

BLUE DIAMOND ACCOUNTING & CONSULTING INC.
CERTIFIED PUBLIC ACCOUNTANTS
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Accountant's Compilation Report

Board of Directors
East Valley Metropolitan District

We have compiled the accompanying Treasurer's Report of East Valley Metropolitan District and the related Statement of Net Assets, Statement of Revenues and Expenditures and Cash Flow Analysis Unaudited for the twelve months ending December 31, 2025. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with the Statements for Accounting and Review Services issued by the American Institute for Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to East Valley Metropolitan District.

Blue Diamond Accounting & Consulting Inc
January 28, 2026

**EAST VALLEY METROPOLITAN DISTRICT
UNAUDITED TREASURER'S REPORT - 2025
SEE ACCOMPANYING ACCOUNTANT'S REPORT**

<u>REVENUES</u>	<u>JAN</u>	<u>FEB</u>	<u>MARCH</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG</u>	<u>SEPT</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
INTEREST INCOME	\$ 4,014	\$ 3,567	\$ 4,000	\$ 3,945	\$ 4,057	\$ 3,962	\$ 4,067	\$ 4,078	\$ 3,808	\$ 3,549	\$ 2,740	\$ 2,702	\$ 44,489
MISCELLANEOUS & LATE FEES	121	174	96	92	(603)	876	(623)	966	440	356	233	182	2,309
EIAF GRANT	-	-	-	-	-	-	-	-	-	-	-	116,587	116,587
OWNERSHIP TAX	413	448	484	484	417	415	446	468	477	443	-	933	5,428
PROPERTY TAX	1,951	31,788	8,218	18,778	6,604	31,322	1,154	3	-	-	-	-	99,818
SEWER FEES	1,709	1,644	1,745	1,673	1,676	1,672	1,673	1,673	1,673	1,673	1,683	1,565	20,059
TRASH SERVICE	1,805	1,872	1,863	1,869	1,869	1,864	1,869	1,879	1,872	1,870	1,869	1,884	22,384
WATER FLAT FEE	16,743	16,743	16,743	16,743	16,763	16,735	16,743	16,743	16,743	16,743	16,774	16,743	200,958
WATER USAGE FEES	<u>727</u>	<u>582</u>	<u>701</u>	<u>954</u>	<u>2,914</u>	<u>7,346</u>	<u>11,411</u>	<u>9,714</u>	<u>7,263</u>	<u>3,933</u>	<u>1,357</u>	<u>611</u>	<u>47,515</u>
TOTAL REVENUES	\$ 27,482	\$ 56,817	\$ 33,850	\$ 44,539	\$ 33,698	\$ 64,193	\$ 36,740	\$ 35,524	\$ 32,277	\$ 28,566	\$ 24,655	\$ 141,206	\$ 559,546
<u>EXPENDITURES</u>													
AUDIT	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
BILLING & WEBSITE	875	900	900	920	900	900	900	990	1,288	900	920	920	11,313
COUNTY TREASURER FEES	29	477	123	282	99	470	18	0	-	-	-	-	1,498
DIRECTOR FEES & PAYROLL TAXES	451	558	558	-	323	558	558	558	120	646	418	538	5,287
DUES & SEMINARS	793	-	-	-	-	-	-	-	-	-	-	-	793
GENERAL MANAGEMENT	3,825	3,240	-	4,320	4,410	4,275	2,970	3,825	4,365	3,690	4,005	3,420	42,345
INSURANCE	9,113	-	-	-	-	-	-	-	-	-	-	-	9,113
LEGAL FEES	2,048	5,200	4,420	5,182	2,396	7,158	4,113	5,942	2,257	3,514	2,027	958	45,214
MISCELLANEOUS ADMINISTRATIVE	166	200	-	88	825	361	205	195	320	360	651	613	3,984
OFFICE EXPENSE	207	416	-	205	204	404	975	205	205	204	204	205	3,436
CHEMICALS/MAINT SUPPLIES	315	325	-	-	315	315	315	315	315	325	325	325	3,190
ELECTRICITY	4,782	4,066	9,630	4,250	468	6,252	9,538	6,872	6,810	5,271	4,198	4,234	66,370
ENGINEERING FEES	-	-	-	-	-	-	-	-	1,100	-	3,302	5,600	10,002
EQUIPMENT PURCHASES	800	800	800	800	475	-	2,400	-	1,600	523	1,600	800	10,598
MAINTENANCE - CONTRACT	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	33,000
MAINTENANCE & REPAIR	6,967	1,346	750	725	2,554	2,709	3,446	3,549	954	2,755	1,159	30	26,945
METER READING	-	-	-	-	-	-	-	-	-	-	-	-	-
TELEPHONE SYSTEMS	165	165	165	331	165	165	165	165	166	166	166	166	2,152
WATER TEST/REGULATORY FEES	75	75	75	75	75	550	185	75	75	75	75	75	1,485
SEWER CONTRACT	1,724	1,688	3,463	1,674	(58)	1,674	1,674	1,674	1,674	3,398	1,674	1,566	21,823
TRASH CONTRACT	1,796	1,786	3,585	1,776	(4)	1,793	1,803	1,796	1,794	1,793	1,853	1,792	21,563
CAPITAL IMPROVEMENTS	-	-	-	-	6,550	840	-	8,409	234,918	-	15,273	16,095	282,084
DEBT SERVICE	<u>291</u>	<u>291</u>	<u>291</u>	<u>291</u>	<u>291</u>	<u>291</u>	<u>291</u>	<u>291</u>	<u>-</u>	<u>581</u>	<u>291</u>	<u>40,662</u>	<u>43,860</u>
TOTAL EXPENDITURES	\$ 37,172	\$ 24,784	\$ 27,510	\$ 23,668	\$ 22,738	\$ 31,466	\$ 32,306	\$ 37,610	\$ 260,710	\$ 26,951	\$ 40,891	\$ 80,750	\$ 646,555
Ending Cash Balance	<u>\$ 1,036,642</u>	<u>\$ 1,068,888</u>	<u>\$ 1,077,542</u>	<u>\$ 1,122,607</u>	<u>\$ 1,117,851</u>	<u>\$ 1,151,023</u>	<u>\$ 1,132,515</u>	<u>\$ 1,085,844</u>	<u>\$ 1,117,397</u>	<u>\$ 889,358</u>	<u>\$ 855,363</u>	<u>\$ 965,869</u>	
Change in Cash Balance	<u>\$ (18,920)</u>	<u>\$ 32,246</u>	<u>\$ 8,654</u>	<u>\$ 45,066</u>	<u>\$ (4,757)</u>	<u>\$ 33,172</u>	<u>\$ (18,507)</u>	<u>\$ (46,671)</u>	<u>\$ 31,553</u>	<u>\$ (228,040)</u>	<u>\$ (33,995)</u>	<u>\$ 110,507</u>	<u>\$ (89,693)</u>

**EAST VALLEY METROPOLITAN DISTRICT
UNAUDITED TREASURER'S REPORT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025**

	<u>ACTUAL</u>		<u>BUDGET</u>		
	<u>CURRENT</u>		<u>2025</u>		<u>2025</u>
<u>REVENUES</u>	<u>MONTH</u>	<u>YTD</u>	<u>YTD</u>	<u>VARIANCE</u>	<u>ANNUAL</u>
INTEREST INCOME	\$ 2,701.68	\$ 44,488.97	\$ -	\$ 44,489	
MISC INCOME & LATE FEES	181.63	2,308.59	1,590	719	1,590
EIAF GRANT	116,586.85	116,586.85	200,000	(83,413)	200,000
OWNERSHIP TAX	933.13	5,428.41	5,300	128	5,300
PROPERTY TAX	-	99,818.07	99,875	(57)	99,875
SEWER FEES	1,564.83	20,058.59	19,120	939	19,120
TRASH SERVICE	1,884.04	22,384.28	22,815	(431)	22,815
WATER SALES	-				
- MONTHLY FLAT FEE	16,742.88	200,957.59	200,910	48	200,910
- WATER USAGE	610.82	47,514.68	48,114	(599)	48,114
TOTAL REVENUES	\$ 141,205.86	\$ 559,546.03	\$ 597,724	\$ (38,178)	\$ 597,724
<u>EXPENDITURES</u>					
AUDIT	\$ -	\$ 500.00	\$ 1,000	\$ (500)	\$ 1,200
BILLING & WEBSITE MAINTENANCE	920.00	11,312.99	11,970	(657)	11,970
COUNTY TREASURER FEES	-	1,498.32	1,498	0	1,498
DIRECTOR FEES & PAYROLL TAXES	538.25	5,287.20	6,997	(1,710)	6,997
DUES & SEMINARS	-	792.87	3,200	(2,407)	3,200
GENERAL MANAGEMENT	3,420.00	42,345.00	44,100	(1,755)	44,100
INSURANCE	-	9,113.00	9,420	(307)	9,420
LEGAL FEES	958.30	45,214.14	38,000	7,214	38,000
MISCELLANEOUS ADMINISTRATIVE	613.28	3,984.42	5,340	(1,356)	5,340
OFFICE EXPENSE	205.11	3,435.84	3,420	16	3,420
CHEMICALS/MAINT SUPPLIES	325.00	3,190.00	4,700	(1,510)	4,700
ELECTRICITY	4,233.94	66,370.07	90,200	(23,830)	90,200
ENGINEERING FEES	5,600.00	10,002.00	10,000	2	10,000
EQUIPMENT PURCHASES	800.00	10,598.04	59,600	(49,002)	59,600
MAINTENANCE - CONTRACT	2,750.00	33,000.00	33,600	(600)	33,600
MAINTENANCE & REPAIR	30.00	26,944.51	55,100	(28,155)	55,100
METER SHUT OFF/TURN ON	-	-	500	(500)	500
TELEPHONE SYSTEMS	166.12	2,151.82	2,400	(248)	2,400
WATER TESTING/REGULATORY FEES	75.00	1,485.00	4,850	(3,365)	4,850
SEWER CONTRACT	1,565.51	21,823.18	19,120	2,704	19,120
TRASH CONTRACT	1,792.49	21,562.97	22,815	(1,252)	22,815
CAPITAL IMPROVEMENTS	16,095.00	282,083.80	492,000	(209,916)	492,000
CONTINGENCY	-	-	50,000	(50,000)	50,000
DEBT SERVICE	40,662.35	43,859.83	43,593	267	43,593
TOTAL EXPENDITURES	\$ 80,750.35	\$ 646,555.00	1,013,423	(366,868)	\$ 1,013,623

See accompanying Accountant's Report.

East Valley Metropolitan District
Statement of Net Assets
 As of December 31, 2025

	Dec 31, 25
ASSETS	
Current Assets	
Checking/Savings	
Checking - Wells Fargo 3585	171,660.07
ColoTrust	
ColoTrust Edge	
z Market Value Adj CT Edge	148.27
ColoTrust Edge - Other	763,904.39
Total ColoTrust Edge	764,052.66
ColoTrust Plus	18,243.89
ColoTrust Prime	11,412.69
Total ColoTrust	793,709.24
Savings - Wells Fargo	500.08
Total Checking/Savings	965,869.39
Other Current Assets	
Accounts Receivable	26,380.75
Deferred Property Tax Rec	55.93
Prepaid Expenses	450.00
Prepaid Insurance	9,323.00
Total Other Current Assets	36,209.68
Total Current Assets	1,002,079.07
Fixed Assets	
Buildings & Improvements	99,887.00
Construction in Progress	
2025 Dawson Well	19,195.00
23-009 EVMD 2023 CIP	252,546.80
Total Construction in Progress	271,741.80
Equipment	
Generator	73,349.50
Equipment - Other	-3,000.00
Total Equipment	70,349.50
Land	14,818.00
Machinery & Equipment	151,006.00
Water System	985,453.89
z Accumulated Depreciation	-899,459.00
Total Fixed Assets	693,797.19
TOTAL ASSETS	1,695,876.26
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
*Accounts Payable	39,170.56
Total Accounts Payable	39,170.56
Other Current Liabilities	
Bond Interest Payable	467.83
Bonds Payable - Current	399.99
Deferred Property Tax Rev	55.93
Direct Deposit Liabilities	-369.40
Payroll Liabilities	603.10
Total Other Current Liabilities	1,157.45
Total Current Liabilities	40,328.01

East Valley Metropolitan District
Statement of Net Assets
As of December 31, 2025

	<u>Dec 31, 25</u>
Long Term Liabilities	
Bonds Payable	66,956.54
Total Long Term Liabilities	<u>66,956.54</u>
Total Liabilities	107,284.55
Equity	
Invested in Capital Assets Net	177,424.00
Retained Earnings	1,194,401.21
Labor Reserve	7,500.00
Net Income	209,266.50
Total Equity	<u>1,588,591.71</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,695,876.26</u></u>

East Valley Metropolitan District
Statement of Revenues & Expenditures
 January through December 2025

	Jan - Dec 25
Income	
Interest Income	
Arapahoe County Interest	69.88
ColoTrust Interest Income	44,415.95
Interest Income - Other	3.14
Total Interest Income	44,488.97
Late Fees	1,702.93
Market Value Adjustment Investm	5.66
Miscellaneous Fees	
Mid Cycle Read Fee	100.00
Shut Off	100.00
Shut Off Notice	300.00
Water Turn On	100.00
Total Miscellaneous Fees	600.00
Other Income	
EIAF Grant	116,586.85
Total Other Income	116,586.85
Ownership Tax	
Bond Indebt	2,369.56
General Fund	3,058.85
Total Ownership Tax	5,428.41
Property Tax	
Bond Indebt	43,571.77
General Fund	56,246.30
Total Property Tax	99,818.07
Sewer Fees	20,058.59
Trash Fees	22,384.28
Water Fees	
Water Flat Fee	200,957.59
Water Usage Fees	
Tier 1	11,460.55
Tier 2	21,616.48
Tier 3	6,640.50
Tier 4	2,436.75
Tier 5	1,520.40
Tier 6	3,840.00
Total Water Usage Fees	47,514.68
Total Water Fees	248,472.27
Total Income	559,546.03
Gross Profit	559,546.03
Expense	
Administrative Expenses	
Audit Fees	500.00
Bank Charges	1,084.54
Billing & Website Maintenance	11,312.99
County Treasurer Fees	1,498.32
Depreciation Expense	26,180.00
Director Fees	4,800.00
Dues & Seminars	792.87
Insurance Expense	9,113.00
Legal Fees	45,214.14
Management & Accounting	42,345.00
Meeting Expense	1,987.18
Miscellaneous Expense	87.70

East Valley Metropolitan District
Statement of Revenues & Expenditures
 January through December 2025

	Jan - Dec 25
Office Expense	
Office Supplies	768.12
Postage	57.72
Storage	2,400.00
Web Page Expenses	210.00
	3,435.84
Total Office Expense	3,435.84
Payroll Expenses	487.20
	148,838.78
Total Administrative Expenses	148,838.78
Interest Expense - GO Bond	3,488.16
Operations	
Chemicals/Maintenance Supplies	
Bleach	3,190.00
	3,190.00
Total Chemicals/Maintenance Supplies	3,190.00
Contract Maintenance	
Monthly Operations	33,000.00
	33,000.00
Total Contract Maintenance	33,000.00
Electricity Expense	
Carson Well	57,348.11
Jordan Well	9,021.96
	66,370.07
Total Electricity Expense	66,370.07
Engineering Expense	10,002.00
Equipment Expense	
Carson Well Equipment	9,600.00
Meter Replacement	998.04
	10,598.04
Total Equipment Expense	10,598.04
Maintenance & Repair - Other	
General Maintenance	8,661.54
Generator Maint/Repair	3,291.73
Jordan Well Maint/Repair	1,191.84
Maintenance Supplies	80.00
Meter Replacement M&R	1,312.64
Orion Cellular LTE	974.40
UNCC Locates	1,934.76
Maintenance & Repair - Other - Other	9,497.60
	26,944.51
Total Maintenance & Repair - Other	26,944.51
Professional Services	825.00
Telephone Expense	2,151.82
Water Testing Expense	
Annual Drinking Water Fee	85.00
Monthly Bacteriological Sample	1,025.00
Water Testing Expense - Other	375.00
	1,485.00
Total Water Testing Expense	1,485.00
	154,566.44
Total Operations	154,566.44
Sewer Contract	21,823.18
Trash Service Contract	21,562.97
	350,279.53
Total Expense	350,279.53
Net Income	209,266.50

East Valley Metropolitan District
Statement of Cash Flows
 January through December 2025

	Jan - Dec 25
OPERATING ACTIVITIES	
Net Income	209,266.50
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-7,503.34
Cash with County Treasurer	578.61
Deferred Property Tax Rec	99,818.07
Prepaid Expenses	-450.00
Prepaid Insurance	-210.00
*Accounts Payable	5,064.54
Bond Interest Payable	267.59
Bonds Payable - Current	-40,371.67
Deferred Property Tax Rev	-99,818.07
Direct Deposit Liabilities	-369.40
Payroll Liabilities	-61.20
	166,211.63
INVESTING ACTIVITIES	
Construction in Progress:2025 Dawson Well	-19,195.00
Construction in Progress:23-009 EVMD 2023 CIP	-252,546.80
Machinery & Equipment	-10,342.00
z Accumulated Depreciation	26,180.00
	-255,903.80
Net cash provided by Investing Activities	-255,903.80
Net cash increase for period	-89,692.17
Cash at beginning of period	1,055,561.56
Cash at end of period	965,869.39