Berry Creek Metropolitan District

Financial Statements

December 31, 2025

Berry Creek Metropolitan District
Financial Statements
December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Berry Creek Metropolitan District
Edwards, 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 Berry Creek Metropolitan District (the "District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2025 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.

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
Berry Creek Metropolitan District

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 comparison found in Section F, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary information found in Section F is the responsibility of management and was derived from and relates 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 financial report. The other information comprises the Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected 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 24, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Berry Creek Metropolitan District

Management's Discussion and Analysis
December 31, 2025

As management of the Berry 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, 2025.

Overview of the Financial Statements

This discussion and analysis are 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 inflows, liabilities, and deferred outflows 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 and earned but unused vacation leave).

The governmental activities of the District include general government, operation of the community center and maintenance of parks and trails. 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. Prior to 2025, the District used two funds: a General Fund that included capital expenditures and a Debt Service Fund. In 2025, a separate capital projects fund was established to segregate capital replacement reserves from operating reserves. $1,300,000 was transferred to the new Capital Projects Fund to establish a separate capital replacement reserve, leaving $476,546 as the ending fund balance in the General Fund. This fund balance in the General Fund is held as an operating reserve of approximately 50% of next year's budgeted General Fund expenditures.

The fund financial statements and related reconciliation of the government-wide financial statements to the fund financial statements can be found on pages C3 through C6 of this report.

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.

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.

Overview of the Financial Statements (continued)

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

Notes to the Financial Statements. The notes provide additional information that is essential to a complete 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 D15 of this report.

Government-wide Financial Analysis.

Statement of Net Position
The perspective of the Statement of Net Position is of the District as a whole. Following is a summary of the District's net position for the fiscal years 2025 and 2024.

	Governmental Activities	
	2025	**2024**
Assets :		
Current Assets	$ 3,085,635	$ 2,755,809
Capital and Other Non-current Assets	3,301,389	3,433,769
Total Assets	6,387,024	6,189,578
Liabilities:		
Current Liabilities	18,946	28,164
Bonds Payable	595,000	945,000
Total Liabilities	613,946	973,164
Deferred Inflow of Resources:		
Deferred Property Tax Revenue	1,373,843	1,304,973
Net Position:		
Net Investment in Capital Assets	2,706,389	2,488,769
Restricted for Emergencies	33,440	31,860
Restricted for Debt Service	42,770	49,440
Restricted for Conservation Trust Fund	-	9,000
Unrestricted	1,616,636	1,332,372
Total Net Position	$ 4,399,235	$ 3,911,441

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Overview of the Financial Statements (continued)

Statement of Activities
The perspective of the Statement of Activities is of the District as a whole. The Statement of Activities reflects the cost of program services and the charges for services and sales, grants and contributions offsetting the cost of the services. The following detail reflects the total cost of services supported by program revenues and general property taxes, as well as other general revenues, resulting in an overall change in net position for the fiscal years 2025 and 2024.

	Governmental Activities	
	2025	**2024**
Revenues:		
Program revenues:		
Charges for services	$ 70,145	$ 60,630
Operating grants and contributions	112,546	96,186
General revenues:		
Property taxes	1,304,979	1,146,593
Other taxes	64,734	54,154
Interest and other revenue (loss)	86,782	91,159
Total Revenues	1,639,186	1,448,722
Expenses:		
General government	347,061	408,492
Culture and recreation	776,307	639,495
Interest on long-term debt	28,024	38,314
Total Expenses	1,151,392	1,086,301
Change in Net Position	487,794	362,421
Net Position - Beginning	3,911,441	3,549,020
Net Position - Ending	$ 4,399,235	$ 3,911,441

The District's overall financial position, as measured by net position, increased from $3,911,441 at the end of 2024 to $4,399,235 at the end of 2025. As the District collects property taxes and pays its debt down, the net position increases. The following graph shows the District's total net position by category for 2025 compared to 2024.

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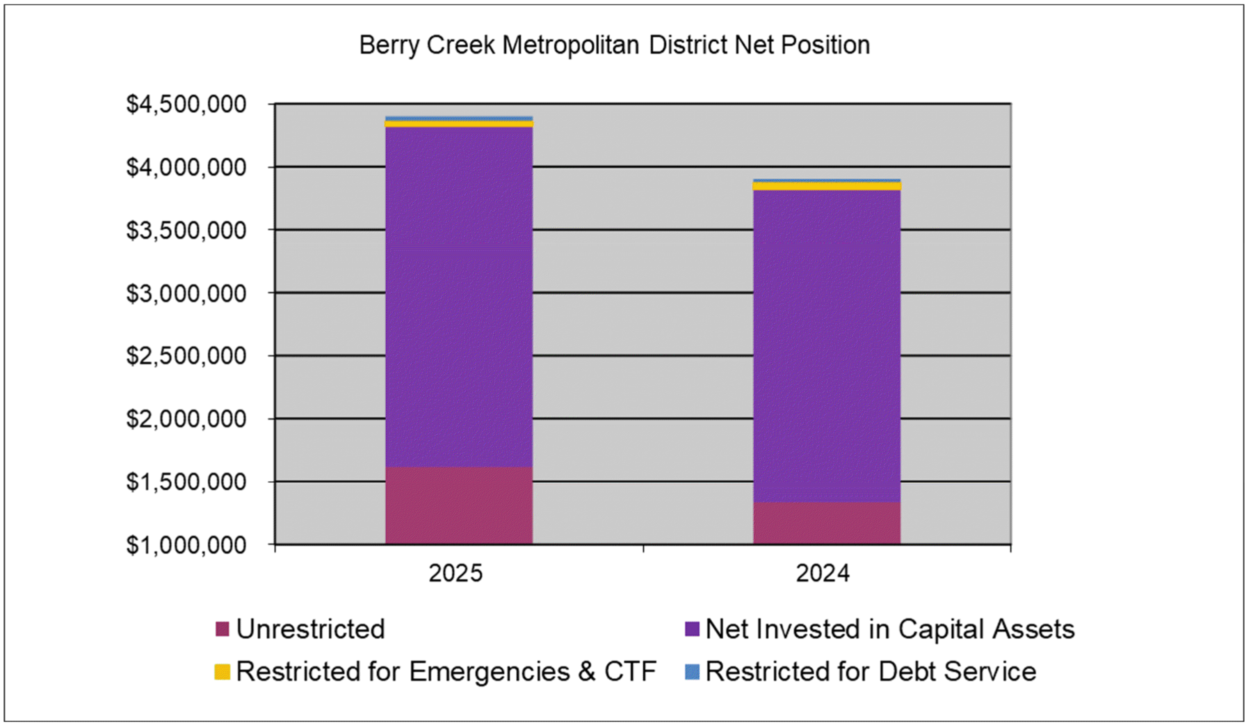

Financial Analysis of the District's Funds

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, unassigned 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 $1,703,463, an increase of $270,385 from the prior year. Of the District's governmental-type fund balances, $21,572 is non-spendable since it represents funds already expended for next year's operations, $42,770 is restricted for emergencies under the Taxpayers' Bill of Rights (TABOR), $33,440 is restricted for future debt service, $1,193,477 is committed for future capital projects, and $412,204 is assigned for an operating reserve. The following graph shows the combined fund balances for 2025 and 2024 relative to revenues and expenditures.

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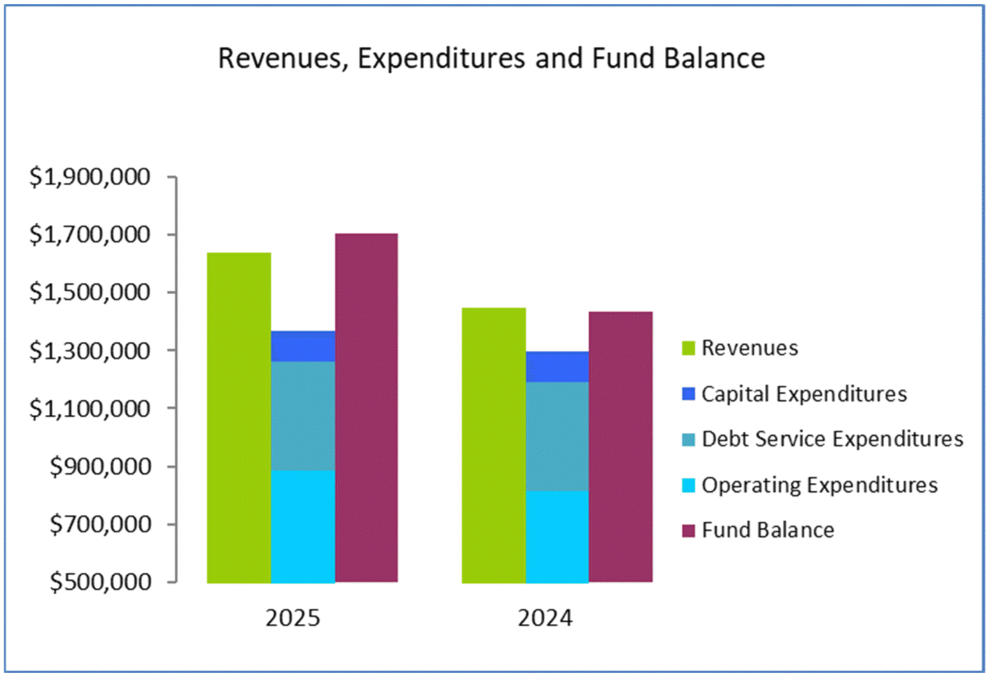
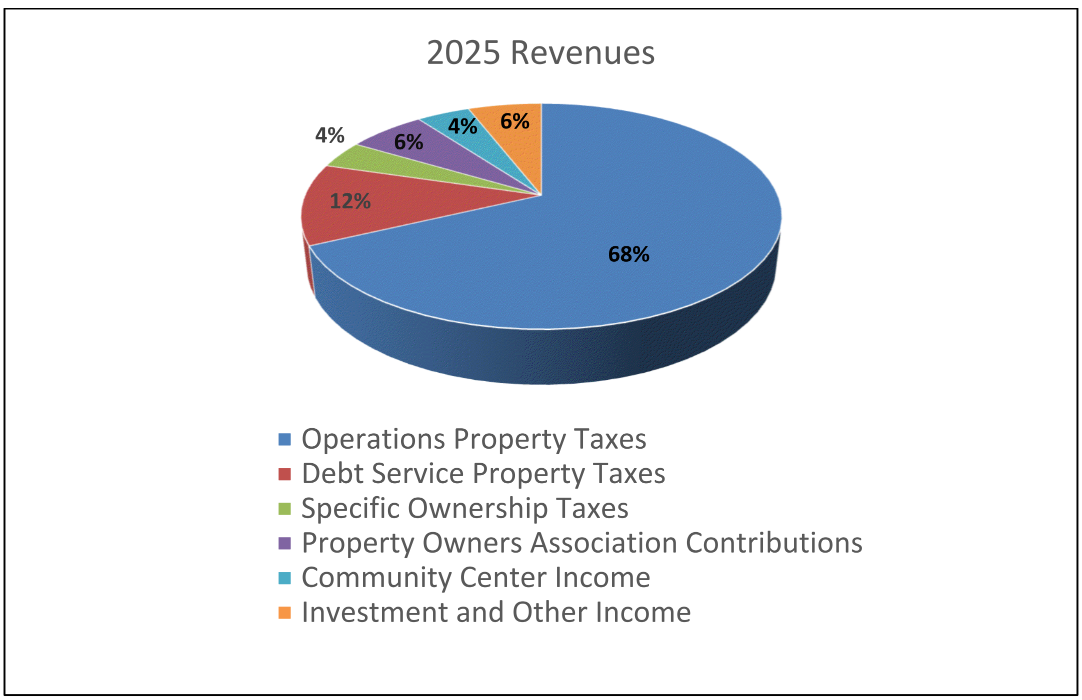
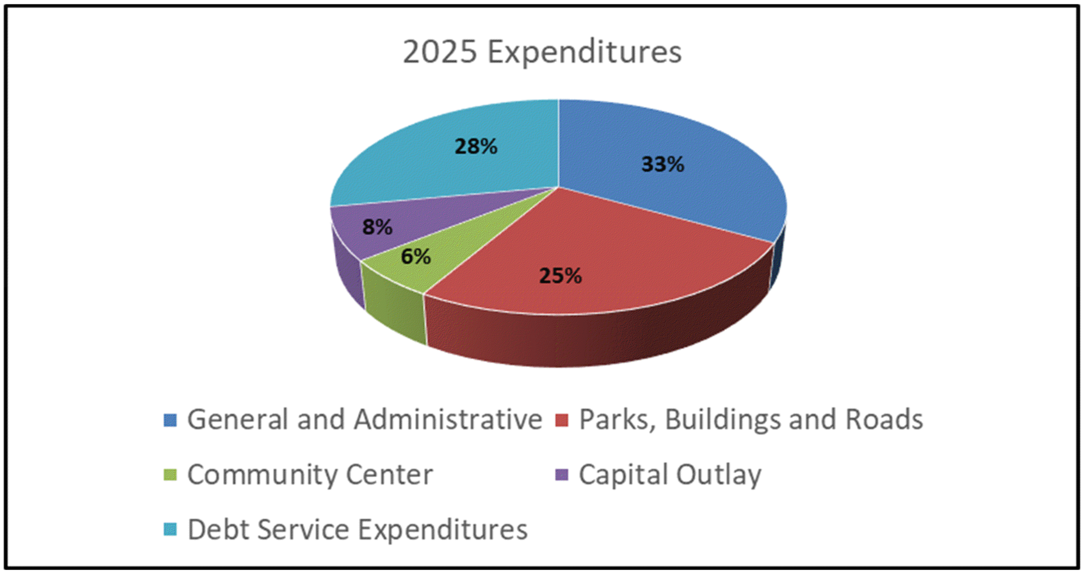


Approximately 80% of the District's revenues are generated by property taxes from the operating and debt service mill levies. The following graph shows the relative size of the District's revenue sources. For more information, please refer to the Statement of Revenues, Expenditures and Changes in Fund Balances for the Governmental Funds, which is located on page C5 of the report.



The following graph illustrates the relative sizes of the District's expenditures for 2025. General and administrative expenses are the largest category, accounting for 33% of total expenditures, while debt service accounts for 28%, and parks, buildings, and roads account for 25% of total expenditures. For more information, please refer to the Statement of Revenues, Expenditures and Changes in Fund Balances for the Governmental Funds, which is located on C5 of the report.



Budget Variances. A budget comparison for the General Fund is presented on page E1, and budget comparisons for the Debt Service and the Capital Projects Funds are presented on pages F2 and F3. The primary favorable variances in the General Fund were from net investment income, a portion of which was due to the recovery of market values resulting from interest rate changes, and favorable variances related to street light expenses and snow plowing. Overall, the General Fund had a net favorable budget variance for 2025 of $48,578. For the Capital Projects Fund, while the final budget variance was negligible, there was a significant positive variance between the original and final budgets, resulting from the deferral of several capital projects from 2025 to future years.

Capital Assets. The District spent $106,523 in capital expenditures in 2025 but only capitalized and depreciated $100,274 of the assets and expensed the remaining $6,249 in accordance with the District's asset capitalization policy. The primary capital additions were enhancements to the community center and landscape improvements. Depreciation expense of $232,654 was recognized in 2025. Additional information regarding capital assets can be found in the Notes to the Financial Statements on page D10 of this report.

Long-term Debt. The District's only outstanding debt is the Series 2018 bonds. The District repaid $350,000 of those bonds in 2025, leaving an outstanding debt balance of $595,000 at the end of the year. Additional information can be found in the Notes to the Financial Statements on page D11 of this report.

Economic Factors and 2025 and 2026 Budgets. The District's assessed value increased approximately 60% for tax collection year 2024 and increased another 18% for 2026. 2025 was not a property tax reassessment year so the District's assessed value remained constant from 2024 to 2025. In response to these assessed value increases, the District's Board of Directors temporarily reduced the debt service mill levy rate, crediting approximately $165,000 to the District's taxpayers for tax collection year 2025 and $300,000 for tax collection year 2026. The District's Board reevaluates the mill levy rate during each year's budget process to determine the tax needs of the District and plans to continue to provide temporary property tax credits to the extent surplus taxes would be generated, which are not considered necessary by the Board and provided it will not require a permanent lowering of the mill levy rate.

Another economic factor that may affect the District in 2026 and future years is the possible realignment of Singletree Property Owners Association's (SPOA) primary functions into BCMD. The concept under consideration is for the District to contractually agree to perform SPOA's primary functions, like design review and covenant enforcement. If this realignment of functions is completed, the current services agreement between the District and SPOA will be replaced with a new contract defining the services BCMD will provide. The cost of providing these services is expected to be primarily covered with property taxes collected by BCMD, and SPOA will stop collecting assessments from its members, who are all constituents of the District. Management expects operating efficiencies between BCMD and SPOA if this new structure is adopted, but management doesn't expect it to have a material impact on the combined revenues and expenses of the two organizations. This is still in the evaluation phase, and no formal plan has been adopted, so the ultimate outcome remains unknown.

Contacting the District's Financial Management

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Berry Creek Metropolitan District, c/o Marchetti & Weaver, LLC, 28 Second Street, Unit 213, Edwards, CO 81632, or you may call (970) 926-6060.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Berry Creek Metropolitan District
Statement of Net Position
December 31, 2025

Assets:	
Cash and investments	1,681,307
Amounts due from Eagle County	5,993
Property taxes receivable	1,373,843
Other receivables	2,920
Prepaid expenses	21,572
Capital assets, net	3,301,389
Total Assets	6,387,024
Liabilities:	
Current liabilities due in less than one year:	
Accounts payable	5,229
Unearned revenue	3,100
Accrued interest	1,517
Bonds payable	360,000
Non-current liabilities due in excess of one year:	
Bonds payable	235,000
Accrued compensated absences	9,100
Total Liabilities	613,946
Deferred Inflows of Resources:	
Property tax revenue	1,373,843
Total Deferred Inflows of Resources	1,373,843
Net Position:	
Net investment in capital assets	2,706,389
Restricted for debt service	33,440
Restricted for emergencies	42,770
Unrestricted	1,616,636
Total Net Position	4,399,235

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

Berry Creek Metropolitan District
Statement of Activities
For the Year Ended December 31, 2025

		Program Revenues			
	Expenses	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Net (Expense) Revenue**
Functions/Programs:					
Governmental activities:					
General government	450,592	-	102,665	-	(347,927)
Culture and recreation	672,776	70,145	9,881	-	(592,750)
Interest on long-term debt	28,024	-	-	-	(28,024)
Total primary government	1,151,392	70,145	112,546	-	(968,701)
General revenues:					
Taxes:					
Property tax					1,304,979
Specific ownership tax					64,734
Other income					240
Net investment income					86,542
Total General Revenues					1,456,495
Change in Net Position					487,794
Net Position - Beginning					3,911,441
Net Position - Ending					4,399,235

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

FUND FINANCIAL STATEMENTS

Berry Creek Metropolitan District
Balance Sheet
Governmental Funds
December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
Assets:				
Equity in pooled cash and investments	455,267	32,563	1,193,477	1,681,307
Amounts due from Eagle County	5,116	877	-	5,993
Property taxes receivable	1,310,370	63,473	-	1,373,843
Accrued interest receivable	2,920	-	-	2,920
Prepaid expenses	21,572	-	-	21,572
Total Assets	1,795,245	96,913	1,193,477	3,085,635
Liabilities:				
Accounts payable	5,229	-	-	5,229
Unearned revenue	3,100	-	-	3,100
Total Liabilities	8,329	-	-	8,329
Deferred Inflows of Resources:				
Unavailable property tax revenue	1,310,370	63,473	-	1,373,843
Total Deferred Inflows of Resources	1,310,370	63,473	-	1,373,843
Fund Balances:				
Nonspendable	21,572	-	-	21,572
Restricted for debt service	-	33,440	-	33,440
Restricted for emergencies	42,770	-	-	42,770
Committed for capital projects	-	-	1,193,477	1,193,477
Assigned for:				
Operating reserves	412,204	-	-	412,204
Unassigned	-	-	-	-
Total Fund Balances	476,546	33,440	1,193,477	1,703,463
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	1,795,245	96,913	1,193,477	3,085,635

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

Berry Creek Metropolitan District
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2025

Governmental Funds Total Fund Balance		1,703,463
Capital assets used in governmental activities are not considered current financial resources and, therefore, are not reported in the funds. Details of these amounts are as follows:		
Capital assets	8,513,584	
Accumulated depreciation	(5,212,195)	
		3,301,389
Long-term liabilities, including bonds 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	(595,000)	
Accrued interest payable	(1,517)	
		(596,517)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. This is the compensated absences liability as of year end.		(9,100)
Net Position of Governmental Activities		4,399,235

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

Berry Creek Metropolitan District
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues:				
Property taxes	1,113,932	191,047	-	1,304,979
Specific ownership taxes	55,257	9,477	-	64,734
Net investment income	83,322	3,220	-	86,542
Lottery proceeds	9,881	-	-	9,881
Community center	70,145	-	-	70,145
Singletree Property Owners Association contributions	102,665	-	-	102,665
Other income	240	-	-	240
Total Revenues	1,435,442	203,744	-	1,639,186
Expenditures:				
General government	443,753	5,735	-	449,488
Parks and recreation	342,151	-	-	342,151
Community center	91,722	-	-	91,722
Debt service				
Principal	-	350,000	-	350,000
Interest	-	28,917	-	28,917
Capital outlay	-	-	106,523	106,523
Total Expenditures	877,626	384,652	106,523	1,368,801
Excess (Deficiency) of Revenues over Expenditures	557,816	(180,908)	(106,523)	270,385
Other Financial Sources (Uses):				
Transfers in	-	164,908	1,300,000	1,464,908
Transfers (out)	(1,464,908)	-	-	(1,464,908)
Total Other Financing Sources (Uses)	(1,464,908)	164,908	1,300,000	-
Net Change in Fund Balances	(907,092)	(16,000)	1,193,477	270,385
Fund Balances - Beginning	1,383,638	49,440	-	1,433,078
Fund Balances - Ending	476,546	33,440	1,193,477	1,703,463

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

Berry Creek 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, 2025

Net change in fund balances for total governmental funds		270,385
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of the 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	100,274	
Depreciation expense	(232,654)	
		(132,380)
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.		
Principal repayments - Bonds payable	350,000	
		350,000
The change in accrued compensated absences 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.		(1,104)
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.		893
Change in Net Position of Governmental Activities		487,794

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

Berry Creek Metro District (the “District”) is a quasi-municipal corporation and is governed pursuant to provisions of the Colorado Special District Act. The District’s service area is located in Eagle County, Colorado. The District was established to be able to provide recreational facilities, fire protection services, water services, television services, and to construct and finance roadways and storm drainage facilities. Fire protection services are provided by the Eagle River Fire Protection District. Water services are provided by the Upper Eagle Regional Water Authority. The District has one employee and some 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 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 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.

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

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 *Capital Projects Fund* accounts for financial resources accumulated and used for the acquisition, construction, replacement, and improvement of capital facilities and other capital assets of the District.

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. 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.

I. Summary of Significant Accounting Policies (continued)

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

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 Investments

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 net asset 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 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, 2025.

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. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets, are reported in the governmental activity columns in the government-wide financial statements. The District defines capital assets as assets with an initial cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Assets	Years
Buildings	7-30
Improvements	15-30
Equipment	7-15

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

5. Long-term Debt

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

In the fund financial statements, bond premiums and discounts 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 while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures in the fund financial statements.

6. 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 does not have any items in this category.

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.

7. 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.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

7. Fund Balance (continued)

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.

The District has adopted a policy to ensure adequate amounts are maintained for operating, replacement, and capital project reserves. The District has established the following:

Operating Reserve - shall be maintained at a level of 50% of the budgeted annual operating expenditures for the upcoming fiscal year.

Replacement Reserve – shall be funded based on the District's Replacement Reserve Schedule, which identifies anticipated capital replacement needs over a minimum 20-year horizon for each asset with a projected replacement cost exceeding $10,000. The fully funded balance for each component equals its fractional age multiplied by its projected replacement cost. Replacement Reserve funds may not be used for new improvements, modifications, or expansion projects.

Capital Projects Reserve – amounts held in the Capital Projects Fund in excess of the amount necessary to fully fund capital replacements to the extent of the fractional age portion of future replacement costs.

Conservation Trust Fund - Funds received from Great Outdoors Colorado are restricted to projects that preserve and enhance parks, trails, wildlife, rivers, and open spaces within the District.

The balance sheet on page C3 shows the amounts assigned and restricted under this policy; general fund unassigned as of December 31, 2025 may be used for any lawful purpose.

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.

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 2025:

(1) For the 2025 budget year, prior to August 25, 2024, 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, 2024, the County Assessor sent the final recertified assessed valuation to the District.
(2) On or before October 15, 2024, 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 2025 budget, prior to December 15, 2024, 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 2025 budget, the final budget and appropriating resolution was adopted prior to December 31, 2024.

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

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2024 were collected in 2025 and taxes certified in 2025 will be collected in 2026. 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.

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.

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 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 $42,770, which is the approximate required reserve, at December 31, 2025.

On November 6, 2007, the District's voters authorized the issuance of $3,600,000 of general obligation bonds for street and related improvements, including the Winslow Road underpass.

On May 5, 1998, the District's voters authorized the District to collect, retain, and spend all revenue collected from any source, without regard to fiscal year spending limits otherwise imposed by TABOR.

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

In November 2007, the District's voters authorized the issuance of up to $3,600,000 of debt for the construction of street improvements including, but not limited to, expansion of the Winslow Road underpass at an interest rate not to exceed 7% per annum. During 2008, the District issued bonds in the amount of $3,500,000 pursuant to this authorization and has $100,000 in remaining authorized but unissued indebtedness as of December 31, 2025. Pursuant to Colorado statutes, this voter authorization expires on November 6, 2027.

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 $66,315 at year end.

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 contracts
- 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	Term to Maturity: More than one year
Deposits:				
Checking and savings	Not rated	66,315	66,315	-
Investments:				
Certificates of deposit	Not rated	929,682	445,298	484,384
Investment pool	AAAm	685,310	685,310	-
		1,681,307	1,196,923	484,384

III. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2025, the District had the following recurring fair value measurements.

Investments Measured at Fair Value	Total	Fair Value Measurements Using Level 1	Level 2	Level 3
Certificates of deposit	929,682	-	929,682	-
Total	929,682	-	929,682	-

Investments Measured at Net Asset Value	Total
Colotrust	685,310
	685,310

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 COLOTRUST. The net asset value of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool. At December 31, 2025, the District's investments in COLOTRUST were 42% of the District's investment portfolio and certificates of deposit were 58% of the investment portfolio.

The District had invested $685,310 in the Colorado Local Government Liquid Asset Trust (the "Trust"). The Trust is 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 money market fund, measured at net asset value, and each share is equal in value to $1.00. Investments consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank.

III. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

During the year the District invested in negotiable certificates of deposit (CDs) with various financial institutions. Negotiable CDs can be bought and sold on the secondary market prior to their maturity date. These investments were recorded at cost, which is the amount paid to acquire them, and are reported at fair value in the Statement of Net Position. Fair value is determined based on quoted market prices.

The negotiable CDs have maturities ranging from 1 to 5 years and carry interest rates ranging from 0.90% to 4.90%. The District may be subject to liquidity risk if it needs to sell these investments prior to maturity, as the market value of negotiable CDs can fluctuate based on changes in interest rates and credit ratings of the issuer. However, the District does not anticipate the need to sell these investments prior to their maturity dates.

As of December 31, 2025, the cost of negotiable CDs held by the District was $930,000 and the fair value was $929,682. The interest income on investments for the year ended December 31, 2025 is $66,772.

B. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land*	325,929	-	-	325,929
Water rights**	33,214	-	-	33,214
Capital assets, being depreciated:				
Improvements	4,596,569	58,677	-	4,655,246
Buildings	2,868,422	-	-	2,868,422
Equipment	589,176	41,597	-	630,773
Total capital assets	8,413,310	100,274	-	8,513,584
Less accumulated depreciation for:				
Improvements	3,036,238	124,146	-	3,160,384
Buildings	1,376,826	101,741	-	1,478,567
Equipment	566,477	6,767	-	573,244
Total accumulated depreciation	4,979,541	232,654	-	5,212,195
Net Capital Assets	3,433,769	(132,380)	-	3,301,389

* Land is made up of pocket parks and the Chip Ramsey park.

** Water rights are stated at historical cost in accordance with U.S. GAAP. The fair market value of water rights held by the District fluctuates from year to year depending on market conditions, water supply and demand, and environmental factors.

III. Detailed Notes on all Funds (continued)

B. Capital Assets (continued)

Depreciation and amortization expense and capital outlay expenditures are classified by function as follows:

	Capital Outlay	Depreciation Expense
Culture and recreation	100,274	232,654

C. Long-term Debt

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

1. General Obligation Refunding Bonds, Series 2018

The District issued $2,785,000 of General Obligation Refunding Bonds dated December 3, 2018 and bearing an interest rate of 3.06% payable on June 1 and December 1 of each year. This advance refunding was made to refund the Series 2008 GO Bonds. Principal payments are due on December 1 annually through 2027. The bonds are general obligations of the District. All of the taxable property within the District is subject to the levy of the general ad valorem property taxes to pay principal and interest of the bonds.

This long term debt was issued (primarily) for the Winslow Road underpass to provide a second means of egress and ingress to Singletree. It was authorized by voters in 2007 and issued in 2008 in the amount of $3,600,000 and refinanced in 2018. When it is retired at the end of 2027, the District will no longer have authorization to collect property taxes for this purpose and the property tax levy to fund it will disappear.

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

	Principal	Interest	Total
2026	360,000	18,207	378,207
2027	235,000	7,191	242,191
Total	595,000	25,398	620,398

The District had the following changes in long-term obligations for the year ended December 31, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
G.O. Bonds, Series 2018	945,000	-	(350,000)	595,000	360,000
Total bonds payable:	945,000	-	(350,000)	595,000	360,000

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; theft of, damage to, and destruction of assets; errors and omission; and general liability. The District is a member of the Colorado Special District Property and Liability Pool ("Pool") for property and liability insurance.

The Pool was formed by an intergovernmental agreement to provide public officials, property, general and automobile liability coverage for claims up to $1,000,000, except if the claim falls within the government immunity statute, then the coverage is $150,000 per person and a $600,000 aggregate claim. The Pool is reinsured for 80% of the first $250,000 of all claims and 100% for claims in excess of $250,000. The District may be required to make additional contributions in the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts. 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. Any settled claims are not expected to exceed coverage. A summary of audited statutory basis financial information for the Pool can be found here: https://www.csdpool.org/financials

B. 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 they are not aware of any material outstanding claims against the District at December 31, 2025.

V. Intergovernmental Agreements

A. 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 entities located in Eagle County, Colorado (the "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.

V. Intergovernmental Agreements (continued)

A. 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, 2024, the Authority had debt with maturities through the year 2053.

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 position 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 February 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, headgates 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.

V. Intergovernmental Agreements (continued)

A. Upper Eagle Regional Water Authority (continued)

A summary of audited financial information for the Authority as of and for the year ended December 31, 2024 (the latest audited information available) is as follows:

Upper Eagle Regional Water Authority

Assets:	
Current	36,304,674
Other	10,459,883
Property and equipment	98,218,923
Total Assets	144,983,480
Deferred Outflow of Resources	349,130
Total Assets and Deferred Outflow of Resources	145,332,610
Liabilities and Net Position:	
Current	5,985,074
Long-term debt	78,486,273
Net position	60,861,263
Total Liabilities and Net Position	145,332,610
Operations:	
Operating revenue	18,994,342
Operating expense	20,218,634
Operating income	(1,224,292)
Other income	1,772,410
Other expense	(3,059,554)
Net (loss)	(2,511,436)
Capital contributions	1,083,992
Net Position - Beginning	62,288,707
Net Position - Ending	60,861,263

B. Eagle River Fire Protection District

In 2025, the District entered into an agreement with Eagle River Fire Protection District, through Eagle Valley Wildland, to support wildfire mitigation in the area through Eagle Valley Wildland. The agreement spans one calendar year and in 2025, the District contributed $100,000 to Eagle River Fire Protection District.

VI. Other Agreements – Singletree Property Owners Association

On January 1, 2018 the District entered into a services agreement with Singletree Property Owners Association (“SPOA”), a Colorado Common Interest Owners Association that covers the Singletree subdivision. The agreement automatically renews annually until terminated by the parties. The agreement provides that the District will provide association management services to SPOA in exchange for payment of a fee by SPOA. The fee paid in 2025 was $102,665.

REQUIRED SUPPLEMENTARY INFORMATION

Berry Creek Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Property taxes	1,113,927	1,113,927	1,113,932	5	792,409
Specific ownership taxes	50,127	50,127	55,257	5,130	36,851
Net investment income	58,336	58,501	83,322	24,821	86,699
Lottery proceeds	12,759	10,000	9,881	(119)	10,830
Community center	62,450	68,795	70,145	1,350	60,630
SPOA contributions	102,667	102,667	102,665	(2)	85,356
Other income	1,500	1,500	240	(1,260)	-
Total Revenues	1,401,766	1,405,517	1,435,442	29,925	1,072,775
Expenditures:					
General government:					
Accounting, audit, and administration	257,444	254,376	255,504	(1,128)	229,877
Elections	16,000	4,407	4,407	-	237
Insurance	22,300	20,091	20,091	-	19,115
Legal	10,900	5,400	8,765	(3,365)	4,501
Fire mitigation	100,000	100,000	100,000	-	100,000
Repairs and maintenance	-	3,531	3,531	-	-
Contributions	15,900	14,500	14,500	-	13,800
Treasurer's fees	33,400	33,437	33,455	(18)	23,429
Climate action collaborative	3,500	3,500	3,500	-	3,500
Culture and recreation	375,528	361,635	342,151	19,484	328,077
Community center	100,537	97,413	91,722	5,691	81,065
Capital expenditures	-	-	-	-	109,169
Total Expenditures	945,509	898,290	877,626	20,664	912,770
Other Financing Sources (Uses) :					
Transfers (out)	(459,893)	(1,462,897)	(1,464,908)	(2,011)	-
Total Other Financing Sources (Uses)	(459,893)	(1,462,897)	(1,464,908)	(2,011)	-
Net Change in Fund Balance	(3,636)	(955,670)	(907,092)	48,578	160,005
Fund Balance - Beginning	1,296,349	1,383,638	1,383,638	-	1,223,633
Fund Balance - Ending	1,292,713	427,968	476,546	48,578	1,383,638

SUPPLEMENTARY INFORMATION

Berry Creek Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Property taxes	191,046	191,046	191,047	1	354,184
Specific ownership taxes	9,552	9,552	9,477	(75)	17,303
Net investment income	5,157	5,157	3,220	(1,937)	4,460
Total Revenues	205,755	205,755	203,744	(2,011)	375,947
Expenditures:					
General government:					
Treasurer fees	5,731	5,735	5,735	-	11,001
Contingency	1,000	-	-	-	-
Debt service:					
Principal	350,000	350,000	350,000	-	335,000
Interest	28,917	28,917	28,917	-	39,168
Total Expenditures	385,648	384,652	384,652	-	385,169
Other Financing Sources (Uses):					
Transfers in	163,893	162,897	164,908	2,011	-
Total Other Financing (Uses)	163,893	162,897	164,908	2,011	-
Net Change in Fund Balance	(16,000)	(16,000)	(16,000)	-	(9,222)
Fund Balance - Beginning	47,030	49,440	49,440	-	58,662
Fund Balance - Ending	31,030	33,440	33,440	-	49,440

Berry Creek Metropolitan District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Projects Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Interest	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
Capital expenditures	296,000	111,014	106,523	4,491
Total Expenditures	296,000	111,014	106,523	4,491
Other Financing Sources (Uses):				
Transfers in	296,000	1,300,000	1,300,000	-
Total Other Financing (Uses)	296,000	1,300,000	1,300,000	-
Net Change in Fund Balance	-	1,188,986	1,193,477	4,491
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	-	1,188,986	1,193,477	4,491

Berry Creek Metropolitan District
History of Assessed Valuation, Mill Levy
and Property Taxes Collected
December 31, 2025

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	
1998	34,722,300	25.922	900,071	893,214	99.2%
1999	35,309,010	25.598	903,840	898,545	99.4%
2000	43,227,520	23.598	1,020,083	1,008,006	98.8%
2001	44,218,480	21.098	932,921	922,040	98.8%
2002	54,440,920	19.098	1,039,713	1,037,961	99.8%
2003	55,397,800	16.500	914,064	912,934	99.9%
2004	49,518,510	16.500	817,055	816,107	99.9%
2005	49,884,610	16.439	820,083	820,053	100.0%
2006	55,494,030	15.746	873,809	873,339	99.9%
2007	56,000,030	15.746	881,776	881,333	99.9%
2008	78,761,590	14.496	1,141,728	1,139,089	99.8%
2009	79,165,380	14.496	1,147,581	1,146,805	99.9%
2010	87,349,900	13.177	1,151,010	1,145,905	99.6%
2011	86,734,410	13.177	1,142,899	1,116,518	97.7%
2012	68,851,920	17.139	1,174,269	1,171,440	99.8%
2013	68,728,790	16.482	1,142,754	1,140,349	99.8%
2014	58,507,620	18.279	1,063,200	1,060,875	99.8%
2015	58,548,350	18.332	1,073,308	1,072,257	99.9%
2016	68,670,380	14.068	966,055	965,712	100.0%
2017	68,486,820	14.095	965,322	964,468	99.9%
2018	68,497,340	14.101	965,881	965,859	100.0%
2019	68,697,050	14.062	966,018	965,874	100.0%
2020	77,732,080	13.463	1,046,507	1,028,566	98.3%
2021	77,992,570	13.462	1,049,936	1,034,234	98.5%
2022	81,688,360	13.136	1,073,058	1,071,619	99.9%
2023	79,957,790	13.300	1,063,439	1,063,476	100.0%
2024	127,355,250	8.704	1,108,500	1,146,593	103.4%
2025	127,364,190	10.246	1,304,973	1,304,979	100.0%
2026	150,409,760	9.134	1,373,843		

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.