

Cherry Creek Waterworks District
Consolidated Financial Statements
December 31, 2025

Cherry Creek Waterworks District Contents

For the year ended December 31, 2025

	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	10
Schedule 2 - Consolidated Schedule of Reserve Funds.....	13
Schedule 3 - Consolidated Schedule of Segment Disclosure.....	14

Management's Responsibility

To the Board of Trustees of Cherry Creek Waterworks District:


Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board of Trustees is composed primarily of Trustees who are neither management nor employees of the District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the District's external auditors.

MNP LLP is appointed by the Board of Trustees to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

April 23, 2026



Administrator

To the Board of Trustees of Cherry Creek Waterworks District:

Opinion

We have audited the consolidated financial statements of Cherry Creek Waterworks District (the "District"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2025, and the results of its consolidated operations, change in its consolidated net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the District's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nanaimo, British Columbia

April 23, 2026

MNP LLP

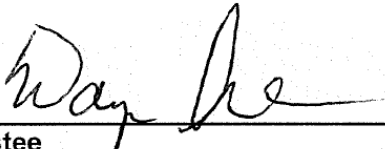
Chartered Professional Accountants

Cherry Creek Waterworks District Consolidated Statement of Financial Position

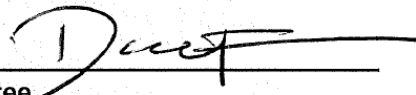
As at December 31, 2025

	2025	2024
Financial assets		
Cash	2,362,955	2,638,562
Accounts receivable (Note 3)	128,048	91,023
Goods and Service Tax receivable	45,205	50,359
Short-term investments	1,686,358	1,618,014
Total financial assets	4,222,566	4,397,958
Liabilities		
Accounts payable and accruals (Note 4)	149,695	73,574
Deferred revenue	18,188	11,769
Asset retirement obligations (Note 5)	96,262	96,262
Long-term debt	-	10,000
Total financial liabilities	264,145	191,605
Net financial assets	3,958,421	4,206,353
Non-financial assets		
Tangible capital assets (Schedule 1)	5,375,452	3,841,989
Inventory	16,273	17,542
Prepaid expenses	38,317	23,403
Total non-financial assets	5,430,042	3,882,934
Accumulated surplus (Note 6)	9,388,463	8,089,287

Approved on behalf of the Board of Trustees



 Trustee



 Trustee

Cherry Creek Waterworks District

Consolidated Statement of Operations and Accumulated Operating Surplus

For the year ended December 31, 2025

	2025 <i>Budget (Note 7)</i>	2025	2024
Revenue			
Government transfers	-	620,000	30,000
Parcel tax	612,000	618,793	367,416
Water tolls	514,800	569,949	525,863
Provincial tax levy - fire protection	411,312	411,312	384,421
Interest income	15,000	109,195	187,508
Fire protection	-	43,128	6,601
Other income	7,000	24,360	19,408
Capital levy - user charge	1,100	3,300	2,200
	1,561,212	2,400,037	1,523,417
Expenses			
Administration Expenses	314,350	280,972	260,894
Water Service Expenses	228,000	312,861	326,005
Fire Protection Expenses	317,100	507,028	383,769
	859,450	1,100,861	970,668
Annual surplus	701,762	1,299,176	552,749
Accumulated surplus, beginning of year	8,089,287	8,089,287	7,536,538
Accumulated surplus, end of year	8,791,049	9,388,463	8,089,287

The accompanying notes are an integral part of these consolidated financial statements

Cherry Creek Waterworks District Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2025

	2025 <i>Budget (Note 7)</i>	2025	2024
Annual surplus	701,762	1,299,176	552,749
Acquisition of tangible capital assets	(160,000)	(1,793,594)	(948,368)
Amortization of tangible capital assets	-	260,131	223,524
Change in inventory	-	1,269	(4,588)
Change in prepaid expenses and deposits	-	(14,914)	(2,448)
Change in net financial assets	541,762	(247,932)	(179,131)
Net financial assets, beginning of year	4,206,353	4,206,353	4,385,484
Net financial assets, end of year	4,748,115	3,958,421	4,206,353

The accompanying notes are an integral part of these consolidated financial statements

Cherry Creek Waterworks District Consolidated Statement of Cash Flows

For the year ended December 31, 2025

	2025	2024
Operating activities		
Annual surplus	1,299,176	552,749
Non-cash items		
Amortization	260,131	223,524
	1,559,307	776,273
Changes in working capital accounts		
Accounts receivable	(37,025)	9,280
Goods and Services Tax receivable	5,155	(39,148)
Inventory	(14,914)	(4,588)
Prepaid expenses and deposits	1,269	(2,448)
Accounts payable and accruals	76,120	(76)
Deferred revenue	6,419	(323)
	1,596,331	738,970
Financing activities		
Long-term debt repayments	(10,000)	(10,000)
Capital activities		
Purchases of tangible capital assets	(1,793,594)	(948,368)
Investing activities		
Change in investments	(68,344)	(78,240)
Decrease in cash resources	(275,607)	(297,638)
Cash resources, beginning of year	2,638,562	2,936,200
Cash resources, end of year	2,362,955	2,638,562

The accompanying notes are an integral part of these consolidated financial statements

Cherry Creek Waterworks District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

1. Incorporation and operations

Cherry Creek Waterworks District (the "District") was incorporated on June 4, 1957 and is subject to the provisions contained in the Local Government Act, a statute of the British Columbia provincial government. The principal activities of the District are to provide water service and fire protection to the residents of the Cherry Creek Waterworks District and to maintain and repair all water lines and fire protection equipment associated with those services. Under Section 149(1)(c) of the Income Tax Act, the District is exempt from taxation.

2. Significant accounting policies

Short-term investments

Short-term investments consist of Guaranteed Investment Certificates ("GIC") which are valued at cost plus accrued interest with a maturity date of less than one year. Interest rates on short-term investments range from 0.25% to 3.0%.

Financial instruments

The District recognizes its financial instruments when the District becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the District may irrevocably elect to subsequently measure any financial instrument at fair value. The District has not made such an election during the year.

The District subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

The District has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses).

Revenue recognition

Property taxes are recognized upon issuance of tax notices for the fiscal year. Sale of services revenue for water services are recognized as the performance obligation to the customer is satisfied, and billed on a quarterly basis. Fire service revenue consists of funds received from the Province and is recognized upon receipt. Interest and other income is recognized as revenue as earned on an accrual basis. Government transfers are recognized as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the District recognizes revenue as the liability is settled. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Cherry Creek Waterworks District
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

2. **Significant accounting policies** (Continued from previous page)

Tangible capital assets (Continued from previous page)

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Water distribution system	4%
Equipment	20-55%
Fire truck and equipment	13-30%
Fire hall furniture and equipment	20%
Fire hall buildings	4-5%
Lacy Lake dam	4%
Building improvements	6-8%

Amortization is not taken unless an asset is in use.

Basis of presentation

It is the policy of the District to follow accounting principles accepted for British Columbia improvement districts and to apply such principles consistently. The consolidated financial statements have been prepared in accordance with the recommendations of the Public Sector Accounting Board of the CPA Canada. In accordance with these recommendations, the District has implemented the consolidation of all funds. The consolidated financial statements reflect the removal of internal transactions and balances.

Measurement uncertainty (use of estimates)

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the District is responsible for. Contributed tangible capital assets are estimated based on best available fair value information on date of contribution.

A liability for an asset retirement obligation reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future asset retirement.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the years in which they become known.

Inventory

Inventory of supplies are recorded at the lower of historical cost and replacement cost. Cost is determined using the specific identification method.

Cherry Creek Waterworks District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

2. Significant accounting policies *(Continued from previous page)*

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the District to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2025. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the District reviews the carrying amount of the liability. The District recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the District is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2025.

At each financial reporting date, the District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. At December 31, 2025, the District has not recorded any liability for contaminated sites as no sites were identified.

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the District, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Trustees.

Four funds are maintained: Operating Fund, Capital Fund and two Reserve Funds.

The Operating Fund is used to account for all revenues and expenses related to general and ancillary operations of the District.

The Capital Fund is used to account for all tangible capital assets of the District and to present the flow of funds related to their acquisition and disposal, unexpended capital resources and debt commitments.

The Restricted Reserve Fund consists of funds established by the Trustees of the District, by bylaw, to be used for expenditures related to the upgrading, replacement or renewal of the existing Waterworks tangible capital assets. These funds and interest earned thereon can only be disbursed upon approval of the Ministry of Community, Sport and Cultural Development.

The Unrestricted Reserve Fund consists of funds established by Board of Trustee motion, to be used as directed by the Board of Trustees for expenditures related to the upgrading, replacement or renewal of waterworks tangible capital assets. The Unrestricted Reserve Fund has three sub-funds: 4-3-2-1 Reserve, Fire Department Capital Reserve and Renewal Reserve.

Cherry Creek Waterworks District
Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

3. Accounts receivable

	2025	2024
Water tolls receivable	59,725	60,521
Taxes receivable	85,737	49,891
Other accounts receivable	1,975	-
	147,437	110,412
Less: Allowance for doubtful accounts	19,389	19,389
	128,048	91,023

4. Accounts payable and accruals

	2025	2024
Trade accounts payable	126,961	51,671
Salaries, wages, and benefits payable	22,734	21,905
	149,695	73,576

5. Asset retirement obligation

The District has a fire hall containing asbestos and is legally required to remove the asbestos when it becomes necessary to repair or replace the building. The District recognized a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of fire hall building. The asset retirement cost is amortized on a declining balance basis over the remaining useful life of the building.

The District calculated the amount of the liability using undiscounted future expenditures estimated to retire the tangible capital asset. The significant assumptions used to determine the best estimate of the liability include:

- the square feet of drywall and flooring that contains asbestos and the cost of removing the asbestos.

6. Accumulated surplus

Accumulated surplus consists of the following:

	2025	2024
Operating fund	777,332	1,430,318
Capital fund		
Waterworks	2,687,830	2,611,247
Fire protection	2,591,360	1,124,480
	5,279,190	3,735,727
Reserve funds		
4-3-2-1 reserve	1,849,059	1,483,019
Fire department capital reserve	1,025,423	1,018,310
Renewal reserve	358,452	330,588
Capital levy reserve	99,007	91,325
	3,331,941	2,923,242
	9,388,463	8,089,287

Cherry Creek Waterworks District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

7. Budget figures

Budget figures represent the budget adopted by the Board on February 19, 2025. The following schedule reconciles the consolidated surplus as presented in the budget as approved by the Board to the consolidated surplus for the year as shown on the Consolidated Statement of Operations and Accumulated Surplus.

Budgeted surplus as approved by the Trustees	397,550
Transfers to reserves	144,212
Capital purchases	160,000
	<hr/>
	701,762
	<hr/>

8. Financial Instruments

The District as part of its operations carries a number of financial instruments. It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

Risk management

The District manages its credit risk by providing allowances for potentially uncollectible accounts receivable.

9. 4-3-2-1 Drinking Water Treatment for Surface Water Policy

In November 2007, Vancouver Island Health Authority adopted the 4-3-2-1 Drinking Water Treatment for Surface Water Policy. This policy sets minimum treatment specifications for drinking water systems that use surface water. In accordance with this policy Vancouver Island Health Authority has added conditions to the operating permit for the District.

The District is updating the 1995 Alberni Valley Regional Water Study and the results may affect planned upgrades to the water system. Any alterations may necessitate a review and revisions of the operating permit terms and conditions.

This is an ongoing project with Vancouver Island Health Authority and the District has yet to determine the completion date.

Cherry Creek Waterworks District
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended December 31, 2025

	<i>Land</i>	<i>Water distribution system</i>	<i>Watersheds and parks</i>	<i>Lacy Lake dam</i>	<i>Building improvements</i>	<i>Equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	133,771	3,875,725	131,599	87,140	18,805	248,141	4,495,181
Acquisition of tangible capital assets	-	4,039	-	-	-	-	4,039
Balance, end of year	133,771	3,879,764	131,599	87,140	18,805	248,141	4,499,220
Accumulated amortization							
Balance, beginning of year	-	2,012,795	-	85,608	10,658	211,150	2,320,211
Annual amortization	-	73,206	-	62	628	6,756	80,652
Balance, end of year	-	2,086,001	-	85,670	11,286	217,906	2,400,863
Net book value of tangible capital assets	133,771	1,793,763	131,599	1,470	7,519	30,235	2,098,357
2024 Net book value of tangible capital assets	133,771	1,862,930	131,599	1,532	8,147	36,991	2,174,970

Cherry Creek Waterworks District
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended December 31, 2025

	<i>Subtotal</i>	<i>Work in progress</i>	<i>Fire truck and equipment</i>	<i>Fire hall furniture and equipment</i>	<i>Fire hall building</i>	<i>New fire hall WIP</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	4,495,181	446,276	2,277,269	356,366	320,796	151,388	8,047,276
Acquisition of tangible capital assets	4,039	143,196	6,294	36,118	-	1,579,673	1,769,320
Balance, end of year	4,499,220	589,472	2,283,563	392,484	320,796	1,731,061	9,816,596
Accumulated amortization							
Balance, beginning of year	2,320,211	-	1,536,028	168,351	180,697	-	4,205,287
Annual amortization	80,652	-	135,134	37,778	6,567	-	260,131
Balance, end of year	2,400,863	-	1,671,162	206,129	187,264	-	4,465,418
Net book value of tangible capital assets	2,098,357	589,472	612,401	186,355	133,532	1,731,061	5,351,178
2024 Net book value of tangible capital assets	2,174,970	446,276	741,241	188,015	140,099	151,388	3,841,989

Cherry Creek Waterworks District
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended December 31, 2025

	<i>Subtotal</i>	<i>Fire hall IT WIP</i>	<i>2025</i>	<i>2024</i>
Cost				
Balance, beginning of year	8,047,276	-	8,047,276	7,098,908
Acquisition of tangible capital assets	1,769,320	24,274	1,793,594	948,368
Balance, end of year	9,816,596	24,274	9,840,870	8,047,276
Accumulated amortization				
Balance, beginning of year	4,205,287	-	4,205,287	3,981,763
Annual amortization	260,131	-	260,131	223,524
Balance, end of year	4,465,418	-	4,465,418	4,205,287
Net book value of tangible capital assets	5,351,178	24,274	5,375,452	3,841,989
2024 Net book value of tangible capital assets	3,841,989	-	3,841,989	

Cherry Creek Waterworks District
Schedule 2 - Consolidated Schedule of Reserve Funds

For the year ended December 31, 2025

	4-3-2-1 Reserve	Capital Levy Reserve	Fire Department Capital Reserve	Renewal Reserve	2025	2024
Balance, beginning of year	1,483,019	91,325	1,018,310	330,588	2,923,242	2,619,088
Parcel taxes	352,800	-	-	-	352,800	117,600
Capital levy charge	-	3,300	-	-	3,300	2,200
Transfer in	-	-	-	12,000	12,000	12,000
Interest income	81,836	4,382	7,113	15,864	109,195	187,508
Expenditure	(68,596)	-	-	-	(68,596)	(15,154)
Balance, end of year	1,849,059	99,007	1,025,423	358,452	3,331,941	2,923,242