CANTERBERRY CROSSING
METROPOLITAN DISTRICT II
Douglas County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
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YEAR ENDED DECEMBER 31, 2025

SIMMONS & WHEELER, P.C. Certified Public Accountants
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Independent Auditors' Report

Board of Directors
Canterberry Crossing Metropolitan District II
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the business-type activities of the Canterberry Crossing Metropolitan District II (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 business-type activities of the District as of December 31, 2025, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary in information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Simmons & Wheeler P.C.

Englewood, CO
June 25, 2026

BASIC FINANCIAL STATEMENTS

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	$ 239,749	$ 87,562	$ 327,311
Cash and Investments - Restricted	1,558,404	-	1,558,404
Accounts Receivable	8,209	-	8,209
Receivable - County Treasurer	5,422	-	5,422
Prepaid Insurance	450	-	450
Property Taxes Receivable	851,989	-	851,989
Community Center, Pool and Equipment	-	176,543	176,543
Total Assets	2,664,223	264,105	2,928,328
LIABILITIES			
Accounts Payable	82,051	313	82,364
Bond Interest Payable	26,198	-	26,198
Noncurrent Liabilities:			
Due Within One Year	410,000	-	410,000
Due in More Than One Year	6,795,089	-	6,795,089
Total Liabilities	7,313,338	313	7,313,651
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	851,989	-	851,989
Total Deferred Inflows of Resources	851,989	-	851,989
NET POSITION			
Net Investment in Capital Assets	-	176,543	176,543
Restricted for:			
Emergency Reserve	3,300	-	3,300
Debt Service	1,402,033	-	1,402,033
Capital Projects	5,772	-	5,772
Conservation Trust	68,135	-	68,135
Unrestricted	(6,980,344)	87,249	(6,893,095)
Total Net Position	$ (5,501,104)	$ 263,792	$ (5,237,312)

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS							
Primary Government:							
Governmental Activities:							
General Government	$ 138,297	$ -	$ -	$ 16,003	$ (122,294)	$ -	$ (122,294)
Interest and Related Costs on Long-Term Debt	288,342	-	-	-	(288,342)	-	(288,342)
Total Governmental Activities	$ 426,639	$ -	$ -	$ 16,003	(410,636)	-	(410,636)
Business-Type Activities:							
Community Center and Pool	$ 304,306	$ 286,235	$ -	$ -	-	(18,071)	(18,071)
Total Business-Type Activities	$ 304,306	$ 286,235	$ -	$ -	-	(18,071)	(18,071)
GENERAL REVENUES							
Property Taxes					843,422	-	843,422
Specific Ownership Taxes					64,918	-	64,918
Net Investment Income					87,305	-	87,305
Total General Revenues					995,645	-	995,645
CHANGE IN NET POSITION					585,009	(18,071)	566,938
Net Position - Beginning of Year					(6,086,113)	281,863	(5,804,250)
NET POSITION - END OF YEAR					$ (5,501,104)	$ 263,792	$ (5,237,312)

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	$ 239,749	$ -	$ -	$ 239,749
Cash - Restricted	3,300	1,423,406	131,698	1,558,404
Accounts Receivable	-	-	8,209	8,209
Receivable - County Treasurer	597	4,825	-	5,422
Prepaid Insurance	450	-	-	450
Property Taxes Receivable	92,464	759,525	-	851,989
Total Assets	$ 336,560	$ 2,187,756	$ 139,907	$ 2,664,223
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 16,051	$ -	$ 66,000	$ 82,051
Total Liabilities	16,051	-	66,000	82,051
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	92,464	759,525	-	851,989
Total Deferred Inflows of Resources	92,464	759,525	-	851,989
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	450	-	-	450
Restricted for:				
Emergencies (TABOR)	3,300	-	-	3,300
Debt Service	-	1,428,231	-	1,428,231
Conservation Trust	-	-	68,135	68,135
Assigned to:				
Capital Projects	-	-	5,772	5,772
Unassigned	224,295	-	-	224,295
Total Fund Balances	228,045	1,428,231	73,907	1,730,183
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 336,560	$ 2,187,756	$ 139,907	
Amounts reported for governmental activities in the statement of net position are different because:				
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.				
Bonds Payable				(6,830,000)
Bond Premium Payable				(375,089)
Accrued Bond Interest Payable				(26,198)
Net Position of Governmental Activities				$ (5,501,104)

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	$ 92,919	$ 750,503	$ -	$ 843,422
Specific Ownership Taxes	7,152	57,766	-	64,918
Interest Income	9,772	72,070	5,463	87,305
Conservation Trust Entitlement	-	-	16,003	16,003
Total Revenues	109,843	880,339	21,466	1,011,648
EXPENDITURES				
Current:				
Accounting	23,500	-	-	23,500
Audit	5,700	-	-	5,700
County Treasurer's Fees	1,394	11,261	-	12,655
Directors' Fees	400	-	-	400
District Management	13,650	-	-	13,650
Dues and Subscriptions	351	-	-	351
Election Expense	1,950	-	-	1,950
Insurance and Bonds	13,817	-	-	13,817
Legal Services	9,301	-	-	9,301
Miscellaneous	488	-	-	488
Payroll Taxes	31	-	-	31
Website	1,715	-	-	1,715
Debt Service:				
Paying Agent Fees	-	3,500	-	3,500
Bond Interest	-	333,125	-	333,125
Bond Principal	-	375,000	-	375,000
Capital Projects:				
Conservation Trust Project	-	-	66,000	66,000
Total Expenditures	72,297	722,886	66,000	861,183
NET CHANGE IN FUND BALANCES	37,546	157,453	(44,534)	150,465
Fund Balances - Beginning of Year	190,499	1,270,778	118,441	1,579,718
FUND BALANCES - END OF YEAR	$ 228,045	$ 1,428,231	$ 73,907	$ 1,730,183

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Governmental Funds	$	150,465
Amounts reported for governmental activities in the statement of activities are different because:		
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:		
Current Year Bond Principal		375,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued Interest on Bond - Change in Liability		1,562
Amortization of Bond Premium		57,982
Change in Net Position of Governmental Activities	$	585,009

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 92,919	$ 92,919	$ -
Specific Ownership Taxes	8,363	7,152	(1,211)
Interest Income	10,000	9,772	(228)
Total Revenues	111,282	109,843	(1,439)
EXPENDITURES			
Accounting	23,500	23,500	-
Auditing	6,500	5,700	800
County Treasurer's Fees	1,394	1,394	-
Directors' Fees	1,000	400	600
District Management	15,000	13,650	1,350
Dues and Subscriptions	400	351	49
Election Expense	5,000	1,950	3,050
Insurance and Bonds	14,000	13,817	183
Legal Services	20,000	9,301	10,699
Miscellaneous	1,000	488	512
Payroll Taxes	77	31	46
Website	2,500	1,715	785
Contingency	14,129	-	14,129
Total Expenditures	104,500	72,297	32,203
NET CHANGE IN FUND BALANCE	6,782	37,546	30,764
Fund Balance - Beginning of Year	190,809	190,499	(310)
FUND BALANCE - END OF YEAR	$ 197,591	$ 228,045	$ 30,454

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

ASSETS	
CURRENT ASSETS	
Cash	$ 87,562
Total Current Assets	87,562
CAPITAL ASSETS, NET	
Community Center	169,784
HOA Furniture, Fixtures, and Equipment	6,759
Total Capital Assets	176,543
Total Assets	264,105
LIABILITIES	
Accounts Payable	313
Total Liabilities	313
NET POSITION	
Net Investment in Capital Assets	176,543
Unrestricted	87,249
Total Net Position	$ 263,792

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

OPERATING REVENUES	
HOA Fees	$ 286,235
Total Operating Revenues	286,235
OPERATING EXPENSES	
Chemicals	15,630
Depreciation	58,776
Management Contract	137,500
Pool Security	3,286
Electricity	6,973
Water	9,726
Pool Tags	2,733
Payroll	43,319
Gas	8,112
Pool Repairs and Maintenance	12,675
Storm Water	1,367
Telephone	2,359
Repairs and Maintenance	1,850
Total Operating Expenses	304,306
OPERATING (LOSS)	(18,071)
Total Net Position - Beginning of Year	281,863
TOTAL NET POSITION - END OF YEAR	$ 263,792

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	$	286,235
Payments to Suppliers		(245,714)
Net Cash Provided by Operating Activities		40,521
NET INCREASE IN CASH AND CASH EQUIVALENTS		40,521
Cash and Cash Equivalents - Beginning of Year		47,041
CASH AND CASH EQUIVALENTS - END OF YEAR	$	87,562

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY		
Operating Loss	$	(18,071)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense		58,776
Decrease in Accounts Payable		(184)
Net Cash Provided by Operating Activities	$	40,521

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Canterberry Crossing Metropolitan District II (District), a quasi-municipal corporation and political subdivision of the state of Colorado, located entirely in the Town of Parker, Douglas County, Colorado, was organized on January 9, 2001, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Parker on July 17, 2000, as modified in 2001 (Modified Service Plan). The District was established to provide for construction and financing of street, safety control, water, sanitation and park and recreation facilities and improvements. The street and safety control improvements were dedicated to and are being maintained by the Town of Parker. Water and sanitation improvements were dedicated to and are being maintained by the Parker Water and Sanitation District. Other improvements were dedicated to and are being maintained by the Villages of Parker Master Association, Inc. dba: Canterberry Crossing Master Association (HOA).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements and proprietary funds are reported using the current financial economic resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

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

The District reports the following major proprietary fund:

The Enterprise Fund accounts for the Community Center and pool operations that are financed and operated in a manner where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents.

Property Taxes

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

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

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Infrastructure

Community Center and Pool	25 Years
Pool and Park Structures	25 Years
Electronic Equipment	10 Years
Computers	5 Years

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Amortization

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of 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.

Equity

Net Position

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

Fund Balance

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

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Fund Balance (Continued)

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

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

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

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures (Statement 102). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025 are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash	$	327,311
Cash - Restricted		1,558,404
Total Cash	$	1,885,715

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

Deposits with Financial Institutions	$	209,122
Investments		1,676,594
Total Cash	$	1,885,716

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the District's cash deposits had a carrying balance of $209,122.

Investments

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

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

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

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

* Local government investment pools

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2025, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	$ 1,676,594

CSAFE

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

CSAFE CASH FUND operates similar to a money market fund, with each share valued at $1.00. CSAFE CASH FUND may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, and any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

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

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2024	Additions	Retirements	Balance at December 31, 2025
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
HOA Furniture and Fixtures	$ 6,532	$ -	$ -	$ 6,532
Total Capital Assets, Not Being Depreciated	6,532	-	-	6,532
Capital Assets, Being Depreciated:				
Community Center and Pool	1,368,072	-	-	1,368,072
HOA Equipment	63,801	-	-	63,801
Total Capital Assets, Being Depreciated	1,431,873	-	-	1,431,873
Less Accumulated Depreciation for:				
Community Center and Pool	(1,143,565)	(54,723)	-	(1,198,288)
HOA Equipment	(59,521)	(4,053)	-	(63,574)
Total Accumulated Depreciation	(1,203,086)	(58,776)	-	(1,261,862)
Business-Type Activities Capital Assets, Net	$ 235,319	$ (58,776)	$ -	$ 176,543

All improvements, other than the Community Center and pool, have been dedicated to the Town of Parker, Parker Water and Sanitation District, and/or the HOA. When the property is dedicated, the District removes the cost of construction from capital assets. The District anticipates costs, if any, associated with the warranty will be insignificant.

On January 1, 2004, Canterberry Crossing Metropolitan District (CCMD), a separate and distinct quasi-municipal corporation and political subdivision of the state of Colorado, transferred the Community Center and pool to the District for ownership. The Community Center and pool are maintained and managed by the HOA. The District will retain ownership and depreciate the Community Center and pool until they are later dedicated to the HOA.

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance December 31, 2024	Additions	Deletions	Balance December 31, 2025	Due Within One Year
Refunding Tax Free 2018 Bonds	$ 7,205,000	$ -	$ 375,000	$ 6,830,000	$ 410,000
Bond Premium	433,071	-	57,982	375,089	-
Total Long-Term Obligations	$ 7,638,071	$ -	$ 432,982	$ 7,205,089	$ 410,000

NOTE 5 LONG TERM OBLIGATIONS (CONTINUED)

Series 2018 Bonds

On October 10, 2018, the District issued $9,255,000 in General Obligation Refunding Bonds Series 2018. Bonds in the amount of $7,085,000 bear interest at 5.00% per annum and mature on December 1, 2034. Bonds in the amount of $2,170,000 bear interest at 3.750% and mature on December 1, 2037. The Series 2018 Bonds are payable semiannually on June 1 and December 1 of each year commencing December 1, 2018. They are subject to optional and mandatory sinking fund redemption prior to maturity. Proceeds from the sale of the Bonds were used for the purposes of refunding the 2013 Loan and paying costs incidental to the issuance of the Bonds and the refunding of the 2013 Loan.

The Series 2018 Bonds are secured by the District's covenant to impose an ad valorem tax to pay the Series 2018 Bonds, without limitation of rate and in an amount sufficient to pay the Series 2018 Bonds when due.

The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of $5,000, in any order of maturity and in whole or partial maturities, on December 1, 2028, and on any date thereafter, upon payment of par plus accrued interest to the redemption date (with no redemption premium).

Unused Lines of Credit

The Series 2018 Bonds do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the Series 2018 Bonds.

Events of Default

Events of default occur if the District fails to impose the Required Mill Levy, or to apply the Pledged Revenues as required by the Indenture, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

Termination Events

The Series 2018 Bonds do not have a termination provision. In the event that there are amounts outstanding after the maturity date, the District must levy the Required Mill Levy until all principal and accrued interest is paid on the bonds.

NOTE 5 LONG TERM OBLIGATIONS (CONTINUED)

Acceleration

The Series 2018 Bonds are not subject to acceleration.

The District's long-term obligations will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 410,000	$ 314,375	$ 724,375
2027	430,000	293,875	723,875
2028	450,000	272,375	722,375
2029	475,000	249,875	724,875
2030	510,000	226,125	736,125
2031-2035	3,070,000	714,375	3,784,375
2036-2037	1,485,000	84,000	1,569,000
Total	$ 6,830,000	$ 2,155,000	$ 8,985,000

Authorized Debt

The limit on the District’s ability to issue debt is set forth in its Modified Service Plan as $13,000,000 (the “Service Plan Debt Issuance Limit”).

In no event is the District authorized to issue debt in an amount that exceeds the Service Plan Debt Issuance Limit; provided, however, that the Service Plan Debt Issuance Limit does not apply to refunding debt.

The District’s voters have authorized the District to issue debt in accordance with the Service Plan Debt Issuance Limit.

At December 31, 2025, the District had no remaining debt authorization under the Service Plan Debt Issuance Limit.

NOTE 6 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2025, the District had a net investment in capital assets of $176,543.

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2025, as follows:

Restricted Net Position:	
Emergency Reserve	$ 3,300
Debt Service	1,402,033
Capital Projects	5,772
Conservation Trust	68,135
Total Restricted Net Position	$ 1,479,240

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 7 AGREEMENTS

Management Agreement

On May 21, 2002, the District entered into an Agreement with CCMD and the HOA, whereby the HOA will manage and maintain the operation of the Community Center and pool owned by the District and CCMD (Management Agreement). The Management Agreement was amended on May 15, 2007, to clarify certain administrative functions and responsibilities of the HOA. The Management Agreement was further amended on March 13, 2025 to provide funding for the HOA to purchase certain personal property for the Community Center and pool. On December 9, 2025, the parties further amended the Management Agreement to extend the date by which the HOA will purchase the personal property for the Community Center and pool and the date by which the HOA will return the funds provided by the District and CCMD if the purchase is not made.

On October 23, 2025, the District adopted a Resolution Ratifying Home Owner Fees Set by the Villages at Parker Master Association, Inc, dba: Canterberry Crossing Master Association and Used to Offset Certain Expenses for the Canterberry Crossing Metropolitan District II, Douglas County, Colorado for the 2026 Calendar and Fiscal year (2025 Resolution), pursuant to which the District ratified the HOA's imposition of homeowner recreation fees in the amount of $120.00 per year for the fiscal year 2026. This resolution

NOTE 7 AGREEMENTS (CONTINUED)

Management Agreement (Continued)

replaces all of the prior resolutions regarding Recreation Center Fees. This fee is charged to the residents via the monthly fees that they pay to the HOA. Upon the repayment of the general obligation debt, including any refundings thereof, the District will convey the Community Center and pool over to the HOA.

Intergovernmental Agreement with Parker Properties Metropolitan District No. 1

On November 15, 2011, the District entered into an intergovernmental agreement with Parker Properties Metropolitan District No. 1 (Parker Properties) where they agreed to transfer certain monies available after their dissolution to the District for use in funding the operation and maintenance or capital improvements to the Recreation Center.

NOTE 8 RISK MANAGEMENT

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

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

The District pays annual premiums to the Pool for liability, property, public officials' liability and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the state of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes a significant portion of its operations qualifies for this exclusion.

NOTE 9 TAX,SPENDING, AND DEBT LIMITATIONS (CONTINUED)

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 7, 2000, the District voters passed an election question to increase property taxes $500,000 annually, without limitation of rate, to pay the District's operations, maintenance and other expenses. Additionally, the District's electors authorized the District to collect, retain and spend all revenue, other than ad valorem taxes, without regard to any limitation under TABOR.

During this election, the voters of the District also authorized the issuance of $26,000,000 in debt, of which $13,000,000 is for debt refunding. Additionally, the voters authorized all revenue used to pay such debt to be collected and spent without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

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

Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues.

The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 750,503	$ 750,503	$ -
Specific Ownership Taxes	67,545	57,766	(9,779)
Interest Income	67,000	72,070	5,070
Total Revenues	885,048	880,339	(4,709)
EXPENDITURES			
Paying Agent Fees	5,000	3,500	1,500
County Treasurer's Fees	11,258	11,261	(3)
Bond Interest - Series 2018	333,125	333,125	-
Bond Principal - Series 2018	375,000	375,000	-
Contingency	12,617	-	12,617
Total Expenditures	737,000	722,886	14,114
NET CHANGE IN FUND BALANCE	148,048	157,453	9,405
Fund Balance - Beginning of Year	1,268,684	1,270,778	2,094
FUND BALANCE - END OF YEAR	$ 1,416,732	$ 1,428,231	$ 11,499

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Conservation Trust Entitlement	$ 17,000	$ 16,003	$ (997)
Interest Income	3,000	5,463	2,463
Total Revenues	20,000	21,466	1,466
EXPENDITURES			
Conservation Trust Project	139,940	66,000	73,940
Total Expenditures	139,940	66,000	73,940
NET CHANGE IN FUND BALANCE	(119,940)	(44,534)	75,406
Fund Balance - Beginning of Year	119,940	118,441	(1,499)
FUND BALANCE - END OF YEAR	$ -	$ 73,907	$ 73,907

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUNDS AVAILABLE –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
HOA Fees	$ 285,130	$ 286,235	$ 1,105
Total Revenues	285,130	286,235	1,105
EXPENDITURES			
Chemicals	30,000	15,630	14,370
Electricity	10,000	6,973	3,027
Gas	12,000	8,112	3,888
Kitchen Supplies	800	-	800
License and Permits	100	-	100
Management Contract	137,500	137,500	-
Miscellaneous	367	-	367
Office Supplies	800	-	800
Payroll	48,000	43,319	4,681
Pool Equipment	2,500	-	2,500
Pool Enhancements	1,650	-	1,650
Pool Security	6,000	3,286	2,714
Pool Tags	2,500	2,733	(233)
Pool Repairs and Maintenance	9,000	12,675	(3,675)
Storm Water	1,400	1,367	33
Telephone	2,400	2,359	41
Water	8,000	9,726	(1,726)
Repairs and Maintenance	12,000	1,850	10,150
Total Expenditures	285,017	245,530	39,487
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - BUDGET BASIS	$ 113	$ 40,705	$ 40,592
ADJUSTMENTS TO RECONCILE BUDGET BASIS TO GAAP BASIS			
Depreciation Expense		(58,776)	
CHANGE IN NET ASSETS		(18,071)	
Net Position - Beginning of Year		281,863	
NET POSITION - END OF YEAR		$ 263,792	

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

	$9,255,000 General Obligation Refunding Bonds Series 2018 Dated October 10, 2018 Principal Due Annually December 1 Interest at 3.75% to 5.00% Payable June 1 and December 1		
Year Ending December 31,	Principal	Interest	Total
2026	$ 410,000	$ 314,375	$ 724,375
2027	430,000	293,875	723,875
2028	450,000	272,375	722,375
2029	475,000	249,875	724,875
2030	510,000	226,125	736,125
2031	540,000	200,625	740,625
2032	580,000	173,625	753,625
2033	610,000	144,625	754,625
2034	655,000	114,125	769,125
2035	685,000	81,375	766,375
2036	730,000	55,688	785,688
2037	755,000	28,312	783,312
Total	$ 6,830,000	$ 2,155,000	$ 8,985,000

CANTERBERRY CROSSING METROPOLITAN DISTRICT II
FIVE YEAR SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Assessed Valuation for Current Year Property Tax Levy	Mills Levied for		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2021	$ 26,218,000	3.000	30.000	$ 865,194	$ 865,195	100.00%
2022	27,204,510	3.000	30.000	897,749	897,750	100.00
2023	26,515,600	3.000	30.000	875,015	875,016	100.00
2024	35,738,480	2.600	21.000	843,428	843,243	99.98
2025	35,738,250	2.600	21.000	843,422	843,422	100.00
Estimated for Calendar Year Ending December 31, 2026	$ 33,022,840	2.800	23.000	$ 851,989		

Note: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years.