

**THE VILLAGE AT WINTER PARK RESORT  
METROPOLITAN DISTRICT NO. 1  
Grand County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2025**

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
The Village at Winter Park Resort Metropolitan District No. 1  
Grand County, Colorado

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of The Village at Winter Park Resort Metropolitan District No. 1 (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.

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**Fiscal Focus Partners, LLC**

## **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 10, 2026

## **BASIC FINANCIAL STATEMENTS**

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2025**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 695,651
Cash and Investments - Restricted	45,162
Due from District No. 2	1,007
Due from District No. 3	275
Capital Assets:	
Capital Assets Net of Depreciation	1,358,595
Total Assets	2,100,690
<b>LIABILITIES</b>	
Accounts Payable	3,964
Accrued Interest	3,743
Noncurrent Liabilities:	
Due Within One Year	79,000
Due in More Than One Year	1,486,000
Total Liabilities	1,572,707
<b>NET POSITION</b>	
Net Investment in Capital Assets	(206,405)
Restricted for:	
Emergency Reserve	8,100
Debt Service	33,831
Unrestricted	692,457
Total Net Position	\$ 527,983

See accompanying Notes to Basic Financial Statements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**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
<b>FUNCTIONS/PROGRAMS</b>				
Primary Government:				
Governmental Activities:				
General Government	\$ 262,622	\$ -	\$ 242,647	\$ -
Interest on Long-Term Debt and Related Costs	47,848	-	161,317	-
Total Governmental Activities	\$ 310,470	\$ -	\$ 403,964	\$ 93,494
<b>GENERAL REVENUES</b>				
Interest Income				31,214
Total General Revenues and Transfers				31,214
<b>CHANGES IN NET POSITION</b>				124,708
Net Position - Beginning of Year				403,275
<b>NET POSITION - END OF YEAR</b>				\$ 527,983

See accompanying Notes to Basic Financial Statements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2025**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments	\$ 695,651	\$ -	\$ 695,651
Cash and Investments - Restricted	8,100	37,062	45,162
Due from District No. 2	605	402	1,007
Due from District No. 3	165	110	275
	<u>\$ 704,521</u>	<u>\$ 37,574</u>	<u>\$ 742,095</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 3,964	\$ -	\$ 3,964
Total Liabilities	<u>3,964</u>	<u>-</u>	<u>3,964</u>
<b>FUND BALANCES</b>			
Restricted for:			
Emergency Reserves	8,100	-	8,100
Debt Service	-	37,574	37,574
Unassigned	692,457	-	692,457
Total Fund Balances	<u>700,557</u>	<u>37,574</u>	<u>738,131</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 704,521</u>	<u>\$ 37,574</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			1,358,595
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.			
Accrued Interest			(3,743)
Loans Payable - Series 2021			<u>(1,565,000)</u>
Net Position of Governmental Activities			<u>\$ 527,983</u>

See accompanying Notes to Basic Financial Statements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2025**

	General	Debt Service	Total Governmental Funds
<b>REVENUES</b>			
Interest Income	\$ 27,199	\$ 4,015	\$ 31,214
Intergovernmental Revenue - District No. 2	190,242	126,477	316,719
Intergovernmental Revenue - District No. 3	52,405	34,840	87,245
Total Revenues	269,846	165,332	435,178
<b>EXPENDITURES</b>			
Current:			
Accounting	33,617	-	33,617
Auditing	6,800	-	6,800
Dues And Membership	1,223	-	1,223
Election	3,136	-	3,136
Insurance	8,682	-	8,682
Legal	16,269	-	16,269
Website	800	-	800
Debt Service:			
Loan Interest - Series 2021	-	48,109	48,109
Loan Principal - Series 2021	-	74,000	74,000
Loan Principal - Supplemental	-	35,000	35,000
Total Expenditures	70,527	157,109	227,636
<b>NET CHANGE IN FUND BALANCES</b>	199,319	8,223	207,542
Fund Balances - Beginning of Year	501,238	29,351	530,589
<b>FUND BALANCES - END OF YEAR</b>	\$ 700,557	\$ 37,574	\$ 738,131

See accompanying Notes to Basic Financial Statements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
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	\$	207,542
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>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.</p>		
Depreciation Expense		(192,095)
<p>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.</p>		
Loan Principal Payment		109,000
<p>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.</p>		
Accrued Interest Payable - Change in Liability		<u>261</u>
Changes in Net Position of Governmental Activities	\$	<u><u>124,708</u></u>

See accompanying Notes to Basic Financial Statements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
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)
<b>REVENUES</b>			
Interest Income	\$ 23,000	\$ 27,199	\$ 4,199
Intergovernmental Revenue - District No. 2	187,492	190,242	2,750
Intergovernmental Revenue - District No. 3	51,156	52,405	1,249
Total Revenues	<u>261,648</u>	<u>269,846</u>	<u>8,198</u>
<b>EXPENDITURES</b>			
Accounting	36,000	33,617	2,383
Auditing	7,000	6,800	200
Dues And Membership	2,000	1,223	777
Election	5,000	3,136	1,864
Insurance	11,000	8,682	2,318
Legal	20,000	16,269	3,731
Website	3,000	800	2,200
Total Expenditures	<u>84,000</u>	<u>70,527</u>	<u>13,473</u>
<b>NET CHANGE IN FUND BALANCE</b>	177,648	199,319	21,671
Fund Balance - Beginning of Year	<u>511,013</u>	<u>501,238</u>	<u>(9,775)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 688,661</u>	<u>\$ 700,557</u>	<u>\$ 11,896</u>

See accompanying Notes to Basic Financial Statements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

The Village at Winter Park Resort Metropolitan District No. 1 (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court on May 17, 2006, 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 entirely within the Town of Winter Park in Grand County, Colorado. The District (which serves as the Operating District) was organized in conjunction with The Village at Winter Park Resort Metropolitan District No. 2 and The Village at Winter Park Resort Metropolitan District No. 3 (which serve as the Financing Districts). The District is responsible for management of the construction of all facilities and improvements and for operation and maintenance of all improvements not conveyed to the Town. The Financing Districts provide the funding for infrastructure improvements and the tax base needed to support ongoing operations.

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

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 VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**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 activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. 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. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are shown as increases in assets and repayment of long-term obligations are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in 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 intergovernmental revenues. 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 Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**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 and other financing uses 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 Financing Districts' Boards of Directors. The levies are based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levies are normally set by December 15 by certification to the Board of 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, at the taxpayer's election, or in equal installments 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. The District does not directly assess or collect property taxes and, therefore, does not record a receivable and deferred inflow.

**Capital Assets**

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

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

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

**Capital Assets (Continued)**

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

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 estimated economic useful life:

Infrastructure:	
Village Core Retaining Wall	20 Years
Village Core Infrastructure	20 Years
Parking Gates	10 Years

**Deferred Inflow/Outflow of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has no items that qualify for reporting in this category.

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 no items that qualify for reporting in this category.

**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.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

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

**Equity (Continued)**

**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 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. *Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.*

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**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	\$ 695,651
Cash and Investments - Restricted	<u>45,162</u>
Total Cash and Investments	<u><u>\$ 740,813</u></u>

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

Deposits with Financial Institutions	\$ 20,508
Investments	<u>720,305</u>
Total Cash and Investments	<u><u>\$ 740,813</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 reporting of the uninsured deposits and assets maintained in the collateral pools.

On December 31, 2025, the District's cash deposits had a bank balance and a carrying balance of \$20,508.

**Investments**

The District has not adopted a formal investment policy; however, the District follows the 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.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
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:

Investment	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 720,305

**CSAFE**

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

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under Section 24-75-601.1, C.R.S.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**CSAFE (Continued)**

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

**NOTE 4 CAPITAL ASSETS**

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

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Being Depreciated:				
Village Core Infrastructure	\$ 3,104,822	\$ -	\$ -	\$ 3,104,822
Village Core Retaining Wall	737,069	-	-	737,069
Parking Gates	120,873	-	-	120,873
Signage	4,615	-	-	4,615
Total Capital Assets, Being Depreciated	<u>3,967,379</u>	-	-	<u>3,967,379</u>
Less Accumulated Depreciation for:				
Village Core Infrastructure	1,845,887	155,241	-	2,001,128
Village Core Retaining Wall	445,314	36,854	-	482,168
Parking Gates	120,873	-	-	120,873
Signage	4,615	-	-	4,615
Total Accumulated Depreciation	<u>2,416,689</u>	<u>192,095</u>	-	<u>2,608,784</u>
Total Capital Assets, Being Depreciated, Net	<u>1,550,690</u>	<u>(192,095)</u>	-	<u>1,358,595</u>
Capital Assets, Net	<u>\$ 1,550,690</u>	<u>\$ (192,095)</u>	<u>\$ -</u>	<u>\$ 1,358,595</u>

Depreciation expense in the amount of \$192,095 was charged to functions/programs of the District as general government.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**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
Note/Loans/Bonds from Direct Borrowing and Direct Placement Series 2021	\$ 1,674,000	-	\$ 109,000	\$ 1,565,000	\$ 79,000
Total Long-Term Obligations	\$ 1,674,000	-	\$ 109,000	\$ 1,565,000	\$ 79,000

The detail of the District's long-term obligations is as follows:

**\$2,100,000 Tax-Free Loan Refunding Issue, Series 2021**

The District entered into a loan agreement with NBH Bank dated May 21, 2021, in the amount of \$2,100,000 (2021 Loan). Proceeds from 2021 Loan were used to (a) refund the outstanding Series 2012 Loan, and (b) fund the Costs of Issuance Fund.

Principal payments are due on December 1 each year. Interest payments are due June 1 and December 1 in varying amounts through December 1, 2041, with the net effective interest rate of 2.87%. The District may, at its option, prepay the Loan, in whole or part, on December 1, 2026, and on any day thereafter at a prepayment price equal to the principal plus accrued and unpaid interest thereon to the date of prepayment, without penalty or premium. The District may, at its option, prepay the Loan not more than once in any calendar year in a principal amount of up to \$35,000, on an Interest Payment Date.

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 79,000	\$ 44,916	\$ 123,916
2027	81,000	42,648	123,648
2028	86,000	40,324	126,324
2029	88,000	37,855	125,855
2030	93,000	35,330	128,330
2031-2035	525,000	134,373	659,373
2036-2040	613,000	52,492	665,492
Total	\$ 1,565,000	\$ 387,937	\$ 1,952,937

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Events of Default**

The occurrence or existence of any one or more of the following events shall be an Event of Default:

- (a) Failure to pay any payment when payment is due, without proper cure or notice;
- (b) Failure to perform or observe any other covenants, agreement, or conditions of the agreement, without proper cure or notice;
- (c) Filing of a petition under the federal bankruptcy laws or other applicable bankruptcy laws;
- (d) Dissolution, insolvency, or liquidation of the Districts, without proper cure or notice;
- (e) Failure to apply pledged revenue as prescribed in Loan Document;
- (f) Refusal to enforce Capital Pledge Agreements (see below)

**Capital Pledge Agreements 2021**

On May 21, 2021, in connection with the 2021 Loan, the District entered into a Capital Pledge Agreement with District No. 2 and a Capital Pledge Agreement with District No. 3 (collectively, Capital Pledge Agreements), which terminated the original 2012 Capital Pledge Agreements.

The Financing Districts agree that starting in levy year 2021 for collection in 2022 and so long as amounts are due and owing on the Loan, the Financing Districts will each impose the Mandatory Capital Levy upon all taxable property in an amount when combined with the Specific Ownership Tax Revenues from that district as well as Capital Revenue from the other, will produce ad valorem property tax revenue sufficient to pay the principal of and interest on the Loan.

The District shall, no later than November 10th of each year, commencing November 10, 2021, provide written direction (the Mill Levy Directive) to District No.2 and District No. 3, stating the number of mills required to be certified in compliance with and in accordance with the terms of the Capital Pledge Agreements. For 2025 collections, Districts No. 2 and No. 3 have levied 30.000 mills, of which 11.980 mills is dedicated to debt service payments.

**Mill Levy Allocation Agreement**

In connection with the 2021 Loan, a Mill Levy Allocation Agreement was entered into on May 21, 2021, by and between Village at Winter Park Resort Metropolitan District No. 1 (the Issuing District), Village at Winter Park Resort Metropolitan District No. 2 (District No. 2), and Village at Winter Park Resort Metropolitan District No. 3 (District No. 3 and, together with District No. 2, the Financing Districts). The primary purpose of this agreement is for each Financing District to declare and agree that the obligations of each Financing District under its respective Capital Pledge Agreement are fair and equitable in light of the benefits received by the Financing Districts and their current and future residents, occupants, taxpayers and property owners, notwithstanding that the Debt Service Mill Levies of the Financing Districts are not intended nor expected to be equal in terms of number of mills or tax dollars derived from the imposition thereof.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Mill Levy Allocation Agreement (Continued)**

The financing Districts each acknowledge that the benefits received by the Financing Districts and their current and future residents, occupants, taxpayers, and property owners cannot be measured in exact terms and each Financing District's tax burden will not necessarily be equal in any year, or at all.

**Debt Authorization**

On May 2, 2006, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$500,000,000. Pursuant to the Consolidated Service Plan, the Districts are collectively permitted to issue bonds indebtedness of up to \$50,000,000. Subject to 32-1-1101.5, C.R.S. Special District Act, the District may be limited in its ability to issue debt because of the age of the authorization. As of December 31, 2025, the District had outstanding but unused debt authorization of \$445,500,000.

Pursuant to the Consolidated Service Plan, the maximum required mill levy is 50.000 mills as adjusted for changes in the State's assessment ratio. The Mill levy cap does not apply to the District's mill levy for payment of operations and maintenance expenditures.

In the future, the District may issue a portion or all the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

**NOTE 6 RELATED PARTY**

The Developer of the property which constitutes the District is Alterra Mountain Company. The majority of the members of the Board of Directors are employees or otherwise associated with the Developer and may have conflicts of interest in dealing with the District.

**NOTE 7 NET POSITION**

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

Net investment in capital assets consist 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 as follows:

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 7 NET POSITION (CONTINUED)**

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 1,358,595
Current Portion of Outstanding Long-Term Obligations	(79,000)
Noncurrent Portion of Outstanding Long-Term Obligations	(1,486,000)
Net Investment in Capital Assets	\$ (206,405)

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

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 8,100
Debt Service Reserve	33,831
Total Restricted Net Position	\$ 41,931

**NOTE 9 DISTRICT AGREEMENT**

The relationship between the Service District and the Financing Districts was established by execution of a District Facilities Construction and Service Agreement (Master IGA) on November 17, 2006, as amended by that certain First Amendment to District Facilities Construction and Service Agreement dated December 11, 2012. The Master IGA provides for the Financing Districts to levy the taxes necessary to pay the Service District for the costs of the design, acquisition, installation, and construction of certain public improvements identified in the Consolidated Service Plan.

In exchange, the Service District will construct or cause the construction of the public improvements and provide for their operation and maintenance. Under the intergovernmental agreement, the Service District is also responsible for coordinating the funding and construction of public improvements for the project.

The Financing Districts will provide the primary revenue stream for any bonds or other obligations issued to fund the public improvements.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 10 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 11 TAX, SPENDING, AND DEBT LIMITATIONS**

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

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 May 6, 2006, the District voters passed an election question allowing the District to increase property taxes up to \$2,000,000 annually, without limitation of rate, to pay the District's operations, maintenance and other expenses.

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**

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2025**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Interest Income	\$ 800	\$ 4,015	\$ 3,215
Intergovernmental Revenue - District No. 2	124,631	126,477	1,846
Intergovernmental Revenue - District No. 3	34,009	34,840	831
Total Revenues	<u>159,440</u>	<u>165,332</u>	<u>5,892</u>
<b>EXPENDITURES</b>			
Loan Interest - Series 2021	48,044	48,109	(65)
Loan Principal - Series 2021	74,000	74,000	-
Loan Principal - Supplemental	35,000	35,000	-
Contingency	956	-	956
Total Expenditures	<u>158,000</u>	<u>157,109</u>	<u>891</u>
<b>NET CHANGE IN FUND BALANCE</b>	1,440	8,223	6,783
Fund Balance - Beginning of Year	<u>19,869</u>	<u>29,351</u>	<u>9,482</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 21,309</u></u>	<u><u>\$ 37,574</u></u>	<u><u>\$ 16,265</u></u>

## **OTHER INFORMATION**

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2025**

\$2,100,000 Tax-free  
Refunding Loan  
Interest Rate - 2.87%  
Series 2021  
Dated May 21, 2021  
Interest Payable  
June 1 and December 1  
Principal Payable December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 79,000	\$ 44,916	\$ 123,916
2027	81,000	42,648	123,648
2028	86,000	40,324	126,324
2029	88,000	37,855	125,855
2030	93,000	35,330	128,330
2031	96,000	32,661	128,661
2032	102,000	29,905	131,905
2033	104,000	26,978	130,978
2034	110,000	23,993	133,993
2035	113,000	20,836	133,836
2036	119,000	17,593	136,593
2037	123,000	14,178	137,178
2038	129,000	10,648	139,648
2039	133,000	6,945	139,945
2040	109,000	3,128	112,128
Total	<u>\$ 1,565,000</u>	<u>\$ 387,937</u>	<u>\$ 1,952,937</u>

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
FOR DISTRICT NO. 2 AND DISTRICT NO. 3  
DECEMBER 31, 2025**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	District No. 2		Total Property Taxes		Percent Collected to Levied
		Mills Levied		Levied	Collected	
		General	Debt Service			
2020/2021	\$ 6,380,140	16.185	13.815	\$ 191,404	\$ 191,404	100.00 %
2021/2022	7,912,870	14.363	15.637	237,386	237,425	100.02 %
2022/2023	7,690,861	18.020	11.980	230,726	230,764	100.02 %
2023/2024	10,549,620	18.020	11.980	316,489	317,263	100.24 %
2024/2025	10,547,140	18.020	11.980	316,414	315,721	99.78 %
Estimated for Year Ending December 31, 2026	\$ 10,408,030	18.020	11.980	\$ 312,241		

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	District No. 3		Total Property Taxes		Percent Collected to Levied
		Mills Levied		Levied	Collected	
		General	Debt Service			
2020/2021	\$ 1,751,440	16.185	13.815	\$ 52,543	\$ 52,543	100.00 %
2021/2022	2,100,900	14.363	15.637	63,027	63,826	101.27 %
2022/2023	2,095,410	18.020	11.980	62,862	63,649	101.25 %
2023/2024	2,876,920	18.020	11.980	86,308	87,080	100.89 %
2024/2025	2,879,010	18.020	11.980	86,371	87,273	101.04 %
Estimated for Year Ending December 31, 2026	\$ 3,094,660	17.644	11.980	\$ 91,676		

**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.

Source: Grand County Assessor and Treasurer.