u>12,652,938</u>
Expenses:		
General government	853,501	849,630
Public safety	3,206,599	3,136,108
Public works	3,756,269	3,662,624
Transportation	6,084,435	5,214,474
Interest on long-term debt	293,002	305,849
Culture and Recreation	350,000	250,000
Total Expenses	<u>14,543,806</u>	<u>13,418,685</u>
Change in Net Position	<u>(903,141)</u>	<u>(765,747)</u>
Net Position - Beginning	<u>28,337,591</u>	<u>29,103,338</u>
Net Position - Ending	<u><u>\$ 27,434,450</u></u>	<u><u>\$ 28,337,591</u></u>

The District's overall financial position, as measured by net position, decreased from \$28,337,591 at the end of 2022 to \$27,434,450 at the end of 2023. The decrease in net position is due to net depreciation expense and the disposal of equipment & vehicles. The District's net investment in capital assets increased by \$1,798,745 while the District's unrestricted net position decreased from \$10,678,039 at the end of 2022 to \$7,942,267 at the end of 2023. The graph on the following page shows the District's total net positions by category (net investment in capital assets, unrestricted net position and restricted net position for emergencies and debt service) for 2022 compared to 2023.

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Net Position



Financial Analysis of the District's Funds

As mentioned previously, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A discussion of the District's funds follows.

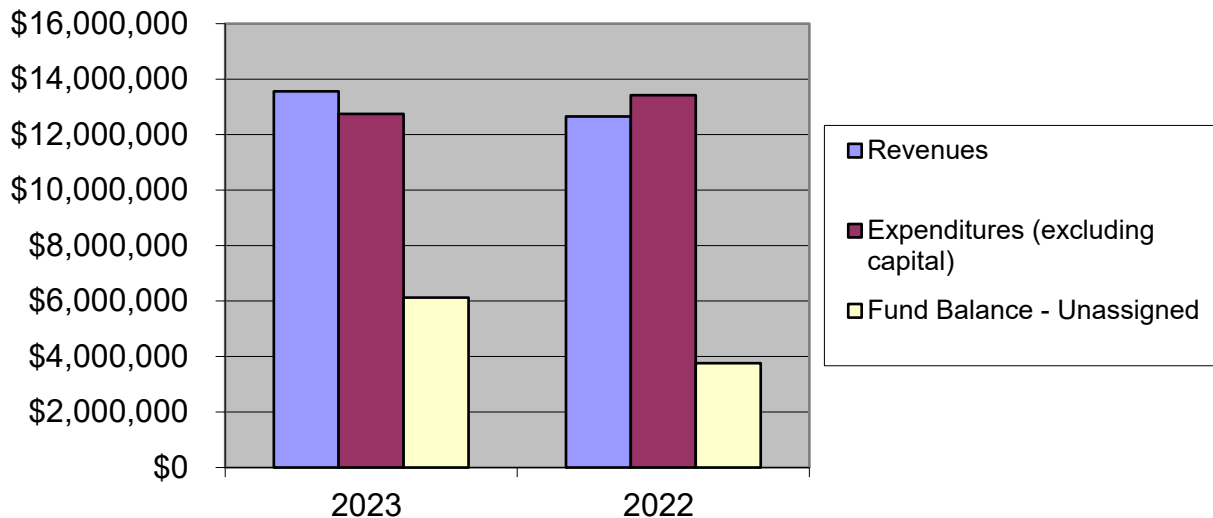
Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$8,311,670 an increase of \$2,290,245 from the prior year ending fund balances. Of the District's ending fund balance, \$22,696 is **non-spendable** since it represents funds already expended for next year's operations, \$348,839 is **restricted**, meaning it is not available for spending because it has been committed for emergencies under Taxpayers' Bill Of Rights (TABOR) and debt service, \$1,000,000 is **committed** for capital replacement, \$814,182 is **committed** for future operating and transportation expenses and the remaining \$6,125,953 is **unassigned**, and is available for spending at the District's discretion.

The District's unassigned fund balance at the end of 2023 is \$6,125,953 compared to \$3,757,264 at the end of 2022. The graph on the following page shows the unassigned fund balance for 2023 and 2022 relative to revenues and expenditures (excluding capital expenditures). This graph shows that at the end of 2023 the District was holding approximately 50% of one year's expenditures in unassigned fund balances.

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Unassigned Fund Balance Compared to Revenues and Expenditures



Proprietary Funds. The District's proprietary fund provides information on the Internal Service Fund which is used to track the joint purchasing of parts, supplies and materials by the District and other entities providing services to the Beaver Creek community. This information is combined with the governmental activities in the government-wide financial statements.

Budget Variances. The District expenditures generally showed favorable variances compared to budget. Details of actual revenues and expenditures compared to budget for each fund are shown on pages E1 through E2 and F1 through F2 of this report.

Capital Assets. Capital asset increases during 2023 included the District's investment of \$2,581,574 in capital asset additions. This investment includes purchases of new equipment for operations, new vehicles for the transportation system, and improvements in infrastructure including road overlays. Overall, total capital assets, after depreciation, decreased from \$27,296,448 to \$27,018,040 during 2023. Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statement on page D10 of this report.

Long-term Debt. The District outstanding long-term debt balance is \$7,874,696 at the end of 2023. The District paid down \$2,077,153 in principal. Additional information can be found in the Notes to the Financial Statement beginning on pages D11 and D12 of this report.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Beaver Creek Metropolitan District, c/o Marchetti & Weaver, LLC, 28 Second Street, Suite 213, Edwards, CO 81632, telephone (970) 926-6060.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Beaver Creek Metropolitan District
Statement of Net Position
December 31, 2023**

	<u>Governmental Activities</u>
Assets:	
Cash and equivalents	751,365
Investments	9,466,029
Receivables, net:	
Property tax	9,769,987
Trade	148,930
County Treasurer	39,292
Prepaid expenses	22,696
Capital assets, net	<u>27,018,040</u>
Total Assets	<u>47,216,339</u>
Liabilities:	
Accounts payable	1,850,720
Deposits	18,000
Accrued interest payable	20,564
Unearned revenue	247,922
Due within one year:	
Equipment notes payable	931,200
Bonds payable	920,000
Due within more than one year:	
Equipment notes payable	1,743,148
Bonds payable	<u>4,280,348</u>
Total Liabilities	<u>10,011,902</u>
Deferred Inflows of Resources:	
Unavailable revenue - property taxes	<u>9,769,987</u>
Total Deferred Inflows of Resources	<u>9,769,987</u>
Net Position:	
Net investment in capital assets	19,143,344
Restricted for emergencies	342,692
Restricted for debt service	6,147
Unrestricted	<u>7,942,267</u>
Total Net Position	<u>27,434,450</u>

The accompanying notes are an integral part of these financial statements.

**Beaver Creek Metropolitan District
Statement of Activities
For the Year Ended December 31, 2023**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net (Expenses) Revenues and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Governmental Activities</u>
Functions/Programs:					
Governmental activities:					
General government	853,501	73,373	-	-	(780,128)
Public safety	3,206,599	-	-	-	(3,206,599)
Public works	3,756,269	53,846	-	425,000	(3,277,423)
Transportation	6,084,435	27,625	2,417,514	-	(3,639,296)
Culture and recreation	350,000	-	-	-	(350,000)
Interest on long-term debt	293,002	-	-	-	(293,002)
Total governmental activities	<u>14,543,806</u>	<u>154,844</u>	<u>2,417,514</u>	<u>425,000</u>	<u>(11,546,448)</u>
Total primary government	<u>14,543,806</u>	<u>154,844</u>	<u>2,417,514</u>	<u>425,000</u>	<u>(11,546,448)</u>
General revenues:					
Taxes:					
Property tax, levied for debt service					322,938
Property tax, levied for transportation services					3,561,390
Property tax, levied for Vilar Center funding					249,735
Property tax, levied for general purposes					5,246,369
Specific ownership tax					538,055
Investment earnings and interest income					642,197
Miscellaneous income					8,418
Special items:					
Gain/(loss) on sale of assets					74,205
Total general revenues					<u>10,643,307</u>
Change in Net Position					<u>(903,141)</u>
Net Position - Beginning					<u>28,337,591</u>
Net Position - Ending					<u>27,434,450</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

**Beaver Creek Metropolitan District
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2023**

	General	Debt Service	Capital Projects	Transportation Special Revenue	Total Governmental Funds
Assets:					
Cash and equivalents	746,571	4,794	-	-	751,365
Investments	9,466,029	-	-	-	9,466,029
Due from County Treasurer	23,021	1,353	-	14,918	39,292
Accounts receivable	113,511	-	25,000	-	138,511
Prepaid expenses	22,696	-	-	-	22,696
Due from other funds	60,193	-	-	-	60,193
Property taxes assessed, but not collectible until subsequent year	5,747,033	324,622	-	3,698,332	9,769,987
Total Assets	<u>16,179,054</u>	<u>330,769</u>	<u>25,000</u>	<u>3,713,250</u>	<u>20,248,073</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	1,044,844	-	-	805,876	1,850,720
Deposits	18,000	-	-	-	18,000
Unearned revenue	-	-	-	247,922	247,922
Due to other funds	-	-	25,000	24,774	49,774
Total Liabilities	<u>1,062,844</u>	<u>-</u>	<u>25,000</u>	<u>1,078,572</u>	<u>2,166,416</u>
Deferred Inflow of Resources:					
Unavailable revenue - property taxes	5,747,033	324,622	-	3,698,332	9,769,987
Total Deferred Inflow of Resources	<u>5,747,033</u>	<u>324,622</u>	<u>-</u>	<u>3,698,332</u>	<u>9,769,987</u>
Fund Balances:					
Non-spendable	22,696	-	-	-	22,696
Restricted for emergencies	342,692	-	-	-	342,692
Restricted for debt service	-	6,147	-	-	6,147
Committed:					
Operations	814,182	-	-	-	814,182
Capital replacement	1,000,000	-	-	-	1,000,000
Unassigned	7,189,607	-	-	(1,063,654)	6,125,953
Total Fund Balances	<u>9,369,177</u>	<u>6,147</u>	<u>-</u>	<u>(1,063,654)</u>	<u>8,311,670</u>
Total Liabilities, Deferred inflow of Resources and Fund Balances	<u>16,179,054</u>	<u>330,769</u>	<u>25,000</u>	<u>3,713,250</u>	<u>20,248,073</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. Details of these amounts are as follows:

Capital asset	68,688,913	
Accumulated depreciation	(41,670,873)	
		<u>27,018,040</u>

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Details of these amounts are as follows:

Accrued interest payable	(20,564)	
Leases payable	(2,674,348)	
Bonds payable	(5,175,000)	
Premium on bonded debt	(25,348)	
		<u>(7,895,260)</u>

Net Position of Governmental Activities

27,434,450

The accompanying notes are an integral part of these financial statements.

Beaver Creek Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Transportation Special Revenue</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes	5,811,357	341,461	-	3,765,669	9,918,487
Interest	531,772	5,601	-	50,166	587,539
Promissory note interest	-	-	54,658	-	54,658
BCRC contractual reimbursement	-	-	425,000	2,417,514	2,842,514
Fees	73,373	-	-	-	73,373
Other	55,590	-	-	27,625	83,215
Total Revenues	<u>6,472,092</u>	<u>347,062</u>	<u>479,658</u>	<u>6,260,974</u>	<u>13,559,786</u>
Expenditures:					
General government	727,316	12,563	-	106,954	846,833
Public safety	2,024,196	-	-	-	2,024,196
Public works	2,144,762	-	-	-	2,144,762
Transportation	-	-	-	5,003,932	5,003,932
Culture and recreation	350,000	-	-	-	350,000
Debt service	-	323,031	973,283	1,081,712	2,378,026
Capital outlay	-	-	2,485,347	1,117,324	3,602,671
Total Expenditures	<u>5,246,274</u>	<u>335,594</u>	<u>3,458,630</u>	<u>7,309,922</u>	<u>16,350,420</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,225,818</u>	<u>11,468</u>	<u>(2,978,972)</u>	<u>(1,048,948)</u>	<u>(2,790,634)</u>
Other Financing Sources (Uses):					
Insurance recoveries	6,674	-	-	-	6,674
Promissory note principal	-	-	5,000,000	-	5,000,000
Sale of capital assets	-	-	12,300	61,905	74,205
Operating transfers in (out)	2,193,969	(13,150)	(2,033,328)	(147,491)	-
Total Other Financing Sources (Uses)	<u>2,200,643</u>	<u>(13,150)</u>	<u>2,978,972</u>	<u>(85,586)</u>	<u>5,080,879</u>
Net Change in Fund Balance	3,426,461	(1,682)	-	(1,134,534)	2,290,245
Fund Balances - Beginning	<u>5,942,716</u>	<u>7,829</u>	<u>-</u>	<u>70,880</u>	<u>6,021,425</u>
Fund Balances - Ending	<u><u>9,369,177</u></u>	<u><u>6,147</u></u>	<u><u>-</u></u>	<u><u>(1,063,654)</u></u>	<u><u>8,311,670</u></u>

The accompanying notes are an integral part of these financial statements.

Beaver Creek Metropolitan District
Reconciliation of Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2023

Net Change in Fund Balances of Governmental Funds	2,290,245
--	------------------

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the net difference between depreciation and capital additions during the year. Details of these differences are as follows:

Capital additions	2,581,574	
Depreciation expense	<u>(2,859,982)</u>	
		<u>(278,408)</u>

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. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of principal on promissory note	(5,000,000)	
Repayment of principal on capital lease	1,175,886	
Amortization of bond premium	1,267	
Repayment of principal on bonds	900,000	
Adjustments to current year interest	<u>7,869</u>	
		<u>(2,914,978)</u>

Change in Net Position of Governmental Activities	<u>(903,141)</u>
--	-------------------------

The accompanying notes are an integral part of these financial statements.

**Beaver Creek Metropolitan District
Statement of Net Position
Proprietary Fund
For the Year Ended December 31, 2023**

	Internal Service Fund
Assets:	
Current assets:	
Accounts receivable, net	10,419
Total current assets	10,419
Total Assets	10,419
Liabilities:	
Current liabilities:	
Due to other fund	10,419
Total current liabilities	10,419
Total Liabilities	10,419
Net Position:	
Invested in capital assets	
Unrestricted	-
Total Net Position	-

The accompanying notes are an integral part of these financial statements.

Beaver Creek Metropolitan District
Statement of Revenues, Expenditures and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2023

	Internal Service Fund
Operating Revenues:	
Charges for services	163,108
Total Operating Revenues	163,108
Operating Expenses:	
Materials and supplies	145,328
Outside services	17,780
Total Operating Expenses	163,108
Change in Net Position	-
Total Net Position - Beginning	-
Total Net Position - Ending	-

The accompanying notes are an integral part of these financial statements.

**Beaver Creek Metropolitan District
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2023**

	Internal Service Fund
Cash Flows From Operating Activities:	
Cash received from customers and others	163,108
Cash paid for goods and services	(163,108)
Net Cash Provided (Used) by Operating Activities	-
Net Increase (Decrease) in Cash	-
Cash and Cash Equivalents - Beginning of Year	-
Cash and Cash Equivalents - End of Year	-
Reconciliation of Operating Income to	
Net Cash Provided by Operating Activities:	
Operating income	-
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) decrease in accounts receivable	5,878
Change in interfund receivable and payable	(5,878)
Total Adjustments	-
Net Cash Provided (Used) by Operating Activities	-

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023

I. Summary of Significant Accounting Policies

Beaver Creek Metropolitan District (the "District") is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide services for fire protection, water distribution, cable television, transportation, recreation, and to construct and maintain roadway and drainage systems within its boundaries which are located in Eagle County, Colorado.

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the District are discussed below.

A. Reporting Entity

The District is governed by an elected Board which is responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with the provisions of the Colorado Special District Act.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits, to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria discussed above, the District is not financially accountable for any other entity, nor is the District a component unit of any other government.

B. Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, the governmental activities columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts – Net investment in capital assets; Restricted net position; and Unrestricted net position. The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The District reports the following governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources not required to be accounted for in another fund.

The *Debt Service Fund* is used to account for the accumulation of financial resources to be used for the payment of general obligation long-term debt principal, interest, and other related costs.

The *Capital Projects Fund* is used to account for the acquisition and construction of major capital facilities.

The *Transportation Special Revenue Fund* is used to account for the operation and maintenance of the transportation system. The major revenue sources are property taxes and a contractual reimbursement for service from a not-for-profit organization.

The *Internal Service Fund* is used to account for goods and services provided to the District and other entities serving Beaver Creek on a cost-reimbursement basis.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

**Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)**

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers for goods and services provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Financial Statement Accounts

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with maturities of three months or less.

Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The District's investment policy permits investments in the following type of obligations which corresponds with state statutes:

- U.S. Government Obligations
- U.S. Government Agency Obligations
- U.S. Government Instrumentality Obligations (except for Federal National Mortgage Association)
- Bank/U.S. Repurchase Agreements
- Local Government Investment Pools
- Money Market Mutual Funds
- FDIC-insured Interest-bearing accounts or checking accounts
- FDIC-insured Certificates of Deposit

No investment shall exceed 3 years. The composition of the portfolio will vary according to market opportunities; however, the investments should be diversified by security type and institution. The following guidelines are intended to ensure proper diversification.

Instrument	Percent of Portfolio Allowed	Maximum Percent per Issuer
U.S. Treasuries	100%	100%
U.S. Agencies (and Instrumentalities)	75%	50%

**Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)**

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

3. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental entities until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and as deferred inflow of resources.

4. Prepaid Expenses

Prepaid expenses are amounts paid in the current year for expenses related to next year.

5. Interfund Receivables and Payables

Balances at year-end between funds are reported as “due to / from other funds” in the fund financial statements.

6. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of four years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital expenditures for projects are capitalized as projects are constructed. Interest incurred during the construction phase is expensed as incurred.

Infrastructure, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure, buildings, and improvements	5 - 40
Equipment and vehicles	4 - 10

7. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District doesn't have any items that qualify for reporting in this category at December 31, 2023.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

7. Deferred Outflows and Inflows of Resources (continued)

In addition to liabilities, the statement of net position will sometimes report 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. Unavailable revenue – property taxes, is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

8. Categories and Classifications of Fund Balance

The District classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of Directors. A board resolution is required to establish, modify or rescind a fund balance commitment.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the District or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The governmental funds, excluding debt service, had a combined restricted fund balance of 342,692 for emergencies as required under TABOR (see Note II. B.).

The Debt Service Fund balance of \$6,147 is restricted for debt service.

The District may use restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District might first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District does not have a formal minimum fund balance policy. However, the District's budget includes a calculation of targeted reserve positions and the district manager calculates targets and reports them annually to Board.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

In the fall of each year, the District's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles ("GAAP").

As required by Colorado Statutes, the District followed the following time table in approving and enacting a budget for the ensuing years:

- (1) For the 2023 budget year, prior to August 25, 2022, the County Assessor sent to the District the certified assessed valuation of all taxable property within the District's boundaries and prior to December 10, 2022 the County Assessor sent the final recertified assessed valuation to the District.
- (2) On or before October 15, 2022, the District's accountant submitted to the District's Board of Directors a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the District's operating requirements.
- (3) A public hearing on the proposed budget and capital program was held by the Board not later than 45 days prior to the close of the fiscal year.
- (4) For the 2023 budget, prior to December 15, 2022, the District computed and certified to the County Commissioners a rate of levy that derived the necessary property taxes as computed in the proposed budget.
- (5) For the 2023 budget, the final budget and appropriating resolution was adopted prior to December 31, 2022.
- (6) After adoption of the budget resolution, the District may make the following changes: a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; b) supplemental appropriations to the extent of revenues in excess of the estimated in the budget; c) emergency appropriations; and d) reduction of appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2022 were collected in 2023 and taxes certified in 2023 will be collected in 2024 and may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th.

The level of control in the budget at which expenditures exceed appropriations is at the fund level. All appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because it is at present considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

II. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has reserved a portion of its December 31, 2023, year-end fund balance in the governmental funds for emergencies as required under TABOR in the amount of \$342,692.

Effective January 1, 1996 and thereafter, the voters authorized the District *to collect, retain and spend all revenues and other funds collected from any source; provided that the District's General Operating Property Tax Levy shall not be increased without voter approval; and the revenues be spent for all District services and general operations as a voter-approved revenue change and an exception to the limits which could otherwise apply.*

On May 6, 2014, the voters approved the two following ballot questions: *"Shall the District debt be increased \$5,500,000, with a repayment cost of \$11,900,000 and shall District taxes be increased \$590,000 annually, or by such lesser annual amount as needed to pay such debt, to acquire a restrictive covenant and a restrictive agreement (as described in documents on file with the District) to prohibit certain development on the face of Beaver Creek mountain, with such debt to have a final maturity not to exceed 30 years and to be sold for a price at, above or below par and on such other terms and conditions as permitted by law, and shall such debt be payable from any legally available revenues of the District including a mill levy imposed annually without limitation as to rate and in an amount sufficient to pay the principal of and interest on such debt (or to create a reserve for such payment); and may the District refund such debt provided that the total outstanding par amount and total repayment costs never exceed the amounts authorized by this question?"* and *"Without increasing any existing tax or imposing any new tax, shall the District be authorized to enter into an agreement for fire protection and emergency services for a maximum term of 11 years and for an annual fee not to exceed \$1,167,150 in 2015 adjusted annually for inflation and growth; all as more fully set forth in the form of agreement approved by the District board and effective January 1, 2015?"*

On November 6, 2018, the voters approved the following ballot question: *"Shall the District be authorized to adjust the operating mill levy beginning in 2020 and annually thereafter at a rate sufficient to maintain up to \$4,602,881.97, subject to annual adjustment for inflation, such taxes to be used for operations, maintenance, administrative and other purposes (which shall effectively replace the District's current operating levy authorization, but which shall remain separate from taxes levied for transportation and the Vilar Center); and shall all District revenues be collected, retained and spent notwithstanding any limits provided by law?"*

**Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)**

II. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

On November 5, 2019, the voters approved the following ballot questions: *“Without raising additional taxes, shall Beaver Creek Metropolitan District’s existing property tax levy authorization of \$250,000 annually or 0.85 mills (whichever is less) for capital improvements at Vilar Center be extended to December 31, 2031?”* and *“Without increasing any existing tax or imposing any new tax, shall Beaver Creek Metropolitan District be authorized to enter into long-term agreements for fire protection and emergency services for up to 20 years for an annual fee not to exceed \$1,830,671 in 2020 adjusted annually for inflation; all as more fully set forth in the form of the initial agreement approved by the District board to effective on or after January 1, 2020?”*

The District’s management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

C. Authorized But Unissued Debt

At December 31, 2023, the District had no authorized but unissued debt.

III. Detailed Notes on All Funds

A. Deposits and Investments

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. The 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 equal to the aggregate uninsured deposits.

The State Regulatory Commissions 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, 2023, the District’s cash deposits had a carrying balance and a bank balance as follows:

	Carrying Balance	Bank Balance
Deposits	\$ 751,365	733,436

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Fair Value of Investments

The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1:* Quoted prices for identical investments in active markets;
- Level 2:* Observable inputs other than quoted market prices; and,
- Level 3:* Unobservable inputs.

The District had the following recurring fair value measurements as of December 31, 2023:

Investments Measured at Fair Value	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Certificates of deposit	\$ 6,796,765	-	6,796,765	-
Total	<u>\$ 6,796,765</u>	<u>-</u>	<u>6,796,765</u>	<u>-</u>

Investments Measured at Net Asset Value	Total
Colotrust	\$ 2,669,264

Investments classified in Level 1 are valued using prices quoted in active markets for those investments. Investments classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the investments' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published at fair value per share (unit) for each fund.

The Investment Pool represents investments in COLOTRUST. The fair value of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool. At December 31, 2023, the District's investment in COLOTRUST represented 100% of its investment portfolio.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the District diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer and type of issuer. The District coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years (less in some cases) from the purchase date. As a result of the limited length of maturities the District has limited its interest rate risk.

Credit Risk. District investment policy limits investments to those authorized by State statutes as listed in Note I.D.1. The District's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Concentration of Credit Risk. The District diversifies its investments by security type and institution. Financial institutions holding District funds must provide the District a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

At December 31, 2023 the District had the following cash and investments with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Maturities	
			Less than one year	One to five years
<i>Deposits:</i>				
Checking and savings	<i>Not Rated</i>	\$ 751,365	751,365	-
<i>Investments:</i>				
Pools	<i>AAAm</i>	2,669,264	2,669,264	-
Certificates of deposit	<i>Not Rated</i>	6,796,765	723,917	6,072,848
Total		<u>\$ 10,217,394</u>		

B. Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,222,318	-	-	2,222,318
Water rights	238,500	-	-	238,500
Restrictive Covenant	5,077,198	-	-	5,077,198
Total capital assets not being depreciated	<u>7,538,016</u>	<u>-</u>	<u>-</u>	<u>7,538,016</u>
Capital assets being depreciated:				
Infrastructure	32,910,731	1,158,696	-	34,069,427
Buildings	9,246,148	-	-	9,246,148
Vehicles and equipment	17,405,282	1,422,878	(992,838)	17,835,322
Total capital assets being depreciated	<u>59,562,161</u>	<u>2,581,574</u>	<u>(992,838)</u>	<u>61,150,897</u>
Less accumulated depreciation for:				
Infrastructure	(25,976,227)	(1,099,154)	-	(27,075,381)
Buildings	(2,961,829)	(309,010)	-	(3,270,839)
Vehicles and equipment	(10,865,673)	(1,451,818)	992,838	(11,324,653)
Total accumulated depreciation	<u>(39,803,729)</u>	<u>(2,859,982)</u>	<u>992,838</u>	<u>(41,670,873)</u>
Total capital assets being depreciated, net	<u>19,758,432</u>	<u>(278,408)</u>	<u>-</u>	<u>19,480,024</u>
Governmental Activities Capital Assets, Net	<u>\$ 27,296,448</u>	<u>(278,408)</u>	<u>-</u>	<u>27,018,040</u>

**Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)**

III. Detailed Notes on All Funds (continued)

B. Capital Assets (continued)

Depreciation expense was charged to the following functions/programs as follows:

Governmental activities:

General government	\$ 6,667
Public safety	332,403
Public works	1,440,410
Transportation	1,080,502
Total Depreciation Expense	\$ 2,859,982

C. Long-term Notes Receivable

On January 31, 2018 the District closed the sale of the former firehouse property located at 185 Elk Track Road for a sales price of \$10 million. The District received \$2 million as a down payment and accepted a promissory note from the buyer for the remaining \$8 million. The promissory note was secured by a Subordinate Deed of Trust on the property and bore interest at 2.5% per annum with interest due quarterly through October 1, 2020. On January 6, 2021 the District extended the maturity date of the promissory note to July 15, 2022. On September 29th, 2022, the District extended the maturity date of the promissory note to January 31, 2023 and increased the interest rate to 9% per annum. In February 2023, the note was paid in full and no balance was due.

D. Interfund Receivables, Payables, and Transfers

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Transportation	\$ 24,774
Transportation	Capital Projects	25,000
Transportation	Internal Service Fund	10,419

<u>Transferred to:</u>	<u>Transferred from:</u>	<u>Amount</u>	<u>Purpose</u>
General	Debt Service	\$ 13,150	Transfer S.O. tax and interest
General	Transportation	147,491	Transfer S.O. tax and interest

**Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)**

III. Detailed Notes on All Funds (continued)

E. Equipment Notes

The District has entered into various equipment notes for the acquisition of vehicles and equipment with varying maturity dates and interest rates:

<u>Vehicle Description</u>	<u>Term</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Amount Finance</u>
(2) Gillig Commuter Buses	6 years	11/1/2023	2.10%	887,938
(3) Gillig Buses	6 years	11/8/2024	3.46%	1,350,312
2019 Western Star 4700SB Truck	4 years	7/17/2023	2.18%	359,963
(3) 2019 Ford Micro Bird Vehicles	4 years	10/1/2023	2.28%	297,159
(2) 2019 Gillig Buses	6 years	10/1/2025	2.29%	943,934
2020 Pierce Arrow XT Fire Truck	6 years	8/27/2026	1.62%	754,934
(2) 2020 Gillig Buses	5 years	12/10/2026	1.21%	821,082
(3) 2021 Ford E450 Microbirds	4 years	12/17/2025	1.22%	337,956
(2) 2021 Gillig Buses	6 years	12/17/2027	1.55%	986,048
(2) 2022 Gillig Buses	6 years	12/14/2028	4.38%	1,034,960

The above assets have a net book value as follows:

Vehicles \$ 5,314,350

Equipment notes of the District are paid from the Capital and Transportation (special revenue) Funds. Future minimum note payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 931,200	66,687	997,887
2025	740,572	44,095	784,667
2026	542,931	28,202	571,133
2027	299,145	16,019	315,164
2028	160,500	7,030	167,530
Total	<u>\$ 2,674,348</u>	<u>162,033</u>	<u>2,836,381</u>

F. Bonds

1. General Obligation Bonds, Series 2014

On June 26, 2014, the District issued \$5,250,000 of general obligation bonds to purchase a permanent restrictive covenant from The Vail Corporation in order to preserve and protect approximately 490 acres on the face of Beaver Creek Mountain. The interest rates range from 2.00% to 3.00%, payable on June 1 and December 1. The principal is payable on December 1 and matures in various increments through 2043.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

F. Bonds (continued)

2. Certificates of Participation, Series 2015

On June 30, 2015, the District issued \$6,345,000 of certificates of participation to finance the acquisition, construction and equipping of a new fire station facility. The interest rate was 1.25% until December 1, 2016; then changed to 2.28%. Interest is payable on June 1 and December 1. The principal is payable on December 1 and matures in various increments through 2024.

3. Annual Debt Service Requirements

General obligation debt of the District is liquidated in the Debt Service Fund. Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	920,000	185,209	1,105,209
2025	160,000	163,881	323,881
2026	165,000	159,081	324,081
2027	170,000	154,131	324,131
2028	175,000	148,394	323,394
2029-2033	970,000	641,026	1,611,026
2034-2038	1,180,000	432,200	1,612,200
2039-2043	1,435,000	176,800	1,611,800
Total	\$ 5,175,000	\$ 2,060,722	\$ 7,235,722

4. Changes in Long-term Debt

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
2014 G.O. Bonds	\$ 4,560,000	-	(150,000)	4,410,000	155,000
Premium on G.O. Bonds	26,615	-	(1,267)	25,348	-
2015 Certificates of Participation	1,515,000	-	(750,000)	765,000	765,000
Equipment notes	3,850,234	-	(1,175,886)	2,674,348	931,200
Total	\$ 9,951,849	-	(2,077,153)	7,874,696	1,851,200

**Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)**

IV. Other Information

A. Intergovernmental Agreements

1. Fire Protection Agreement

The District has an agreement with Eagle River Fire Protection District (“ERFPD”) to provide fire protection within the District’s boundaries. The initial term of the agreement was two years and was renewed for various terms through December 31, 2004. In May 2004, the District obtained voter approval to enter into a multiple fiscal year obligation for fire protection services. On January 1, 2005, the agreement was renewed for a ten-year period. Under the agreement, the District is to pay fixed annual fees to ERFPD for services specified in the agreement, with provision for annual increases based on the Denver-Boulder-Greeley Consumer Price Index (“CPI”). The District is also responsible for repairs and maintenance to the fire station facility.

The agreement was extended for five years on January 1, 2015, and on November 5, 2019, the agreement was extended beginning February 1, 2020 through December 31, 2029. The agreement is renewable for two additional-five year periods and shall automatically occur, unless either party notifies the other at least eighteen months prior to the end of the term, its intent not to renew the agreement.

Costs incurred by the District in 2023 for fire protection services were:

Contract fees paid to ERFPD	\$ 1,981,002
Equipment and operating expense	28,640
Total	<u><u>\$ 2,009,642</u></u>

2. Upper Eagle Regional Water Authority

The District is a participant in the Upper Eagle Regional Water Authority (the “Authority”). The Authority was formed pursuant to an establishing contract on September 18, 1984, by the following quasi-municipal corporations (“districts”) and the Town of Avon (“Town”) located in Eagle County, Colorado (Contracting Parties):

Arrowhead Metropolitan District
Town of Avon
Beaver Creek Metropolitan District
Berry Creek Metropolitan District
Eagle-Vail Metropolitan District
Edwards Metropolitan District

The purposes of the Authority are to supply water for domestic and other public and private purposes; to provide all necessary water diversion works, reservoirs, treatment works and facilities, equipment and appurtenances incident thereto; to effect the development of water resources, systems or facilities, in whole or in part, for the use and benefit of the Contracting Parties, their inhabitants, and others; and to provide efficient, effective, and reliable water service.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

A. Intergovernmental Agreements (continued)

2. Upper Eagle Regional Water Authority (continued)

The Authority is to remain in effect until it has no bonds, notes or other obligations outstanding and the Contracting Parties unanimously consent to its dissolution. The initial term of this Authority Agreement shall be ten (10) years ending on December 31, 2023, but such term shall be subject to automatic renewal and extension for successive ten (10) year terms thereafter unless all of the Contracting Parties unanimously approve changes to this Authority Agreement during any extended term, to be effective on the first day of the extended term, including provision for payment of all bonds, notes and other obligations outstanding in accordance with their terms. At December 31, 2022, the Authority had debt with maturities through the year 2050.

Dissolution of the Authority requires the unanimous consent of the Contracting Parties and provision for a successor entity that will continue to provide service to the water service customers. Any provision for dissolution shall provide either that all the Authority's financial obligations be paid in full or that funds sufficient for the payment of the Authority's obligations be placed in escrow. Upon dissolution without conveyance of all water rights and assets to a successor entity, the interest in the net assets of the Authority including interests in unallocated water rights shall be distributed to each contracting party in proportion to the average annual amount of treated water sold within the boundaries of each Contracting Party.

The Contracting Parties (including the District) and other parties served by contract have previously conveyed to the Authority their individual water systems, except for certain golf course water systems, raw water storage and raw water irrigation systems, subject to existing agreements between the Authority and any Contracting Party. The customers of the Contracting Parties thereby became water service customers of the Authority. The Authority shall make Rules and Regulations concerning the operation of the Authority's Water System. These water systems were accepted by the Authority in "as is" condition and (subject to any contract obligations) all future maintenance, repair and upgrade expenses became the obligations of the Authority, and not the obligations of the Contracting Parties or the third party served by contract. In connection therewith, on January 25, 2015 the District adopted a resolution terminating collection of future water tap fees by the District.

The Contracting Parties have leased and/or conveyed to the Authority all of the Contracting Parties' right, title and interests in and to the Contracting Parties' water rights, including the right to use all diversion ditches, pipelines, gates and structures, reservoirs or other storage structures, pumps, casings, and other improvements and easements associated or used in connection with the water rights, for the Authority's use in carrying out its functions and providing water service.

**Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)**

IV. Other Information (continued)

A. Intergovernmental Agreements (continued)

2. Upper Eagle Regional Water Authority (continued)

A summary of audited financial information for the Authority as of and for the year ended December 31, 2022 (the latest audited information available) is as follows:

Upper Eagle Regional Water Authority	
Assets:	
Current	\$ 18,923,522
Other	8,795,577
Property and equipment	97,933,909
Total Assets	125,653,008
Deferred Outflow of Resources	395,941
Total Assets and Deferred Outflow of Resources	\$ 126,048,949
Liabilities and Net Position:	
Current	\$ 7,186,569
Long-term debt	57,919,367
Net position	60,943,013
Total Liabilities and Net Position	\$ 126,048,949
 Operations:	
Operating revenue	\$ 15,684,126
Operating expense	17,642,069
Operating income	(1,957,943)
Other income	255,586
Other expense	(1,886,814)
Net (loss)	(3,589,171)
Capital contributions	3,603,236
Net Position - Beginning	60,928,948
Net Position - Ending	\$ 60,943,013

3. Town of Avon Vehicle and Equipment Service Agreement

The District entered into a service agreement effective January 1, 2022 with the Town of Avon ("Avon") for routine maintenance and preventive maintenance of the District's transit vehicles and equipment and repair and replacement work as requested by the District. Under this agreement, the District pays Avon a shop rate of \$110 per hour for service to light equipment and \$120 per hour for service to heavy duty equipment and cost plus 25% for materials and sublet work. There is also a miscellaneous shop charge of 10% of the labor per work order. For the year ended December 31, 2023, the District paid \$26,271 to Avon in accordance with the Agreement.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

A. Intergovernmental Agreements (continued)

4. Eagle Valley Transportation Authority Intergovernmental Agreement

In November 2022, the District and the Towns of Avon, Vail, Minturn, Red Cliff, Eagle and Eagle County (“Members”) passed a 0.50% sales tax to fund the establishment of Eagle Valley Transportation Authority, enhancing transit services across the Eagle Valley. Upon termination of the Agreement, net assets of the Authority shall be distributed to the Members in the proportion to the sum of cash and value of property and services contributed by each such Member, and the total amount of Authority taxes paid by such Member’s residents.

5. Eagle River Fire Protection District Intergovernmental Agreement

The District entered into a service agreement effective April 11, 2023 with the Eagle River Fire Protection District (the “ERFPD”) for wildfire mitigation services within the District’s boundaries and surrounding area. Under this agreement the District pays the ERFPD \$850,000 as a budget to perform the agreed upon work. The District’s obligation to provide the \$850,000 is expressly conditioned on Beaver Creek Resort Company’s payment of \$425,000 to the District. All work done by the ERFPD needs to be approved by the District prior to commencing such work. Any unspent portion of the \$850,000 shall be returned to the District. The agreement can be terminated at any time and all unspent funds shall be returned to the District.

B. Vilar Center Funding

In November 2005, the District’s electorate approved a ballot issue imposing an ad valorem property tax mill levy of .85 mills, not to exceed \$250,000 annually, for the purpose of funding capital improvements at the Vilar Center. Subsequent to the voters’ approval of the ballot issue, the District entered into a memorandum of understanding with the Vilar Center Arts Foundation (“VCAF”), operator of the Vilar Center, under which the District agreed to transfer \$250,000 to VCAF, on or before August 1 of each year up to an aggregate of \$1,250,000, upon annual approval by the Board of Directors of the District. The memorandum of understanding restricts the use of these funds and any accumulated interest to expenditures for capital improvements, requires the funds to be placed by VCAF into a restricted bank account, and requires VCAF to provide an annual accounting of all funds transferred by the District under the agreement no later than the District’s regular June board of directors meeting. In November 2009, the District’s electorate approved extending the authorization for an additional 5-year term through 2015 and in November 2014, approved extending the authorization for another 5-year term through 2020. In November 2019, the District’s electorate approved extending for a 10-year term through 2031.

C. Related Party Transactions

The District has entered into various agreements with Vail Associates, Inc. (“VAI”) and Vail Resort Development Company (“VRDC”) to provide grounds maintenance, resort operations and transportation services. Payments made for each of these services for the year ended December 31, 2023, amounted to \$189,755, \$1,067,603 and \$4,077,302, respectively. The District owed VAI \$1,079,848 at December 31, 2023. VAI was the original developer of commercial and residential real property within the District.

Certain members of the Board of Directors for the District are also members of Boards of Directors for other entities with which the District has material financial transactions and or agreements.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

D. Cable Television System Operating Agreement

The District entered into an Access/Operational Agreement with Comcast VI. LLC (“Comcast”) pursuant to which Comcast agreed to operate the cable television system within the District and to pay the District an ongoing access fee of four percent (4%) of the provider’s gross revenues from operation of the system. The 4% fee amounted to \$73,373 for the year ended December 31, 2023.

E. Employee Housing Agreement

The District contributed \$200,000 during 1997 to BC Housing, LLC (the “Company”) for a 49% ownership interest in the Company. The Company was established to provide affordable housing for employees of various entities operating in and around Beaver Creek. The Company issued bonds to finance the construction of affordable housing, known as “River Edge”. The bonds are expected to be repaid through the rental income of the Company. The Company is not expected to generate any material income or loss and the District is under no obligation to make further contributions to the Company. Under the agreement, the District acquired the right to designate 5% of the River Edge apartment units to be used solely by the District’s employees during October through April and by employees of both the District and independent contractors to the District during May through September.

F. Transportation System Service Agreement with Beaver Creek Resort Company

The District obtained the approval of its voters in 1998 to amend its service plan and to increase its operating mill levy by up to 12.2 mills (referred to hereinafter as the “transportation system property tax”) to be used to provide transportation services to the District. Simultaneously, Beaver Creek Resort Company (BCRC) agreed to reduce its “common assessments” by up to 12.2 mills to offset the District’s mill levy increase. The levy was reduced to 10.86 for taxes payable in 2000 and 2001, 9.325 mills for taxes payable in 2002 through 2005, 8.981 mills for taxes payable in 2006 and 2007, 7.449 mills for taxes payable in 2008 through 2011. The levy was increased to 9.360 mills for taxes payable in 2012 and 2013 due to a decrease in assessed valuation. This agreement was amended during March, 2013 to require only a lump sum obligation from the District.

Pursuant to this approval, the District and BCRC entered into an agreement effective January 1, 1999 to transfer the transportation function from BCRC to the District. Under this agreement, the District agreed to accept ownership of the transportation system, to assume the leases of the buses and transportation vehicles, and assume responsibility to operate and maintain the transportation system. BCRC agreed to fund the total costs of the transportation system in excess of the revenues produced by the transportation system property tax.

For 2023, the District’s annual contribution was \$3,824,882. This contribution increases annually for each of the eight subsequent years at the lower of 3% or the percentage change in the Denver-Aurora-Lakewood Consumer Price Index. The District will continue to collect the required funding from property tax revenue generated by the transportation mill levy.

The Agreement provides that in the event of default of either party, the non-defaulting party shall have the right to terminate this Agreement. If this Agreement is terminated, BCRC may require the District to return the transportation function to them.

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

G. Transportation Services Agreements with Vail Associates

On May 1, 2008 agreements were established with the Vail Corp. d/b/a Vail Associates, Inc (“Vail Associates”) whereby Vail Associates provides for transportation services related to operation of the free parking lot service, Village Connect and Village-to-Village services, as well as various special event services utilizing vehicles owned by the District. Under the agreements, the District compensates Vail Associates monthly in accordance with an annual expense budget prepared by Vail Associates and approved by the District. The agreements were renewed on November 1, 2023 and are set to expire on October 31, 2024, subject to annual renewal.

H. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and general liability.

Colorado Special Districts Property and Liability Pool

The District is insured for such risks as a member of the Colorado Special Districts Property and Liability Pool (“Pool”). Additionally, the District is afforded certain protection under the Colorado Governmental Immunity Act which limits the District’s liability in certain situations to \$387,000 per person and \$1,093,000 per occurrence. The Pool is an organization created by intergovernmental agreement to provide property and general liability, automobile physical damage and liability, public officials liability and boiler and machinery coverage to its members. The Pool provides coverage for property claims up to the values declared and liability coverage for claims up to \$1,000,000. 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 official’s 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.

A summary of audited statutory basis financial information for the Pool as of and for the year ended December 31, 2023 (the latest audited information available) is as follows:

Assets	<u>\$ 81,143,798</u>
Liabilities	\$ 58,670,068
Capital and surplus	22,473,730
Total	<u>\$ 81,143,798</u>
Revenue	\$ 29,593,851
Underwriting expenses	31,416,477
Underwriting gain	(1,822,626)
Other income	1,695,393
Net Income	<u>\$ (127,233)</u>

Beaver Creek Metropolitan District
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

I. Commitments and Contingencies

During the normal course of business, the District may incur claims and other assertions against it from various agencies and individuals. Management of the District and their legal representatives have disclosed that there are no material outstanding claims against the District at December 31, 2023.

J. Deferred Compensation Plans

The District adopted an employees' deferred compensation plan (the "401a Plan") created in accordance with Internal Revenue Service Code Section 401(a). The 401a Plan is a defined contribution plan with no liability to the District for further pension benefits in excess of contributions made by the District

The Plan is available to the General Manager. The District has elected to contribute 10% of earnings. The employer's contributions fully vest at the date of the contribution. The investments acquired for the employee are self-directed by the employee under various investment options offered by the 401a Plan. The total salaries paid by the District and covered under the 401a Plan in 2023 were \$250,000. The District's contributions to the Plan for 2023 were \$25,000.

K. Subsequent Events – Financed Purchase Agreements

On January 30, 2024, the District entered into a financing agreement for the purchase of two buses totaling \$1,282,953. The agreement calls for annual payments of \$183,279 at an interest rate of 4.65%, and matures on February 28, 2030.

On June 18, 2024, The District entered into a financing agreement for the purchase of a bus totaling \$776,416. The agreement calls for annual payments of \$179,134 at an interest rate of 4.96%, and matures on April 26, 2029.

REQUIRED SUPPLEMENTARY INFORMATION

Beaver Creek Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	<u>2023</u>		Final Budget Variance Positive (Negative)	<u>2022</u>
	Original and Final Budget	Actual		Actual
Revenues:				
Taxes:				
Property taxes	5,497,314	5,496,104	(1,210)	5,250,854
Specific ownership taxes	247,379	315,253	67,874	282,640
Interest	366,863	531,772	164,909	109,675
Access fee	72,141	73,373	1,232	70,005
Other	69,837	55,590	(14,247)	63,676
Total Revenues	<u>6,253,534</u>	<u>6,472,092</u>	<u>218,558</u>	<u>5,776,850</u>
Expenditures:				
General government	720,139	727,316	(7,177)	720,435
Public safety	2,023,602	2,024,196	(594)	1,947,091
Public works	1,922,002	2,144,762	(222,760)	1,632,159
Culture and recreation	250,000	350,000	(100,000)	250,000
Contingency	500,000	-	500,000	-
Total Expenditures	<u>5,415,743</u>	<u>5,246,274</u>	<u>169,469</u>	<u>4,549,685</u>
(Deficiency) of Revenues Over Expenditures	<u>837,791</u>	<u>1,225,818</u>	<u>388,027</u>	<u>1,227,165</u>
Other Financing Sources (Uses):				
Transfer from (to) other fund	(2,830,509)	2,193,969	5,024,478	935,378
Insurance recoveries	-	6,674	6,674	1,575
Total Other Financing Sources (Uses)	<u>(2,830,509)</u>	<u>2,200,643</u>	<u>5,031,152</u>	<u>936,953</u>
Net Change in Fund Balance	(1,992,718)	3,426,461	5,419,179	2,164,118
Fund Balances - Beginning	<u>10,481,788</u>	<u>5,942,716</u>	<u>(4,539,072)</u>	<u>3,778,598</u>
Fund Balances - Ending	<u>8,489,070</u>	<u>9,369,177</u>	<u>880,107</u>	<u>5,942,716</u>

Beaver Creek Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Transportation Special Revenue Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023		Final Budget Variance Positive (Negative)	2022
	Original and Final Budget	Actual		Actual
Revenues:				
Taxes:				
Property tax	3,562,106	3,561,390	(716)	3,653,083
Specific ownership tax	160,295	204,279	43,984	196,636
BCRC and other contractual reimbursements	2,665,436	2,417,514	(247,922)	1,752,612
Interest	2,321	50,166	47,845	30,558
Other:				
Dial-A-Ride usage fees	-	27,625	27,625	54,878
Total Revenues	6,390,158	6,260,974	(129,184)	5,687,767
Expenditures:				
Transportation expenses:				
Dial-A-Ride transit system	2,609,933	2,634,394	(24,461)	2,098,850
Parking lot transit system	2,022,092	2,047,224	(25,132)	1,754,211
Other transportation expenses	420,530	429,268	(8,738)	385,219
Debt Service:				
Lease principal	1,348,187	995,974	352,213	1,200,955
Lease interest	-	85,738	(85,738)	70,013
Debt issue costs	20,328	-	20,328	400
Capital outlay	1,355,188	1,117,324	237,864	1,034,560
Total Expenditures	7,776,258	7,309,922	466,336	6,544,208
(Deficiency) of Revenues Over Expenditures	(1,386,100)	(1,048,948)	337,152	(856,441)
Other Financing Sources (Uses):				
Lease proceeds	1,375,516	-	(1,375,516)	1,034,960
Sale of assets	-	61,905	61,905	-
Transfer (to) General Fund	(55,739)	(147,491)	(91,752)	(117,482)
Total Other Financing Sources (Uses)	1,319,777	(85,586)	(1,405,363)	917,478
Net Change in Fund Balance	(66,323)	(1,134,534)	(1,068,211)	61,037
Fund Balances - Beginning	66,324	70,880	4,556	9,843
Fund Balances - Ending	1	(1,063,654)	(1,063,655)	70,880

SUPPLEMENTARY INFORMATION

Beaver Creek Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	<u>2023</u>		<u>Final Budget Variance Positive (Negative)</u>	<u>2022</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Taxes:				
Property taxes	323,012	322,938	(74)	331,257
Specific ownership taxes	14,536	18,523	3,987	17,831
Interest	11,304	5,601	(5,703)	2,244
Total Revenues	<u>348,852</u>	<u>347,062</u>	<u>(1,790)</u>	<u>351,332</u>
Expenditures:				
General government	12,690	12,563	127	12,814
Debt service:				
Bond principal	150,000	150,000	-	145,000
Bond interest	173,031	173,031	-	177,381
Total Expenditures	<u>335,721</u>	<u>335,594</u>	<u>127</u>	<u>335,195</u>
Excess of Revenues Over Expenditures	<u>13,131</u>	<u>11,468</u>	<u>(1,663)</u>	<u>16,137</u>
Other Financing Sources (Uses):				
Operating transfers (to) General Fund	(13,151)	(13,150)	1	(15,755)
Total Other Financing Sources (Uses)	<u>(13,151)</u>	<u>(13,150)</u>	<u>1</u>	<u>(15,755)</u>
Net Change in Fund Balance	(20)	(1,682)	(1,662)	382
Fund Balances - Beginning	10,979	7,829	(3,150)	7,447
Fund Balances - Ending	<u>10,959</u>	<u>6,147</u>	<u>(4,812)</u>	<u>7,829</u>

Beaver Creek Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023		2022	
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:				
Promissory note interest	-	54,658	54,658	281,507
BCRC reimbursements	-	425,000	425,000	435,407
Total Revenues	-	479,658	479,658	716,914
Expenditures:				
Debt service:				
Principal on capital leases	940,319	929,914	10,405	974,831
Interest on capital leases	34,565	43,369	(8,804)	64,671
Capital outlay	1,929,514	2,485,347	(555,833)	1,993,771
Total Expenditures	2,904,398	3,458,630	(554,232)	3,033,273
Other Financing Sources (Uses):				
Promissory note principal	-	5,000,000	5,000,000	-
Sale of assets	5,000	12,300	7,300	3,118,500
Operating transfers from (to) General Fund	2,899,398	(2,033,328)	(4,932,726)	(802,141)
Total Other Financing Sources (Uses)	2,904,398	2,978,972	74,574	2,316,359
Net Change in Fund Balance	-	-	-	-
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	-	-	-	-

Beaver Creek Metropolitan District
History of Assessed Valuation, Mill Levy and Property Taxes Collected

Calendar Year Ended December 31	Prior Year Assessed Valuation For Current Year Property Tax Levy	All Funds Mills Levied	Property Taxes Total All Funds		Percent Collected to Levied
			Levied	Collected	
2000	237,755,780	35.59	8,441,043	8,296,558	98.3%
2001	235,075,950	35.48	8,320,062	8,298,168	99.7%
2002	291,270,140	30.74	8,963,433	8,897,213	99.3%
2003	290,069,660	30.74	8,926,869	8,907,319	99.8%
2004	272,102,490	31.99	8,704,559	8,652,194	99.4%
2005	273,829,810	31.78	8,703,407	8,657,974	99.5%
2006	301,834,130	25.32	7,641,535	7,583,549	99.2%
2007	298,437,930	25.80	7,699,699	7,699,311	100.0%
2008	388,324,030	21.01	8,160,241	8,010,716	98.2%
2009	385,115,200	21.28	8,194,096	8,072,677	98.5%
2010	404,426,770	18.31	7,406,672	7,331,273	99.0%
2011	401,732,210	18.13	7,283,004	7,281,443	100.0%
2012	318,950,830	20.58	6,564,964	6,533,118	99.5%
2013	316,890,400	20.63	6,536,180	6,514,567	99.7%
2014	310,658,800	20.72	6,438,093	6,348,737	98.6%
2015	306,841,860	21.73	6,668,594	6,667,749	100.0%
2016	328,452,910	25.84	8,488,537	8,482,089	99.9%
2017	328,250,260	25.92	8,506,934	8,505,862	100.0%
2018	346,315,700	24.88	8,615,296	8,582,412	99.6%
2019	347,137,660	24.87	8,634,702	8,013,833	92.8%
2020	353,775,380	23.96	8,475,043	8,283,325	97.7%
2021	346,037,390	25.37	8,780,007	8,772,068	99.9%
2022	329,711,800	27.94	9,210,499	9,235,194	100.3%
2023	323,983,880	28.96	9,382,573	9,380,432	100.0%
2024	482,802,240	20.24	9,769,986		

NOTE:

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