

Breckenridge Mountain Metropolitan District

Financial Statements

December 31, 2024

**Breckenridge Mountain Metropolitan District
Financial Statements
December 31, 2024**

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	A1 – A3
Management's Discussion and Analysis	B1 – B3
Government-wide Financial Statements:	
Statement of Net Position	C1
Statement of Activities	C2
Fund Financial Statements:	
Balance Sheet - Governmental Funds	C3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C4
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	C5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C6
Notes to the Financial Statements	D1 – D13
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Governmental Funds:	
General Fund	E1
Subdistrict A Special Revenue Fund	E2
Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Governmental Funds:	
Debt Service Fund	F1
Subdistrict A Debt Service Fund	F2
History of Assessed Valuation, Mill Levy and Property Taxes Collected	F3



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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Breckenridge Mountain Metropolitan District
Breckenridge, Colorado**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Breckenridge Mountain Metropolitan District (the "District"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2024 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Breckenridge Mountain Metropolitan District
Breckenridge, Colorado

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 U.S. 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 U.S. GAAS, 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
Breckenridge Mountain Metropolitan District
Breckenridge, Colorado

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The individual fund budgetary comparisons in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparisons found 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 financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the history of assessed valuation, mill levy, and property tax collections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
June 11, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Breckenridge Mountain Metropolitan District

Management's Discussion and Analysis December 31, 2024

As management of Breckenridge Mountain Metropolitan District (the "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, 2024. This report also includes additional supplementary information after the notes to the financial statements.

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 comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also includes additional supplemental information presented after the notes to the financial statements.

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 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.

The governmental activity of the District is primarily financing construction, operation, and maintenance of the basic public infrastructure that is performed by Alpine Metropolitan District. There are no business-type activities within the District.

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. The District currently has three funds, the General Fund, and the Debt Service Fund, both of which are governmental funds and the Breckenridge Mountain Metropolitan District Subdistrict A ("Subdistrict"), a blended component unit.

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 expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 to facilitate this comparison between governmental funds and governmental activities. The governmental funds financial statements are located on pages C3 through C6 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 D13 of this report.

Government-wide Financial Analysis. A condensed comparative summary of the District's government-wide assets, liabilities, net position, revenues, and expenditures follows:

	Governmental Activities	
	2024	2023
Assets and Deferred Outflows:		
Current assets	\$ 2,436,107	\$ 2,352,049
Noncurrent assets & deferred outflows	1,090,011	1,024,661
Total Assets	3,526,118	3,376,710
Deferred Outflows of Resources	63,239	67,455
Liabilities and Deferred Inflows:		
Current liabilities	977,945	777,283
Non-current liabilities and deferred inflows	20,626,964	21,333,010
Total Liabilities	21,604,909	22,110,293
Deferred Inflows of Resources	1,602,559	1,579,233
Net Position:		
Restricted for emergencies	4,140	330
Restricted for debt service	526,144	707,581
Unrestricted	(20,148,395)	(20,953,272)
Total Net Position	\$ (19,618,111)	\$ (20,245,361)
Change in Net Position		
Revenue:		
Operating contributions	\$ 10,552	\$ -
General revenue:		
Property taxes	1,582,630	1,654,686
Other taxes	64,018	83,165
Interest and other revenue	77,106	71,130
Total Revenue	1,734,306	1,808,981
Expenses:		
General government	424,192	105,754
Public Works (Intergovernmental Agrmt)	-	45,300
Interest expense	682,864	926,571
Total Expenses	1,107,056	1,077,625
Change in Net Position	627,250	731,356
Net Position - Beginning	(20,245,361)	(20,976,717)
Net Position - Ending	\$ (19,618,111)	\$ (20,245,361)

The District is the “financing district” in a dual district structure whereby the District is financing the cost of constructing, operating, and maintaining the infrastructure being built and operated by Alpine Metropolitan District (AMD). This infrastructure is being constructed to benefit the constituents of Breckenridge Mountain Metropolitan District (the District). The District entered into the District Facilities Construction and Service Agreement with AMD and pursuant to this agreement, AMD is obligated to construct and provide the initial financing for the primary infrastructure for the District area. The District is required to pay a “capital obligation” to reimburse AMD for the costs to construct the infrastructure. The District will also pay a “service obligation” to reimburse AMD for the operating costs associated with administering and maintaining the assets. The District uses funds received from current and future property taxes and

bond issuances to repay these obligations. The District has issued bonds to independent third parties and utilized the bond proceeds in fulfillment of its Capital Obligation to AMD and the District has advanced its Service Obligation to AMD.

The District's main revenue source is property taxes collected. These revenues have been used to pay debt service and intergovernmental agreement expenses of the District.

Financial Analysis of the District's Funds

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable 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 a combined ending fund balance of \$ 1,561,819. The District's fund balance of \$1,501,303 reflects an increase of \$84,494 during 2024 primarily due to higher interest rates and unspent contingencies. The Subdistrict fund balance of \$60,516, reflects a decrease of \$135,643 during 2024 due to payment of bond cost of issuances obligations and refunding of property taxes collected in 2023 for debt service on bonds that ultimately were not issued.

Long-term debt and hedging activities.

In September 2016, the District issued \$21,185,000 in general obligation refunding and improvement bonds for the purpose of refunding the 2006 general obligation bonds, paying off the 2008 and 2008A notes, funding termination fees associated with the swap agreements and to fund infrastructure projects completed in December 2020. The outstanding balance of these bonds on December 31, 2024 is \$18,660,000.

In September 2020, the District issued \$2,725,000 in general obligation refunding bonds for the purpose of refunding the 2010 general obligation bonds. The outstanding balance of these bonds on December 31, 2024 is \$1,990,000.

Additional information can be found in Note D to the Financial Statements beginning on page D10 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 Marchetti & Weaver LLC., 28 2nd St Unit 213, Edwards, CO 81632, or you may call (970) 926-6060.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Breckenridge Mountain Metropolitan District
Statement of Net Position
December 31, 2024

Assets:	
Cash and cash equivalents - unrestricted	580,581
Cash and cash equivalents - restricted	205,054
Due from other governments	43,317
Property taxes receivable	1,602,559
Prepaid expenses	4,596
Prepaid bond insurance	115,097
Prepaid obligations to Alpine Metropolitan District	974,914
Total Assets	<u>3,526,118</u>
Deferred Outflow of Resources:	
Deferred charge on refunding	63,239
Total Deferred Outflow of Resources	<u>63,239</u>
Liabilities:	
Current liabilities due in less than one year:	
Accounts payable and accrued liabilities	203,517
Due to Alpine Metropolitan District	43,126
Accrued interest payable	56,302
Bonds payable	675,000
Non-current liabilities due in excess of one year:	
Bonds payable	20,626,964
Total Liabilities	<u>21,604,909</u>
Deferred Inflow of Resources:	
Property tax revenue	1,602,559
Total Deferred Inflow of Resources	<u>1,602,559</u>
Net Position:	
Restricted for debt service	526,144
Restricted for emergencies	4,140
Unrestricted	(20,148,395)
Total Net Position	<u><u>(19,618,111)</u></u>

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

**Breckenridge Mountain Metropolitan District
Statement of Activities
For the Year Ended December 31, 2024**

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue</u>
Functions/Programs:					
Governmental activities:					
General government	424,192	-	10,552	-	(413,640)
Interest on long-term debt	682,864	-	-	-	(682,864)
Total primary government	<u>1,107,056</u>	<u>-</u>	<u>10,552</u>	<u>-</u>	<u>(1,096,504)</u>
General revenues:					
Taxes:					
Property tax					1,582,630
Specific ownership tax					64,018
Interest income					77,106
Total General Revenues					<u>1,723,754</u>
Change in Net Position					627,250
Net Position - Beginning					<u>(20,245,361)</u>
Net Position - Ending					<u>(19,618,111)</u>

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

FUND FINANCIAL STATEMENTS

Breckenridge Mountain Metropolitan District
Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Subdistrict A Operations Special Revenue Fund	Debt Service Fund	Subdistrict A Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents - unrestricted	1,167	59,525	519,889	-	580,581
Cash and cash equivalents - restricted	1,756	-	-	203,298	205,054
Amounts due from other governments	-	37,731	5,586	-	43,317
Property taxes receivable	-	198,100	1,404,459	-	1,602,559
Prepaid expenses	2,520	2,076	-	-	4,596
Prepaid obligations to Alpine Metropolitan District	849,397	-	125,517	-	974,914
Total Assets	<u>854,840</u>	<u>297,432</u>	<u>2,055,451</u>	<u>203,298</u>	<u>3,411,021</u>
Liabilities, Deferred Inflow of Resources, and					
Liabilities:					
Accounts payable and accrued liabilities	-	888	4,529	198,100	203,517
Due to Alpine Metropolitan District	-	43,126	-	-	43,126
Total Liabilities	<u>-</u>	<u>44,014</u>	<u>4,529</u>	<u>198,100</u>	<u>246,643</u>
Deferred Inflow of Resources:					
Unavailable property tax revenue	-	198,100	1,404,459	-	1,602,559
Total Deferred Inflow of Resources	<u>-</u>	<u>198,100</u>	<u>1,404,459</u>	<u>-</u>	<u>1,602,559</u>
Fund Balances:					
Nonspendable	851,917	2,076	125,517	-	979,510
Restricted for debt service	-	-	520,946	5,198	526,144
Restricted for emergencies	320	3,820	-	-	4,140
Assigned for operations	-	49,422	-	-	49,422
Unassigned	2,603	-	-	-	2,603
Total Fund Balances	<u>854,840</u>	<u>55,318</u>	<u>646,463</u>	<u>5,198</u>	<u>1,561,819</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>854,840</u>	<u>297,432</u>	<u>2,055,451</u>	<u>203,298</u>	<u>3,411,021</u>

Breckenridge Mountain Metropolitan District
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2024

Governmental Funds Total Fund Balance		1,561,819
Other long-term assets such as prepaid bond insurance are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.		115,097
Deferred outflows are not available for current period expenditures and therefore, are not reported in the funds. This represents the District's deferred charges on refunding.		63,239
Long-term liabilities, including bonds payable and leases payable, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of District long-term liabilities. Details of these amounts are as follows:		
Bonds payable	(20,650,000)	
Bond issuance premium	(651,964)	
Accrued interest payable	<u>(56,302)</u>	
		<u>(21,358,266)</u>
Net Position of Governmental Activities		<u><u>(19,618,111)</u></u>

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

Breckenridge Mountain Metropolitan District
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Subdistrict A Operations Special Revenue Fund	Debt Service Fund	Subdistrict A Debt Service Fund	Total Governmental Funds
Revenues:					
Property taxes	-	170,550	1,412,080	-	1,582,630
Specific ownership taxes	-	6,895	57,123	-	64,018
Interest	-	2,091	64,790	10,225	77,106
Operating contributions from Alpine Metropolitan District	10,552	-	-	-	10,552
Total Revenues	<u>10,552</u>	<u>179,536</u>	<u>1,533,993</u>	<u>10,225</u>	<u>1,734,306</u>
Expenditures:					
General government	10,552	24,710	88,236	198,100	321,598
Debt service:					
Bond principal	-	-	655,000	-	655,000
Bond interest	-	-	700,213	-	700,213
Paying agent fees	-	-	6,050	-	6,050
Bond issuance costs	-	102,594	-	-	102,594
Total Expenditures	<u>10,552</u>	<u>127,304</u>	<u>1,449,499</u>	<u>198,100</u>	<u>1,785,455</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>52,232</u>	<u>84,494</u>	<u>(187,875)</u>	<u>(51,149)</u>
Other Financial Sources (Uses):					
Transfers in	7,225	-	-	-	7,225
Transfers (out)	-	-	(7,225)	-	(7,225)
Total Other Financing Sources (Uses)	<u>7,225</u>	<u>-</u>	<u>(7,225)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	7,225	52,232	77,269	(187,875)	(51,149)
Fund Balances - Beginning	847,615	3,086	569,194	193,073	1,612,968
Fund Balances - Ending	<u>854,840</u>	<u>55,318</u>	<u>646,463</u>	<u>5,198</u>	<u>1,561,819</u>

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

**Breckenridge Mountain Metropolitan District
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended December 31, 2024**

Net change in fund balances for total governmental funds		(51,149)
Amortization of deferred losses and insurance cost reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.		(9,697)
<p>The repayment of the principal of long-term debt consumes current financial resources of governmental funds. This transaction, however, has no 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.</p>		
Principal repayments - Bonds payable	655,000	
Amortization of premium on bonds payable	31,046	
		686,046
The change in accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.		2,050
Change in Net Position of Governmental Activities		627,250

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

NOTES TO THE FINANCIAL STATEMENTS

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024

I. Summary of Significant Accounting Policies

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Summit County, Colorado. The District was established as part of a dual district structure with the Alpine Metropolitan District. The District is considered the financing district and was established to provide funding and tax base for capital improvements that will benefit the District. The capital improvements are owned and maintained by Alpine Metropolitan District ("AMD"), the Service District. The District has no employees and all operations and administrative functions are contracted.

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 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 upon these criteria, the District is not a component unit of any other government. The District has one blended component unit and while it is a legally separate entity, it is in substance part of the District's operations:

During February 2022, the District adopted a resolution to create the Breckenridge Mountain Metropolitan District Subdistrict A (the "Subdistrict"). The Subdistrict was formed to provide certain services, programs, and facilities to be furnished within the area of the Subdistrict, and to provide for the fair and equitable taxation within said area. Such debt within the District is limited to and not to exceed \$10,000,000. Any debt incurred by the Subdistrict is treated separately from debt of the District. The District's Board of Directors shall constitute ex officio the Subdistrict's Board of Directors, with each director of the Subdistrict Board of Directions possessing all the rights, privileges and immunities as granted by law to the directors of the District. Due to the relationship of the Subdistrict to the District, the Subdistrict has been included in these basic financial statements as a blended component unit.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

I. Summary of Significant Accounting Policies (continued)

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 governmental type.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, all balances 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 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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 of the District, except those required to be accounted for in another fund.

The *Subdistrict A Operations Special Revenue Fund* is used to account for the activities of Breckenridge Mountain Metropolitan District Subdistrict A, which has been included as a blended component unit.

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

The *Subdistrict A Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of Breckenridge Mountain Metropolitan District Subdistrict A, which has been included as a blended component unit.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

I. Summary of Significant Accounting Policies (continued)

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

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. Financial statement presentation refers to classification of revenues by source and expenses by function.

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 (60 days) 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.

3. Financial Statement Presentation

Amounts reported as program revenues include 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 and interest income.

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and 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 amortized value. The change in value of investments is recognized as an increase or decrease to investment assets and investment income. The District's investment policy is detailed in note III.A.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. There was no allowance as of December 31, 2024.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

3. Property Taxes

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

4. Long-term Debt

In the government-wide financial statements, long-term debt is reported as liabilities. Bond premiums are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported including the applicable bond premium.

In the fund financial statements, bond premiums are recognized during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures in the fund financial statements.

The District is obligated under the District Facilities Construction and Service Agreement to reimburse AMD over time for the cost of infrastructure and operating costs. Unpaid amounts under this agreement are reflected as noncurrent liabilities and prepayments are recorded as non-current assets in the financial statements.

5. 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that falls into this category, deferred charges on refunding.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable property tax revenue is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

6. Fund Balance

The District classifies governmental fund balances as follows:

Nonspendable - 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.

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 Board of Directors 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 District uses restricted amounts 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 first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

E. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the District's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(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 Local Government Budget Law of Colorado. The budgets for the funds are adopted on a basis consistent with generally accepted accounting principles ("GAAP").

As required by Colorado statutes, the District followed the following timetable in approving and enacting a budget for 2024:

- (1) For the 2024 budget year, prior to August 25, 2023, 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, 2023, the County Assessor sent the final recertified assessed valuation to the District.
- (2) On or before October 15, 2023, 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 no later than 45 days prior to the close of the fiscal year.
- (4) For the 2024 budget, prior to December 15, 2023, 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 2024 budget, the final budget and appropriating resolution was adopted prior to December 31, 2023.

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) it may approve supplemental appropriations to the extent of revenues in excess of the estimated in the budget; c) it may approve emergency appropriations; and d) it may reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2023 were collected in 2024 and taxes certified in 2024 will be collected in 2025. Taxes are due on January 1st in the year of collection; however, they 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.

Changes enacted by the Colorado Legislature delayed the Certification of County tax rolls. In November 2023, a short term property tax solution was passed during a special session, allowing Counties an extension to December 29, 2023 to provide final assessed valuations. The deadlines for the mill levy certifications was extended from December 15, 2023 to January 5, 2024.

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

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

II. Stewardship, Compliance, and Accountability (continued)

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 that 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. Any revenues earned in excess of the fiscal year spending limit must be refunded in the next fiscal year, unless voters approve retention of such excess revenue.

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 an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The District has reserved \$4,140, which is the approximate required reserve, at December 31, 2024.

On November 5, 2002, a majority of the District's electors authorized the District (1) to increase taxes up to \$2,250,000 annually by the imposition of an ad valorem property tax levy and (2) to collect, keep and expend all District revenue during 2002, and continuing thereafter without regard to limitations under TABOR.

The District's management believes it is in compliance with the financial provisions of TABOR.

C. Authorized But Unissued Debt

In November 2002, the District's voters authorized the issuance of up to \$41,834,310 of debt for acquisitions and improvements. Under C.R.S. 32-1-1101(2) voter authorization expires 20 years after the date of the election when the voters authorized the debt. The District's debt was authorized by voters on November 5, 2002 and, per statute, expired on November 2022.

In May 2022, the Subdistrict's voters authorized the issuance of up to \$190,000,000 of debt for acquisitions and improvements. Under C.R.S. 32-1-1101(2) voter authorization expires 20 years after the date of the election when the voters authorized the debt. No debt has been issued under this authorization as of December 31, 2024.

III. Detailed Notes on all Funds

A. Deposits and Investments

The District's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the District's demand deposits was \$1,756 at year end.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

III. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments, and entities such as the District, may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contract
- Local government investment pools

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. 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.

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 year end, the District had the following deposits and investments with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Term to Maturity	
			Less than one year	More than one year
<i>Deposits:</i>				
Checking and savings	Not rated	1,756	1,756	-
<i>Investments:</i>				
Investment pool	AAAm	783,879	783,879	-
		<u>785,635</u>	<u>785,635</u>	<u>-</u>

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

III. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2024, the District had the following recurring fair value measurements:

Investments Measured at Amortized Cost	Total
CSAFE	783,879
	783,879

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.

Investments classified in Level 1 are valued using prices quoted in active markets for those securities. 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 securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

The Investment Pool represents investments in CSAFE. The amortized cost of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool.

As of December 31, 2024, the District had invested \$783,879 in the Colorado Surplus Asset Fund Trust ("CSAFE"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a 2a-7-like money market fund and each share is equal in value to \$1.00. CSAFE is rated AAAM by the Standard & Poor's Corporation. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as depository in connection with direct investment and withdrawals. The custodian's internal records segregate investments owned by the Trust. Investments in CSAFE are stated as amortized cost which approximates fair value.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

III. Detailed Notes on all Funds (continued)

D. Long-term Debt

The District had the following long-term debt outstanding during the fiscal year:

1. General Obligation Refunding and Improvement Bonds, Series 2016

On October 5, 2016, the District issued general obligation refunding and improvement bonds totaling \$21,185,000. The bonds mature at various dates through December 1, 2045, and bear interest at annual rates ranging from 2.00% to 4.00%. Proceeds from the issuance totaling \$11,685,000 plus available bond reserve funds were used to repay the 2006 general obligation bonds, repay the 2008 variable rate tax- exempt loans, fund the early termination fees of \$1,000,250 related to the 2008 and 2008A swap agreements, and to pay costs of issuance. The remaining proceeds of \$9.5 million were being used to finance the design, acquisition, construction, relocation, installation and completion of certain public infrastructure costs incurred by Alpine Metropolitan District and authorized by the District. The Bonds are comprised of both serial and term bonds, with the serial bonds maturing annually from December 1, 2017 through December 1, 2031 and the term bonds maturing at various dates from December 1, 2036 to December 1, 2045. Bonds maturing on December 1, 2027 and thereafter are subject to redemption prior to maturity, at the option of the District, in whole or partial maturities, at any time on or after on December 1, 2026, without redemption premium. The term bonds maturing on and after December 1, 2036 are subject to mandatory sinking fund redemption, in part, by lot, on December 1, 2032, and on each December 1 thereafter.

The refunding portion of the above issuance increases total debt service payments over the next 30 years by \$5,441,619 resulting in an economic loss (difference between the present values of the debt service payments of the old and new debt) of \$633,330. The debt service requirements of the refunded debt had balloon payments in 2020 through 2024 that the District would have been required to refinance at that time which may have resulted in potentially higher interest rates and future debt service payments. Additionally, by refinancing these bonds in 2016 the District was able to lock in historically low interest rates and ensure a relatively low mill levy rate throughout the life of the bonds.

2. General Obligation Refunding Bonds, Series 2020

On September 2, 2020, the District issued general obligation refunding bonds totaling \$2,725,000. The bonds mature at various dates through December 1, 2045, and bear interest at annual rates from 2.50% to 3.00%. Proceeds from the issuance totaling \$2,917,825 plus available bond reserve funds were used to repay the 2010 general obligation bonds. The Bonds are comprised of both serial and term bonds, with the serial bonds maturing annually from December 1, 2021 through December 1, 2030 and the term bonds maturing at various dates from December 1, 2037 to December 1, 2045.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

III. Detailed Notes on all Funds (continued)

D. Long-term Debt (continued)

2. General Obligation Refunding Bonds, Series 2020 (continued)

Bonds maturing on December 1, 2031 and thereafter are subject to redemption prior to maturity, at the option of the District, in whole or partial maturities, at any time on or after on December 1, 2026, without redemption premium. The term bonds maturing on and after December 1, 2037 are subject to mandatory sinking fund redemption, in part, by lot, on December 1, 2037, and on each December 1 thereafter.

The refunding portion of the above issuance decreases total debt service payments over the next 25 years by \$783,455 resulting in an economic loss (difference between the present values of the debt service payments of the old and new debt) of \$605,707. The debt service requirements of the refunded debt had a balloon payment in 2039 that the District would have been required to refinance at that time which may have resulted in potentially higher interest rates and future debt service payments. Additionally, by refinancing these bonds in 2020 the District was able to lock in lower interest rates and ensure a relatively low mill levy rate throughout the life of the bonds.

Annual debt service requirements to maturity for the general obligation bonds are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	675,000	675,613	1,350,613
2026	705,000	650,263	1,355,263
2027	730,000	623,663	1,353,663
2028	755,000	596,063	1,351,063
2029	785,000	567,363	1,352,363
2030 - 2034	4,520,000	2,369,238	6,889,238
2035 - 2039	5,185,000	1,619,719	6,804,719
2040 - 2044	5,985,000	773,856	6,758,856
2045	1,310,000	40,763	1,350,763
Total	<u>20,650,000</u>	<u>7,916,541</u>	<u>28,566,541</u>

The District had the following changes in long-term obligations for the year ended December 31, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
G.O. Bonds, Series 2016	19,155,000	-	(495,000)	18,660,000	510,000
G.O. Refunding Bonds, Series 2020	2,150,000	-	(160,000)	1,990,000	165,000
Premium, Series 2016	513,324	-	(23,333)	489,991	-
Premium, Series 2020	169,686	-	(7,713)	161,973	-
	<u>21,988,010</u>	<u>-</u>	<u>(686,046)</u>	<u>21,301,964</u>	<u>675,000</u>

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

IV. Other Information

A. Risk Management

Colorado Special Districts Property and Liability Pool

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the "Pool"). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. The Pool provides coverage for property claims and liability coverage claims and workers' compensation. Settled claims have not exceeded this coverage in the past three years.

The District pays annual premiums to the Pool for liability, property, and public officials' 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 member 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><u>81,143,798</u></u>
Liabilities	58,670,068
Capital and surplus	<u>22,473,730</u>
Total	<u><u>81,143,798</u></u>
Revenue	29,593,851
Underwriting expenses	<u>31,416,477</u>
Underwriting gain (loss)	(1,822,626)
Other income	<u>1,695,393</u>
Net income (loss)	<u><u>(127,233)</u></u>

V. Intergovernmental Agreements

A. Facilities Construction and Service Agreement

Breckenridge Mountain Metropolitan District (the "District") has entered into a District Facilities Construction and Service Agreement with Alpine Metropolitan District ("AMD"). The District is considered the financing district and AMD the service district under the agreement. On November 24, 2008 the District entered into an "Amended and Restated First Amendment to District Facilities Construction and Service Agreement" to accommodate the issuance of two tax exempt loans by the District.

The primary purpose and function of a financing district is to provide funding and the necessary tax base for financing the construction, operation, and maintenance of the public improvements within another district generally referred to as a service district.

Breckenridge Mountain Metropolitan District
Notes to the Financial Statements
December 31, 2024
(continued)

V. Intergovernmental Agreements (continued)

A. Facilities Construction and Service Agreement (continued)

Under this agreement, the District is to provide funding and the necessary tax base for financing the construction, operation, and maintenance of the public improvements that benefit both of the districts. The District may also obtain financing for the construction of the public improvements and pay the proceeds to AMD.

AMD will manage the construction and operation of the public improvements, and own, operate, and maintain the public improvements pursuant to a long-term operations and maintenance program.

The District is required to pay to AMD a portion of the revenue raised from mill levies to offset the operating expenses incurred by AMD for provision of services to property within the District. In 2024, the District funded operating expenditures of AMD totaling \$27,249.

The District is also required to assign a portion of revenue raised from all sources to AMD in order to offset the costs of the construction of the public improvements and the District's costs of operation and maintenance of such public improvements. The Agreement remains in force until all terms and conditions have been performed in their entirety. In 2024, there were no District funded public improvements by AMD.

In addition, at December 31, 2024, \$974,914 has been paid from the District to AMD representing prepayments pursuant to the agreement that AMD is holding to offset future capital and operating expenditures.

B. District Coordinating Services Agreement

The Subdistrict entered into a Coordinating Services Agreement with AMD on July 28, 2022. Pursuant to this agreement, the District is to provide certain administrative services for the Subdistrict. Additionally, the District will own, operate and maintain public improvements within the Subdistrict that are not otherwise dedicated or conveyed to the Town of Breckenridge, Summit County, or other public entity or owners' association. In exchange, the Subdistrict is responsible for any and all costs incurred by the District for the same, as more fully provided in the agreement.

During the year ending December 31, 2024 the Subdistrict paid AMD \$125,862, and incurred \$107,254 of related expenses. As of December 31, 2024 the Subdistrict owed AMD \$43,126, under the terms of this agreement.

REQUIRED SUPPLEMENTARY INFORMATION

Breckenridge Mountain Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Governmental Funds - General Fund
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended 2023)

	<u>2024</u>			<u>2023</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Operating contributions from Alpine Metropolitan District	11,862	10,552	(1,310)	-
Total Revenues	<u>11,862</u>	<u>10,552</u>	<u>(1,310)</u>	<u>-</u>
Expenditures:				
General government:				
Audit	7,262	7,000	262	7,050
Insurance	3,600	3,552	48	3,806
Contingency	1,000	-	1,000	-
Total General Government Expenditures	<u>11,862</u>	<u>10,552</u>	<u>1,310</u>	<u>10,856</u>
Other Financing Sources (Uses):				
Transfers in	-	7,225	7,225	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>7,225</u>	<u>7,225</u>	<u>-</u>
Net Change in Fund Balance	-	7,225	7,225	(10,856)
Fund Balance - Beginning	<u>3,218</u>	<u>847,615</u>	<u>844,397</u>	<u>858,471</u>
Fund Balance - Ending	<u><u>3,218</u></u>	<u><u>854,840</u></u>	<u><u>851,622</u></u>	<u><u>847,615</u></u>

Breckenridge Mountain Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Governmental Funds - Subdistrict A Special Revenue Fund
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended 2023)

	2024			2023
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:				
Property taxes	170,549	170,550	1	-
Specific ownership taxes	8,528	6,895	(1,633)	-
Interest	-	2,091	2,091	229
Total Revenues	<u>179,077</u>	<u>179,536</u>	<u>459</u>	<u>229</u>
Expenditures:				
General government:				
Office overhead	11	-	11	33
Legal	4,200	2,332	1,868	3,306
Accounting and auditing	4,200	10,080	(5,880)	4,549
Insurance	3,947	3,759	188	3,759
Treasurer's fees	8,527	8,539	(12)	-
Gondola operations payments to Alpine Metropolitan District	170,549	-	170,549	-
Contingency	2,000	-	2,000	-
Subdistrict A debt service:				
Bond issuance costs	359,033	102,594	256,439	-
Capital expenditures	6,690,967	-	6,690,967	-
Total General Government Expenditures	<u>7,243,434</u>	<u>127,304</u>	<u>7,116,130</u>	<u>11,647</u>
Other Financing Sources (Uses):				
Bond proceeds	10,000,000	-	(10,000,000)	-
Transfers in	-	-	-	14,504
Transfers (out)	(1,950,000)	-	1,950,000	-
Total Other Financing Sources (Uses)	<u>8,050,000</u>	<u>-</u>	<u>(8,050,000)</u>	<u>14,504</u>
Net Change in Fund Balance	985,643	52,232	(933,411)	3,086
Fund Balance - Beginning	2,708	3,086	378	-
Fund Balance - Ending	<u>988,351</u>	<u>55,318</u>	<u>(933,033)</u>	<u>3,086</u>

SUPPLEMENTARY INFORMATION

Breckenridge Mountain Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Governmental Funds - Debt Service Fund
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended 2023)

	<u>2024</u>			<u>2023</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Property taxes	1,408,684	1,412,080	3,396	1,456,587
Specific ownership taxes	63,391	57,123	(6,268)	73,233
Interest	20,863	64,790	43,927	61,192
Total Revenues	<u>1,492,938</u>	<u>1,533,993</u>	<u>41,055</u>	<u>1,591,012</u>
Expenditures:				
General government:				
Treasurer fees	70,434	70,813	(379)	73,088
Contingency	5,000	-	5,000	-
Capital and Service obligations payments to Alpine Metropolitan District	129,686	17,423	112,263	45,300
Debt service:				
Bond principal	655,000	655,000	-	635,000
Bond interest	700,213	700,213	-	719,263
Paying agent fees	6,231	6,050	181	6,050
Total Expenditures	<u>1,566,564</u>	<u>1,449,499</u>	<u>117,065</u>	<u>1,478,701</u>
Other Financing Sources (Uses):				
Transfers (out)	-	(7,225)	(7,225)	-
Total Other Financing (Uses)	<u>-</u>	<u>(7,225)</u>	<u>(7,225)</u>	<u>-</u>
Net Change in Fund Balance	(73,626)	77,269	150,895	112,311
Fund Balance - Beginning	563,223	569,194	5,971	456,883
Fund Balance - Ending	<u>489,597</u>	<u>646,463</u>	<u>156,866</u>	<u>569,194</u>

Breckenridge Mountain Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Governmental Funds - Subdistrict A Debt Service Fund
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended 2023)

	<u>2024</u>			<u>2023</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Property taxes	-	-	-	198,099
Specific ownership taxes	-	-	-	9,932
Interest	25	10,225	10,200	9,709
Total Revenues	<u>25</u>	<u>10,225</u>	<u>10,200</u>	<u>217,740</u>
Expenditures:				
General government:				
Treasurer fees	-	-	-	10,163
Refund of property taxes	-	198,100	(198,100)	-
Contingency	5,000	-	5,000	-
Subdistrict A debt service:				
Bond interest	1,021,800	-	1,021,800	-
Total Expenditures	<u>1,026,800</u>	<u>198,100</u>	<u>828,700</u>	<u>10,163</u>
Other Financing Sources (Uses):				
Transfers in	1,950,000	-	(1,950,000)	-
Transfers (out)	-	-	-	(14,504)
Total Other Financing (Uses)	<u>1,950,000</u>	<u>-</u>	<u>(1,950,000)</u>	<u>(14,504)</u>
Net Change in Fund Balance	923,225	(187,875)	(1,111,100)	193,073
Fund Balance - Beginning	<u>10,000</u>	<u>193,073</u>	<u>183,073</u>	<u>-</u>
Fund Balance - Ending	<u><u>933,225</u></u>	<u><u>5,198</u></u>	<u><u>(928,027)</u></u>	<u><u>193,073</u></u>

**Breckenridge Mountain Metropolitan District
History of Assessed Valuation, Mill Levy
and Property Taxes Collected
December 31, 2024**

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	
2006	6,321,310	20.00	126,426	126,123	99.8%
2007	9,788,440	20.00	195,769	195,769	100.0%
2008	22,406,820	20.00	448,136	426,556	95.2%
2009	19,183,810	25.00	479,595	479,433	100.0%
2010	27,135,520	25.00	678,388	676,734	99.8%
2011	30,635,140	25.00	765,879	766,899	100.1%
2012	41,570,460	25.00	1,039,262	1,021,051	98.2%
2013	38,904,560	25.00	972,614	971,665	99.9%
2014	35,600,510	25.00	890,013	889,881	100.0%
2015	39,463,640	25.00	986,591	986,646	100.0%
2016	40,938,550	25.00	1,023,464	1,023,533	100.0%
2017	40,728,730	25.75	1,048,765	1,048,680	100.0%
2018	43,937,140	25.75	1,131,381	1,130,180	99.9%
2019	49,168,010	25.50	1,253,784	1,201,606	95.8%
2020	54,531,290	25.50	1,390,548	1,215,684	87.4%
2021	56,329,430	25.50	1,436,400	1,421,284	98.9%
2022	59,324,240	25.50	1,512,768	1,524,660	100.8%
2023	73,368,970	19.20	1,408,684	1,412,080	100.2%
2024	73,148,930	19.20	1,404,459		

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.