# ASPEN PARK METROPOLITAN DISTRICT
## Jefferson County, Colorado

## FINANCIAL STATEMENTS AND
## SUPPLEMENTARY INFORMATION

## YEAR ENDED DECEMBER 31, 2025

**ASPEN PARK METROPOLITAN DISTRICT**
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**YEAR ENDED DECEMBER 31, 2025**

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Board of Directors
Aspen Park Metropolitan District
Jefferson County, Colorado

# Independent Auditor's Report

## Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Aspen Park 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 accompanying 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 Aspen Park Metropolitan District as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and special revenue 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 (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

## Other Matters

Required Supplemental Information
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information
Management is responsible for the other information included in our report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and, accordingly, we do not express an opinion or provide any assurance on them.

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

Wipfli LLP

Wipfli LLP

Denver, Colorado
July 28, 2026

# BASIC FINANCIAL STATEMENTS

## ASPEN PARK METROPOLITAN DISTRICT
## STATEMENT OF NET POSITION
## DECEMBER 31, 2025

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and Investments | $ 275,307 | $ 175,708 | $ 451,015 |
| Cash and Investments - Restricted | 2,247,239 | - | 2,247,239 |
| Prepaid Insurance | - | 22,277 | 22,277 |
| Accounts Receivable | - | 34,117 | 34,117 |
| Receivable from County Treasurer | 2,300 | - | 2,300 |
| PIF Receivable | 176,925 | - | 176,925 |
| Sales Tax Receivable | 28,369 | - | 28,369 |
| Property Tax Receivable | 404,270 | - | 404,270 |
| Capital Assets: | | | |
| Capital Assets, Not Being Depreciated | 492,090 | 501,841 | 993,931 |
| Capital Assets, Net of Depreciation | - | 2,819,625 | 2,819,625 |
| Total Assets | 3,626,500 | 3,553,568 | 7,180,068 |
| | | | |
| **LIABILITIES** | | | |
| Accounts Payable | 53,593 | 57,291 | 110,884 |
| Accrued Interest Payable | 23,061 | - | 23,061 |
| Noncurrent Liabilities: | | | |
| Due Within One Year | 490,189 | - | 490,189 |
| Due in More Than One Year | 8,316,335 | - | 8,316,335 |
| Total Liabilities | 8,883,178 | 57,291 | 8,940,469 |
| | | | |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Property Tax Revenue | 404,270 | - | 404,270 |
| Total Deferred Inflows of Resources | 404,270 | - | 404,270 |
| | | | |
| **NET POSITION** | | | |
| Net Investment in Capital Assets | 184,797 | 3,321,466 | 3,506,263 |
| Restricted for: | | | |
| Emergency Reserve | 8,200 | - | 8,200 |
| Sales Tax Eligible Expenses | 515,967 | - | 515,967 |
| Debt Service | 1,391,485 | - | 1,391,485 |
| Unrestricted | (7,761,397) | 174,811 | (7,586,586) |
| | | | |
| Total Net Position | $ (5,660,948) | $ 3,496,277 | $ (2,164,671) |

*See accompanying Notes to Basic Financial Statements.*

# ASPEN PARK METROPOLITAN DISTRICT
# STATEMENT OF ACTIVITIES
# YEAR ENDED DECEMBER 31, 2025

| | | Program Revenues | | | Net Revenues (Expenses) and Changes in Net Position | | |
|---|---|---|---|---|---|---|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| **FUNCTIONS/PROGRAMS** | | | | | | | |
| Primary Government: | | | | | | | |
| Governmental Activities: | | | | | | | |
| General Government | $ 257,046 | $ 171,128 | $ - | $ - | $ (85,918) | $ - | $ (85,918) |
| Interest on Long-Term Debt | | | | | | - | |
| and Related Costs | 327,650 | 1,140,206 | - | - | 812,556 | - | 812,556 |
| Total Governmental Activities | $ 584,696 | $ 1,311,334 | $ - | $ - | 726,638 | - | 726,638 |
| Business-Type Activities: | | | | | | | |
| Water and Wastewater | $ 677,977 | $ 507,589 | $ - | $ - | - | (170,388) | (170,388) |
| Total Business-Type Activities | $ 677,977 | $ 507,589 | $ - | $ - | - | (170,388) | (170,388) |
| **GENERAL REVENUES** | | | | | | | |
| Property Taxes | | | | | 420,137 | - | 420,137 |
| Specific Ownership Taxes | | | | | 28,265 | - | 28,265 |
| Interest Income | | | | | 78,812 | - | 78,812 |
| Transfer of Capital Assets | | | | | (49,461) | 49,461 | - |
| Total General Revenues | | | | | 477,753 | 49,461 | 527,214 |
| **CHANGES IN NET POSITION** | | | | | 1,204,391 | (120,927) | 1,083,464 |
| Net Position - Beginning of Year | | | | | (6,865,339) | 3,617,204 | (3,248,135) |
| **NET POSITION - END OF YEAR** | | | | | $ (5,660,948) | $ 3,496,277 | $ (2,164,671) |

*See accompanying Notes to Basic Financial Statements.*

# ASPEN PARK METROPOLITAN DISTRICT
# BALANCE SHEET
# GOVERNMENTAL FUNDS
# DECEMBER 31, 2025

| | General | Special Revenue | Debt Service | Capital Projects | Total Governmental Funds |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and Investments | $ 274,023 | $ - | $ - | $ 1,284 | $ 275,307 |
| Cash and Investments - Restricted | 8,200 | 501,841 | 1,737,198 | - | 2,247,239 |
| Receivable from County Treasurer | 1,391 | - | 909 | - | 2,300 |
| Sales Tax Receivable | - | 28,369 | - | - | 28,369 |
| PIF Receivable | - | - | 176,925 | - | 176,925 |
| Property Tax Receivable | 241,890 | - | 162,380 | - | 404,270 |
| Total Assets | $ 525,504 | $ 530,210 | $ 2,077,412 | $ 1,284 | $ 3,134,410 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | | | |
| **LIABILITIES** | | | | | |
| Accounts Payable | $ 15,317 | $ 14,243 | $ 3,168 | $ 20,865 | $ 53,593 |
| Total Liabilities | 15,317 | 14,243 | 3,168 | 20,865 | 53,593 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Property Tax Revenue | 241,890 | - | 162,380 | - | 404,270 |
| Total Deferred Inflows of Resources | 241,890 | - | 162,380 | - | 404,270 |
| **FUND BALANCES** | | | | | |
| Restricted for: | | | | | |
| Emergency Reserves | 8,200 | - | - | - | 8,200 |
| Sales Tax Eligible Expenses | - | 515,967 | - | - | 515,967 |
| Debt Service | - | - | 1,911,864 | - | 1,911,864 |
| Unassigned | 260,097 | - | - | (19,581) | 240,516 |
| Total Fund Balances | 268,297 | 515,967 | 1,911,864 | (19,581) | 2,676,547 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | $ 525,504 | $ 530,210 | $ 2,077,412 | $ 1,284 | |

| | |
|---|---|
| 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. | 492,090 |
| in the current period and, therefore, are not reported in the funds. | |
| Accrued Interest Payable | (23,061) |
| Loans Payable | (8,806,524) |
| Net Position of Governmental Activities | $ (5,660,948) |

*See accompanying Notes to Basic Financial Statements.*

# ASPEN PARK METROPOLITAN DISTRICT
# STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
# YEAR ENDED DECEMBER 31, 2025

| | General | Special Revenue | Debt Service | Capital Projects | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Property Taxes | $ 254,015 | $ - | $ 166,122 | $ - | $ 420,137 |
| Specific Ownership Taxes | 17,089 | - | 11,176 | - | 28,265 |
| Sales Tax Revenue | - | 171,128 | - | - | 171,128 |
| Interest Income | - | - | 78,812 | - | 78,812 |
| PIF Revenue | - | - | 1,140,206 | - | 1,140,206 |
| Total Revenues | 271,104 | 171,128 | 1,396,316 | - | 1,838,548 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| Accounting | 41,372 | 20,376 | - | - | 61,748 |
| Arbitrage rebate review | - | - | 600 | - | 600 |
| Auditing | 7,950 | - | - | - | 7,950 |
| County Treasurer's Fee | 3,810 | - | 2,492 | - | 6,302 |
| Directors' Fees | 2,000 | - | - | - | 2,000 |
| District Management | 35,101 | 17,289 | - | - | 52,390 |
| Dues And Membership | 2,668 | - | - | - | 2,668 |
| Election | 2,129 | - | - | - | 2,129 |
| Engineering | - | 8,504 | - | - | 8,504 |
| Insurance | 941 | - | - | - | 941 |
| Landscaping | - | 49,328 | - | - | 49,328 |
| Legal | 17,914 | 8,329 | - | - | 26,243 |
| Miscellaneous | 240 | - | - | - | 240 |
| Snow Removal | - | 15,516 | - | - | 15,516 |
| Utilities - Improved Surfaces | - | 391 | - | - | 391 |
| Website | 1,729 | - | - | - | 1,729 |
| Debt Service: | | | | | |
| Loan Interest - Series 2020A | - | - | 147,078 | - | 147,078 |
| Loan Interest - Series 2020B | - | - | 137,083 | - | 137,083 |
| Loan Principal 2020A | - | - | 285,585 | - | 285,585 |
| Loan Principal 2020B | - | - | 188,268 | - | 188,268 |
| Loan Principal Prepayment - Series 2020A | - | - | 100,000 | - | 100,000 |
| Loan Principal Prepayment - Series 2020B | - | - | 100,000 | - | 100,000 |
| Loan Principal Prepayment (Additional) | - | - | 240,000 | - | 240,000 |
| PIF Compliance and Review | - | - | 39,117 | - | 39,117 |
| Paying Agent Fees | - | - | 2,500 | - | 2,500 |
| Capital Projects: | | | | | |
| Consultants - Water Rights | - | - | - | 20,859 | 20,859 |
| Wastewater Membrane Replacement | - | - | - | 49,461 | 49,461 |
| Total Expenditures | 115,854 | 119,733 | 1,242,723 | 70,320 | 1,548,630 |
| **EXCESS OF REVENUES OVER (UNDER) EXPENDITURES** | 155,250 | 51,395 | 153,593 | (70,320) | 289,918 |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers In (Out) | (72,580) | - | - | 72,580 | - |
| Total Other Financing Sources (Uses) | (72,580) | - | - | 72,580 | - |
| **NET CHANGE IN FUND BALANCES** | 82,670 | 51,395 | 153,593 | 2,260 | 289,918 |
| Fund Balances - Beginning of Year | 185,627 | 464,572 | 1,758,271 | (21,841) | 2,386,629 |
| **FUND BALANCES - END OF YEAR** | $ 268,297 | $ 515,967 | $ 1,911,864 | $ (19,581) | $ 2,676,547 |

*See accompanying Notes to Basic Financial Statements.*

**ASPEN PARK 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 | $ 289,918 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. | |
| Loan Principal - Current Year Scheduled Payment | 473,853 |
| Loan Principal - Prepayment | 200,000 |
| Loan Principal - Prepayment (Additional) | 240,000 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | |
| Accrued Interest Payable - Change in Liability | 620 |
| Changes in Net Position of Governmental Activities | $ 1,204,391 |

*See accompanying Notes to Basic Financial Statements.*

**ASPEN PARK 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 | $ 252,061 | $ 254,015 | $ 1,954 |
| Specific Ownership Taxes | 17,644 | 17,089 | (555) |
| Total Revenues | 269,705 | 271,104 | 1,399 |
| **EXPENDITURES** | | | |
| Accounting | 40,000 | 41,372 | (1,372) |
| Auditing | 7,000 | 7,950 | (950) |
| Contingency | 3,819 | - | 3,819 |
| County Treasurer's Fee | 3,781 | 3,810 | (29) |
| Directors' Fees | 1,200 | 2,000 | (800) |
| District Management | 34,000 | 35,101 | (1,101) |
| Dues And Membership | 3,000 | 2,668 | 332 |
| Election | 3,000 | 2,129 | 871 |
| Insurance | 1,200 | 941 | 259 |
| Legal | 32,000 | 17,914 | 14,086 |
| Miscellaneous | 1,000 | 240 | 760 |
| Website | 5,000 | 1,729 | 3,271 |
| Total Expenditures | 135,000 | 115,854 | 19,146 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 134,705 | 155,250 | 20,545 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers To Other Fund | (230,000) | (72,580) | 157,420 |
| Total Other Financing Sources (Uses) | (230,000) | (72,580) | 157,420 |
| **NET CHANGE IN FUND BALANCE** | (95,295) | 82,670 | 177,965 |
| Fund Balance - Beginning of Year | 160,528 | 185,627 | 25,099 |
| **FUND BALANCE - END OF YEAR** | $ 65,233 | $ 268,297 | $ 203,064 |

*See accompanying Notes to Basic Financial Statements.*

**ASPEN PARK METROPOLITAN DISTRICT**
**SPECIAL REVENUE FUND – SALES TAX**
**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** | | | |
| Sales Tax Revenue | $ 186,000 | $ 171,128 | $ (14,872) |
| Total Revenues | 186,000 | 171,128 | (14,872) |
| **EXPENDITURES** | | | |
| Accounting | 20,000 | 20,376 | (376) |
| Contingency | 5,500 | - | 5,500 |
| District Management | 17,000 | 17,289 | (289) |
| Engineering | 17,000 | 8,504 | 8,496 |
| Irrigation - Water (Ef) | 40,000 | - | 40,000 |
| Landscaping | 50,000 | 49,328 | 672 |
| Legal | 16,000 | 8,329 | 7,671 |
| Sales Tax Administration | 4,000 | - | 4,000 |
| Snow Removal | 40,000 | 15,516 | 24,484 |
| Utilities - Improved Surfaces | 500 | 391 | 109 |
| Total Expenditures | 210,000 | 119,733 | 90,267 |
| **NET CHANGE IN FUND BALANCE** | (24,000) | 51,395 | 75,395 |
| Fund Balance - Beginning of Year | 507,779 | 464,572 | (43,207) |
| **FUND BALANCE - END OF YEAR** | $ 483,779 | $ 515,967 | $ 32,188 |

*See accompanying Notes to Basic Financial Statements.*

**ASPEN PARK METROPOLITAN DISTRICT**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**DECEMBER 31, 2025**

| | Enterprise |
|---|---|
| **ASSETS** | |
| Cash and Investments | $ 175,708 |
| Prepaid Insurance | 22,277 |
| Accounts Receivable | 34,117 |
| Capital Assets, Not Being Depreciated: | |
| Water Rights | 501,841 |
| Capital Assets, Net: | |
| Equipment | 110,405 |
| Water and Wastewater Facilities | 2,158,178 |
| Pipelines and Underground Infrastructure | 551,042 |
| Total Assets | 3,553,568 |
| **LIABILITIES** | |
| Accounts Payable | 57,291 |
| Total Liabilities | 57,291 |
| **NET POSITION** | |
| Net Investment in Capital Assets | 3,321,466 |
| Unrestricted | 174,811 |
| Total Net Position | $ 3,496,277 |

*See accompanying Notes to Basic Financial Statements.*

**ASPEN PARK METROPOLITAN DISTRICT**
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION**
**PROPRIETARY FUNDS**
**YEAR ENDED DECEMBER 31, 2025**

| | Enterprise |
|---|---|
| **OPERATING REVENUES** | |
| Operating Revenues | $ 507,589 |
| Total Operating Revenues | 507,589 |
| | |
| **OPERATING EXPENSES** | |
| Cost of Services: | |
| Sewer Facilities | 235,872 |
| Water Facilities | 114,440 |
| Administration and General Expenses: | |
| Billing | 27,796 |
| Engineering | 17,265 |
| Insurance | 20,390 |
| Miscellaneous | 561 |
| Depreciation | 261,653 |
| Total Operating Expenses | 677,977 |
| | |
| **OPERATING LOSS** | (170,388) |
| | |
| **OTHER REVENUES AND EXPENDITURES** | |
| Capital Assets Conveyed from Governmental Fund | 49,461 |
| Total Other Revenues and Expenditures | 49,461 |
| | |
| **CHANGE IN NET POSITION** | (120,927) |
| | |
| Total Net Position - Beginning of Year | 3,617,204 |
| | |
| **TOTAL NET POSITION - END OF YEAR** | $ 3,496,277 |

*See accompanying Notes to Basic Financial Statements.*

**ASPEN PARK METROPOLITAN DISTRICT**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**YEAR ENDED DECEMBER 31, 2025**

| | | Enterprise |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Receipts from Customers | $ | 533,481 |
| Payments to Suppliers | | (402,861) |
| Net Cash Provided by Operating Activities | | 130,620 |
| **INCREASE IN CASH AND INVESTMENTS** | | 130,620 |
| Cash and Investments - Beginning of Year | | 45,088 |
| **CASH AND INVESTMENTS - END OF YEAR** | $ | 175,708 |
| **RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES** | | |
| Operating Loss | $ | (170,388) |
| Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities: | | |
| Depreciation | | 261,653 |
| Increase (Decrease) in: | | |
| Accounts Receivable | | 25,892 |
| Prepaid Expense | | (22,277) |
| Increase in: | | |
| Accounts Payable | | 35,740 |
| Net Cash Provided by Operating Activities | $ | 130,620 |

*See accompanying Notes to Basic Financial Statements.*

## NOTE 1 DEFINITION OF REPORTING ENTITY

Aspen Park Metropolitan District (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized on December 5, 2002, and is governed pursuant to 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 to provide water, storm and sanitary sewer, streets and traffic safety protection, parks and recreation, transportation, mosquito control, and other services.

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

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

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

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### Government-Wide and Fund Financial Statements

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

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.

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Government-Wide and Fund Financial Statements (Continued)

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 as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The District has designated all of its governmental funds as major funds.

### 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 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, sales taxes, and public improvement fees. 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 Special Revenue Fund – Sales Tax accounts for sales tax receipts and eligible expenses.

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

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

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major proprietary fund:

The Enterprise Fund accounts for activities related to water, sewer, storm drainage, and retaining wall services.

### Budgets

In accordance with the State of Colorado Budget Law, the District's Board of Directors (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 and other financing uses level and lapses at year-end. The 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.

The District amended its annual budget for the year ended December 31, 2025.

### Pooled Cash and Investments

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

### Cash Equivalents

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

### Accounts Receivable, Allowance for Doubtful Accounts

Tap fees, water and sewer fees, and other similar fees constitute a perpetual lien on or against the property served until paid. Such liens may be foreclosed upon as provided by the state of Colorado. Therefore, no provision for uncollectible receivables has been made in the financial statements.

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Property Taxes

Property taxes are levied by the 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, sale 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 and infrastructure assets (e.g. equipment, parks and recreation, water and wastewater facilities, and pipelines and underground infrastructure), are reported in the government-wide and business type financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

| | |
|---|---|
| Water and Wastewater Facilities | 30 Years |
| Pipelines and Underground Infrastructure | 50 Years |
| Equipment | 5 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 assets 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.

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Equity

Net Position

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

Fund Balance

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

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

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

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

*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 balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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 | $ 451,015 |
| Cash and Investments - Restricted | 2,247,239 |
| Total Cash and Investments | $ 2,698,254 |

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

| | |
|---|---|
| Deposits with Financial Institutions | $ 1,152,055 |
| Investments | 1,546,199 |
| Total Cash and Investments | $ 2,698,254 |

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

At December 31, 2025, the District’s cash deposits had a bank and a carrying balance of $1,152,055.

## NOTE 3 CASH AND INVESTMENTS (CONTINUED)

### Investments

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

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

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

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

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

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

| Investment | Maturity | Amount |
|---|---|---|
| | Weighted-Average | |
| Federated Hermes Treasury Obligations Fund | 28 Days | $ 1,546,199 |

### Federated Hermes Treasury Obligations Fund

The District invested in the Federated Hermes Treasury Obligations Fund (the Fund). The Fund complies with Rule 2a-7 definition of a government money market fund. It is not subject to liquidity fees or redemption gates. It pursues current income consistent with stability of principal. The Fund invests primarily in short-term U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. The Fund holds AAAm rating by Standard & Poor's.

## NOTE 4 CAPITAL ASSETS

An analysis of the changes in the District's 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 | | | | |
| Parks and Recreation (Open Space/Tract A) | $ 492,090 | $ - | $ - | $ 492,090 |
| Total Capital Assets, Not Being Depreciated | 492,090 | - | - | 492,090 |
| Governmental Activities Capital Assets, Net | $ 492,090 | $ - | $ - | $ 492,090 |
| **Business-Type Activities:** | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Water Rights | $ 501,841 | $ - | $ - | $ 501,841 |
| Total Capital Assets, Not Being Depreciated | 501,841 | - | - | 501,841 |
| Capital Assets, Being Depreciated: | | | | |
| Equipment | 212,299 | - | - | 212,299 |
| Water and Wastewater Facilities | 7,038,341 | 49,461 | - | 7,087,802 |
| Pipelines and Underground Infrastructure | 871,340 | - | - | 871,340 |
| Total Capital Assets, Being Depreciated | 8,121,980 | 49,461 | - | 8,171,441 |
| Less Accumulated Depreciation for: | | | | |
| Building and Equip | (79,323) | (22,571) | - | (101,894) |
| Water and Wastewater Facilities | (4,707,969) | (221,655) | - | (4,929,624) |
| Pipelines and Underground Infrastructure | (302,871) | (17,427) | - | (320,298) |
| Total Accumulated Depreciation | (5,090,163) | (261,653) | - | (5,351,816) |
| Total Capital Assets, Being Depreciated, Net | 3,031,817 | (212,192) | - | 2,819,625 |
| Business-Type Activities Capital Assets, Net | 3,533,658 | (212,192) | - | 3,321,466 |
| Total Capital Assets, Net | $ 4,025,748 | $ (212,192) | $ - | $ 3,813,556 |

Depreciation expense was charged to functions/programs of the District as follows:

| | |
|---|---|
| **Business-Type Activities:** | |
| Equipment | $ 22,571 |
| Water and Wastewater Facilities | 221,655 |
| Pipelines and Underground Infrastructure | 17,427 |
| Total Depreciation Expense | $ 261,653 |

The costs of all capital assets transferred to the County or other entities were removed from the District's financial records.

## NOTE 5 LONG-TERM OBLIGATIONS

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

| | Balance at December 31, 2024 | Additions | Reductions | Balance at December 31, 2025 | Due Within One Year |
|---|---|---|---|---|---|
| Public Improvement Fee/Limited Tax Supported Refunding Loan | | | | | |
| Series 2020A | $ 5,089,196 | $ - | $ 505,585 | $ 4,583,611 | $ 297,395 |
| Series 2020B | 4,631,181 | - | 408,268 | 4,222,913 | 192,794 |
| Total Long-Term Obligations | $ 9,720,377 | $ - | $ 913,853 | $ 8,806,524 | $ 490,189 |

The details of the loans outstanding at December 31, 2025 are as follows:

**$7,445,000 Taxable (Convertible to Tax-Exempt) Public Improvement Fee/Limited Tax Supported Refunding Loan, Series 2020A/$5,975,000 Public Improvement Fee/Limited Tax Supported Refunding Loan, Series 2020B**

On January 20, 2020, the District entered into a loan agreement with BOK Financial Public Finance, Inc to obtain a Taxable (Convertible to Tax-Exempt) Public Improvement Fee/Limited Tax Supported Refunding Loan in an original principal amount of $7,445,000 (the 2020A Loan) and a Public Improvement Fee/Limited Tax Supported Refunding Loan in an original principal amount of $5,975,000 (the 2020B Loan) (together, the 2020 Loans). The 2020A Loan refunded the Series 2012 Bonds and the 2020B Loan refunded the Series 2007 and Series 2010 Bonds. The 2020A Loan bears a taxable interest rate of 3.66% until the Tax-Exempt Reissuance Date of March 3, 2021, and thereafter, a fixed interest rate of 2.89%. The 2020B loan bears a fixed interest rate of 2.96%. Once the required Surplus Fund has reached a balance of $1,305,000, each of the 2020A Loan and 2020B Loan may be prepaid prior to the maturity date, at the option of the District, in whole or in part, up to the annual prepayment allowance of $100,000 annually, during the annual prepayment period between December 1 and December 12. Any portion of the annual prepayment allowance not used in a given year shall be added to next year's prepayment allowance. The 2020 Loans may be prepaid in amounts greater than the annual prepayment allowance during the annual prepayment period, subject to a yield maintenance fee.

The 2020 Loans are secured by Pledged Revenues that include:

a) All Pledged Public Improvement Fees (PIF Revenues) that are derived from a contractually imposed fee with respect to certain retail sales of goods occurring within the District, pursuant to the PIF Covenant and the PIF Collection Agreement;
b) Guaranteed PIF payments from Dillon Companies under the Dillon PIF Guaranty;
c) Revenues derived from the required mill levy for debt service defined as Capital Levy Revenues;
d) Specific ownership taxes;
e) Any other revenues designated as such and pledged to the payment of the 2020 Loans by resolution duly adopted by the Board of Directors; and
f) All income or other gain, if any, from any investment of Pledged Revenues

## NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

### PIF Revenues

The PIF Revenues come from a fee imposed under a private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1% for Dillon Companies or any future owner of Lot 1 of the shopping center and 2% for all other locations. The PIF is payable in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District. The PIF is remitted pursuant to the terms in the Amended and Restated PIF Collection Agreement dated February 10, 2023, which may be amended from time-to-time.

### Capital Levy Revenues

For the purposes of providing for payment on the 2020 Loans and funding and maintaining the Surplus Fund Requirement, the Board of Directors shall annually, commencing with December 2020, fix and set a minimum rate of levy equal to 25 mills (the Capital Levy). Such annual taxes levied to pay principal and interest are in addition to any, and all other, taxes levied to effect the purposes of the District; provided; however, that the total debt service mill levy, including the Capital Levy, for any year shall not exceed 50 mills, adjusted for the changes in the assessed values of property in the District, as contemplated by the ballot questions approving such levies. If said levies or charges made by the District fail to produce an amount sufficient to pay the interest on and the principal of the 2020 Loans, the deficit shall be made up in the next levy and said amounts for each year shall be included in the annual budget and the appropriation resolution or measures to be adopted or passed by the Board of Directors of the District in each year while the 2020 Loans are outstanding and unpaid.

In 2016, the District had amended its service plan to modify the combined maximum mill levy cap allowing a maximum of 50 mills, subject to adjustment, for the repayment of debt and a maximum of 40 mills for the payment of the District's ongoing administration, operation and maintenance costs.

### Specific Ownership Taxes

Specific Ownership Taxes consist of the portion of the tax revenues on certain motor vehicles and other personal property that is imposed by the State of Colorado pursuant to Article 3, Title 42, C.R.S., or any successor statute that is allocable to the District. This tax is collected on property within the County by the Jefferson County Treasurer and the total amount of the taxes collected is apportioned among all political and governmental subdivisions within the County on the basis of the amount of ad valorem property taxes levied by such entities within the County during the preceding calendar year.

## NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

### Dillon Guaranteed PIF Payments

The major tenant in the District and the expected primary source of PIF Revenue has agreed to a conditional guaranteed scheduled payment of PIF Revenue. The Dillon Lease provides in part that if, while the 2020 Loans are outstanding, or bonds issued to refund the 2020 Loans, remain outstanding: (a) the Dillon Lease is terminated, (b) King Soopers closes to the public and Dillon ceases grocery store operations in the leased premises, or (c) Dillon assigns or sublets the premises, or any portion thereof, or assigns the Dillon Lease, then Dillon will be obligated, on a monthly basis, to subsidize and pay the difference, if any, between the PIF Revenues generated from PIF Sales at the premises by any new tenant, assignee or sublessee, and the PIF Revenues projected to be paid by Dillon from its grocery store operations as specified in the Dillon Lease. This guarantee runs from 2006 through 2029 for a total of $9,543,040.

### Debt Service Surplus Fund

The required Debt Service Surplus Fund related to the 2020 Loans is $1,305,000. As of December 31, 2025, the Debt Service Surplus Fund has a balance of $1,515,073.

The District's Series 2020 Loans will mature as follows:

| Year Ending December 31, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 490,189 | $ 276,729 | $ 766,918 |
| 2027 | 507,830 | 263,954 | 771,784 |
| 2028 | 534,349 | 247,867 | 782,216 |
| 2029 | 556,428 | 230,941 | 787,369 |
| 2030 | 582,889 | 213,316 | 796,205 |
| 2031-2034 | 6,134,839 | 661,058 | 6,795,897 |
| Total | $ 8,806,524 | $ 1,893,866 | $ 10,700,390 |

### Unused Lines of Credit

The 2020 Loans do not have any unused lines of credit.

### Collateral

No assets have been pledged as collateral on the 2020 Loans.

### Events of Default

Events of default occur if the District fails to impose the Capital Levy or to transfer or cause the transfer of the Pledge Revenues to the Custodian, and do not comply with other customary terms and conditions consistent with normal municipal financing as described in the loan agreement.

### Termination Events

The 2020 Loans do not have a termination provision.

## NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

**Acceleration**

The 2020 Loans are not subject to acceleration.

**Authorized Debt**

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to $6,790,000,000. In no event is the District authorized to issue debt in excess of the Service Plan Debt Issuance Limit, with the exception that such limit is not applicable to refundings of the debt authorized to be issued under the Service Plan.

The District has voter authorization in excess of the Service Plan Debt Issuance Limit as at the time of the election, the actual costs of construction were not known. Without knowing the costs of construction, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer or streets). Therefore, the Service Plan Debt Issuance Limit was voted in every power relative to debt for public improvements. With that understanding, on November 2, 2021, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $465,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2025, the District had authorized but unissued indebtedness of $465,000,000.

## NOTE 6 NET POSITION

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

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

| | Governmental Activities | Business-Type Activities |
|---|---|---|
| Net Investment in Capital Assets: | | |
| Capital Assets, Net | $ 492,090 | $ 3,321,466 |
| Current Portion of Loans Payable | (18,134) | - |
| Noncurrent Portion of Loans Payable | (307,656) | - |
| Unspent Loan Proceeds | 18,497 | - |
| Net Investment in Capital Assets | $ 184,797 | $ 3,321,466 |

To finance the construction of public improvements (capital assets), the District issued and refunded debts. While the debts remain in the District's governmental fund, all capital assets related to the water and wastewater facilities were transferred to the District's proprietary fund.

## NOTE 6 NET POSITION (CONTINUED)

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 restricted net position as of December 31, 2025 as follows:

| | Governmental Activities |
|---|---|
| Restricted Net Position: | |
| Emergency | $ 8,200 |
| Debt Service | 1,391,485 |
| Sales Tax Eligible Expenses | 515,967 |
| Total Restricted Net Position | $ 1,915,652 |

The District has a deficit in unrestricted net position. The deficit in unrestricted net position of the District's governmental activities results from the long-term debts being paid from revenues of a governmental fund, while the public improvements constructed and/or acquired from proceeds of such long-term debts were either conveyed to other governmental entities (which costs were removed from the books) or transferred to the District's proprietary fund.

## NOTE 7 DISTRICT AGREEMENTS

**Assignment of Water Rights Option and Purchase Agreement**

On July 15, 2013, the District and Aspen Park Investors, Ltd. (API), the original property owner, entered into the Assignment of Water Rights Option and Purchase Agreement (the Assignment). Pursuant to the Assignment, API assigns, transfers and conveys to the District all of API's rights, title and interest in, and delegates all of its duties and obligations under a certain Water Rights Option and Purchase Agreement (the Option Agreement) API entered into in December 2011 with Norman Meyer and Norman Meyer, II (collectively, the Seller). Pursuant to the Assignment, the District accepts all the rights and benefits and assumes all duties and obligations under the Option Agreement. In a resolution dated September 17, 2013, the Board of Directors authorized the purchase of the water rights from the Seller pursuant to the terms and conditions set forth in the Option Agreement. The closing occurred in November 2013.

**Inclusion of Eagle Cliff Parcel**

The Board of Directors approved a petition by API to include certain real property called Eagle Cliff Parcel into the District. The inclusion was recorded in Jefferson County on January 10, 2014, under Reception No. 2014002736.

## NOTE 8 RELATED PARTY

The majority property owners within the District which provides certain management, operations and maintenance services to properties and tenants located within the District are GKT Village at Aspen Park 1, LLC and GKT Village at Aspen Park 2, LLC, both Delaware limited companies ("Owners"). As of December 31, 2025, members of the Board of Directors are officers or employees of the Owners or an entity affiliated with the Owners, and may have conflicts of interest in dealing with the District. All potential conflicts, if any, have been disclosed.

## 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.

## NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that 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. On November 5, 2002 and November 2, 2021, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

## NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

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

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

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

Annual operating property tax revenue is limited to a 5.25% increase (10.5% increase over a two-year period), such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues.

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

# SUPPLEMENTARY INFORMATION

# ASPEN PARK METROPOLITAN DISTRICT
# DEBT SERVICE FUND
# SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
# YEAR ENDED DECEMBER 31, 2025

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| **REVENUES** | | | | |
| Property Taxes | $ 164,840 | $ 166,122 | $ 166,122 | $ - |
| Specific Ownership Taxes | 11,539 | 11,539 | 11,176 | (363) |
| Interest Income | 74,000 | 65,500 | 78,812 | 13,312 |
| PIF Revenue | 1,170,000 | 1,170,000 | 1,140,206 | (29,794) |
| Total Revenues | 1,420,379 | 1,413,161 | 1,396,316 | (16,845) |
| **EXPENDITURES** | | | | |
| Arbitrage Rebate Review | - | - | 600 | (600) |
| County Treasurer's Fee | 2,473 | 2,492 | 2,492 | - |
| Paying Agent Fees | 2,500 | 2,500 | 2,500 | - |
| Loan Interest - Series 2020A | 168,920 | 168,920 | 147,078 | 21,842 |
| Loan Interest - Series 2020B | 146,259 | 146,259 | 137,083 | 9,176 |
| Loan Principal 2020A | 315,000 | 315,000 | 285,585 | 29,415 |
| Loan Principal 2020B | 193,000 | 193,000 | 188,268 | 4,732 |
| Loan Principal Prepayment - Series 2020A | 100,000 | 100,000 | 100,000 | - |
| Loan Principal Prepayment - Series 2020B | 100,000 | 100,000 | 100,000 | - |
| Loan Principal Prepayment (Additional) | 500,000 | 500,000 | 240,000 | 260,000 |
| PIF Compliance and Review | 20,000 | 40,000 | 39,117 | 883 |
| Contingency | 6,848 | 2,829 | - | 2,829 |
| Total Expenditures | 1,555,000 | 1,571,000 | 1,242,723 | 328,277 |
| **NET CHANGE IN FUND BALANCE** | (134,621) | (157,839) | 153,593 | 311,432 |
| Fund Balance - Beginning of Year | 1,732,956 | 1,758,271 | 1,758,271 | - |
| **FUND BALANCE - END OF YEAR** | $ 1,598,335 | $ 1,600,432 | $ 1,911,864 | $ 311,432 |

## ASPEN PARK 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** | | | |
| | $ - | $ - | $ - |
| Total Revenues | - | - | - |
| **EXPENDITURES** | | | |
| Electrical Line | 20,000 | - | 20,000 |
| Consultants - Water Rights | 36,000 | 20,859 | 15,141 |
| Screen Auger Wear Bar & Bolt Assembly | 30,000 | - | 30,000 |
| Wastewater Membrane Replacement | 101,000 | 49,461 | 51,539 |
| Wwtf Composite Autosampler Replacement | 6,000 | - | 6,000 |
| Contingency | 37,000 | - | 37,000 |
| Total Expenditures | 230,000 | 70,320 | 159,680 |
| **EXCESS OF REVENUES OVER (UNDER) EXPENDITURES** | (230,000) | (70,320) | 159,680 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers From Other Funds | 230,000 | 72,580 | (157,420) |
| Total Other Financing Sources (Uses) | 230,000 | 72,580 | (157,420) |
| **NET CHANGE IN FUND BALANCE** | - | 2,260 | 2,260 |
| Fund Balance - Beginning of Year | - | (21,841) | (21,841) |
| **FUND BALANCE - END OF YEAR** | $ - | $ (19,581) | $ (19,581) |

## ASPEN PARK METROPOLITAN DISTRICT
## ENTERPRISE FUND
## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUNDS AVAILABLE – BUDGET AND ACTUAL
## YEAR ENDED DECEMBER 31, 2025

| | Original and Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Utility Flat Fees | $ 325,920 | $ 329,249 | $ 3,329 |
| Water Usage Fees | 50,600 | 62,878 | 12,278 |
| Sewer Usage Fees | 99,000 | 111,980 | 12,980 |
| Late Fees/Penalties | 2,000 | 3,482 | 1,482 |
| Irrigation - Water (Srf) | 40,000 | - | (40,000) |
| Total Revenues | 517,520 | 507,589 | (9,931) |
| **EXPENDITURES** | | | |
| Cost of Services: | | | |
| Sewer Facilities | 191,100 | 235,872 | (48,772) |
| Water Facilities | 267,100 | 114,440 | 152,660 |
| Administration and General Expenses: | | | |
| Billing | 25,200 | 27,796 | (2,596) |
| Miscellaneous | 5,000 | 561 | 4,439 |
| Engineering | 25,000 | 17,265 | 7,735 |
| Insurance | 26,000 | 20,390 | 5,610 |
| Contingency | 5,600 | - | 5,600 |
| Total Expenditures | 545,000 | 416,324 | 128,676 |
| **NET CHANGE IN FUNDS AVAILABLE** | (27,480) | 91,265 | 118,745 |
| Funds Available - Beginning of Year | 93,308 | 83,546 | (9,762) |
| **FUNDS AVAILABLE - END OF YEAR** | $ 65,828 | $ 174,811 | $ (108,983) |

| | |
|---|---|
| **ADJUSTMENTS TO RECONCILE BUDGET BASIS TO GAAP BASIS:** | |
| Net Change in Funds Available | $ 91,265 |
| Capital Assets Conveyed from Governmental Fund | 49,461 |
| Depreciation | (261,653) |
| **CHANGE IN NET POSITION** | (120,927) |
| Total Net Position - Beginning of Year | 3,617,204 |
| **TOTAL NET POSITION - END OF YEAR** | $ 3,496,277 |

# OTHER INFORMATION

# ASPEN PARK METROPOLITAN DISTRICT
# SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
# DECEMBER 31, 2025

| Year Ended December 31, | $7,445,000 Taxable (Convertible to Tax-Exempt) Public Improvement Fee/Limited Tax Supported Refunding Loan - Series 2020A Dated January 17, 2020 Interest rate at 3.66% thru March 2021; at 2.89% thru 2034 Principal Due December 1 Payable June 1 and December 1 | | | $5,975,000 Public Improvement Fee/Limited Tax Supported Refunding Loan - Series 2020B Dated January 17, 2020 Interest Rate at 2.96% Principal Due December 1 Payable June 1 and December 1 | | |
|---|---|---|---|---|---|---|
| | Principal | Interest | Totals | Principal | Interest | Totals |
| 2026 | $ 297,395 | $ 142,493 | $ 423,330 | $ 192,794 | $ 134,236 | $ 311,405 |
| 2027 | 306,273 | 134,587 | 440,860 | 201,557 | 129,367 | 330,924 |
| 2028 | 324,028 | 124,970 | 448,998 | 210,321 | 122,897 | 333,218 |
| 2029 | 337,344 | 114,796 | 452,139 | 219,084 | 116,146 | 335,230 |
| 2030 | 350,660 | 104,203 | 454,863 | 232,229 | 109,113 | 341,342 |
| 2031 | 363,976 | 93,192 | 457,169 | 240,993 | 101,658 | 342,651 |
| 2032 | 381,731 | 81,764 | 463,495 | 249,756 | 93,923 | 343,678 |
| 2033 | 395,047 | 69,777 | 464,824 | 262,901 | 85,905 | 348,806 |
| 2034 | 1,827,157 | 57,373 | 1,884,530 | 2,413,278 | 77,466 | 2,490,745 |
| Total | $ 4,583,611 | $ 923,155 | $ 5,490,208 | $ 4,222,913 | $ 970,711 | $ 5,177,999 |

# ASPEN PARK METROPOLITAN DISTRICT
# SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
# DECEMBER 31, 2025

| Year Ended December 31, | Assessed Valuation | Total Mills Levied General Operations | Debt Service | Total | Total Property Taxes Levied | Collected | Percent Collected to Levied |
|---|---|---|---|---|---|---|---|
| 2021 | $ 5,586,964 | 35.000 | 25.000 | 60.000 | $ 335,211 | $ 335,206 | 100.00 % |
| 2022 | 6,464,303 | 35.000 | 25.000 | 60.000 | 387,851 | 389,350 | 100.39 % |
| 2023 | 6,433,825 | 35.000 | 25.000 | 60.000 | 386,024 | 387,499 | 100.38 % |
| 2024 | 6,283,516 | 40.000 | 26.158 | 66.158 | 415,697 | 417,325 | 100.39 % |
| 2025 | 6,301,715 | 40.000 | 26.158 | 66.158 | 416,901 | 420,137 | 100.78 % |
| Estimated for Year Ending December 31, 2026 | $ 6,047,447 | 40.000 | 26.851 | 66.851 | $ 404,270 | | |

Note:
Property taxes collected in any one year include collection of delinquent property taxes levied in prior years.
Information received from the Treasurer does not permit identification of specific year of levy.