

**Mount Vernon Country Club Metropolitan District
(Jefferson County, Colorado)**

FINANCIAL STATEMENTS

with Independent Auditors' Report

December 31, 2025

Mount Vernon Country Club Metropolitan District

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December 31, 2025

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Independent Auditors' Report

Members of the Board of Directors
Mount Vernon Country Club Metropolitan District

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major funds of Mount Vernon Country Club Metropolitan 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, the business-type activities, and each major fund of Mount Vernon Country Club Metropolitan District, as of December 31, 2025 and the respective changes in financial position, and where applicable, cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Mount Vernon Country Club Metropolitan 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.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Mount Vernon Country Club Metropolitan 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 management's discussion and analysis and budgetary schedules, as listed in the table of contents, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mount Vernon Country Club Metropolitan District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is 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 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.



Littleton, Colorado
July 17, 2026

Mount Vernon Country Club Metropolitan District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025

The discussion and analysis of Mount Vernon Country Club Metropolitan District's (District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should review the information presented here in conjunction with the basic financial statements and the notes to financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- Assets of the District exceeded its liabilities and deferred inflows at the close of the fiscal year by \$6,579,622 (net position).
- The District's total net position increased by \$413,458 over the prior fiscal year.
- Total revenues decreased \$53,108 from the prior year. This is primarily due to lower food and beverage revenues, membership dues and activities and grants. Governmental fund revenues decreased \$118,280 primarily due to a decrease in interest income and grant revenue.

Overview of the Financial Statements

The District's basic financial statements included in this report are those of a special-purpose government engaged in both governmental and business-type activities, providing water, roads and drainage, land management, fire mitigation, transportation and parks and recreation services. The statements are comprised 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.

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

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

The *Statement of Activities* presents information showing how the District'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 the 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 (e.g., earned compensation).

Fund financial statements present the grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Mount Vernon Country Club Metropolitan District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025
(continued)

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide 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. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental fund and governmental activities.

The District maintains four governmental funds: 1) the general fund, 2) the transportation fund, 3) the conservation trust fund and 4) the fire mitigation fund. The general fund is the District's primary operating fund, the transportation fund is considered a special revenue fund used to account for sales tax proceeds received from the State of Colorado and the expenditures for which those funds are spent, the conservation trust fund is considered a special revenue fund used to account for the District's lottery proceeds received from the State of Colorado and the expenditures for which those funds are spent and the fire mitigation fund is considered a special revenue fund used to account for proprietary member fees and State grants and the expenditures for which those funds are spent.

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District maintains two proprietary funds: 1) Recreational Clubhouse Facility Fund and 2) Water Fund. The Recreational Clubhouse Facility Fund is used to account for the revenues and expenditures related to the services provided to the District's residents and club members for social and recreational activities. The Water Fund is used to account for the revenues and expenses related to the water services that are provided to the proprietary members of the District. The services provided in both of these funds are reported as business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The *Notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Mount Vernon Country Club Metropolitan District, assets exceeded liabilities and deferred inflows by \$6,579,622 at the close of the most recent fiscal year.

Mount Vernon Country Club Metropolitan District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025
(continued)

Statement of Net Position - All Funds
December 31,

	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 4,506,114	\$ 4,396,151
Capital assets, net	<u>5,323,382</u>	<u>4,983,316</u>
Total assets	<u>9,829,496</u>	<u>9,379,467</u>
Long-term liabilities	1,623,885	1,637,399
Other liabilities	<u>1,223,031</u>	<u>1,221,528</u>
Total liabilities	<u>2,846,916</u>	<u>2,858,927</u>
Deferred inflows of resources	<u>402,958</u>	<u>354,376</u>
Net position		
Net investment in capital assets	3,858,102	3,477,203
Restricted	630,749	815,747
Unrestricted	<u>2,090,771</u>	<u>1,873,214</u>
Net position	<u>\$ 6,579,622</u>	<u>\$ 6,166,164</u>

Net investment in capital assets (land; infrastructure; buildings and grounds; furniture, fixtures, and equipment; recreational facility; wastewater treatment facility; and the water system) as of December 31, 2025 and 2024, less any related debt used to acquire those assets represent net position of the District related to capital assets used to provide services to citizens and Clubhouse members; consequently, it is *not* available for future spending.

Governmental Activities

Governmental activities before transfers and operating contributions increased net position in 2025 by \$208,529 compared to an increase before transfers and operating contributions in 2024 of \$179,937. The increase is primarily due to a decrease in expenditures.

Business-type Activities

The business-type activities (Recreational Clubhouse Facility and Water Fund) before transfers increased net position in 2025 by \$204,929 compared to an increase before transfers in 2024 of \$321,100. This is primarily due to a decrease in clubhouse revenue.

Mount Vernon Country Club Metropolitan District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025
(continued)

Statement of Activities - All Funds
For the Year Ended December 31,

	<u>2025</u>	<u>2024</u>
Revenues:		
Program revenues		
Charges for services	\$ 5,775,810	\$ 5,709,277
Capital grants and contributions	1,401	1,929
General revenues		
Property taxes	335,018	338,977
Proprietary member fees	203,760	203,760
Proprietary member trash	35,056	35,912
Sales taxes	87,372	92,600
Specific ownership taxes	22,738	21,487
Interest and other revenue	249,565	359,886
Total revenues	<u>6,710,720</u>	<u>6,763,828</u>
Expenses:		
General government	551,200	644,096
Fire mitigation	18,229	61,332
Recreational Clubhouse facility	5,222,002	5,133,834
Transportation	1,501	12,374
Water	445,311	352,675
Interest on debt obligations	59,019	58,480
Total expenses	<u>6,297,262</u>	<u>6,262,791</u>
Increase in net position	413,458	501,037
Net position - beginning	<u>6,166,164</u>	<u>5,665,127</u>
Net position - ending	<u><u>\$ 6,579,622</u></u>	<u><u>\$ 6,166,164</u></u>

Mount Vernon Country Club Metropolitan District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025
(continued)

Budgetary Highlights

The District prepares its budget on the modified accrual basis of accounting to recognize the fiscal impact of capital outlay and debt repayment in addition to operations and nonoperating revenue and expenses and contributions. Depreciation is not reflected in the budget since it does not affect funds available.

Capital Assets

The District's capital assets as of December 31, 2025 and 2024 were as follows:

Capital Assets - All Funds		
	December 31,	
	2025	2024
Land	\$ 396,819	\$ 396,819
Infrastructure	2,372,832	2,303,678
Building and grounds	8,812,694	8,115,597
Furniture, fixtures and equipment	1,941,262	1,961,765
Water system	2,415,625	2,344,351
Construction in progress	3,916	-
Total assets	15,943,148	15,122,210
Accumulated depreciation	(10,619,766)	(10,138,894)
Net capital assets	<u>\$ 5,323,382</u>	<u>\$ 4,983,316</u>

Additional information relating to the District's capital assets activity can be found in Note 5 of this report.

Debt Administration

As of December 31, 2025, the District had total debt obligations (including leases and compensated absences) of \$1,623,885, of which \$144,571 is classified as current.

Additional detail on the District's debt is in Note 6 to the financial statements.

Economic Factors and Next Year's Budget

The District anticipates a slight decrease in activity for 2026 compared to 2025 due to the current economic instability. The budget is created with total budgeted revenues covering budgeted operation/maintenance expenses and debt retirement payments.

The 2026 mill levy for the District remains at 48.800. As a result, the 2026 tax revenue for the District is budgeted to stay relatively the same as compared to 2025.

**Mount Vernon Country Club Metropolitan District
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025
(continued)**

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

District General Manager
Mount Vernon Country Club Metropolitan District
24933 Clubhouse Circle
Golden, Colorado 80401

BASIC FINANCIAL STATEMENTS

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2025

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS			
Cash and investments	\$ 1,851,620	\$ 1,732,542	\$ 3,584,162
Accounts receivable	13,467	128,385	141,852
Due from other funds	109,203	131,398	240,601
Inventories	-	69,098	69,098
Lease receivable	70,829	-	70,829
Prepaid expenses and deposits	13,836	53,290	67,126
Property taxes receivable	238,045	94,401	332,446
Capital assets, net of depreciation	997,799	4,325,583	5,323,382
Total assets	3,294,799	6,534,697	9,829,496
LIABILITIES			
Accounts payable	27,184	171,983	199,167
Accrued expenses	-	117,373	117,373
Due to other funds	128,114	112,487	240,601
Unearned revenues - dues	4,293	20,768	25,061
Deposits	6,300	629,898	636,198
Accrued interest payable	-	4,631	4,631
Noncurrent liabilities			
Due within one year	-	144,571	144,571
Due in more than one year	-	1,479,314	1,479,314
Total liabilities	165,891	2,681,025	2,846,916
DEFERRED INFLOWS OF RESOURCES			
Deferred lease inflows	70,512	-	70,512
Deferred property tax revenue	238,045	94,401	332,446
Total deferred inflows of resources	308,557	94,401	402,958
NET POSITION			
Net investment in capital assets	997,799	2,860,303	3,858,102
Restricted	536,348	94,401	630,749
Unrestricted	1,286,204	804,567	2,090,771
Total net position	\$ 2,820,351	\$ 3,759,271	\$ 6,579,622

The accompanying Notes to Financial Statements are an integral part of these statements.

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

Functions/Programs:	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Governmental activities:						
General government	\$ 551,200	\$ 238,816	\$ -	\$ -	\$ (312,384)	\$ (312,384)
Conservation trust	-	-	-	1,401	1,401	1,401
Fire mitigation	18,229	-	-	-	(18,229)	(18,229)
Transportation	1,501	-	-	-	(1,501)	(1,501)
Total governmental activities	\$ 570,930	\$ 238,816	\$ -	\$ 1,401	\$ (330,713)	\$ (330,713)
Business-type activities:						
Recreational clubhouse	\$ 5,222,002	\$ 5,425,554	\$ -	\$ -	\$ -	\$ 203,552
Water	445,311	350,256	-	-	-	(95,055)
Interest on debt obligations	59,019	-	-	-	-	(59,019)
Total business-type activities	\$ 5,726,332	\$ 5,775,810	\$ -	\$ -	\$ -	\$ 49,478
General revenues:						
Taxes:						
Property taxes					240,279	94,739
Specific ownership taxes					22,738	-
Sales taxes					87,372	-
Other income					32,944	-
Rental income					67,217	-
Interest					88,692	60,712
Transfer to (from) other funds					(375,506)	375,506
Total general revenues					163,736	530,957
Change in net position					(166,977)	413,458
Net position - beginning of year					2,987,328	3,178,836
Net position - end of year					\$ 2,820,351	\$ 3,759,271
						\$ 6,579,622

The accompanying Notes to Financial Statements are an integral part of these statements.

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	General Fund	Transportation Fund	Conservation Trust Fund	Fire Mitigation Fund	Total
ASSETS					
Cash and investments	\$ 1,345,072	\$ 319,219	\$ 2,925	\$ 184,404	\$ 1,851,620
Accounts receivable	5,300	6,784	543	840	13,467
Due from other funds	102,610	-	-	6,593	109,203
Lease receivable	70,829	-	-	-	70,829
Prepaid expenditures	13,836	-	-	-	13,836
Property tax receivable	238,045	-	-	-	238,045
Total assets	\$ 1,775,692	\$ 326,003	\$ 3,468	\$ 191,837	\$ 2,297,000
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 27,184	\$ -	\$ -	\$ -	\$ 27,184
Deposits	6,300	-	-	-	6,300
Unearned revenues	3,033	420	-	840	4,293
Due to other funds	128,114	-	-	-	128,114
Total liabilities	164,631	420	-	840	165,891
DEFERRED INFLOWS OF RESOURCES					
Deferred lease inflows	70,512	-	-	-	70,512
Deferred property tax revenue	238,045	-	-	-	238,045
Total deferred inflows of resources	308,557	-	-	-	308,557
FUND BALANCES					
Nonspendable - prepaid expenditures	13,836	-	-	-	13,836
Restricted by legislation	16,300	-	3,468	-	19,768
Restricted for transportation improvements	-	325,583	-	-	325,583
Restricted for fire mitigation improvements	-	-	-	190,997	190,997
Assigned for emergencies	1,272,368	-	-	-	1,272,368
Total fund balances	1,302,504	325,583	3,468	190,997	1,822,552
Total liabilities, deferred inflows of resources and fund balances	\$ 1,775,692	\$ 326,003	\$ 3,468	\$ 191,837	

**Amount reported for governmental activities in the
statement of net position are different because:**

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds.

997,799

Net position of governmental activities

\$ 2,820,351

The accompanying Notes to Financial Statements are an integral part of these statements.

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General Fund	Transportation Fund	Conservation Trust Fund	Fire Mitigation Fund	Total
Revenues					
Property taxes	\$ 240,279	\$ -	\$ -	\$ -	\$ 240,279
Specific ownership taxes	22,738	-	-	-	22,738
Sales taxes	-	87,372	-	-	87,372
Corral	14,797	-	-	-	14,797
Lottary proceeds	-	-	1,401	-	1,401
Proprietary member fees	126,000	25,920	-	51,840	203,760
Proprietary member trash	35,056	-	-	-	35,056
Rental income	67,217	-	-	-	67,217
Storage parking area fees	7,950	-	-	-	7,950
Interest income	57,293	24,255	66	7,078	88,692
Other income	10,197	-	-	-	10,197
Total revenues	<u>581,527</u>	<u>137,547</u>	<u>1,467</u>	<u>58,918</u>	<u>779,459</u>
Expenditures					
General government	475,538	-	-	-	475,538
Transportation	-	1,501	-	-	1,501
Fire mitigation	-	-	-	18,229	18,229
Capital outlay	69,154	-	-	-	69,154
Total expenditures	<u>544,692</u>	<u>1,501</u>	<u>-</u>	<u>18,229</u>	<u>564,422</u>
Excess of revenues over (under) expenditures	<u>36,835</u>	<u>136,046</u>	<u>1,467</u>	<u>40,689</u>	<u>215,037</u>
Other financing uses					
Transfer to other funds	(13,442)	(362,064)	-	-	(375,506)
Total other financing uses	<u>(13,442)</u>	<u>(362,064)</u>	<u>-</u>	<u>-</u>	<u>(375,506)</u>
Net change in fund balances	23,393	(226,018)	1,467	40,689	(160,469)
Fund balances - beginning of year	<u>1,279,111</u>	<u>551,601</u>	<u>2,001</u>	<u>150,308</u>	<u>1,983,021</u>
Fund balances - end of year	<u>\$ 1,302,504</u>	<u>\$ 325,583</u>	<u>\$ 3,468</u>	<u>\$ 190,997</u>	<u>\$ 1,822,552</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
RECONCILIATION OF 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 balance of governmental funds	\$ (160,469)
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Amounts reported for governmental activities
in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities the cost of those assets is allocated
over their estimated useful lives and reported as depreciation expense.

Capital outlay	69,154	
Depreciation expense	(75,662)	(6,508)

Change in net position of governmental activities	<u><u>\$ (166,977)</u></u>
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The accompanying Notes to Financial Statements are an integral part of these statements.

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2025
With Comparative Totals for 2024

	Recreational Clubhouse Facility	Water Fund	Total	2024 Total
ASSETS				
Cash and investments	\$ 1,394,527	\$ 338,015	\$ 1,732,542	\$ 1,552,170
Accounts receivable	125,850	2,535	128,385	137,411
Due from other funds	121,521	9,877	131,398	89,403
Inventories	69,098	-	69,098	83,404
Prepaid expenses and deposits	44,426	8,864	53,290	53,835
Property tax receivable	79,632	14,769	94,401	94,837
Capital assets, net	3,254,004	1,071,579	4,325,583	3,979,009
Total assets	<u>5,089,058</u>	<u>1,445,639</u>	<u>6,534,697</u>	<u>5,990,069</u>
LIABILITIES				
Accounts payable	144,503	27,480	171,983	57,372
Accrued expenses	117,373	-	117,373	277,688
Accrued interest payable	3,938	693	4,631	4,749
Due to other funds	96,595	15,892	112,487	162,487
Unearned revenues	15,742	5,026	20,768	20,444
Deposits	629,898	-	629,898	556,257
Noncurrent liabilities				
Due within one year	137,571	7,000	144,571	126,373
Due in more than one year	1,229,314	250,000	1,479,314	1,511,026
Total liabilities	<u>2,374,934</u>	<u>306,091</u>	<u>2,681,025</u>	<u>2,716,396</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	79,632	14,769	94,401	94,837
Total deferred inflows of resources	<u>79,632</u>	<u>14,769</u>	<u>94,401</u>	<u>94,837</u>
NET POSITION				
Net investment in capital assets	2,045,724	814,579	2,860,303	2,472,896
Restricted for debt service	79,632	14,769	94,401	94,837
Unrestricted	509,136	295,431	804,567	611,103
Total net position	<u>\$ 2,634,492</u>	<u>\$ 1,124,779</u>	<u>\$ 3,759,271</u>	<u>\$ 3,178,836</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2025
With Comparative Totals for 2024

	Recreational Clubhouse Facility	Water Fund	Total	2024 Total
Operating revenues				
Activities and recreation	\$ 205,069	\$ -	\$ 205,069	\$ 216,847
Membership social dues	1,481,544	-	1,481,544	1,433,438
Initiation fees	223,980	-	223,980	269,326
Facility maintenance	200	-	200	200
Food and beverage sales	2,650,625	-	2,650,625	2,571,520
Food related other income	644,370	-	644,370	623,355
Pool fees	74,094	-	74,094	77,035
Racquets	120,760	-	120,760	152,564
Service charges	-	225,840	225,840	225,490
Capital reserve fees	-	124,416	124,416	124,041
Wellness	5,589	-	5,589	7,616
Other income and late fees	19,323	-	19,323	7,845
Total operating revenues	5,425,554	350,256	5,775,810	5,709,277
Operating expenses				
Activities and recreation	25,498	-	25,498	42,227
Food and beverage	1,077,316	-	1,077,316	1,016,727
Payroll and related benefits	2,933,218	-	2,933,218	2,755,861
Pool operations	33,030	-	33,030	40,804
Tennis courts	27,526	-	27,526	26,033
Water costs	-	364,740	364,740	270,225
Wellness operations	10,812	-	10,812	12,548
Facility maintenance	252,120	-	252,120	243,346
Membership	29,628	-	29,628	29,242
General and administrative	506,717	-	506,717	658,016
Depreciation	324,871	80,339	405,210	387,306
Total operating expenses	5,220,736	445,079	5,665,815	5,482,335
Operating income (loss)	204,818	(94,823)	109,995	226,942
Nonoperating revenues (expenses)				
Interest income	50,179	10,533	60,712	60,954
Interest expense	(50,372)	(8,647)	(59,019)	(58,480)
Income (expense) before other financing sources	204,625	(92,937)	111,688	229,416
Other financing sources (uses)				
Bank fees	(66)	(9)	(75)	(140)
Disposal of asset	-	-	-	(2,593)
County treasurer fees	(1,200)	(223)	(1,423)	(1,441)
Operating transfers in	-	-	-	20,298
Property taxes	79,917	14,822	94,739	95,858
Transfers from other funds	200,303	175,203	375,506	-
Total other financing sources (uses)	278,954	189,793	468,747	111,982
Change in net position	483,579	96,856	580,435	341,398
Net position - beginning of year	2,150,913	1,027,923	3,178,836	2,837,438
Net position - end of year	\$ 2,634,492	\$ 1,124,779	\$ 3,759,271	\$ 3,178,836

The accompanying Notes to Financial Statements are an integral part of these statements.

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2024
With Comparative Totals for 2024

	Recreational Clubhouse Facility	Water Fund	Total	2024 Total
Cash flows from operating activities				
Cash received from customers	\$ 5,502,834	\$ 355,967	\$ 5,858,801	\$ 5,751,993
Cash payments to employees for services	(2,641,158)	-	(2,641,158)	(2,545,436)
Cash payments to suppliers for goods and services	(2,283,007)	(340,092)	(2,623,099)	(2,517,367)
Net cash provided by operating activities	<u>578,669</u>	<u>15,875</u>	<u>594,544</u>	<u>689,190</u>
Cash flows from noncapital financing activities				
Transfers from other funds	<u>200,303</u>	<u>175,203</u>	<u>375,506</u>	<u>20,298</u>
Net cash provided by noncapital financing activities	<u>200,303</u>	<u>175,203</u>	<u>375,506</u>	<u>20,298</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(680,510)	(71,274)	(751,784)	(485,437)
County treasurer fees	(1,200)	(223)	(1,423)	(1,441)
Bank fees	(66)	(9)	(75)	(140)
Disposal of asset	-	-	-	(343)
Due to other funds	(91,995)	-	(91,995)	(33,047)
Principal paid on debt	(34,833)	(6,000)	(40,833)	(39,344)
Property taxes	79,917	14,822	94,739	95,858
Interest paid on debt	(50,372)	(8,647)	(59,019)	(58,480)
Net cash used in capital and related financing activities	<u>(779,059)</u>	<u>(71,331)</u>	<u>(850,390)</u>	<u>(522,374)</u>
Cash flows from investing activities				
Interest	<u>50,179</u>	<u>10,533</u>	<u>60,712</u>	<u>60,954</u>
Net cash provided by investing activities	<u>50,179</u>	<u>10,533</u>	<u>60,712</u>	<u>60,954</u>
Net change in cash and cash equivalents	50,092	130,280	180,372	248,068
Cash and cash equivalents - beginning of year	<u>1,344,435</u>	<u>207,735</u>	<u>1,552,170</u>	<u>1,304,102</u>
Cash and cash equivalents - end of year	<u><u>\$ 1,394,527</u></u>	<u><u>\$ 338,015</u></u>	<u><u>\$ 1,732,542</u></u>	<u><u>\$ 1,552,170</u></u>
Reconciliation of operating loss to net cash provided by operating activities				
Operating income (loss)	<u>\$ 204,818</u>	<u>\$ (94,823)</u>	<u>\$ 109,995</u>	<u>\$ 226,942</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	324,871	80,339	405,210	387,306
(Increase) decrease in:				
Accounts receivable	3,051	5,975	9,026	(8,280)
Inventories	14,306	-	14,306	(22,027)
Prepaid expenses	251	294	545	24,903
Increase (decrease) in:				
Accounts payable	90,238	24,373	114,611	(42,483)
Accrued expenses	(160,315)	-	(160,315)	57,603
Accrued compensated absences	27,319	-	27,319	14,367
Accrued interest	(99)	(19)	(118)	(137)
Unearned revenues	588	(264)	324	(7,243)
Deposits	73,641	-	73,641	58,239
Net cash provided by operating activities	<u><u>\$ 578,669</u></u>	<u><u>\$ 15,875</u></u>	<u><u>\$ 594,544</u></u>	<u><u>\$ 689,190</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

Note 1 – Definition of Reporting Entity

Mount Vernon Country Club Metropolitan District (the District), a political subdivision incorporated under the State of Colorado, is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Jefferson County, Colorado. The District was established on February 1, 1992 to provide water, roads and drainage, land management, fire mitigation, and parks and recreation services within and outside of its boundaries.

Substantially all of the assets and liabilities of Mount Vernon Country Club, a non-profit corporation (the Corporation), were conveyed to the District in 1992. The assets included a recreation clubhouse facility consisting of a restaurant, bar, tennis courts, pro shop, swimming pool and snack bar, along with meeting rooms and three residential units. Other assets conveyed by the Corporation include 1,000 acres of open space within the District, the water supply system serving the District residents, roads, rights of way and easements appurtenant to the water system. The liabilities transferred included outstanding loans associated with the water system and land as well as normal obligations incurred in the operation of the assets conveyed to the District. All assets and liabilities transferred were recorded on the books and records of the District at the net book value recorded on the Corporation's books and records at the date of transfer.

Due to the obligations of the Corporation to its proprietary members, certain restrictions exist in the conveyances by the Corporation to the District regarding the sale of real property, the water tap moratorium and enforcement of the Corporation's governing documents. A reversionary interest is provided for in the event conditions are violated.

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 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 (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District 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 the governmental funds and proprietary funds. Major individual governmental and proprietary 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. 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 are reported using the current financial 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenues of the current fiscal period. 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, generally are recorded when the liability is incurred or the long-term obligation is due.

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.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

The transportation fund is a special revenue fund used to account for the District's sales tax proceeds received from the State of Colorado and proprietary member fees for the purpose of financing, constructing, operating and maintaining streets, transportation and safety protection improvements, including parking lots located at District facilities and amenities.

The conservation trust fund is a special revenue fund used to account for the District's lottery proceeds received from the State of Colorado and the capital improvements or maintenance for recreational purposes for which those funds are spent.

The fire mitigation fund is a special revenue fund used to account for the District's proprietary member fees and State grants for fire mitigation expenses of the open spaces within the District.

The District reports the following major proprietary funds:

The recreational clubhouse facility is used to charge District residents and club members for social and recreational activities provided to them. All revenues and expenses related to these activities are accounted for in this fund. All revenues of the recreational clubhouse facility are considered operating revenues except for interest income and gains on disposals of capital assets which are considered non-operating revenues.

The water fund is used to charge District residents monthly fees for services not paid for with property taxes. All service charges and related expenses and assets are accounted for in this fund.

The proprietary funds distinguish between 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 services provided. Operating expenses include the cost of 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.

Comparative data for 2024 is provided in the proprietary fund statements for analysis purposes only.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

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 two bank accounts. 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.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

Cash equivalents

For purposes of the Statement of Cash Flows, the District considers cash deposits and highly liquid investments with original maturities of three months or less from the date of acquisition, to be cash equivalents.

Accounts receivable and allowance for uncollectible accounts

Accounts receivable is reported net of an allowance for uncollectible accounts of \$5,974 as of December 31, 2025.

Inventories

Inventories consist of foods, beverages and other items used in the clubhouse recreational facility. Inventories are carried at the lower of cost or net realizable value, using the first in, first out method.

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's property 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, 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 inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

Prepaid expenses and other deferred charges

Prepaid expenses and other deferred charges are amounts paid in the current year for expenses related to subsequent years.

Unearned revenues

The District reports unearned revenue in the government-wide statement of net position and in the fund financial statements. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liabilities for unearned revenue is removed from the statement of net position and revenue is recognized.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

The unearned revenues recognized as of December 31, 2025 represent membership dues and district fees that have been paid in advance for the recreational clubhouse facility, water fund and general fund which have not been billed for the time period for which they are due.

Sales taxes

The District imposed a sales tax at a rate not to exceed 2% upon every transaction in the District effective January 1, 2018, for the purpose of financing, constructing, operating and maintaining streets, transportation and safety protection improvements, including parking lots located at District facilities and amenities.

Leases

The District is a lessor of a long-term lease of certain real property of the District. The District recognizes a lease receivable and a deferred inflow of resources in the financial statements. At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Capital assets

Capital assets include land, buildings and grounds, furniture, fixtures and equipment, recreational facilities, the wastewater treatment facility and infrastructure assets acquired after January 1, 2004, reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Infrastructure assets consist of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

Capital assets are defined by the District as those assets with an initial, individual cost of \$2,500 or greater and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation or at the donor's cost.

The District's intangible assets include land use rights, water rights, rights of way and easements appurtenant to the water system. Such intangible assets have an indefinite useful life, are not amortized, and are classified as capital assets in accordance with GASB 51, *Accounting and Financial Reporting for Intangible Assets*. Land use rights are included in Land in the governmental activities section of capital assets in Note 4. Purchased water rights in connection with the Robert Lewis Ditch and rights of way and easements appurtenant to the water system are included in the Water fund: Water system in the business activities section of capital assets in Note 4.

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.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

	<u>Years</u>
Building	20-40
Wastewater treatment system	20-40
Recreational facility	5-15
Furniture, fixtures and equipment	5-15

Lease purchase agreement

The District entered into a lease-purchase agreement for a recreational facility equipment purchase for exercise equipment that expires in 2028. The asset and liability under the lease-purchase agreement is recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The asset is being depreciated over the estimated economic useful life. The asset and the related liability are recorded in the proprietary fund in which the asset is being used and from which the liability will be paid. The lease is subject to annual appropriation.

Compensated absences accounting policy

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – *vacation and sick leave*. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. The liability for compensated absences includes salary-related benefits, where applicable.

Interfund transfers

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenses initially made from it that are properly applicable to another fund, are recorded as expenses in the reimbursing fund and as reductions as expenses in the fund that is reimbursed. During 2025, the general fund did not transfer any funds to the recreational clubhouse facility fund from the allowable 10% of property taxes collected for general expenditures.

Fund equity

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 spending constraints:

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

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

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

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District’s highest level of decision-making authority, the board of directors, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the board of directors.

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 above criteria.

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

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.

Net position represents the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources. The District can report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose through external constraints imposed by creditors, grantors, contributors or laws or regulations of other governments or constraints imposed through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

Budgets

In accordance with the Local Government Budget Law of Colorado, the District's board of directors holds a public hearing 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 total appropriation can only be modified upon completion of notification and publication requirements. For the year ended December 31, 2025 the District's board of directors approved the modification of appropriations for the General Fund and Recreational Clubhouse Facility.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that District management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 3 – Cash and Investments

Cash and investments are reflected on the December 31, 2025 Statement of Net Position as follows:

Cash and investments	<u>\$ 3,584,162</u>
Cash and investments as of December 31, 2025 consist of the following:	
Cash on hand	\$ 1,300
Deposits with financial institutions	352,340
Investments	<u>3,230,522</u>
Total cash and investments	<u>\$ 3,584,162</u>

As of December 31, 2025, the District's cash deposits had bank balances of \$355,840 and carrying balances of \$352,340.

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. As of December 31, 2025, the federal insurance limit was \$250,000. 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.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's cash deposit and investment policy adopts state statutes regarding custodial credit risk for deposits. As of December 31, 2025, the District's bank balances and carrying balances were federally insured for the full balance.

Investments

The District's investment policy adopts state statutes regarding investments.

The District primarily limits its investments to local government investments pools, 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 disclosure requirements or subject to custodial credit risk 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

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

Investment	Maturity	Carrying Value
Colorado Local Government		
Liquid Asset Trust:		
COLOTRUST PLUS+	Weighted average maturity under 60 days	\$ 1,705,910
COLOTRUST EDGE	Weighted average maturity under one year	1,524,612
		<u>\$ 3,230,522</u>

Colotrust

During 2025, the District invested in the Colorado Local Government Liquid Asset Trust (Colotrust), 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 Colotrust. The District invested in COLOTRUST PLUS+ (PLUS+) and COLOTRUST EDGE (EDGE), two of

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

the three portfolios offered by Colotrust. PLUS+ operates similarly to a money market fund and each share is equal in value to \$1.00. There are no unfunded commitments, the redemption period frequency is daily and there is no redemption period. Allowable investments in the PLUS+ portfolio include U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. EDGE investments consist of money market instruments and medium-term notes designed for the short to intermediate reserve and surplus funds of Colorado governments.

A designated custodial bank serves as custodian for Colotrust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for Colotrust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by Colotrust. PLUS+ is rated AAAM by S&P Global Ratings and EDGE is rated AAAf/S1 by Fitch Ratings.

Investment valuation

Certain investments measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted priced in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District's investments are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is estimated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in Colotrust at year end for which the investment evaluations were determined as follows.

Colotrust determines the NAV of the shares of each portfolio as of the close of business on each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of Colotrust, are accrued daily. The NAV is calculated at fair value using various inputs to determine value in accordance with FASB guidance. It is the goal of PLUS+ to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by Colotrust and there can be no assurance that the NAV will not vary from \$1.00 per share. EDGE does not seek to maintain a stable NAV. EDGE initially established a \$10.00 transactional share price. The principal value of an EDGE investment may fluctuate and could be greater or less than the share price at price of purchase, prior to redemption and at the time of redemption.

Note 4 – Lease Receivable

The District receives payments under two long-term leases of certain real property of the District. The leases receivable are recorded at an amount equal to the present value of the expected future minimum leases payments received, discounted by an applicable interest rate of 4.0%. The longest lease expires on March 31, 2027. The leases are amortized as follows:

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

Year ending December 31,	Principal	Interest	Total
2026	\$ 60,399	\$ 1,601	\$ 62,000
2027	10,430	70	10,500
	<u>\$ 70,829</u>	<u>\$ 1,671</u>	<u>\$ 72,500</u>

Note 5 – Capital Assets

Capital asset activity for the year ended December 31, 2025 was as follows:

	Balance at December 31, 2024	Increases	Decreases / Transfers	Balance at December 31, 2025
<u>Governmental activities</u>				
Capital assets not being depreciated				
Land	\$ 396,819	\$ -	\$ -	\$ 396,819
Total capital assets not being depreciated	<u>396,819</u>	<u>-</u>	<u>-</u>	<u>396,819</u>
Capital assets being depreciated				
Infrastructure	2,303,678	69,154	-	2,372,832
Less accumulated depreciation	(1,696,190)	(75,662)	-	(1,771,852)
Total capital assets being depreciated, net	<u>607,488</u>	<u>(6,508)</u>	<u>-</u>	<u>600,980</u>
Total governmental activities capital assets, net	<u>\$ 1,004,307</u>	<u>\$ (6,508)</u>	<u>\$ -</u>	<u>\$ 997,799</u>
<u>Business-type activities</u>				
Recreational clubhouse facility:				
Capital assets not being depreciated				
Construction in progress	\$ 141,869	\$ 716	\$ (138,669)	\$ 3,916
Total capital assets not being depreciated	<u>141,869</u>	<u>716</u>	<u>(138,669)</u>	<u>3,916</u>
Capital assets being depreciated				
Buildings and grounds	8,115,597	563,892	133,205	8,812,694
Furniture, fixtures and equipment	1,819,896	115,902	5,464	1,941,262
Less accumulated depreciation	(7,178,997)	(324,871)	-	(7,503,868)
Total capital assets being depreciated, net	<u>2,756,496</u>	<u>354,923</u>	<u>138,669</u>	<u>3,250,088</u>
Water fund:				
Capital assets not being depreciated				
Construction in progress	7,063	27,040	(7,063)	27,040
Total capital assets not being depreciated	<u>7,063</u>	<u>27,040</u>	<u>(7,063)</u>	<u>27,040</u>
Capital assets being depreciated				
Water system	2,337,288	51,297	-	2,388,585
Less accumulated depreciation	(1,263,707)	(80,339)	-	(1,344,046)
Total capital assets being depreciated, net	<u>1,073,581</u>	<u>(29,042)</u>	<u>-</u>	<u>1,044,539</u>
Total business-type activities capital assets, net	<u>3,979,009</u>	<u>353,637</u>	<u>(7,063)</u>	<u>4,325,583</u>
Total capital assets, net	<u>\$ 4,983,316</u>	<u>\$ 347,129</u>	<u>\$ (7,063)</u>	<u>\$ 5,323,382</u>

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

Note 6 – Long-term Obligations

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

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
<u>Enterprise Funds</u>					
<u>Loans</u>					
G.O. Taxable Refunding Loan, Series 2020A	\$ 1,222,000	\$ -	\$ 30,000	\$ 1,192,000	\$ 31,000
G.O. Tax-Exempt Refunding Loan, Series 2020B	263,000	-	6,000	257,000	7,000
Loans total	<u>1,485,000</u>	<u>-</u>	<u>36,000</u>	<u>1,449,000</u>	<u>38,000</u>
<u>Other obligations</u>					
Exercise equipment lease	21,113	-	4,833	16,280	5,376
Compensated absences	131,286	128,514	101,195	158,605	101,195
Other obligations total	<u>152,399</u>	<u>128,514</u>	<u>106,028</u>	<u>174,885</u>	<u>106,571</u>
Total long-term obligations	<u>\$ 1,637,399</u>	<u>\$ 128,514</u>	<u>\$ 142,028</u>	<u>\$ 1,623,885</u>	<u>\$ 144,571</u>

The details of the District's long-term obligations are as follows:

Refunding loans

On June 15, 2020, the District issued its \$1,332,000 General Obligation Taxable Refunding Loan, Series 2020A (Series 2020A Loan). The Series 2020A Loan is a general obligation loan of the District and is secured and payable from pledged revenue consisting of ad valorem taxes collected and any other legally available moneys collected by the District as needed for required debt service payments. The Series 2020A Loan was issued for the purpose of i) refunding the pool and recreational facilities lease, (ii) refunding the Series 2013 Note, iii) funding capitalized interest on the Series 2020A Loan and iv) paying the costs of issuing the Series 2020A Loan. Principal payments are due annually on December 1 and the Series 2020A Loan currently bears interest at the rate of 3.910%, payable in semi-annual installments on June 1 and December 1. On and after December 1, 2039, the interest rate resets to a rate equal to the Des Moines Federal Home Loan Bank rate as defined in the loan agreement.

On June 15, 2020, the District issued its \$286,000 General Obligation Tax-Exempt Refunding Loan, Series 2020B (Series 2020B Loan). The Series 2020B Loan is a tax-exempt general obligation loan of the District and is secured and payable from pledged revenue consisting of ad valorem taxes and any other legally available moneys collected by the District as needed for required debt service payments. The Series 2020B Loan was issued for the purpose of i) refunding the Series 2013 Note, ii) funding capitalized interest on the Series 2020B Loan and iii) paying the costs of issuing the Series 2020B Loan. Principal payments are due annually on December 1 and the 2020B Loan currently bears interest at the rate of 3.250%, payable in semi-annual installments on June 1 and December 1.

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

On and after December 1, 2039, the interest rate resets to a fixed rate equal to 80% of the 2020B taxable rate. The 2020B taxable rate is 3.910% per year and on and after December 1, 2039, the interest rate resets to a rate equal to the Des Moines Federal Home Loan Bank rate as defined in the loan agreement.

The District completed the refunding under the Series 2020A and 2020B Loans to restructure the debt and shift the costs from the available operating funds to a separate District Mill Levy.

Events of default under the Series 2020A and 2020B Loans include (i) failure to impose required mill levy or apply required pledged revenues, (ii) failure to pay principal and interest when due, (iii) failure to pay any other amounts due within five business days after the due date, (iv) failure to comply with required reporting requirements, (v) a change in financial or operating conditions that would have a material adverse impact on the District's ability to generate pledged revenues sufficient to pay all amounts when due and (vi) initiation of proceedings to dissolve the District or consolidate the District with another entity or filing of a petition for bankruptcy. Immediately upon the occurrence and continuance of an event of default, the lender has rights or remedies which include the right to file a suit for judgment, action or special proceedings.

Lease-purchase - equipment

In 2023, the District entered into a lease-purchase agreement. The lease-purchase agreement matures on September 2, 2028 and principal and interest payments are due on the 2nd of the month with a requirement of twelve payments per year.

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

<u>Year ending December 31,</u>	<u>Principal</u>
2026	\$ 43,377
2027	44,981
2028	45,923
2029	42,000
2030	44,000
2031-2035	246,000
2036-2040	298,000
2041-2045	360,000
2046-2049	341,000
Total	<u><u>\$ 1,465,280</u></u>

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

Note 7 – Fund Equity

As of December 31, 2025, the District reported the following classifications of fund equity.

Nonspendable fund balance

The nonspendable fund balance in the general fund in the amount of \$13,836 represents prepaid expenditures for the ensuing fiscal year and is therefore not in spendable form.

Restricted fund balance

The restricted fund balance in the general fund in the amount of \$16,300 is comprised of the emergency reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 11).

The restricted fund balance in the transportation fund in the amount of \$325,583 is to be used exclusively for transportation improvements.

The restricted fund balance in the fire mitigation fund in the amount of \$190,997 is to be used exclusively for fire mitigation improvements.

The restricted fund balance in the conservation trust fund in the amount of \$3,468 is to be used exclusively for eligible expenditures for public use sites.

Assigned fund balance

The assigned fund balance in the general fund in the amount of \$1,272,368 is to be used for emergencies.

Note 8 – Net Position

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

As of December 31, 2025, the District had a net investment in capital assets as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u> <u>Net Position</u>
Capital assets, net	\$ 997,799	\$ 4,325,583	\$ 5,323,382
Current portion of long-term debt	-	(43,376)	(43,376)
Long-term debt due in more than one year	-	(1,421,904)	(1,421,904)
Net investment in capital assets	<u>\$ 997,799</u>	<u>\$ 2,860,303</u>	<u>\$ 3,858,102</u>

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

As of December 31, 2025, the District had restricted net position as follows:

	Governmental Activities	Business- type Activities	Total Restricted Net Position
Restricted for emergencies	\$ 16,300	\$ -	\$ 16,300
Restricted for fire mitigation	190,997	-	190,997
Restricted for parks and recreation	3,468	-	3,468
Restricted for debt service	-	94,401	94,401
Restricted for transportation improvements	325,583	-	325,583
Restricted net position	<u>\$ 536,348</u>	<u>\$ 94,401</u>	<u>\$ 630,749</u>

As of December 31, 2025, the District had an unrestricted net position of \$2,090,771.

Note 9 – Pension Plan

Defined contribution money purchase plan

The District has adopted an employees' qualified money purchase plan (Plan) in accordance with Internal Revenue Code Section 401(a). The Plan is administered by American United Life Insurance Company. The Plan is a defined contribution plan with the District contributing an amount equal to 4% of each participant's compensation for the year. Each full-time employee, minimum age of 21, is eligible to become a participant. The District is not liable for further pension benefits in excess of the contributions made to the Plan. Each participant is required to match the District's contribution. The employer and the employees' contributions are fully vested at the date of contribution. Contributions are tax deferred until withdrawn. The required contributions to the Plan for the year ended December 31, 2025 were \$100,907.

Note 10 – Risk Management

Except as may be provided in and by the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as may be amended from time to time, the District may be 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 official's 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 and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts

Mount Vernon Country Club Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)
December 31, 2025

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 11 – TABOR Amendment

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 board of directors has adopted a resolution establishing an enterprise to operate its water and sanitation activities. The District's management believes its water and sanitation operations qualify for this exclusion.

On May 4, 2004, the registered voters of the District authorized the District to collect, retain and spend all revenue and other funds collected from any source effective January 1, 2004 and continuing thereafter without regard to any expenditure, revenue raising or other limitation contained within Article X, Section 20 of the Colorado Constitution. The voters also authorized the District to continue to levy 21.110 mills each year for operations regardless of any revenue limitation in Section 29-1-301, C.R.S., or other State Law.

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 and qualification as an Enterprise will require judicial interpretation.

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.

Note 12 – Related Parties

The members of the board of directors of the District are also board members of the Corporation.

On January 20, 2022, the District approved the authorization to transfer ownership of a 160-acre parcel of land known as the Custer Wash South to the Corporation for the purpose of obtaining a conservation easement on the land.

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2025

	Budget Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Corral	\$ 14,179	\$ 14,800	\$ 14,797	\$ (3)
Corral - RV	7,000	7,950	7,950	-
Interest	45,000	57,300	57,293	(7)
Property taxes	240,529	240,300	240,279	(21)
Proprietary member fees	124,800	126,000	126,000	-
Proprietary member - trash	34,944	35,100	35,056	(44)
Rental income	75,000	67,200	67,217	17
Specific ownership taxes	19,000	22,750	22,738	(12)
Miscellaneous	14,400	10,200	10,197	(3)
Total revenues	574,852	581,600	581,527	(73)
Expenditures				
General government	509,626	506,655	475,538	31,117
Capital outlay	-	69,155	69,154	1
Total expenditures	509,626	575,810	544,692	31,118
Excess of revenues over expenditures	65,226	5,790	36,835	31,045
Other financing uses				
Transfer from Transportation Fund	-	69,155	69,155	-
Transfer to Water Fund	(5,520)	(82,600)	(82,597)	3
Total other financing uses	(5,520)	(13,445)	(13,442)	3
Net change in fund balance	59,706	(7,655)	23,393	31,048
Fund balance - beginning of year	1,215,313	1,078,622	1,279,111	200,489
Fund balance - end of year	\$ 1,275,019	\$ 1,070,967	\$ 1,302,504	\$ 231,537

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE BUDGET AND
ACTUAL - TRANSPORTATION FUND
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Proprietary member fees	\$ 25,920	\$ 25,920	\$ -
Sales taxes	90,000	87,372	(2,628)
Interest	5,000	24,255	19,255
Total revenues	<u>120,920</u>	<u>137,547</u>	<u>16,627</u>
Expenditures			
Miscellaneous	2,000	-	2,000
Pave parking lot	335,000	-	335,000
Road equipment	122,000	-	122,000
Transportation expense - road grading	57,000	1,501	55,499
Total expenditures	<u>516,000</u>	<u>1,501</u>	<u>514,499</u>
Excess of revenues over (under) expenditures	(395,080)	136,046	531,126
Other financing uses			
Transfer to other funds	-	(362,064)	(362,064)
Total other financing sources	<u>-</u>	<u>(362,064)</u>	<u>(362,064)</u>
Net change in fund balance	(395,080)	(226,018)	169,062
Fund balance - beginning of year	629,799	551,601	(78,198)
Fund balance - end of year	<u>\$ 234,719</u>	<u>\$ 325,583</u>	<u>\$ 90,864</u>

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
CONSERVATION TRUST FUND
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Lottery proceeds	\$ 2,000	\$ 1,401	\$ (599)
Interest	75	66	(9)
Total revenues	<u>2,075</u>	<u>1,467</u>	<u>(608)</u>
Expenditures			
Miscellaneous	100	-	100
Total expenditures	<u>100</u>	<u>-</u>	<u>100</u>
Net change in fund balance	1,975	1,467	(508)
Fund balance - beginning of year	2,013	2,001	(12)
Fund balance - end of year	<u><u>\$ 3,988</u></u>	<u><u>\$ 3,468</u></u>	<u><u>\$ (520)</u></u>

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
FIRE MITIGATION FUND
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Proprietary member fees	\$ 51,840	\$ 51,840	\$ -
Interest	3,000	7,078	4,078
Total revenues	<u>54,840</u>	<u>58,918</u>	<u>4,078</u>
Expenditures			
Fire mitigation	85,000	18,229	66,771
Miscellaneous	250	-	250
Total expenditures	<u>85,250</u>	<u>18,229</u>	<u>67,021</u>
Net change in fund balance	(30,410)	40,689	71,099
Fund balance - beginning of year	149,565	150,308	743
Fund balance - end of year	<u>\$ 119,155</u>	<u>\$ 190,997</u>	<u>\$ 71,842</u>

SUPPLEMENTARY INFORMATION

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
RECREATIONAL CLUBHOUSE FACILITY
For the Year Ended December 31, 2025

	Budget Amounts			Variance Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Activities and recreation	\$ 224,695	\$ 205,000	\$ 205,069	\$ 69
Facility maintenance	200	200	200	-
Food and beverage sales	3,179,297	3,295,000	3,294,995	(5)
Interest	33,800	50,200	50,179	(21)
Other income and late fees	18,600	19,500	19,323	(177)
Membership social dues and fees	1,762,235	1,705,500	1,705,524	24
Pool fees	84,815	74,100	74,094	(6)
Racquets	155,000	121,000	120,760	(240)
Wellness fees	6,608	5,600	5,589	(11)
Total revenues	5,465,250	5,476,100	5,475,733	(367)
Expenditures				
General and administrative				
Activities and recreation	41,610	26,000	25,498	502
Facility maintenance	58,845	45,000	42,982	2,018
Food and beverage	1,045,948	1,080,000	1,077,316	2,684
General and administrative	531,917	510,000	506,717	3,283
Membership	33,900	30,000	29,628	372
Payroll	2,975,921	2,935,000	2,933,218	1,782
Pool operations	26,650	33,000	33,030	(30)
Racquets	30,900	30,000	27,526	2,474
Utilities	203,364	210,000	209,138	862
Wellness	11,163	11,000	10,812	188
Debt service				
Principal	34,833	34,833	34,833	-
Interest	50,471	50,372	50,372	-
Capital outlay	291,000	545,000	541,841	3,159
Total expenditures	5,336,522	5,540,205	5,522,911	17,294
Excess of expenditures over (under) revenues	128,728	(64,105)	(47,178)	16,927
Other financing sources (uses)				
Bank fees	(127)	(75)	(66)	9
County treasurer fees	(1,200)	(1,200)	(1,200)	-
Property taxes	80,000	79,974	79,917	(57)
Transfer to Water Fund	-	(92,700)	(92,606)	94
Transfer from the Transportation Fund	-	292,900	292,909	9
Total other financing sources (uses)	78,673	278,899	278,954	55
Net change in fund balance	207,401	214,794	231,776	16,982
Fund balance - beginning of year	450,920	614,474	483,447	(131,027)
Fund balance - end of year	\$ 658,321	\$ 829,268	\$ 715,223	\$ (114,045)

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
RECONCILIATION OF ACTUAL (BUDGETARY BASIS) TO STATEMENT OF REVENUES, EXPENSES AND
CHANGE IN NET POSITION
RECREATIONAL CLUBHOUSE FACILITY
For the Year Ended December 31, 2025

Revenues (budgetary basis)	<u>\$ 5,555,650</u>
Total revenues per Statement of Revenues, Expenses and Change in Net Position	<u>5,555,650</u>
Expenditures (budgetary basis)	5,522,911
Depreciation	324,871
Debt principal	(34,833)
Capital outlay	(541,841)
County treasurer and bank fees	1,266
Transfer to the Water Fund	92,606
Transfer from Transportation Fund	<u>(292,909)</u>
Total expenses per Statement of Revenues, Expenses and Change in Net Position	<u>5,072,071</u>
Change in net position per Statement of Revenues, Expenses and Change in Net Position	<u><u>\$ 483,579</u></u>

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
PROPRIETARY FUND - WATER FUND
For the Year Ended December 31, 2025

	Budget Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Capital reserve fee	\$ 124,416	\$ 124,416	\$ 124,416	\$ -
Service charges - homeowners	187,200	188,400	188,400	-
Service charges - club	37,440	37,440	37,440	-
Other income	12,000	10,500	10,533	33
Total revenues	<u>361,056</u>	<u>360,756</u>	<u>360,789</u>	<u>33</u>
Expenditures				
Water costs	230,153	369,840	364,740	5,100
Debt service				
Principal	6,000	6,000	6,000	-
Interest	8,548	8,647	8,647	-
Capital outlay	168,600	81,700	71,274	10,426
Total expenditures	<u>413,301</u>	<u>466,187</u>	<u>450,661</u>	<u>15,526</u>
Excess of revenues over (under) expenditures	<u>(52,245)</u>	<u>(105,431)</u>	<u>(89,872)</u>	<u>15,559</u>
Other financing sources (uses)				
Property taxes	14,837	14,837	14,822	(15)
Bank fees	(60)	(10)	(9)	1
County treasurer fees	(223)	(223)	(223)	-
Interest income	2	20	-	(20)
Transfers from other funds	5,520	175,210	175,203	(7)
Water lease	(21,000)	(7,500)	-	7,500
Total other financing sources (uses)	<u>(924)</u>	<u>182,334</u>	<u>189,793</u>	<u>7,459</u>
Net change in fund balance	<u>(53,169)</u>	<u>76,903</u>	<u>99,921</u>	<u>23,018</u>
Fund balance - beginning of year	<u>82,191</u>	<u>82,191</u>	<u>211,021</u>	<u>128,830</u>
Fund balance - end of year	<u>\$ 29,022</u>	<u>\$ 159,094</u>	<u>\$ 310,942</u>	<u>\$ 151,848</u>

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
RECONCILIATION OF ACTUAL (BUDGETARY BASIS) TO STATEMENT OF REVENUES, EXPENSES AND CHANGE
IN NET POSITION
WATER FUND
For the Year Ended December 31, 2025

Revenues (budgetary basis)	\$ 375,379
Total revenues per Statement of Revenues, Expenses and Change in Net Position	<u>375,379</u>
Expenditures (budgetary basis)	450,661
Depreciation	80,339
Debt principal	(6,000)
Capital outlay	<u>(71,274)</u>
Total expenses per Statement of Revenues, Expenses and Change in Net Position	453,726
Other financing sources	
Operating transfer in	<u>175,203</u>
 Change in net position per Statement of Revenues, Expenses and Change in Net Position	 <u><u>\$ 96,856</u></u>