



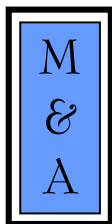
COMMERCE CITY, COLORADO

Riverdale Dunes Metropolitan District No. 1
Adams County, Colorado
December 31, 2025

**Riverdale Dunes Metropolitan District No. 1
Financial Report
December 31, 2025**

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McMAHAN AND ASSOCIATES, L.L.C.

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Riverdale Dunes Metropolitan District No. 1
Commerce City, Colorado**

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Riverdale Dunes Metropolitan District No. 1 (the "District"), as of and for the year ended December 31, 2025, which collectively comprise the District's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2025 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

**Independent Auditor's Report
To the Board of Directors
Riverdale Dunes Metropolitan District No. 1
Commerce City, Colorado**

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Independent Auditor's Report
To the Board of Directors
Riverdale Dunes Metropolitan District No. 1
Commerce City, Colorado**

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The individual fund budgetary comparison in Section F is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison found in Section F is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of bonds payable to maturity, summary of assessed valuation, mill levy, and property tax collections, changes in overlapping mill levy, and historical debt ratios but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in blue ink that reads "McMahon and Associates, L.L.C." in a cursive, flowing script.

**McMahan and Associates, L.L.C.
Avon, Colorado
July 13, 2026**

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Riverdale Dunes Metropolitan District No. 1
Statement of Net Position
December 31, 2025

	Governmental Activities
Assets:	
Cash and investments	349,348
Due from County Treasurer	2,191
Accounts receivable, net	34,701
Prepaid expenses	10,635
Property taxes receivable	604,807
Capital assets, net	1,038,355
Total Assets	2,040,037
Liabilities:	
Accounts payable and accrued liabilities	35,591
Unearned revenue	60
Accrued interest	5,218
Due within one year:	
Bonds payable	120,000
Due beyond one year:	
Bonds payable	1,670,000
Total Liabilities	1,830,869
Deferred Inflows of Resources:	
Unavailable property tax	604,807
Total Deferred Inflows of Resources	604,807
Net Position:	
Net investment in capital assets	(751,645)
Restricted for emergencies	15,756
Restricted for debt service	24,999
Restricted for capital projects	114,549
Unrestricted	200,702
Total Net Position	(395,639)

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

Riverdale Dunes Metropolitan District No. 1
Statement of Activities
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General government	568,516	-	-	6,802	(561,714)
Interest on long-term debt	65,243	-	-	-	(65,243)
Total Governmental Activities	633,759	-	-	6,802	(626,957)
General revenues:					
Taxes:					
Property tax, levied for general purposes					468,518
Property tax, levied for debt service					133,130
Specific ownership tax					30,081
Investment earnings					19,729
Miscellaneous					13,583
Total general revenues					665,041
Change in Net Position					
Net Position - Beginning					(433,723)
Net Position - Ending					(395,639)

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

FUND FINANCIAL STATEMENTS

Riverdale Dunes Metropolitan District No. 1
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Assets:				
Cash and investments	210,285	24,514	114,549	349,348
Due from County Treasurer	1,706	485	-	2,191
Accounts receivable, net	34,701	-	-	34,701
Prepaid expenditures	10,635	-	-	10,635
Property taxes receivable	424,312	180,495	-	604,807
Total Assets	681,639	205,494	114,549	1,001,682
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	35,591	-	-	35,591
Unearned revenue	60	-	-	60
Total Liabilities	35,651	-	-	35,651
Deferred Inflows of Resources:				
Unavailable revenue - property tax	424,312	180,495	-	604,807
Total Deferred Inflows of Resources	424,312	180,495	-	604,807
Fund Balances:				
Nonspendable	10,635	-	-	10,635
Restricted for TABOR reserve	15,756	-	-	15,756
Restricted for debt service	-	24,999	-	24,999
Restricted for capital projects	-	-	114,549	114,549
Unassigned	195,285	-	-	195,285
Total Fund Balances	221,676	24,999	114,549	361,224
Total Liabilities, Deferred Inflows of Resources and Fund Balances	681,639	205,494	114,549	1,001,682

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

Riverdale Dunes Metropolitan District No. 1
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of
Net Position
For the Year Ended December 31, 2025

Governmental Funds Total Fund Balance		361,224
 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets	1,935,014	
Accumulated depreciation	<u>(896,659)</u>	
		1,038,355
 Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(1,790,000)	
Accrued interest	<u>(5,218)</u>	
		(1,795,218)
Net Position of Governmental Activities		(395,639)

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

Riverdale Dunes Metropolitan District No. 1
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Revenues:				
Property tax	468,518	133,130	-	601,648
Specific ownership tax	23,425	6,656	-	30,081
Lottery proceeds	-	-	6,802	6,802
Other	13,583	-	-	13,583
Interest	19,675	54	-	19,729
Total Revenues	525,201	139,840	6,802	671,843
Expenditures:				
General Government				
General and administrative	186,462	1,998	-	188,460
Landscaping	79,378	-	-	79,378
Maintenance	4,478	-	-	4,478
Pool	185,917	-	-	185,917
Other operational costs	11,291	-	-	11,291
Debt Service				
Bond principal payments	-	120,000	-	120,000
Bond interest payments	-	65,481	-	65,481
Paying agent fees	-	400	-	400
Total Expenditures	467,526	187,879	-	655,405
Excess of Revenues Over (Under)				
Expenditures	57,675	(48,039)	6,802	16,438
Other Financing Sources (Uses):				
Transfers in	-	43,267	-	43,267
Transfer (out)	(43,267)	-	-	(43,267)
Total Other Financing Sources (Uses)	(43,267)	43,267	-	-
Net change in fund balance	14,408	(4,772)	6,802	16,438
Fund Balances - Beginning	207,268	29,771	107,747	344,786
Fund Balances - Ending	221,676	24,999	114,549	361,224

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

Riverdale Dunes Metropolitan District No. 1
Reconciliation of Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2025

Net Change in Fund Balances of Governmental Funds		16,438
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay during the year.		
Depreciation expense	<u>(98,592)</u>	(98,592)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Repayment of principal on bonds	120,000	
Change in accrued interest	<u>238</u>	120,238
Change in Net Position of Governmental Activities		38,084

NOTES TO THE FINANCIAL STATEMENTS

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025

I. Summary of Significant Accounting Policies

Riverdale Dunes Metropolitan District No. 1 (the "District") is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act in Adams County on November 19, 1996. The District operates under the amended service plan approved by Commerce City (the "City") in July 2000 and as modified on November 20, 2006. The District was established to provide financing for the construction of streets and safety controls, parks and recreation, water facilities, sanitary sewer, and storm drainage within the Dunes Park subdivision, which is comprised of 250 single family homes and 182 townhomes. The District has no employees and all operations and administrative functions are contracted.

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the District are discussed below.

A. Reporting Entity

The District is governed by an elected Board which is responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with the provisions of the Colorado Special District Act.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits, to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria discussed above, the District is not financially accountable for any other entity, nor is the District a component unit of any other government.

B. Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the District's activities are governmental type.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, the governmental activities columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in four parts—invested in capital assets, net of related debt, restricted for emergencies, restricted for debt service, and unrestricted net position. The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The District reports the following governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources not required to be accounted for in another fund.

The Debt Service Fund is used to account for the accumulation of financial resources to be used for the payment of general long-term debt principal, interest, and other related costs.

The Capital Projects Fund is used for the financial resources to be used for (1) the acquisition and construction of capital equipment and facilities and (2) major repairs that extend the lives of the District's capital assets.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers for goods and services provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

D. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the District.

Investments are stated at fair value or amortized cost. The change in fair value or amortized cost of investments is recognized as an increase or decrease to investment assets and investment income.

The District's investment policy permits investments in the following type of obligations which corresponds with state statutes:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
- Corporate Bonds (maximum maturity of 36 months)
- Prime Commercial Paper (maximum maturity of 9 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

3. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental entities until the subsequent year. In accordance with GAAP, the assessed but uncollected property taxes have been recorded as a receivable and as deferred revenue.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

4. Prepaid Expenses

Prepaid expenses are amounts paid in the current year for expenses related to next year.

5. Interfund Receivables and Payables

Balances at year-end between funds are reported as “due to/from other funds” in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as “internal balances” in the government-wide financial statements.

6. Capital Assets

Capital assets, which include land, buildings, equipment, and improvement assets, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Improvements	10 - 40
Building	20
Equipment and furniture	3 - 20

7. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for “deferred outflows of resources.” Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resource (expense/expenditure) until then. The District has no items for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for “deferred inflows of resources.” Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resource (revenue) until that time. The District reports unavailable property tax as deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

8. Long-term Liabilities

In the government-wide financial statements, long-term debt is reported as liabilities. In the fund financial statements, the face amount of the debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures in the fund financial statements.

9. Categories and Classifications of Fund Balance

The District classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of Directors.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Board of Directors or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District does not have a formal minimum fund balance policy. However, the District's budget includes a calculation of targeted reserve positions and management calculates targets and reports them annually to the Board of Directors.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

In the fall of each year, the District's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budgets for the governmental funds are adopted on a basis consistent with GAAP.

As required by Colorado statutes, the District followed the following time table in approving and enacting a budget for the ensuing year:

- (1) For the 2025 budget year, prior to August 25, 2024, the County Assessor sent to the District the certified assessed valuation of all taxable property within the District's boundaries and prior to December 10, 2024, the County Assessor sent the final recertified assessed valuation to the District.
- (2) On or before October 15, 2024, the District's accountant submitted to the District's Board of Directors a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the District's operating requirements.
- (3) A public hearing on the proposed budget and capital program was held by the Board no later than 45 days prior to the close of the fiscal year.
- (4) For the 2025 budget, prior to December 15, 2024, the District computed and certified to the County Commissioners a rate of levy that derived the necessary property taxes as computed in the proposed budget.
- (5) For the 2025 budget, the final budget and appropriating resolution was adopted prior to December 31, 2024.

After adoption of the budget resolution, the District may make the following changes: a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; b) supplemental appropriations to the extent of revenues in excess of the estimated budget; c) emergency appropriations; and d) reduction of appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2024 were collected in 2025 and taxes certified in 2025 will be collected in 2026. Taxes are due on January 1 in the year of collection; however, they may be paid in either one installment (no later than April 30) or two equal installments (no later than February 28 and June 15) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15.

The level of control in the budget at which expenditures exceed appropriations is at the fund level. All appropriations lapse at year end.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

II. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple, fiscal-year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has reserved a portion of its December 31, 2025, year-end fund balance in the governmental funds for emergencies as required under TABOR in the amount of \$15,756, which is the approximate required reserve at December 31, 2025.

On November 7, 2000, the District's voters authorized the District to assess property taxes at no more than \$500,000 annually, without limitation to rate, to pay the District's operations, maintenance, and other expenses. Additionally the District was authorized to retain, and spend all revenue collected from any source, without regard to fiscal year spending limits otherwise imposed by TABOR.

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

The District's deposits are entirely covered by the Federal Deposit Insurance Corporation ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures depositors up to \$250,000 for all accounts. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the District's demand deposits was 57,953 at year end.

The District had the following deposits and investments as of December 31, 2025 with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Maturities	
			Less than one year	One to three years
<i>Deposits:</i>				
Checking and savings	<i>Not Rated</i>	57,953	57,953	-
<i>Investments:</i>				
Pools	<i>AAAm</i>	291,395	291,395	-
Total		349,348		

Fair Value of Investments

The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2025 the District had the following recurring fair value measurements:

Investments Measured at	
Amortized Cost	Total
Colorado Surplus Asset Fund Trust	291,395

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The District holds investments in the Colorado Surplus Asset Fund Trust ("CSAFE"), which is an investment vehicle established by State statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE operates similarly to a money market fund and each share is equal to \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. CSAFE measures its investments at amortized cost, which value is not materially different than fair value measurements of such investments. There are no unfunded commitments and the redemption frequency is daily, and there is no redemption period notice. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investment withdrawals. The custodian's internal records segregate investments owned by CASFE. No limitations exist on the District's ability to withdraw funds invested in CSAFE.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the District diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The District coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years from the purchase date. As a result of the limited length of maturities the District has limited its interest rate risk.

Credit Risk. State law and District policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The District's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The District diversifies its investments by security type and institution.

The District places no limit on the amount the District may invest in any one issuer. More than 5 percent of the District's investments are in local government investment pools. These investments are 83% of the District's total cash and investments.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

B. Capital Assets

Capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	30,350	-	-	30,350
Water rights	72,000	-	-	72,000
Total capital assets not being depreciated	102,350	-	-	102,350
Depreciable capital assets:				
Improvements	1,083,397	-	-	1,083,397
Buildings	310,552	-	-	310,552
Equipment and furniture	438,715	-	-	438,715
Total depreciable capital assets:	1,832,664	-	-	1,832,664
Less accumulated depreciation for:				
Improvements	(310,578)	(42,497)	-	(353,075)
Buildings	(149,524)	(15,527)	-	(165,051)
Equipment	(337,965)	(40,568)	-	(378,533)
Total accumulated depreciation/amortization	(798,067)	(98,592)	-	(896,659)
Total depreciable capital assets, net	1,034,597	(98,592)	-	936,005
Governmental Activities Capital Assets, Net	1,136,947	(98,592)	-	1,038,355

Depreciation expense was charged to general government.

C. Long-term Debt

1. General Obligation Refunding Bonds, Series 2016

The District issued General Obligation Refunding Bonds, Series 2016, dated October 13, 2016, in the aggregate amount of \$2,760,000. The purpose of the bonds is to refund the District 2006 bond issuance and finance upgrades to the storm water drainage system, new public park facilities and landscaping. The 2016 bonds are due in varying amounts through 2037, with interest payable semiannually at 4.00%. The bonds are subject to redemption prior to maturity, at the option of the District, beginning December 1, 2026 and on any date thereafter, without a redemption premium.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

III. Detailed Notes on All Funds (continued)

C. Long-term Debt (continued)

2. Schedule of Annual Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the District's bonds are as follows:

Year	Principal	Interest	Total
2026	120,000	62,631	182,631
2027	125,000	59,781	184,781
2028	130,000	54,469	184,469
2029	135,000	48,944	183,944
2030	140,000	43,206	183,206
2031 - 2035	785,000	132,100	917,100
2036 - 2037	355,000	16,719	371,719
Total	1,790,000	417,850	2,207,850

3. Changes in Long-term Debt

	12/31/24 Balance	Additions	Deletions	12/31/25 Balance	Due in One Year
Governmental Activities:					
2016 G.O. Refunding Bonds	1,910,000	-	(120,000)	1,790,000	120,000
Total	1,910,000	-	(120,000)	1,790,000	120,000

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

IV. Other Information

A. Agreements

1. Easement Agreement – Water Well

The District owns certain land within the District ("Tract C") that is subject to an easement agreement with South Adams County Water and Sanitation District ("SACWSD"), which allows SACWSD to construct, maintain, repair and operate a water well on a parcel of land owned and maintained by the District.

2. Easement Agreement – Utility

The District owns certain land within the District that is subject to easement agreements with South Adams County Water and Sewer District ("SACWSD") and United Power allowing utility line access across District-owned properties to District residents.

3. Landscaping Plan

The District owns certain land within the District that is subject to a landscaping plan that was filed by the Developer with Commerce City on November 2, 2001 (the "Landscaping Plan"). Per the Landscaping Plan, the District must ensure (1) all land owned by the District conforms to the Commerce City Community Development Department, Public Works Department and Parks and Recreation Department standards and (2) all plant material on District-owned land conforms to Commerce City's approved plant list and planting specifications. The Landscaping Plan also requires a minimum number of trees and shrubs be maintained on the certain portions of District-owned open spaces.

The District continues to be subject to the Landscaping Plan, and any revisions to the Landscaping Plan must be approved by Commerce City. If Commerce City deems the District to be in violation of the Landscaping Plan, Commerce City may assess monetary fines and/or other penalties on the District. As of December 31, 2025, the District believes it is materially in compliance with the Landscaping Plan.

B. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers compensation; general liability unemployment; and employee benefit expenses related to health, dental and vision programs. The District carried commercial coverage for employee benefit expenses and workers compensation. Any settled claims are not expected to exceed the commercial insurance coverage. All other risks described above were covered by the pool described below.

Riverdale Dunes Metropolitan District No. 1
Notes to the Financial Statements
December 31, 2025
(continued)

IV. Other Information (continued)

A. Risk Management (continued)

Colorado Special Districts Property and Liability Pool

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; and general liability. The District is a member of the Colorado Special District Property and Liability Pool ("Pool") for property and liability insurance. The Pool was formed by an intergovernmental agreement to provide public officials, property, general and automobile liability coverage for claims up to \$1,000,000, except if the claim falls within the government immunity statute, then the coverage is \$150,000 per person and a \$600,000 aggregate claim. The Pool is reinsured for 80% of the first \$250,000 of all claims and 100% for claims in excess of \$250,000. The District may be required to make additional contributions in the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts. Any excess funds, which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. Any settled claims are not expected to exceed coverage. A summary of audited statutory basis financial information for the Pool can be found here: <https://www.csdpool.org/financials>

REQUIRED SUPPLEMENTARY INFORMATION

Riverdale Dunes Metropolitan District No. 1
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Property tax	468,515	468,518	468,518	-
Specific ownership tax	18,553	23,425	23,425	-
Other	15,600	13,583	13,583	-
Interest	10,000	19,575	19,675	100
Total Revenues	512,668	525,101	525,201	100
Expenditures:				
General and administrative				
Management and account fees	102,765	102,765	102,765	-
Facilities management fees	34,200	34,100	34,100	-
Treasurer fees	7,028	7,031	7,031	-
Director fees	1,200	563	538	25
Training and conferences	3,200	4,791	4,791	-
Insurance	9,600	10,987	10,987	-
Professional fees	19,750	15,139	15,139	-
Election expense	9,000	1,215	1,215	-
Misc. expenses	8,855	9,873	9,872	1
Payroll		-	25	(25)
Landscaping				
Ground maintenance fees	48,500	48,500	59,348	(10,848)
Sprinkler repairs	36,000	16,989	16,989	-
Landscaping projects	19,750	13,888	3,040	10,848
Maintenance				
Playground	-	760	760	-
Snow removal	-	3,718	3,718	-

(continued)

Riverdale Dunes Metropolitan District No. 1
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2025
(continued)

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Expenditures:				
Pool				
Pool Maintenance fees	108,000	133,737	133,737	-
Utilities	45,000	52,180	52,180	-
Other operational costs				
Newsletter publications	8,680	5,696	5,696	-
Park and recreation events	-	1,836	1,836	-
Covenant enforcement	5,100	3,759	3,759	-
Total Expenditures	466,628	467,527	467,526	1
Excess of Revenues Over (Under) Expenditures	46,040	57,574	57,675	101
Other Financing Sources (Uses):				
Transfers in	13,331	13,331	-	(13,331)
Transfer (out)	-	-	(43,267)	(43,267)
Total Other Financing Sources (Uses)	13,331	13,331	(43,267)	(56,598)
Net change in fund balance	59,371	70,905	14,408	(56,497)
Fund Balance - Beginning	-	126,783	207,268	80,485
Fund Balance - Ending	59,371	197,688	221,676	23,988

SUPPLEMENTARY INFORMATION

Riverdale Dunes Metropolitan District No. 1
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2025

	Original & Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:			
Property tax	133,127	133,130	3
Specific ownership tax	52,722	6,656	(46,066)
Interest	100	54	(46)
Total Revenues	185,949	139,840	(46,109)
Expenditures:			
General and administrative			
Treasurer's fees	1,997	1,998	(1)
Contingency	2,000	-	2,000
Debt service			
Bond principal payments	120,000	120,000	-
Bond interest payments	65,481	65,481	-
Paying agent fees	400	400	-
Total Expenditures	189,878	187,879	1,999
Other Financing (Uses):			
Transfers in	-	43,267	43,267
Total Other Financing (Uses)	-	43,267	43,267
Net change in fund balance	(3,929)	(4,772)	(843)
Fund Balance - Beginning	28,928	29,771	843
Fund Balance - Ending	24,999	24,999	-

Riverdale Dunes Metropolitan District No. 1
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended December 31, 2025

	Original & Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:			
Lottery proceeds	7,500	6,802	(698)
Other Income	1,500	-	(1,500)
Total Revenues	9,000	6,802	(2,198)
Expenditures:			
General and administrative	-	-	-
Total Expenditures	-	-	-
Other Financing Sources (Uses):			
Transfers (out)	(13,331)	-	13,331
Total Other Financing Sources (Uses)	(13,331)	-	13,331
Net change in fund balance	(4,331)	6,802	11,133
Fund Balance - Beginning	107,681	107,747	66
Fund Balance - Ending	103,350	114,549	11,199

OTHER INFORMATION

Riverdale Dunes Metropolitan District No. 1
Schedule of Bonds Payable to Maturity
December 31, 2025

\$2,760,000
General Obligation Refunding
Bonds Series 2016
Dated October 13, 2016

Year Ending December 31	Principal	Interest	Interest Rates	Total
2026	120,000	62,631	4.00%	182,631
2027	125,000	59,781	4.00%	184,781
2028	130,000	54,469	4.00%	184,469
2029	135,000	48,944	4.00%	183,944
2030	140,000	43,206	4.00%	183,206
2031	145,000	37,256	4.00%	182,256
2032	155,000	31,094	4.00%	186,094
2033	160,000	26,250	4.00%	186,250
2034	160,000	21,250	4.00%	181,250
2035	165,000	16,250	4.00%	181,250
2036	175,000	11,094	4.00%	186,094
2037	180,000	5,625	4.00%	185,625
Totals	1,790,000	417,850		2,207,850

**Summary of Assessed Valuation, Mill Levy
And Property Taxes Collected
December 31, 2025**

Year Ending December 31	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied Interest	Levy	Collected	Percent Collected
2017	5,730,910	64.039	367,000	367,002	100%
2018	6,950,770	56.683	394,000	393,990	100%
2019	7,295,370	57.763	421,000	421,368	100%
2020	9,421,400	41.395	390,000	391,672	100%
2021	9,932,620	41.278	410,000	405,278	99%
2022	10,717,320	42.175	452,000	461,604	102%
2023	10,600,150	42.641	452,000	452,001	100%
2024	12,376,940	48.711	603,000	615,934	102%
2025	12,381,880	48.591	602,000	601,648	100%
2026	12,416,230	48.711	605,000	N/A	N/A

Riverdale Dunes Metropolitan District No. 1
Change in Total Overlapping Mill Levy
December 31, 2025

	2024 Mill Levy	2025 Mill Levy	Change
Riverdale Dunes Metropolitan District No. 1	48.591	48.711	(0.120)
Brighton School District No. 27J	56.644	56.929	(0.285)
Commerce City North Infrastructure General Improvement District	8.000	8.000	-
Adam County	26.944	26.944	-
South Adams Fire District No. 4	14.750	14.750	-
Rangeview Library District	3.667	3.681	(0.014)
Commerce City	2.700	2.700	-
South Adams County Water and Santitation District	2.013	3.102	(1.089)
Central Colorado Water Conservancy District	1.017	1.017	-
Urban Drainage and Flood Control	0.900	0.900	-
Urban Drainage and Flood Control - South Platte	0.100	0.100	-
Total Mill Levy	165.326	166.834	(1.508)

Riverdale Dunes Metropolitan District No. 1
Historical Debt Ratios
December 31, 2025

	2018	2019	2020	2021
Debt outstanding	2,565,000	2,465,000	2,360,000	2,250,000
Debt service fund cash	(79,612)	(29,988)	(21,112)	(18,692)
Combined assessed property values within the District	7,295,370	9,421,400	9,932,620	10,717,320
Ratio of debt to assessed property values	34.1%	25.8%	23.5%	20.8%
	2022	2023	2024	2025
Debt outstanding	2,140,000	2,025,000	1,910,000	1,790,000
Debt service fund cash	(42,146)	81,121	29,681	24,515
Combined assessed property values within the District	10,600,150	12,376,940	12,381,880	12,416,230
Ratio of debt to assessed property values	19.8%	17.0%	15.7%	14.6%