INSPIRATION METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2027

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
SUMMARY
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

11/10/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 5,603,368	$ 3,605,140	$ 3,543,480	$ 3,543,480	$ 3,468,500
REVENUES					
Property Taxes	3,882,386	4,825,854	4,722,778	4,825,854	4,860,446
Property Taxes - Regional ARI	121,725	124,599	122,091	124,599	124,599
Specific Ownership Taxes	308,235	361,939	172,378	344,756	340,231
System Development Fees	78,540	-	33,660	33,660	-
Interest Income	272,431	180,000	88,248	176,496	180,000
Other Revenue	10,194	1,000	2,514	5,028	1,000
Operating Fees - Residents	2,159,430	2,522,715	1,255,988	2,511,976	2,540,616
Operating Fees - Builders	46,893	7,938	11,105	14,415	-
Transfer Fees	82,500	54,000	23,000	43,000	28,500
Late Fees & Interest	8,455	10,000	3,260	6,520	7,000
Billing Adjustments	(6,252)	5,000	-	-	5,000
Violations and Fees	21,455	5,000	8,472	16,944	10,000
Park/NAC Revenue	3,569	-	2,275	4,550	4,500
Legal - Collections Fees	-	-	1,680	3,360	3,400
Capital Contribution	120,859	-	-	-	-
Total revenues	7,110,420	8,098,045	6,447,449	8,111,158	8,105,292
TRANSFERS IN	4,284,465	200,000	58,783	200,000	285,883
Total funds available	16,998,253	11,903,185	10,049,712	11,854,638	11,859,675
EXPENDITURES					
General Fund	3,565,067	4,168,000	1,793,426	3,804,750	4,283,375
Debt Service Fund	4,009,213	4,083,000	1,136,799	4,069,809	4,076,903
Capital Projects Fund	1,596,028	385,000	224,796	311,579	511,925
Total expenditures	9,170,308	8,636,000	3,155,021	8,186,138	8,872,203
TRANSFERS OUT	4,284,465	200,000	58,783	200,000	285,883
Total expenditures and transfers out requiring appropriation	13,454,773	8,836,000	3,213,804	8,386,138	9,158,086
ENDING FUND BALANCES	$ 3,543,480	$ 3,067,185	$ 6,835,908	$ 3,468,500	$ 2,701,589
EMERGENCY RESERVE - GENERAL FUND	$ 94,400	$ 116,000	$ 74,200	$ 117,000	$ 116,000
OPERATING RESERVE - GENERAL FUND	-	1,538,003	1,538,003	1,538,003	1,538,003
AVAILABLE FOR OPERATIONS	2,967,266	1,008,171	2,069,099	1,300,500	596,132
2021B RESERVE	154,500	154,500	154,500	154,500	154,500
2021B SURPLUS AMOUNT	162,500	162,500	162,500	162,500	162,500
AVAILABLE FOR DISTRICT IMPROVEMENTS	141,463	25,153	100,211	159,823	58,380
DEBT SERVICE	23,351	62,858	2,737,395	36,174	76,074
TOTAL RESERVE	$ 3,543,480	$ 3,067,185	$ 6,835,908	$ 3,468,500	$ 2,701,589

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

11/10/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
ASSESSED VALUATION					
Residential	$ 90,269,520	$ 93,981,370	$ 93,981,370	$ 93,981,370	$ 96,807,320
State assessed	18,300	18,300	18,300	18,300	20,000
Vacant land	4,874,380	2,664,990	2,664,990	2,664,990	383,180
Personal property	1,909,770	1,909,630	1,909,630	1,909,630	2,070,410
Other	1,070	1,030	1,030	1,030	1,000
Certified Assessed Value	$ 97,073,040	$ 98,575,320	$ 98,575,320	$ 98,575,320	$ 99,281,910
MILL LEVY					
General	6.000	10.956	10.956	10.956	10.956
Debt Service	34.000	38.000	38.000	38.000	38.000
Contractual Obligations	1.255	1.264	1.264	1.264	1.255
Total mill levy	41.255	50.220	50.220	50.220	50.211
PROPERTY TAXES					
General	$ 582,438	$ 1,079,992	$ 1,079,992	$ 1,079,992	$ 1,087,733
Debt Service	3,300,483	3,745,862	3,745,862	3,745,862	3,772,713
ARI	121,827	124,599	124,599	124,599	124,599
Levied property taxes	4,004,748	4,950,453	4,950,453	4,950,453	4,985,045
Adjustments to actual/rounding	(637)	-	(105,583)	-	-
Budgeted property taxes	$ 4,004,111	$ 4,950,453	$ 4,844,870	$ 4,950,453	$ 4,985,045
BUDGETED PROPERTY TAXES					
General	**$ 582,198**	**$ 1,079,991**	**$ 1,057,150**	**$ 1,079,991**	**1,087,733**
Debt Service	**3,300,188**	**3,745,862**	**3,665,628**	**3,745,862**	**3,772,713**
ARI	**121,725**	**124,599**	**122,091**	**124,599**	**124,599**
	$ 4,004,111	**$ 4,950,453**	**$ 4,844,869**	**$ 4,950,453**	**$ 4,985,045**

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
GENERAL FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

11/10/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 898,167	$ 3,163,530	$ 3,061,666	$ 3,061,666	$ 2,955,503
REVENUES					
Property Taxes	582,198	1,079,992	1,057,150	1,079,992	1,087,733
Specific Ownership Taxes	54,188	80,999	41,957	83,914	76,141
Interest Income	183,253	100,000	64,444	128,888	100,000
Other Revenue	10,194	1,000	2,514	5,028	1,000
Operating Fees - Residents	2,159,430	2,522,715	1,255,988	2,511,976	2,540,616
Operating Fees - Builders	46,893	7,938	11,105	14,415	-
Transfer Fees	82,500	54,000	23,000	43,000	28,500
Late Fees & Interest	8,455	10,000	3,260	6,520	7,000
Legal - Collections Fees	-	-	1,680	3,360	3,400
Billing Adjustments	(6,252)	5,000	-	-	5,000
Violations and Fees	21,455	5,000	8,472	16,944	10,000
Park/NAC Revenue	3,569	-	2,275	4,550	4,500
Total revenues	3,145,883	3,866,644	2,471,845	3,898,587	3,863,890
TRANSFERS IN					
Transfers From Other Funds	3,433,485	-	-	-	-
Total funds available	7,477,535	7,030,174	5,533,511	6,960,253	6,819,393
EXPENDITURES					
General and administrative					
Accounting	131,414	138,540	67,073	134,146	144,082
Auditing	7,300	7,524	7,800	7,800	8,190
County Treasurers Fee	8,738	16,200	15,859	16,200	16,316
Dues And Membership	1,238	2,027	1,238	1,738	2,128
Insurance	53,483	71,074	58,654	58,654	65,106
Legal	81,956	100,000	48,447	96,894	105,000
Miscellaneous	6,211	1,000	564	1,128	1,000
Consulting Services	-	90,000	-	-	-
Election	27,170	-	-	-	35,000
Billing	111,596	105,403	54,489	105,404	100,010
Bad Debt Expense	-	1,000	-	-	-
Office Supplies	4,857	500	1,152	1,552	2,000
Legal - Liens & Collections	18,884	10,000	11,045	22,090	20,000
Property Management Covenant Enforcement	75,401	66,000	24,394	66,000	67,980
Management Fee	687,194	702,000	307,612	702,000	730,080
Storage	2,734	2,000	-	-	-
Lockbox Services	7,762	3,757	6,202	12,404	12,000
Billing Statements Postage/Mailing	-	5,000	-	-	-
Uniforms	-	500	-	-	-
Reserve Study	4,000	-	-	-	-
Strategic Planning	26,952	-	35,421	90,000	-
Total general and administrative	1,256,890	1,322,525	639,950	1,316,010	1,308,892
Utilities					
Trash Collection	323,948	328,295	164,110	328,295	346,317
Water And Sewer	261,293	240,000	84,256	240,000	240,000
Gas	4,850	5,500	2,670	5,340	6,050
Electric - Landscape And Facilities	19,561	42,000	7,557	15,114	16,625
Total utilities	609,652	615,795	258,593	588,749	608,992

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
GENERAL FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

11/10/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
Landscaping					
Open Space Repair & Maintenance	352,409	466,000	204,958	466,000	494,600
Plants, Hardscapes, Other	67,815	125,000	1,850	16,850	125,000
Irrigation System	75,535	75,000	32,312	64,624	75,000
Landscape Maintenance	635,717	510,000	306,133	612,266	481,802
Pond Maintenance And Certification	55,911	40,000	22,546	122,546	100,000
Pest Control	-	-	159	5,159	7,500
Tract Turnover	20,982	350,000	42,510	85,020	350,000
Tree Maintenance	62,039	93,480	20,011	30,011	90,000
Tree Removal And Replacement	3,968	60,000	-	-	10,000
Winter Water	67,050	69,000	41,400	71,400	75,000
Total landscaping	1,341,426	1,788,480	671,879	1,473,876	1,808,902
Community Engagement					
Community Wide Program	52,131	70,000	29,678	70,000	73,000
Holiday Lights	7,590	7,500	-	10,000	15,000
Total community engagement	59,721	77,500	29,678	80,000	88,000
Facility Maintenance					
Building Maintenance And Repairs	84,072	61,000	30,933	61,866	65,000
Facility Security Systems/Internet	27,198	4,200	13,352	26,704	16,000
Fence/Walls	56,025	64,500	67,106	97,106	73,500
Maintenance - General Community	-	18,696	6,614	13,228	13,228
Pest Control - Facility Maintenance	2,127	-	159	1,113	1,500
Pool Repairs	8,961	-	8,453	16,906	10,000
Pool Supplies	6,658	-	5,920	11,840	-
Pool Maintenance	17,853	12,750	4,800	9,600	12,863
Pool Staff Lifeguards/Monitors	57,515	72,500	38,363	72,500	72,888
Snow Removal	27,502	36,050	8,135	16,270	20,000
Waste Services	3,298	6,800	3,266	6,532	7,000
Telephone	876	-	1,051	2,102	2,101
Underdrains	-	-	-	13,228	18,000
Total facility maintenance	292,085	276,496	188,152	335,767	312,080
Communications					
Digital Tools & Support	5,293	5,000	5,174	10,348	7,500
Website Communication Tools and Development	-	-	-	-	65,000
Total communications	5,293	5,000	5,174	10,348	72,500
Other Expense					
Contingency	-	82,204	-	-	84,009
Total other expense	-	82,204	-	-	84,009
Total expenditures	3,565,067	4,168,000	1,793,426	3,804,750	4,283,375
TRANSFERS OUT					
Transfers to other fund	850,802	200,000	58,783	200,000	285,883
Total expenditures and transfers out requiring appropriation	4,415,869	4,368,000	1,852,209	4,004,750	4,569,258
ENDING FUND BALANCES	$ 3,061,666	$ 2,662,174	$ 3,681,302	$ 2,955,503	$ 2,250,135
EMERGENCY RESERVE	$ 94,400	$ 116,000	$ 74,200	$ 117,000	$ 116,000
OPERATING RESERVE	-	1,538,003	1,538,003	1,538,003	1,538,003
AVAILABLE FOR OPERATIONS	2,967,266	1,008,171	2,069,099	1,300,500	596,132
TOTAL RESERVE	$ 3,061,666	$ 2,662,174	$ 3,681,302	$ 2,955,503	$ 2,250,135

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

11/10/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 3,433,485	$ -	$ -	$ -	$ -
REVENUES					
Total revenues	-	-	-	-	-
TRANSFERS IN					
Total funds available	3,433,485	-	-	-	-
EXPENDITURES					
Total expenditures	-	-	-	-	-
TRANSFERS OUT					
Transfers to other fund	3,433,485	-	-	-	
Total expenditures and transfers out requiring appropriation	3,433,485	-	-	-	-
ENDING FUND BALANCES	$ -	$ -	$ -	$ -	$ -

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
DEBT SERVICE FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

11/10/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 347,110	$ 356,056	$ 340,351	$ 340,351	$ 353,174
REVENUES					
Property Taxes	3,300,188	3,745,862	3,665,628	3,745,862	3,772,713
Specific Ownership Taxes	254,047	280,940	130,421	260,842	264,090
System Development Fees	78,540	-	33,660	33,660	-
Interest Income	69,501	80,000	21,134	42,268	80,000
Total revenues	3,702,276	4,106,802	3,850,843	4,082,632	4,116,803
TRANSFERS IN					
Transfers from other funds	300,178	-	-		-
Total funds available	4,349,564	4,462,858	4,191,194	4,422,983	4,469,977
EXPENDITURES					
General and administrative					
Accounting	1,305	3,000	-	3,000	3,000
County Treasurers Fee	49,530	56,188	54,992	56,196	56,591
Legal	2,600	-	-	-	
Paying Agent Fees	7,000	8,000	-	-	8,000
Contingency	-	5,199	-	-	651
2021A-1 Loan Interest	1,820,721	1,783,787	891,894	1,783,787	1,744,193
2021A-2 Loan Interest	387,807	379,826	189,913	379,826	371,218
2021B Sub Bonds Interest	140,250	132,000	-	132,000	123,250
2021A-1 Loan Principal	1,180,000	1,265,000	-	1,265,000	1,305,000
2021A-2 Loan Principal	255,000	275,000	-	275,000	280,000
2021B Sub Bonds Principal	165,000	175,000	-	175,000	185,000
Total expenditures	4,009,213	4,083,000	1,136,799	4,069,809	4,076,903
Total expenditures and transfers out requiring appropriation	4,009,213	4,083,000	1,136,799	4,069,809	4,076,903
ENDING FUND BALANCES	$ 340,351	$ 379,858	$ 3,054,395	$ 353,174	$ 393,074
2021B RESERVE	$ 154,500	$ 154,500	$ 154,500	$ 154,500	$ 154,500
2021B SURPLUS AMOUNT	162,500	162,500	162,500	162,500	162,500
DEBT SERVICE	23,351	62,858	2,737,395	36,174	76,074
TOTAL RESERVE	$ 340,351	$ 379,858	$ 3,054,395	$ 353,174	$ 393,074

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

11/10/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 924,606	$ 85,554	$ 141,463	$ 141,463	$ 159,823
REVENUES					
Property Taxes - Regional ARI	121,725	124,599	122,091	124,599	124,599
Interest Income	19,677	-	2,670	5,340	-
Capital Contribution	120,859	-	-	-	-
Total revenues	262,261	124,599	124,761	129,939	124,599
TRANSFERS IN					
Transfers from other funds	550,802	200,000	58,783	200,000	285,883
Total funds available	1,737,669	410,153	325,007	471,402	570,305
EXPENDITURES					
General and Administrative					
County Treasurer's Fee - Regional ARI	1,827	1,869	1,832	1,869	1,869
Regional ARI Expense	119,898	122,730	120,259	120,259	122,730
Capital Outlay	66,956	-	1,865	1,865	
Reserve Fund Expenses	67,094	75,000	58,841	75,000	185,883
Community Service Building Construct/Related Costs	1,309,964	-	2,253	2,253	
Community Service Building Needs	-	60,000	23,333	60,333	2,485
Plants, Hardscapes, Other	12,656	100,000	-	50,000	100,000
Pool Furniture Replacement/Additions	17,633	-	16,413	-	93,958
Contingency	-	25,401	-	-	5,000
Total expenditures	1,596,028	385,000	224,796	311,579	511,925
Total expenditures and transfers out requiring appropriation	1,596,206	385,000	224,796	311,579	511,925
ENDING FUND BALANCES	$ 141,463	$ 25,153	$ 100,211	$ 159,823	$ 58,380
AVAILABLE FOR DISTRICT IMPROVEMENTS	$ 141,463	$ 25,153	$ 100,211	$ 159,823	$ 58,380
TOTAL	$ 141,463	$ 25,153	$ 100,211	$ 159,823	$ 58,380

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
2027 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Inspiration Metropolitan District, The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City of Aurora on May 30, 2002 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). On February 10, 2017, the District formally changed its name from Rocking Horse Metropolitan District No. 2 to Inspiration Metropolitan District. The District's service area is located in the City of Aurora (the "City") in Douglas County (the "County"). The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

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 County Treasurer collects 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 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 using the adopted mill levy imposed by the District.

For property tax collection year 2027, HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate
Single-Family Residential	6.80%
Multi-Family Residential	6.80%
Commercial	25.00%
Industrial	26.00%
Lodging	26.00%
Agricultural Land	25.00%

Category	Rate
Renewable Energy Land	26.00%
Vacant Land	26.00%
Personal Property	26.00%
State Assessed	26.00%
Oil & Gas Production	87.50%
Oil & Gas Pipelines	26.00%

Actual Value Reduction	Amount
Single-Family Residential	10% capped at $70,000

PRELMINARY DRAFT - SUBJECT TO REVISION

Revenues (Continued)

Property Taxes – Regional ARI

The Amended and Restated Consolidated Service Plan for RockingHorse Metropolitan Districts Nos. 1 and 2, approved by the City of Aurora on August 6, 2004 (the "Amended and Restated Service Plan"), was subsequently amended by a First Amendment approved by the City of Aurora on March 24, 2025 (the "First Amendment", and together with the Amended and Restated Service Plan, the "Service Plan").

Since the time the original Service Plan was approved, the District entered into the South Aurora Regional Improvement Authority Establishment Agreement (the "Establishment Agreement") and is a member district of the South Aurora Regional Improvement Authority ("SARIA"). The Establishment Agreement provides that SARIA is organized for the purpose of planning designing, constructing, installing, acquiring, relocating, redeveloping and financing regional improvements designated in the ARI Master Plans.

The First Amendment, approved by the City of Aurora on March 24, 2025, amended the definition of ARI Mill Levy in Section 2 of the Amended and Restated Service Plan so that the District shall impose the ARI Mill Levy as follows:

- one (1) mill for collection beginning in the first year of collection of a debt service mill levy by the district and continuing in each year thereafter through the twentieth (20th) year;

- five (5) mills from the twenty-first (21st) year through the fortieth (40th) year or the date of repayment of the debt incurred for Public Improvements, other than Regional Improvements, which ever first occurs; and

- for an additional ten (10) years, the mill levy shall be equal to the lesser of 30 mills or the mill levy imposed by such district in the tax year 2023 for collection in 2024.

Pursuant to the First Amendment, ARI mill levies may be adjusted for changes in the method of calculating assessment valuation or any constitutionally mandated tax credit, or abatement. Such mill levies may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

The District first imposed a mill levy for debt service for the collection year 2011. Consistent with the Service Plan, and the Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

In order to fund projects, SARIA may issue revenue bonds secured by the pledged revenues of the ARI Mill Levies by each of its member districts. The District remits the property taxes generated from the District imposed ARI mill levy, net of the cost of collections, to SARIA. SARIA issued its Series 2018 Special Revenue Bonds in the principal amount of $11,265,000 on July 2, 2025, which were refunded in full by its Series 2025 Special Revenue Refunding and Improvement Bonds in the principal amount of $39,660,000 that were issued on July 2, 2025.

Revenues (Continued)

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 7.0% of all the property taxes collected, excluding property taxes collected for ARI.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 3.5%.

System Development Fees

On October 20, 2015, the District established a one-time system development fee of $3,500 per residential unit for the overall cost of providing amenities and facilities benefitting property and inhabitants within the District. The Development Fee is automatically increased by the greater of two percent (2%) or the annual increase in the Consumer Price Index, Denver-Aurora-Lakewood area as published by the Bureau of Labor Statistics (the "Index"), effective January 1 of every year, both rounded to the nearest five dollars ($5.00). The first adjustment occurred January 1, 2024. The annual fee for 2026 is $3,740 per lot. The system development fee is calculated to defray the cost of funding Development Costs and reasonably distributes the burden in a manner based on the benefits received by persons paying and using the Facilities. The fees are payable by homebuilders at the time of issuance of a building permit.

Operating Fees

The District adopted a Resolution Concerning the Imposition of an Operations Fee on October 20, 2015, which has been subsequently updated. The Board does expect to raise the current Operations Fees for 2026. The recommended Fee for each residential unit and each vacant lot is $331.50 per quarter and $165.75 per quarter, respectively. The District also imposes a Transfer Fee on each residential unit transfer and each vacant lot transfer of $500.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability and operations and maintenance of the District owned public facilities such as legal, accounting, insurance, utilities, landscaping, facilities management, snow plowing, and other expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

INSPIRATION METROPOLITAN DISTRICT
2027 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt Service

Principal and interest payments are provided based on the attached debt amortization schedules for the Notes and Bonds (defined below).

Debt and Leases

The District issued **Taxable (Convertible to Tax Exempt) Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Notes, Series 2021A-1** (the "2021A-1 Senior Notes") and **Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Notes, Series 2021A-2** (the "2021A-2 Senior Notes", and together with the 2021A-1 Senior Notes, the "Notes"), on November 9, 2021, in the respective amounts of $60,180,000 and $13,045,000. The District issued **Subordinate Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2021B** (the "Bonds") on December 7, 2021, in the amount of $3,250,000.

Details of the Notes

The 2021A-1 Senior Notes were issued at the Taxable Rate of 3.91% per annum. On the Tax-Exempt Reissuance Date, which occurred on December 2, 2023, the 2021A-1 Senior Notes bear interest at the Base Rate of 3.13% until maturity.

The 2021A-2 Senior Notes bear interest at the Base Rate of 3.13% from the date of issuance until maturity.

The Notes mature on December 1, 2036.

Interest on the Notes is payable semiannually on June 1 and December 1, beginning on December 1, 2021. The Notes are subject to annual mandatory sinking fund principal payments due on December 1, beginning on December 1, 2022.

To the extent principal of any Note is not paid when due, such principal shall remain outstanding until paid, but in no event beyond the Discharge Date (defined below) and will continue to bear interest at the rate then borne by the Notes. To the extent interest on any Note is not paid when due, such unpaid interest shall compound semiannually on each June 1 and December 1 at the interest rate then borne by the Notes.

Discharge Date of the Notes

In the event that any amount of principal or interest on the Notes remains unpaid after the application of all Pledged Revenue available therefor on December 1, 2051 (the "Discharge Date"), the Notes and the lien of the Indenture securing payment thereof will be deemed discharged.

Optional Redemption of the Notes

The Notes are subject to redemption prior to maturity, at the option of the District, on any date, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

Date of Redemption	Redemption Premium
November 4, 2025, and thereafter	0.00

PRELMINARY DRAFT - SUBJECT TO REVISION

Debt and Leases (Continued)

Notes Pledged Revenue

The Notes are secured by and payable solely from and to the extent of Pledged Revenue, which means the moneys derived by the District from the following sources:

(a) all Property Tax Revenues derived from imposition by the District of the Required Mill Levy and any other debt service mill levy.;

(b) the portion of the Specific Ownership Tax Revenues which is collected as a result of imposition of the Required Mill Levy;

(c) all Development Fee Revenues; and

(d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Note Fund.

Required Mill Levy

The District has covenanted to levy the "Required Mill Levy," generally meaning:

(a) prior to the Conversion Date of the Notes, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary to generate Property Tax Revenues which would be sufficient to pay the Annual Debt Requirements for the next Fiscal Year but not in excess of 50 mills (as adjusted for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after January 1, 2004).

(b) on and after the Conversion Date of the Notes, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary (without limitation as to rate) to generate Property Tax Revenues which would be sufficient to pay the principal of, premium if any, and interest on the Notes as the same become due and payable.

Conversion Date of the Notes

The "Conversion Date", as it relates to the Notes is the first date on which all of the following conditions are met: (a) the Senior Debt to Assessed Ratio is 50% or less; and (b) no amounts of principal or interest on the Notes are due but unpaid.

Details of the Bonds

The Bonds bear interest at 5.00%, payable annually on December 15, beginning on December 15, 2022. The Bonds are subject to annual mandatory sinking fund principal payments due on December 15, beginning on December 15, 2022, and maturing on December 15, 2036.

To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid, but in no event beyond the Discharge Date of the Bonds (defined below) and will continue to bear interest at the rate then borne by the Bonds. To the extent interest on any Bond is not paid when due, such unpaid interest shall compound annually on each December 15 at the interest rate then borne by the Bonds.

Debt and Leases (Continued)

Discharge Date of the Bonds

In the event that any amount of principal or interest on the Bonds remains unpaid after the application of all Subordinate Pledged Revenue available therefor on December 15, 2051 (the "Discharge Date of the Bonds"), the Bonds and the lien of the Indenture securing payment thereof will be deemed discharged.

Optional Redemption of the Bonds

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

Date of Redemption	Redemption Premium
December 15, 2026, to December 14, 2027	3.00%
December 15, 2027, to December 14, 2028	2.00
December 15, 2028, to December 14, 2029	1.00
December 15, 2029, and thereafter	0.00

Subordinate Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue, which means the moneys derived by the District from the following sources:

(a) all Subordinate Property Tax Revenues derived from imposition by the District of the Subordinate Required Mill Levy;

(b) the portion of the Subordinate Specific Ownership Tax Revenues which is collected as a result of imposition of the Subordinate Required Mill Levy;

(c) all Development Fee Revenues; and

(d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

Subordinate Required Mill Levy

The District has covenanted to levy the "Subordinate Required Mill Levy," generally meaning:

(a) prior to the Conversion Date of the Bonds, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary to generate Subordinate Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Bonds as the same become due and payable and to replenish the Subordinate Reserve Fund to the Subordinate Reserve Requirement, but not in excess of 50 mills, as adjusted, less the Senior Obligation Mill Levy;

Debt and Leases (Continued)

Subordinate Required Mill Levy (Continued)

(a) on and after the Conversion Date, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary (without limitation as to rate) to generate Subordinate Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Bonds as the same become due and payable and to replenish the Subordinate Reserve Fund to the Subordinate Reserve Requirement.

Conversion Date of the Bonds

The "Conversion Date", as it relates to the Bonds, is the first date on which all of the following conditions are met: (a) the Debt to Assessed Ratio is 50% or less; (b) no amounts of principal or interest on the Bonds are due but unpaid: and (c) the amount on deposit in the Subordinate Reserve Fund is not less than the Subordinate Reserve Requirement.

The District has no operating or capital leases.

	Balance at December 31, 2025	Additions	Reductions	Balance at December 31, 2026
Governmental Activities:				
Notes/Loans/Bonds from Direct Borrowings and Direct Placements				
Series 2021A-1Loan	$ 56,990,000	$ -	$ 1,265,000	$ 55,725,000
Series 2021A-2 Loan	12,135,000	-	275,000	11,860,000
Series 2021B Bonds	2,640,000	-	175,000	2,465,000
Subtotal Notes/Loans/Bonds from Direct Borrowings and Direct Placements	71,765,000	-	1,715,000	70,050,000
Total Long-Term Obligations	$ 71,765,000	$ -	$ 1,715,000	$ 70,050,000

	Balance at December 31, 2026	Additions	Reductions	Balance at December 31, 2027
Governmental Activities:				
Notes/Loans/Bonds from Direct Borrowings and Direct Placements				
Series 2021A-1Loan	$ 55,725,000	$ -	$ 1,305,000	$ 54,420,000
Series 2021A-2 Loan	11,860,000	-	280,000	11,580,000
Series 2021B Bonds	2,465,000	-	185,000	2,280,000
Subtotal Notes/Loans/Bonds from Direct Borrowings and Direct Placements	70,050,000	-	1,770,000	68,280,000
Total Long-Term Obligations	$ 70,050,000	$ -	$ 1,770,000	$ 68,280,000

INSPIRATION METROPOLITAN DISTRICT
2027 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Reserve Funds

Operations Reserve

The Board is accumulating an operating reserve for future repairs and replacements of District owned public facilities.

Subordinate Reserve Fund

The Subordinate Reserve Fund was funded from proceeds of the Bonds in the amount of the Subordinate Reserve Requirement of $154,500.

Amounts on deposit in the Subordinate Reserve Fund on the final maturity date of the Bonds will be applied to the payment of the Bonds on such date.

Subordinate Surplus Fund

The Bonds are additionally secured by the Subordinate Surplus Fund which will be funded by Subordinate Pledged Revenue that is not needed to pay debt service on the Bonds in any year and is deposited to and held in the Subordinate Surplus Fund, up to the Maximum Subordinate Surplus Amount of $162,500.

Any amounts on deposit in the Subordinate Surplus Fund on the final maturity date of the Bonds will be applied to the payment of the Bonds on such date.

Emergency Reserve

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

This information is an integral part of the accompanying budget.

INSPIRATION METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2026

$60,180,000
Taxable (Convertible to Tax Exempt) Limited Tax
(Convertible to Unlimited) General Obligation Refunding Notes
Series 2021A-1, Interest Rate 3.13% - 4.50%
Payable June 1 and December 1
Principal due December 1

Year Ending December 31,	Principal	Interest	Total
2027	$ 1,305,000	$ 1,744,193	$ 3,049,193
2028	1,395,000	1,703,346	3,098,346
2029	1,435,000	1,659,683	3,094,683
2030	1,530,000	1,614,767	3,144,767
2031	1,580,000	1,566,878	3,146,878
2032	1,680,000	1,517,424	3,197,424
2033	1,730,000	1,464,840	3,194,840
2034	1,835,000	1,410,691	3,245,691
2035	1,890,000	1,353,256	3,243,256
2036	2,145,000	1,294,099	3,439,099
2037	1,680,000	1,764,000	3,444,000
2038	1,815,000	1,688,400	3,503,400
2039	1,895,000	1,606,725	3,501,725
2040	2,045,000	1,521,450	3,566,450
2041	2,135,000	1,429,425	3,564,425
2042	2,295,000	1,333,350	3,628,350
2043	2,395,000	1,230,075	3,625,075
2044	2,565,000	1,122,300	3,687,300
2045	2,685,000	1,006,875	3,691,875
2046	2,870,000	886,050	3,756,050
2047	3,000,000	756,900	3,756,900
2048	3,200,000	621,900	3,821,900
2049	3,340,000	477,900	3,817,900
2050	3,560,000	327,600	3,887,600
2051	3,720,000	167,400	3,887,400
	$ 55,725,000	$ 31,269,525	$ 86,994,525

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2026

$13,045,000
Limited Tax (Convertible to Unlimited Tax)
General Obligation Refunding Notes
Series 2021A-2, Interest Rate 3.13% - 4.50%
Payable June 1 and December 1
Principal due December 1

Year Ending December 31,	Principal	Interest	Total
2027	$ 280,000	$ 371,218	$ 651,218
2028	300,000	362,454	662,454
2029	310,000	353,064	663,064
2030	330,000	343,361	673,361
2031	340,000	333,032	673,032
2032	360,000	322,390	682,390
2033	370,000	311,122	681,122
2034	395,000	299,541	694,541
2035	410,000	287,178	697,178
2036	460,000	274,345	734,345
2037	355,000	373,725	728,725
2038	385,000	357,750	742,750
2039	405,000	340,425	745,425
2040	430,000	322,200	752,200
2041	455,000	302,850	757,850
2042	485,000	282,375	767,375
2043	510,000	260,550	770,550
2044	545,000	237,600	782,600
2045	565,000	213,075	778,075
2046	605,000	187,650	792,650
2047	635,000	160,425	795,425
2048	675,000	131,850	806,850
2049	710,000	101,475	811,475
2050	755,000	69,525	824,525
2051	790,000	35,550	825,550
	$ 11,860,000	$ 6,634,729	$ 18,494,729

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2026

	$3,250,000 Subordinate Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds Series 2021B, Interest Rate 5.00% Payable December 15 Principal due December 15		
Year Ending December 31,	Principal	Interest	Total
2027	$ 185,000	$ 123,250	$ 308,250
2028	195,000	114,000	309,000
2029	200,000	104,250	304,250
2030	210,000	94,250	304,250
2031	225,000	83,750	308,750
2032	235,000	72,500	307,500
2033	245,000	60,750	305,750
2034	260,000	48,500	308,500
2035	270,000	35,500	305,500
2036	440,000	22,000	462,000
2037	-	-	-
2038	-	-	-
2039	-	-	-
2040	-	-	-
2041	-	-	-
2042	-	-	-
2043	-	-	-
2044	-	-	-
2045	-	-	-
2046	-	-	-
2047	-	-	-
2048	-	-	-
2049	-	-	-
2050	-	-	-
2051	-	-	-
	$ 2,465,000	$ 758,750	$ 3,223,750

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION

INSPIRATION METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2026

Year Ending December 31,	Total Principal	Total Interest	Total
2027	$ 1,770,000	$ 2,238,661	$ 4,008,661
2028	1,890,000	2,179,800	4,069,800
2029	1,945,000	2,116,997	4,061,997
2030	2,070,000	2,052,378	4,122,378
2031	2,145,000	1,983,660	4,128,660
2032	2,275,000	1,912,314	4,187,314
2033	2,345,000	1,836,712	4,181,712
2034	2,490,000	1,758,732	4,248,732
2035	2,570,000	1,675,933	4,245,933
2036	3,045,000	1,590,443	4,635,443
2037	2,035,000	2,137,725	4,172,725
2038	2,200,000	2,046,150	4,246,150
2039	2,300,000	1,947,150	4,247,150
2040	2,475,000	1,843,650	4,318,650
2041	2,590,000	1,732,275	4,322,275
2042	2,780,000	1,615,725	4,395,725
2043	2,905,000	1,490,625	4,395,625
2044	3,110,000	1,359,900	4,469,900
2045	3,250,000	1,219,950	4,469,950
2046	3,475,000	1,073,700	4,548,700
2047	3,635,000	917,325	4,552,325
2048	3,875,000	753,750	4,628,750
2049	4,050,000	579,375	4,629,375
2050	4,315,000	397,125	4,712,125
2051	4,510,000	202,950	4,712,950
	$ 70,050,000	$ 38,663,004	$ 108,713,004

See Summary of Significant Assumptions

PRELMINARY DRAFT - SUBJECT TO REVISION