

**GREENWOOD CONSOLIDATED
METROPOLITAN DISTRICT
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Greenwood Consolidated Metropolitan District
Arapahoe County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Greenwood Consolidated Metropolitan District (the District) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2025, and the respective changes in financial position thereof, and the respective budgetary comparison for the general fund 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 Responsibility 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, 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 to 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 management's discussion and analysis that accounting principles generally accepted in the United States of America 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 opinions on the basic financial statements are not affected by this missing information.

Supplementary and Other 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 supplementary and other information (together, the information) as identified in the table of contents is presented for the purposes of additional analysis and legal compliance 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Fiscal Focus Partners, LLC

Arvada, Colorado
April 27, 2026

BASIC FINANCIAL STATEMENTS

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 2,879,565
Cash and Investments - Restricted	2,839,102
Receivable from County Treasurer	1,937
Accounts Receivable	28,620
Prepaid Insurance	25,823
Property Tax Receivable	461,342
Capital Assets:	
Capital Assets, Not Being Depreciated	2,677,598
Capital Assets, Net of Depreciation	<u>5,210,635</u>
Total Assets	<u>14,124,622</u>
LIABILITIES	
Accounts Payable	109,451
Unearned Revenue	<u>8,250</u>
Total Liabilities	<u>117,701</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>461,342</u>
Total Deferred Inflows of Resources	<u>461,342</u>
NET POSITION	
Net Investment in Capital Assets	7,888,233
Restricted for:	
Emergency Reserves	15,200
Unrestricted	<u>5,642,146</u>
Total Net Position	<u><u>\$ 13,545,579</u></u>

See accompanying Notes to Basic Financial Statements.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
	Expenses				
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 1,086,259	\$ 12,581	\$ -	\$ -	\$ (1,073,678)
Total Governmental Activities	<u>\$ 1,086,259</u>	<u>\$ 12,581</u>	<u>\$ -</u>	<u>\$ -</u>	(1,073,678)
GENERAL REVENUES					
Property Taxes - North					393,821
Property Taxes - South					3,962
Specific Ownership Taxes					22,371
Fee In Lieu Of Taxes					4,871
Interest Income					250,970
Other Revenue					<u>23,375</u>
Total General Revenues					<u>699,370</u>
CHANGES IN NET POSITION					(374,308)
Net Position - Beginning of Year					<u>13,919,887</u>
NET POSITION - END OF YEAR					<u>\$ 13,545,579</u>

See accompanying Notes to Basic Financial Statements.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

	General	Capital Projects	Mill Levy Reduction	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 744,230	\$ 2,135,335	\$ -	\$ 2,879,565
Cash and Investments - Restricted	15,200	-	2,823,902	2,839,102
Receivable from County Treasurer	1,937	-	-	1,937
Accounts Receivable	28,620	-	-	28,620
Prepaid Insurance	25,823	-	-	25,823
Property Tax Receivable	461,342	-	-	461,342
Total Assets	<u>\$ 1,277,152</u>	<u>\$ 2,135,335</u>	<u>\$ 2,823,902</u>	<u>\$ 6,236,389</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 109,451	\$ -	\$ -	\$ 109,451
Unearned Revenue	8,250	-	-	8,250
Total Liabilities	117,701	-	-	117,701
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	461,342	-	-	461,342
Total Deferred Inflows of Resources	461,342	-	-	461,342
FUND BALANCES				
Nonspendable:				
Prepaid Amounts	25,823	-	-	25,823
Restricted for:				
Emergency Reserves	15,200	-	-	15,200
Committed:				
Mill Levy Reduction - South	-	-	2,823,902	2,823,902
Assigned to:				
Subsequent Year's Expenditures	86,255	-	-	86,255
Capital Projects	-	2,135,335	-	2,135,335
Unassigned	570,831	-	-	570,831
Total Fund Balances	<u>698,109</u>	<u>2,135,335</u>	<u>2,823,902</u>	<u>5,657,346</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,277,152</u>	<u>\$ 2,135,335</u>	<u>\$ 2,823,902</u>	

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

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

Capital Assets, Net 7,888,233

Net Position of Governmental Activities \$ 13,545,579

See accompanying Notes to Basic Financial Statements.

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Capital Projects	Mill Levy Reduction	Total Governmental Funds
REVENUES				
Property Taxes - North	\$ 393,821	\$ -	\$ -	\$ 393,821
Property Taxes - South	3,962	-	-	3,962
Specific Ownership Taxes	22,371	-	-	22,371
Fee In Lieu Of Taxes	4,871	-	-	4,871
Water Service Fees	12,581	-	-	12,581
Interest Income	42,996	88,821	119,153	250,970
Other Revenue	23,375	-	-	23,375
Total Revenues	503,977	88,821	119,153	711,951
EXPENDITURES				
Current:				
Accounting	45,137	-	-	45,137
Auditing	8,350	-	-	8,350
Board Support	7,097	-	-	7,097
Micromobility	65,787	-	-	65,787
District Management	95,500	-	-	95,500
Snow Removal	8,864	-	-	8,864
County Treasurer's Fee	5,945	-	-	5,945
Election	2,658	-	-	2,658
Insurance	25,722	-	-	25,722
Irrigation SCADA	8,664	-	-	8,664
Irrigation Repairs & Maintenance	47,261	-	-	47,261
Landscape Maintenance	185,898	-	-	185,898
Landscape Water	6,263	-	-	6,263
Pond Maintenance	13,872	-	-	13,872
Tree Maintenance	5,599	-	-	5,599
Flowers	55,554	-	-	55,554
Holiday Lights	34,642	-	-	34,642
Legal	39,464	-	-	39,464
Utilities	58,098	-	-	58,098
Utility Locates	9,362	-	-	9,362
Engineering Support	37,897	-	-	37,897
Distribution System Maintenance	28,079	-	-	28,079
Street Light Repairs & Maintenance	10,155	-	-	10,155
Infrastructure Renewal Consulting	-	8,000	-	8,000
Total Expenditures	805,868	8,000	-	813,868
NET CHANGE IN FUND BALANCES	(301,891)	80,821	119,153	(101,917)
Fund Balances - Beginning of Year	1,000,000	2,054,514	2,704,749	5,759,263
FUND BALANCES - END OF YEAR	<u>\$ 698,109</u>	<u>\$ 2,135,335</u>	<u>\$ 2,823,902</u>	<u>\$ 5,657,346</u>

See accompanying Notes to Basic Financial Statements.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT 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 - Total Governmental Funds	\$ (101,917)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Depreciation Expense	<u>(272,391)</u>
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Changes in Net Position of Governmental Activities	<u><u>\$ (374,308)</u></u>
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**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
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 - North	\$ 407,970	\$ 393,821	\$ (14,149)
Property Taxes - South	3,912	3,962	50
Specific Ownership Taxes	24,478	22,371	(2,107)
Fee In Lieu Of Taxes	5,000	4,871	(129)
Water Service Fees	15,500	12,581	(2,919)
Interest Income	40,000	42,996	2,996
Other Revenue	-	23,375	23,375
Total Revenues	<u>496,860</u>	<u>503,977</u>	<u>7,117</u>
EXPENDITURES			
Accounting	50,000	45,137	4,863
Auditing	8,500	8,350	150
Board Support	7,500	7,097	403
Micromobility	50,000	65,787	(15,787)
District Management	100,000	95,500	4,500
Contingency	46,300	-	46,300
Snow Removal	15,000	8,864	6,136
County Treasurer's Fee	6,200	5,945	255
Election	10,000	2,658	7,342
Insurance	24,000	25,722	(1,722)
Irrigation SCADA	10,000	8,664	1,336
Irrigation Repairs & Maintenance	40,000	47,261	(7,261)
Landscape Maintenance	227,000	185,898	41,102
Landscape Water	7,500	6,263	1,237
Pond Maintenance	13,000	13,872	(872)
Tree Maintenance	4,000	5,599	(1,599)
Flowers	53,000	55,554	(2,554)
Holiday Lights	-	34,642	(34,642)
Legal	50,000	39,464	10,536
Utilities	85,000	58,098	26,902
Utility Locates	10,000	9,362	638
Engineering Support	60,000	37,897	22,103
Distribution System Maintenance	75,000	28,079	46,921
Street Light Repairs & Maintenance	8,000	10,155	(2,155)
Total Expenditures	<u>960,000</u>	<u>805,868</u>	<u>154,132</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(463,140)	(301,891)	161,249
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds	463,140	-	(463,140)
Total Other Financing Sources (Uses)	<u>463,140</u>	<u>-</u>	<u>(463,140)</u>
NET CHANGE IN FUND BALANCE	-	(301,891)	(301,891)
Fund Balance - Beginning of Year	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,000,000</u>	<u>\$ 698,109</u>	<u>\$ (301,891)</u>

See accompanying Notes to Basic Financial Statements.

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 DEFINITION OF REPORTING ENTITY

Greenwood Consolidated Metropolitan District (the District), is a quasi-municipal corporation and political subdivision of the state of Colorado. The District was established by the consolidation of the Greenwood Metropolitan District (GMD) and the Greenwood South Metropolitan District (GSMD) consistent with the consolidation provisions of the Colorado Special District Act, C.R.S. §32-1-601, et seq., and by Order and Decree to Consolidate entered by the Arapahoe County District Court on November 25, 2020. GMD and GSMD continued to exist as separate entities until December 31, 2020. Thereafter, GMD and GSMD ceased to exist, and the District became the successor to both GMD and GSMD, became the responsible party for all obligations of GMD and GSMD, and became the owner of and entitled to receive, hold, sue for, and collect all moneys, funds, taxes, levies, assessments, fees, and charges and all property and assets of any kind or nature owned, leased, or claimed by or due to GMD and GSMD.

The District's service area is located in Arapahoe County, Colorado. The District is authorized pursuant to the Special District Act and the foregoing Order and Decree to carry out all the rights, powers, and authorities which are granted by statute and by the respective Statement of Purpose and Service Plan to each of GSMD and GMD, which includes but is not limited to the provision of storm sewer improvements, street improvements, parks and recreational facilities, safety protection services, and transportation services and improvements.

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 governmental function as a component of the primary government's financial statements. 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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 except for the fiduciary activities. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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 the governmental funds. Major individual governmental 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. Property taxes are recognized as revenues in the year for which they are levied. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlays are shown as increases in assets.

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 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.

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

The Mill Levy Reduction Fund was established to stabilize the total annual mill levy imposed on the District's properties.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 or investment 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.

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 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.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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:

Signs and Flagpoles	25 Years
Street Lights	25 Years
Parks and Open Space	40 Years
Landscape Street Medians	30 Years
Water System	40 Years
Water Well	10 to 40 Years

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, *property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government'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.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

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 and Investments	\$ 2,879,565
Cash and Investments - Restricted	<u>2,839,102</u>
Total Cash and Investments	<u><u>\$ 5,718,667</u></u>

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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

Deposits with Financial Institutions	\$ 41,118
Investments	<u>5,677,549</u>
Total Cash and Investments	<u><u>\$ 5,718,667</u></u>

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 the reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the District's cash deposits had a bank and carrying balance of \$41,118.

Investments

The District has adopted a formal investment policy and 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 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.

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	<u>\$ 5,677,549</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE 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.

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAs/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, 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	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,167,917	\$ -	\$ -	\$ 1,167,917
Irrigation Tap	809,681	-	-	809,681
Water Rights	700,000	-	-	700,000
Total Capital Assets, Not Being Depreciated	2,677,598	-	-	2,677,598
Capital Assets, Being Depreciated:				
Street Lights	1,351,322	-	-	1,351,322
Parks - Landscape Improvements	707,500	-	-	707,500
Pond	120,213	-	-	120,213
Street Medians - Landscape Improvements	3,434,760	-	-	3,434,760
Water Wells	2,118,981	-	-	2,118,981
Water Plant	1,812,490	-	-	1,812,490
Water Distribution System	3,271,113	-	-	3,271,113
Total Capital Assets, Being Depreciated	12,816,379	-	-	12,816,379
Less Accumulated Depreciation for:				
Street Lights	1,288,185	3,413	-	1,291,598
Parks - Landscape Improvements	680,970	17,688	-	698,658
Pond	38,066	3,005	-	41,071
Street Medians - Landscape Improvements	2,285,408	60,969	-	2,346,377
Water Wells	491,386	60,226	-	551,612
Water Plant	494,242	45,312	-	539,554
Water Distribution System	2,055,096	81,778	-	2,136,874
Total Accumulated Depreciation	7,333,353	272,391	-	7,605,744
Total Capital Assets, Being Depreciated, Net	5,483,026	(272,391)	-	5,210,635
Governmental Activities Capital Assets, Net	<u>\$ 8,160,624</u>	<u>\$ (272,391)</u>	<u>\$ -</u>	<u>\$ 7,888,233</u>

Depreciation expense in the amount of \$272,391 was charged to functions/programs of the District as general government activities.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 DEBT AUTHORIZATION

On November 3, 2020, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$43,000,000 at an interest rate not to exceed 12% per annum. At December 31, 2025, the District had authorized but unissued indebtedness of \$43,000,000.

The District's debt authorization above will expire on November 3, 2040.

NOTE 6 NET POSITION

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

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation. As of December 31, 2025, the District had a net investment in capital assets of \$7,888,233.

The restricted component of net position consists of assets that are 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 a restricted net position at December 31, 2025, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	\$ 15,200
Total Restricted Net Position	<u>\$ 15,200</u>

The unrestricted component of the District's net position as of December 31, 2025, is \$5,642,146.

NOTE 7 RELATED PARTY

One member of the board of directors of the District is associated with Shea Properties Management Company Inc. (Shea) and may have conflicts of interest in dealing with the District. Shea provided district management services to the district totaling \$95,500 during 2025.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 AGREEMENTS

Median Maintenance Agreement

On August 15, 1994, the District entered into a Median Maintenance Agreement with the City of Greenwood Village (City). Pursuant to the agreement, the City granted a license to the District, which included the right of ingress and egress, to maintain, use and enjoy existing and future landscaping of certain medians owned by the City (as described in an exhibit to the agreement which also consists of various other medians owned by the District). The District shall be responsible for the planning, design, and construction of the landscaping of these medians. Signs, arts, street lights (except decorative lighting appurtenant to the landscaping of the medians), and traffic signals placed in the medians by the District shall be governed by separate agreements.

The agreement shall remain in full force and effect for 20 years from the effective date and shall be automatically renewed for successive periods of 10 years each unless, within 90 days prior to any such automatic renewal, one party provides notice to the other party of its intent not to renew the agreement. The covenants contained in the agreement are subject to annual budget and appropriations. In the event that the City fails to reasonably maintain any of the City improvements to the medians, or the District fails to reasonably maintain the landscaping of the medians, following notice by the aggrieved party and failure to cure pursuant to the agreement, the aggrieved party may undertake such maintenance and may charge the other party for its reasonable costs in doing so. In the event of a material breach to the agreement, the nonbreaching party shall have available all remedies at law or in equity to enforce the terms within the agreement, including the right to terminate this agreement and the right of specific performance.

Fee in Lieu of Taxes Agreements

On December 1, 2009, the District entered into an Exclusion Agreement with 360 Centennial, LLC (360). Pursuant to the agreement, the District approved the exclusion of the property owned by 360 from its boundaries, subject to certain terms and conditions. The parties recognized and acknowledged that the property was benefitting from facilities, services and programs provided throughout the District, and so long as the property continues to benefit from these facilities, services and programs, the property shall be subject to fees and charges imposed by the District (fee in lieu of taxes). This fee in lieu of taxes includes a General Fund Fee and a Capital Fee. The General Fund Fee shall be an equivalent fee in lieu of the District's annual operations and maintenance mill levy that would otherwise have been collected had the property remained within the District's boundaries. The Capital Fee shall be an equivalent fee in lieu of the District's 0.500 mill upon the property. However, the agreement provides that in no event shall the General Fund Fee or Capital Fee, in the aggregate, exceed the amount that would be collected if the District imposed a mill levy of 2.500 mills on the property, subject to certain adjustments as set forth in the agreement.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 AGREEMENTS (CONTINUED)

Village Town Center Public Improvements – VTC Park

On September 22, 2009, the District entered into an agreement with the City and Fiddlers Business Improvement District (BID) to establish terms and conditions related to the Village Town Center Park (VTC Park). Pursuant to the agreement, the District acquired the VTC Park for \$1,167,917, which shall be open to the public, for the benefit of the taxpayers of the District and the public in general. The BID shall be responsible for the design and construction of the park and recreation improvements (Park Improvements). The City shall be responsible for the design and construction of the Streetscape/Plaza Improvements. The parties agreed to collectively maintain the Park Improvements and the Streetscape/Plaza Improvements in good repair to a level at least commensurate with the overall quality of other developments in the area open to the public and for the benefit of the general public in perpetuity.

Furthermore, the parties agreed to cooperate and mutually agree upon policies and procedures for event scheduling and issuance of use permits. The City agreed to provide public safety support, traffic and law enforcement services as reasonably necessary for the improvements. The BID agreed to the District and the City that no temporary or final certificate of occupancy shall be issued for any improvements on the parcel of land adjacent to the VTC Park (Biederman Parcel), until such time as the construction of the Park Improvements is completed. Upon completion of the Park Improvements, the parties agreed to develop and agree upon an annual budget for the operation and maintenance of the improvements and to share costs evenly between the parties. However, in the interim while the VTC Park is in its current unimproved state consisting of irrigated turf-grass landscaping, once acquired by the District, the District will maintain the VTC Park at its own cost.

On August 15, 2022, the District entered into an agreement with the City and the BID to amend and restate the Village Town Center Public Improvements agreement. Under the amended and restated agreement, the BID shall be responsible for planning, design, construction and installation of the improvement to the VTC Park and all related appurtenances. Neither the District nor the City have any duty, obligation, responsibility, or liability to the BID under this agreement. The estimated cost of the planning, design, construction and installation of the project is \$2,000,000. The parties agreed that the City and BID each will contribute \$1,000,000, which funds shall be deposited into an escrow account. In the event the actual costs incurred to complete the project exceed the estimated cost of \$2,000,000, the BID shall be solely responsible for meeting and funding such shortfall. Upon completion of the project, any remaining escrow funds shall become funds of the District and be promptly released to the District, to be utilized by the District for the purpose of the direct benefit of the VTC Park. The BID shall complete these improvements with reasonable efforts by July 1, 2023. Upon completion, the improvements shall be conveyed at no cost to the District. The District shall maintain ownership and the City shall provide ongoing public safety support, traffic and law enforcement services to the VTC Park.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 AGREEMENTS (CONTINUED)

Village Town Center Public Improvements – VTC Park (Continued)

On September 22, 2022, the District entered into the Escrow Agreement with First American Title Insurance Company (Escrow Agent), the City, and the BID. Under this agreement the Escrow Agent shall hold the funds, \$1,000,000 deposited by the BID and \$1,000,000 deposited by the City (collectively, the Escrowed Funds), until disbursement is requested via a Draw Request. The parties agree that any and all charges of the Escrow Agent shall be paid equally by the City and the BID only, and shall not be the responsibility of the District. The funds are to be used solely for construction of the VTC Park Improvements, as defined in the Amended and Restated IGA among the District, the City and the BID.

Capital Surplus Reserves and Mill Levy Reduction

On January 19, 2010, the District adopted a resolution regarding its Surplus Capital Reserves and Mill Levy Reduction (Resolution). Pursuant to the Resolution, the District has accrued a surplus of capital reserves primarily from property taxes collected from properties within the boundaries of the District.

The District stated in its resolution that it intended to find an equitable way of allocating the surplus reserves to the benefit of the taxpayers of the District, and that it contemplates that use of funds to lower the District's aggregate mill levy would be most equitable. The Board resolved to establish and maintain a Mill Levy Reduction Fund (MLRF) and to use the funds to reduce the District's mill levy by as many as 3.000 mills, subject to annual budgeting decisions. The resolution does provide that the Board does not intend to reduce the aggregate mill levy below 2.000 mills, should a reduction by as many as 3.000 mills make that possible. An initial amount of \$4,500,000 was allocated to the MLRF. The MLRF balance will be reviewed annually to determine what action the Board may take in connection with this policy. In the event of a fiscal emergency, the Board may authorize reallocation, on a temporary basis, of any funds in the MLRF. The MLRF may only be extinguished by a resolution of the Board of Directors stating the necessity to extinguish the funds.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 AGREEMENTS (CONTINUED)

Village Center Outer Ring Subdistrict

On September 2, 2010, the Village Center Outer Ring Subdistrict was formed. The Subdistrict shall provide public improvements, maintenance of the public improvements and programming to include, but not be limited to, roadways, pedestrian walkways and open air plazas, transit facilities, landscaping and parks and recreation. In addition to the public improvements and maintenance, the Subdistrict was also formed to provide certain publicly beneficial programs, including but not limited to: holiday activities and events, concerts, public literacy or poetry readings, corporate informational and/or instructional seminars, educational, cultural and/or public enrichment sessions. The Subdistrict shall be an independent quasi-municipal corporation and shall act in accordance with the Special District Act. The Subdistrict's total annual mill levy, inclusive of annual debt service and operations, shall not exceed 3.000 mills. Additionally, the Subdistrict's total debt authorization shall be limited to an aggregate principal amount which shall not exceed \$3,000,000. In relation to the Subdistrict, the Mill Levy Reduction Fund was established to stabilize the total annual mill levy imposed on the District's properties. The District shall not incur any additional financial burden or obligation beyond its Mill Levy Reduction Fund to assist with funding the Subdistrict. To date, the Subdistrict has not imposed a mill levy, has not had any revenues or expenditures, and has otherwise remained inactive.

Funding and Maintenance Agreement for Village Center Outer Ring

On February 15, 2011, the District, the Village Center Outer Ring Subdistrict (Subdistrict), the Village Center Owners Association (Association), and the City entered into an agreement providing that the City, the District, and the Subdistrict are expected to fund and provide certain public improvements within the boundaries of the Subdistrict. The parties agree that no public improvements will be funded or maintained under this agreement for the area included within the Fiddler's Green Business Improvement District (BID) or otherwise within the inner ring of the Village Center area. Pursuant to the agreement, the City, the District, and the then-owner of GPI Plaza Tower One (GPI) are to equally share the costs for the operation and maintenance of the upscale city center within the Subdistrict.

Transfer and Irrigation Agreement

On April 16, 2012, the District, Plaza, and the City entered into a Transfer and Irrigation Agreement to transfer water usage and certain parcels of real property previously owned by the District to the City, to provide the City connection to the District's and Plaza's well system to irrigate the property and maintain the ponds thereon, and to document the over-charges for water usage that the District owed the City. Upon the transfer of the existing stormwater detention and irrigation water storage ponds located thereon and all existing facilities and amenities (altogether, the "Property") as described in the Quitclaim Deed to the City, neither Plaza nor the District shall have any obligation, responsibility, or liability regarding the maintenance and upkeep of the Property.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 AGREEMENTS (CONTINUED)

Transfer and Irrigation Agreement (Continued)

Plaza and the District previously operated together to provide nonpotable irrigation water services in parts of the City, including the park parcel located north of Orchard Road and west of Quebec Street (Westlands Park). Under the agreement, Plaza shall make available to the City up to 40 acre-feet per calendar year of nonpotable water from its irrigation system which consists of the Madden and Butler wells. The City is permitted to connect up to a three-inch metered water tap and service line connection to the Plaza well irrigation system, at a single point of connection off of Quebec Street, for which Plaza shall waive any tap or connection fees. Any amount drawn from the ponds while the tap connection is being completed and thereafter as an emergency measure will count toward the 40 acre-feet. To the extent that the City uses greater than 40-acre feet of irrigation water from the well system, the City shall pay the District the same "Outside Denver – Total Service Summer" rates per thousand gallons of water as is charged by the Denver Water Board, which are adjusted from time to time.

This Agreement shall continue for a term of 20 calendar years starting from its commencement date; provided, however that this Agreement shall automatically renew for up to 5 consecutive terms of 20 calendar years so long as the Plaza's well system is able to provide the annual 40 acre-feet of water to the City after the District's needs have been met.

Plaza subsequently dissolved and provided for the agreement to be assumed by the District effective March 7, 2016.

On November 1, 2021, the District entered into a related Landscape Irrigation Use in Westland's Park Agreement with the City. Pursuant to the Agreement, the Parties acknowledged the existing April 16, 2012 agreement, and generally agreed that the District would make recently acquired sources of water available to the City via a backup emergency service connection through the District's well and the Southgate Water District/Denver Water Board (SG/DWB) service on Maplewood Avenue in order to enhance overall system reliability. The District's intent is to allow the City access via the District's irrigation system to a sufficient amount of water, subject to the District's Plan of Augmentation parameters, to sustain irrigated landscaped areas within Westland's, including two tributary detention/water storage ponds (Orchard and Parkside) and one water storage only pond (Dolphin), at a level comparable to that within the balance of the District, contingent upon the concurrent development of reasonable operating parameters.

The agreement generally provides that in the event that the District well system's production results in either no or insufficient well-generated return augmentation flows, the City will be required to reimburse the District for any SG/DWB water purchased for required replacement water through the District's SG/DWB service at the then application SG/DWB water rates. Furthermore, as the District is obligated to pay the applicable SG/DWB fixed fees, the City shall pay the District 1/3 of what the District pays. The District shall provide the City with billings inclusive of metered usage and 1/3 of fixed fees from SG/DWB as part of the District's normal billing process.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 AGREEMENTS (CONTINUED)

Transfer and Irrigation Agreement (Continued)

The District also agreed that for so long as the District receives “payments in lieu of taxes” from the Greenwood Athletic Club Metropolitan District pursuant to that certain Fee in Lieu of Taxes Intergovernmental Agreement dated September 8, 2004, and terminating July 21, 2023, the District shall pay to the City an equivalent amount when received.

The Agreement shall continue for a term of 20 calendar years starting from its commencement date; provided, however that this Agreement shall automatically renew for up to five consecutive terms of 20 calendar years so long as the District’s well system is able to provide the annual 40 acre-feet of water to the City after the District’s needs have been met.

Common Use Agreement – Museum of Outdoor Arts

On February 19, 2019, the District entered into the Common Use Agreement Including Easement (the Agreement) with The Museum of Outdoor Arts (MOA). Pursuant to the Agreement, the MOA grants a perpetual and nonexclusive easement (Easement) to the District for (1) the detention and retention of storm water drainage, and (2) the construction, maintenance, and access to and use of storm water drainage improvements, facilities, and appurtenances for detention, retention for irrigation, and water quality purposes (Drainage Improvements). In order to assure the District’s use of the premises, the Drainage Improvements shall be constructed and maintained by the MOA to have a combined detention and water quality capacity of no less than 3.65 acre feet and a maximum release capacity of 51.9 cubic feet per second.

The MOA agrees to commence within 90 days and complete within 18 months after the date of this Agreement the construction and operation of the modifications to the premises as shown on the Final Drainage Report for MOA Pond Renovation and Water Quality Study. The MOA shall be the owner of all facilities and have all responsibility and liability for operation and maintenance of the premises for the District’s use. The MOA shall pay the District \$30,000 to cover costs incurred by the District in connection with this Agreement. At the date of this Agreement, the District received payment from the MOA in the amount of \$30,000.

Consolidation Agreement

On April 21, 2020, GMD and GSMD entered into the Consolidation Agreement to operate more effectively and economically as a single consolidated district. It is the intent that, after consolidation, the District shall continue all of the services and fulfill the obligations of GMD and GSMD without material change.

The District shall have all of the rights, powers, and authorities which are granted by statute and by their respective statement of purposes and service plan to each of GMD and GSMD. The area to be included within the boundaries of the District shall be the total area of GMD and GSMD. The service plan and statement of purposes for GMD and GSMD shall be read together to constitute the service plan of the District.

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 AGREEMENTS (CONTINUED)

Consolidation Agreement (Continued)

GSMD has an existing mill levy reduction fund (MLRF) intended to address a surplus of capital reserves primarily from property taxes collected from properties within the boundaries of GSMD. In 2010, GSMD resolved to use those funds to reduce the GSMD's operations and maintenance mill levy by up to 3.000 mills, subject to annual budgeting decisions of its Board of Directors. Pursuant to the Agreement, until the earlier of 10 years of the depletion of the MLRF as a result of the use of the MLRF for operations and maintenance costs and capital projects of benefit to the area within GSMD's boundaries, GMD and GSMD may continue to have different mill levies. Subsequent to the earlier of 10 years or the depletion of the MLRF, the District shall fully merge GMD and GSMDs' funds and may cease the certification of different mill levies.

Furthermore, the Village Center Outer Ring Subdistrict shall become a subdistrict of the District and have the same Board of Directors as the District. The subdistrict may continue to exist or be dissolved as the District may determine.

GMD and GSMD agree that all intergovernmental agreements by and between GMD and GSMD shall be superseded, terminated, and shall no longer be of any force or effect. The District shall become the responsible party for all obligations of GMD and GSMD. All of GMD and GSMD's rights and assets including existing operational reserves, emergency reserves, cash assets, capital services, real property, water rights, personal properties and appurtenances shall become the property of the District.

NOTE 9 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.

GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 10 TAX, SPENDING, AND DEBT LIMITATION

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.

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.

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.

SUPPLEMENTARY INFORMATION

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
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			
Interest Income	\$ 80,000	\$ 88,821	\$ 8,821
Total Revenues	80,000	88,821	8,821
EXPENDITURES			
Infrastructure Renewal Consulting	30,000	8,000	22,000
Mobility Study Infrastructure	400,000	-	400,000
Landscape Reconfigurations	100,000	-	100,000
Irrigation System Upgrades	100,000	-	100,000
Signage And Identity	50,000	-	50,000
Tree Infrastructure Upgrades	175,000	-	175,000
Other Infrastructure Needs	1,227,077	-	1,227,077
Total Expenditures	2,082,077	8,000	2,074,077
NET CHANGE IN FUND BALANCE	(2,002,077)	80,821	2,082,898
Fund Balance - Beginning of Year	2,002,077	2,054,514	52,437
FUND BALANCE - END OF YEAR	\$ -	\$ 2,135,335	\$ 2,135,335

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
MILL LEVY REDUCTION 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			
Interest Income	\$ 110,000	\$ 119,153	\$ 9,153
Total Revenues	110,000	119,153	9,153
EXPENDITURES			
Total Expenditures	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	110,000	119,153	9,153
OTHER FINANCING SOURCES (USES)			
Transfers To Other Fund	(463,140)	-	463,140
Total Other Financing Sources (Uses)	(463,140)	-	463,140
NET CHANGE IN FUND BALANCE	(353,140)	119,153	472,293
Fund Balance - Beginning of Year	2,667,336	2,704,749	37,413
FUND BALANCE - END OF YEAR	<u>\$ 2,314,196</u>	<u>\$ 2,823,902</u>	<u>\$ 509,706</u>

OTHER INFORMATION

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
NORTH AREA
DECEMBER 31, 2025**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Total Mills Levied	Total Property Taxes		Percent Collected to Levied
		General Operations	Levied	Collected	
2021	\$ 99,843,834	3.400	\$ 339,469	\$ 339,570	100.03 %
2022	106,334,795	3.400	361,538	353,947	97.90
2023	102,429,796	4.000	409,719	409,734	100.00
2024	108,624,573	4.000	434,498	405,723	93.38
2025	101,992,515	4.000	407,970	393,821	96.53
Estimated for Year Ending December 31, 2026	\$ 91,549,690	5.000	\$ 457,748		

**GREENWOOD CONSOLIDATED METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
SOUTH AREA
DECEMBER 31, 2025**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Total Mills Levied General Operations	Total Property Taxes		Percent Collected to Levied
			Levied	Collected	
2021	\$ 358,669,790	0.010	\$ 3,587	\$ 3,639	101.45 %
2022	389,601,566	0.010	3,896	3,850	98.82
2023	386,211,323	0.010	3,862	3,842	99.48
2024	403,701,341	0.010	4,037	3,859	95.59
2025	391,246,061	0.010	3,912	3,962	101.28
Estimated for Year Ending December 31, 2026	\$ 359,447,883	0.010	\$ 3,594		