

KIPLING RIDGE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

**KIPLING RIDGE METRO DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/10/25

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 1,015,027 | \$ 1,175,301 | \$ 1,330,550 |
| REVENUES | | | |
| Property taxes | 150,098 | 136,243 | 119,429 |
| Specific ownership taxes | 17,868 | 18,402 | 17,388 |
| Interest Income | 49,273 | 53,380 | 62,168 |
| Property Tax- TIF AURA | 127,194 | 135,973 | 128,970 |
| Total revenues | <u>344,433</u> | <u>343,998</u> | <u>327,955</u> |
| TRANSFERS IN | <u>-</u> | <u>34,544</u> | <u>-</u> |
| Total funds available | <u>1,359,460</u> | <u>1,553,843</u> | <u>1,658,505</u> |
| EXPENDITURES | | | |
| General Fund | 184,159 | 188,749 | 216,000 |
| Total expenditures | <u>184,159</u> | <u>188,749</u> | <u>216,000</u> |
| TRANSFERS OUT | <u>-</u> | <u>34,544</u> | <u>-</u> |
| Total expenditures and transfers out requiring appropriation | <u>184,159</u> | <u>223,293</u> | <u>216,000</u> |
| ENDING FUND BALANCES | <u>\$ 1,175,301</u> | <u>\$ 1,330,550</u> | <u>\$ 1,442,505</u> |
| EMERGENCY RESERVE | \$ 10,300 | \$ 10,300 | \$ 9,900 |
| GF CAPITAL RESERVE | 500,000 | 534,544 | 534,544 |
| OPERATING RESERVE | 82,500 | 86,000 | 153,500 |
| AVAILABLE FOR OPERATIONS | 549,337 | 699,706 | 744,561 |
| TOTAL RESERVE | <u>\$ 1,142,137</u> | <u>\$ 1,330,550</u> | <u>\$ 1,442,505</u> |

See summary of significant assumptions.

**KIPLING RIDGE METRO DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/10/25

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|--------------------------------|----------------------|----------------------|----------------------|
| ASSESSED VALUATION | | | |
| Residential | \$ 15,076,662 | \$ 15,076,662 | \$ 12,679,052 |
| Commercial | 10,710,294 | 10,580,419 | 10,617,210 |
| State assessed | 39,633 | 41,142 | 41,659 |
| Personal property | 1,731,391 | 1,553,712 | 1,502,019 |
| | <u>27,557,980</u> | <u>27,251,935</u> | <u>24,839,940</u> |
| Adjustments TIF | (12,456,258) | (13,661,872) | (12,896,995) |
| Certified Assessed Value | <u>\$ 15,101,722</u> | <u>\$ 13,590,063</u> | <u>\$ 11,942,945</u> |
| MILL LEVY | | | |
| General | 10.000 | 10.000 | 10.000 |
| Total mill levy | <u>10.000</u> | <u>10.000</u> | <u>10.000</u> |
| PROPERTY TAXES | | | |
| General | \$ 151,017 | \$ 135,901 | \$ 119,429 |
| Levied property taxes | 151,017 | 135,901 | 119,429 |
| Adjustments to actual/rounding | (919) | 1,078 | - |
| Refunds and abatements | - | (736) | - |
| Budgeted property taxes | <u>\$ 150,098</u> | <u>\$ 136,243</u> | <u>\$ 119,429</u> |
| ASSESSED VALUATION | | | |
| TIF District Increment | \$ 12,456,258 | \$ 13,661,872 | \$ 12,896,995 |
| Certified Assessed Value | <u>\$ 12,456,258</u> | <u>\$ 13,661,872</u> | <u>\$ 12,896,995</u> |
| MILL LEVY | | | |
| General | 10.000 | 10.000 | 10.000 |
| Total mill levy | <u>10.000</u> | <u>10.000</u> | <u>10.000</u> |
| TIF AURA | | | |
| General | \$ 124,563 | \$ 136,619 | \$ 128,970 |
| Levied property taxes | 124,563 | 136,619 | 128,970 |
| Adjustments to actual/rounding | 2,631 | - | - |
| Refunds and abatements | - | (646) | - |
| Budgeted property taxes | <u>\$ 127,194</u> | <u>\$ 135,973</u> | <u>\$ 128,970</u> |
| BUDGETED PROPERTY TAXES | | | |
| General | \$ 150,098 | \$ 136,243 | \$ 119,429 |
| TIF AURA | 127,194 | 135,973 | 128,970 |
| | <u>\$ 277,292</u> | <u>\$ 272,216</u> | <u>\$ 248,399</u> |

See summary of significant assumptions.

**KIPLING RIDGE METRO DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/10/25

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 983,720 | \$ 1,142,137 | \$ 1,330,550 |
| REVENUES | | | |
| Property taxes | 150,098 | 136,243 | 119,429 |
| Specific ownership taxes | 17,868 | 18,402 | 17,388 |
| Interest Income | 47,416 | 52,000 | 62,168 |
| Property Tax- TIF AURA | 127,194 | 135,973 | 128,970 |
| Total revenues | <u>342,576</u> | <u>342,618</u> | <u>327,955</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>-</u> | <u>34,544</u> | <u>-</u> |
| Total funds available | <u>1,326,296</u> | <u>1,519,299</u> | <u>1,658,505</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 14,980 | 18,000 | 24,000 |
| County Treasurer's Fee | 4,159 | 4,102 | 3,726 |
| Dues and Membership | 408 | 508 | 600 |
| Insurance | 7,260 | 6,947 | 8,000 |
| District management | 31,124 | 26,000 | 28,000 |
| Legal | 20,593 | 20,000 | 22,000 |
| Miscellaneous | 40 | 1,120 | 1,500 |
| Election | - | 4,000 | - |
| Contingency | - | - | 2,174 |
| Operations and maintenance | | | |
| Landscaping | 72,253 | 26,000 | 28,000 |
| Landscape - replacements | 14,341 | 6,000 | 10,000 |
| Landscape - mulch/cobble installation | - | 65,072 | - |
| Detention pond maintenance | 2,045 | 2,000 | 50,000 |
| Wall maintenance and observation | 3,900 | 4,000 | 15,000 |
| Snow removal | 2,574 | 3,000 | 10,000 |
| Water | 10,482 | 2,000 | 13,000 |
| Total expenditures | <u>184,159</u> | <u>188,749</u> | <u>216,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>184,159</u> | <u>188,749</u> | <u>216,000</u> |
| ENDING FUND BALANCES | <u>\$ 1,142,137</u> | <u>\$ 1,330,550</u> | <u>\$ 1,442,505</u> |
| EMERGENCY RESERVE | \$ 10,300 | \$ 10,300 | \$ 9,900 |
| GF CAPITAL RESERVE | 500,000 | 534,544 | 534,544 |
| OPERATING RESERVE | 82,500 | 86,000 | 153,500 |
| AVAILABLE FOR OPERATIONS | <u>549,337</u> | <u>699,706</u> | <u>744,561</u> |
| TOTAL RESERVE | <u>\$ 1,142,137</u> | <u>\$ 1,330,550</u> | <u>\$ 1,442,505</u> |

See summary of significant assumptions.

**KIPLING RIDGE METRO DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/10/25

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|------------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ 31,307 | \$ 33,164 | \$ - |
| REVENUES | | | |
| Interest Income | 1,857 | 1,380 | - |
| Total revenues | <u>1,857</u> | <u>1,380</u> | <u>-</u> |
| Total funds available | <u>33,164</u> | <u>34,544</u> | <u>-</u> |
| EXPENDITURES | | | |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| TRANSFERS OUT | | | |
| Transfers to other fund | <u>-</u> | <u>34,544</u> | <u>-</u> |
| Total expenditures and transfers out requiring appropriation | <u>-</u> | <u>34,544</u> | <u>-</u> |
| ENDING FUND BALANCES | <u>\$ 33,164</u> | <u>\$ -</u> | <u>\$ -</u> |

See summary of significant assumptions.

**KIPLING RIDGE METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Kipling Ridge Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 15, 2004, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Jefferson County, Colorado, entirely within the City of Arvada. The District was established to provide financing for the acquisition of construction and installation of water, sanitation, parks and recreation, drainage, street improvements, transportation, and mosquito control primarily for commercial development within the District.

On November 2, 2004, the District's voters approved general obligation indebtedness of \$20,000,000 for water supply system, \$20,000,000 for sanitary sewer system, \$20,000,000 for street improvements, \$20,000,000 for transportation, \$20,000,000 for refinancing of District debt, \$20,000,000 for intergovernmental agreements, and \$3,000,000 for general operations and maintenance. Per the Service Plan, the District is limited to \$20,000,000 in debt. The election also approved an annual increase in taxes of \$1,000,000 or lesser amount as necessary to pay the District's general operations and maintenance expenses.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The taxes are payable by April, or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the property tax summary page of the Budget at the adopted mill levy. Since the District is included in the Arvada Urban Renewal Authority (AURA), the District collects directly from the County property taxes on the base assessed value only. Property taxes from the tax increment are collected by AURA and remitted to the District. In addition, the maximum combined debt service and operations mill levy for the District is 40.000 mills, as adjusted for changes in the ratio of actual value to assessed value with the District.

**KIPLING RIDGE METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (Continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

| Category | Rate | Category | Rate |
|---------------------------|-------------|-----------------------|-------------|
| Single-Family Residential | 6.25% | Agricultural Land | 27.00% |
| Multi-Family Residential | 6.25% | Renewable Energy Land | 27.00% |
| Commercial | 27.00% | Vacant Land | 27.00% |
| Industrial | 27.00% | Personal Property | 27.00% |
| Lodging | 27.00% | State Assessed | 27.00% |
| | | Oil & Gas Production | 87.50% |

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of total property taxes collected, which is reported in the General Fund.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

Property Tax TIF AURA

Property taxes TIF are the District's property taxes from the tax increment that are collected by AURA on behalf of the District. AURA will continue remitting the District's portion of the tax increment financing until such time as the District is dissolved.

Expenditures

County Treasurer's Collection Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Administrative and Operating Expenditures

Administrative and operating expenditures include the services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, landscaping, irrigation, and other operating expenses.

Capital Outlay

The District does not anticipate any capital expenditures in 2026.

**KIPLING RIDGE METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no outstanding debt, nor operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3.0% of fiscal year spending for 2026, as defined under TABOR.

Operating Reserve

The District has provided for an Operating Reserve equal to at least 50% of fiscal year total expenditures and transfers out for 2026 in the amount of \$153,500.

Capital Reserve

The District has provided for a Capital Reserve \$500,000 for 2025, which exceeds the fully funded Capital Reserve balance as recommended by the Reserve Study.

This information is an integral part of the accompanying budget.