

RESOLUTION NO. 2025-11-02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SECTION 14 METROPOLITAN DISTRICT
TO ADOPT THE 2026 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Section 14 Metropolitan District (“District”) has appointed the District Accountant to prepare and submit a proposed 2026 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2025, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 18, 2025, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Section 14 Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Section 14 Metropolitan District for the 2026 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 18th day of November, 2025.

Signed by:

Ann Finn

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Secretary

EXHIBIT A
(Budget)

SECTION 14 METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

**SECTION 14 METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,718,740	\$ 4,392,204	\$ 4,870,272
REVENUES			
Property Taxes - Denver County	115,025	117,729	117,388
Property Taxes - Jefferson County	708,009	694,941	685,242
Specific Ownership Taxes	50,873	54,482	53,249
Interest Income	223,534	150,000	85,000
Other Revenue	3,347	2,839	-
Total revenues	1,100,788	1,019,991	940,879
Total funds available	4,819,528	5,412,195	5,811,151
EXPENDITURES			
General and administrative			
Accounting	30,343	27,320	36,000
Auditing	6,000	7,420	8,000
Banking Fees	190	7,420	8,000
City and County of Denver Annual Fee	6,000	11,591	11,453
County Treasurer's Fee	11,763	3,000	3,000
Directors' Fees	1,000	2,000	2,000
District Management	23,207	1,237	1,500
Dues and Membership	698	9,849	11,000
Election	91	9,849	11,000
Insurance	9,013	28,396	30,000
Legal	30,387	22,300	37,000
Miscellaneous	196	400	500
Payroll Taxes	77	153	153
Website	-	-	1,500
Contingency	-	-	12,894
Operations and maintenance			
Asphalt and Concrete Repair	-	12,500	5,000
Engineering	3,964	12,500	5,000
Landscape Maintenance	166,340	125,000	160,000
Landscape Signage Area	-	-	170,000
Security	-	120,000	730,000
Storm Drainage	3,683	137,988	140,000
Utilities	134,372	3,000	40,000
Total expenditures	427,324	541,923	1,424,000
ENDING FUND BALANCES	\$ 4,392,204	\$ 4,870,272	\$ 4,387,151
EMERGENCY RESERVE	\$ 33,100	\$ 30,600	\$ 28,300
AVAILABLE FOR OPERATIONS	4,359,104	4,839,672	4,358,851
TOTAL RESERVE	\$ 4,392,204	\$ 4,870,272	\$ 4,387,151

See summary of significant assumptions.

**SECTION 14 METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/26

ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
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ASSESSED VALUATION - JEFFERSON COUNTY

Residential	\$ 7,780,803	\$ 7,567,315	\$ 6,250,000
Commercial	55,592,174	49,198,499	49,280,050
State assessed	319,522	2,462	2,470
Vacant land	482,206	482,206	558,184
Personal property	-	5,926,006	6,204,061
Certified Assessed Value	\$ 64,174,705	\$ 63,176,488	\$ 62,294,765

MILL LEVY

General	11.000	11.000	11.000
Total mill levy	11.000	11.000	11.000

PROPERTY TAXES

General	\$ 705,922	\$ 694,941	\$ 685,242
Levied property taxes	705,922	694,941	685,242
Adjustments to actual/rounding	2,087	-	-
Budgeted property taxes	\$ 708,009	\$ 694,941	\$ 685,242

ASSESSED VALUATION - DENVER COUNTY

Residential	\$ 10,449,830	\$ -	\$ -
Commercial	-	10,520,670	9,746,290
State assessed	-	90,000	73,970
Personal property	-	-	851,380
Certified Assessed Value	\$ 10,449,830	\$ 10,610,670	\$ 10,671,640

MILL LEVY

General	11.000	11.000	11.000
Total mill levy	11.000	11.000	11.000

PROPERTY TAXES

General	\$ 114,948	\$ 116,717	\$ 117,388
Levied property taxes	114,948	116,717	117,388
Adjustments to actual/rounding	77	(5,274)	-
Delinquent Taxes, Rebates and Abatements	-	6,286	-
Budgeted property taxes	\$ 115,025	\$ 117,729	\$ 117,388

BUDGETED PROPERTY TAXES

General	\$ 823,034	\$ 812,670	\$ 802,630
	\$ 823,034	\$ 812,670	\$ 802,630

See summary of significant assumptions.

**SECTION 14 METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Section 14 Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on January 7, 1987, and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Jefferson and Denver Counties. The District was established to provide financing for the design, acquisition, installation, construction, completion and maintenance of certain public improvements.

The District has no employees and all administrative functions are contractual.

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 County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurers remit the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the property tax summary information page of the budget using the adopted mill levy imposed by the District.

**SECTION 14 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 and actual value reductions 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 Counties Treasurers, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the Counties Treasurers to all taxing entities within the Counties. The budget assumes that the District's share will be equal to approximately 7.0% of the property taxes collected in Jefferson County and 4.5% of the property taxes collected in Denver County.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.25%.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, membership dues, election and other administrative expenditures.

Capital Outlay

The District does not anticipate any capital outlay in 2026.

**SECTION 14 METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (Continued)

County Treasurer's Fees

County Treasurer's fee have been computed at 1.5% of property tax collections in Jefferson County and 1.0% in Denver County.

Debt and Leases

The District has no debt nor any capital or operating leases.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3.00% of fiscal year spending for 2026, as defined under TABOR.

This information is an integral part of the accompanying budget.

I, Ann Finn, hereby certify that I am the duly appointed Secretary of the Section 14 Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2026, duly adopted at a meeting of the Board of Directors of the Section 14 Metropolitan District held on November 18, 2025.

By: _____
Signed by: *Ann Finn*
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Secretary