

SADDLE ROCK SOUTH METROPOLITAN DISTRICT NOS. 2-4

2024 CONSOLIDATED ANNUAL REPORT TO THE CITY OF AURORA

Pursuant to Section VI.B. of the Consolidated Service Plan for Saddle Rock South Metropolitan District Nos. 1-3 dated August 11, 1995, as amended by that certain First Amendment to the Consolidated Service Plan of Saddle Rock South Metropolitan District Nos. 1-4 dated September 2, 1998 (collectively, the “Service Plan”), the Saddle Rock South Metropolitan District Nos. 1-4 are required to provide an annual report to the City of Aurora (the “City”) with regard to the matters indicated below. As part of the formation of the Saddle Rock South Authority (the “Authority”) on July 25, 2019, District No. 1 dissolved and the Authority was created to assume the operations, maintenance, and administrative responsibilities; therefore, this annual report is being provided for the Saddle Rock South Metropolitan District Nos. 2-4 (individually, District No. 2, District No. 3, and District No. 4; collectively, the “Districts”).

- A. Boundary changes made or proposed.
- B. Intergovernmental Agreements with other governmental bodies entered into or proposed.
- C. Changes or proposed changes in the Districts’ policies.
- D. Changes or proposed changes in the Districts’ operations.
- E. Any changes in the financial status of the Districts including revenue projections, or operating costs.
- F. A summary of any litigation which involves the Districts.
- G. Proposed plans for the year immediately following the year summarized in the annual report.
- H. Status of Public Improvement Construction Schedule.
- I. Submission of current assessed valuation in the Districts.

For the year ending December 31, 2024, the Districts make the following report:

- A. Boundary changes made or proposed.
There were no boundary changes made or proposed in 2024.
- B. Intergovernmental Agreements with other governmental bodies entered into or proposed.

There were no intergovernmental agreements with other governmental bodies entered into or proposed in 2024.

C. Changes or proposed changes in the Districts' policies.

There were no changes or proposed changes to the Districts' policies in 2024.

D. Changes or proposed changes in the Districts' operations.

There have been no significant changes or proposed changes in the Districts' operations.

E. Any changes in the financial status of the Districts, including revenue projections or operating costs.

There were no significant changes in the financial status, revenue projections, or operating costs of the Districts during 2024.

F. A summary of any litigation which involves the Districts.

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there was no litigation involving the Districts in 2024.

G. Proposed plans for the year immediately following the year summarized in the annual report.

The Districts have no proposed plans for construction of new public improvements as of the date of this report. The community is built-out and no other public improvements are anticipated at this time.

H. Status of Public Improvement Construction Schedule.

No public improvements were constructed by the Districts in 2024 nor are any planned for construction in 2025. The community is built-out and no other public improvements are anticipated at this time.

I. Submission of current assessed valuation in the Districts.

The Districts received 2024 certifications of valuation from the Arapahoe County Assessor as follows:

Saddle Rock South Metropolitan District No. 2	\$29,101,326
Saddle Rock South Metropolitan District No. 3	\$26,385,115
Saddle Rock South Metropolitan District No. 4	\$52,313,245

The 2025 adopted Budgets for the Districts are attached to this report as **Exhibit A**.

EXHIBIT A
2025 Budgets for the Saddle Rock South Metropolitan District Nos. 2-4

SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 2
2025
BUDGET MESSAGE

Attached please find a copy of the adopted 2025 budget for Saddle Rock South Metropolitan District No. 2.

Saddle Rock South Metropolitan District No. 2 has adopted a budget for two separate funds, a General Fund to provide for transfers to Saddle Rock South Authority; and a Debt Service Fund to provide for transfers to Saddle Rock South Metropolitan District No. 4.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary sources of revenue for the district in 2025 will be property taxes from the imposition of a 26.000 mill levy on property within the district for 2025, of which 14.500 mills will be dedicated to the General Fund and the balance of 11.500 mills will be allocated to the Debt Service Fund.

Saddle Rock South Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>9/30/2024</u>	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	328,058	433,516	445,705	446,000	421,969
Specific ownership taxes	22,243	30,353	18,665	25,000	25,333
Interest income	<u>295</u>	<u>200</u>	<u>1,594</u>	<u>2,100</u>	<u>2,000</u>
Total revenues	<u>350,596</u>	<u>464,069</u>	<u>465,964</u>	<u>473,100</u>	<u>449,302</u>
Total funds available	<u>350,596</u>	<u>464,069</u>	<u>465,964</u>	<u>473,100</u>	<u>449,302</u>
Expenditures:					
Treasurer fees	4,937	6,503	6,688	6,690	6,330
Transfer to Authority	<u>345,659</u>	<u>457,566</u>	<u>459,276</u>	<u>466,410</u>	<u>442,972</u>
Total expenditures	<u>350,596</u>	<u>464,069</u>	<u>465,964</u>	<u>473,100</u>	<u>449,302</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 29,069,706</u>			<u>\$ 29,101,326</u>
Mill Levy		<u>14.913</u>			<u>14.500</u>

Saddle Rock South Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>9/30/2024</u>	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	257,760	340,610	340,191	340,610	334,665
Specific ownership taxes	16,890	23,858	14,665	19,500	20,108
Interest income	<u>1,691</u>	<u>2,000</u>	<u>858</u>	<u>1,500</u>	<u>1,200</u>
Total revenues	<u>276,341</u>	<u>366,468</u>	<u>355,714</u>	<u>361,610</u>	<u>355,973</u>
Total funds available	<u>276,341</u>	<u>366,468</u>	<u>355,714</u>	<u>361,610</u>	<u>355,973</u>
Expenditures:					
Transfer to District #4	272,471	361,359	350,609	356,501	350,953
Treasurer fees	<u>3,870</u>	<u>5,109</u>	<u>5,105</u>	<u>5,109</u>	<u>5,020</u>
Total expenditures	<u>276,341</u>	<u>366,468</u>	<u>355,714</u>	<u>361,610</u>	<u>355,973</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 29,069,706</u>			<u>\$ 29,101,326</u>
Mill Levy		<u>11.717</u>			<u>11.500</u>
TOTAL MILL LEVY		<u>26.630</u>			<u>26.000</u>

SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 3
2025
BUDGET MESSAGE

Attached please find a copy of the adopted 2025 budget for Saddle Rock South Metropolitan District No. 3.

Saddle Rock South Metropolitan District No. 3 has adopted a budget for two separate funds, a General Fund to provide for transfers to Saddle Rock South Authority; and a Debt Service Fund to provide for transfers to Saddle Rock South Metropolitan District No. 4.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary sources of revenue for the district in 2025 will be property taxes from the imposition of a 26.000 mill levy on property within the district for 2025, of which 14.500 mills will be dedicated to the General Fund and the balance of 11.500 mills will be allocated to the Debt Service Fund.

Saddle Rock South Metropolitan District No. 3
Adopted Budget
General Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>9/30/2024</u>	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	305,020	385,373	391,757	392,000	382,584
Specific ownership taxes	20,041	26,975	16,592	22,000	23,010
Interest income	<u>51</u>	<u>100</u>	<u>882</u>	<u>1,100</u>	<u>1,000</u>
Total revenues	<u>325,112</u>	<u>412,448</u>	<u>409,231</u>	<u>415,100</u>	<u>406,594</u>
Total funds available	<u>325,112</u>	<u>412,448</u>	<u>409,231</u>	<u>415,100</u>	<u>406,594</u>
Expenditures:					
Treasurer fee	4,577	5,781	5,877	5,880	5,740
Transfer to Dist #1 / Authority	<u>320,535</u>	<u>406,667</u>	<u>403,354</u>	<u>409,220</u>	<u>400,854</u>
Total expenditures	<u>325,112</u>	<u>412,448</u>	<u>409,231</u>	<u>415,100</u>	<u>406,594</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 26,317,881</u>			<u>\$ 26,385,115</u>
Mill Levy		<u>14.643</u>			<u>14.500</u>

Saddle Rock South Metropolitan District No. 3
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>9/30/2024</u>	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	239,659	302,787	302,442	302,787	303,429
Specific ownership taxes	15,704	22,169	13,036	17,000	18,249
Interest income	<u>1,192</u>	<u>1,600</u>	<u>738</u>	<u>1,000</u>	<u>900</u>
Total revenues	<u>256,555</u>	<u>326,556</u>	<u>316,216</u>	<u>320,787</u>	<u>322,578</u>
Total funds available	<u>256,555</u>	<u>326,556</u>	<u>316,216</u>	<u>320,787</u>	<u>322,578</u>
Expenditures:					
Transfer to District #4	252,959	322,001	311,679	316,245	318,013
Treasurer fees	<u>3,596</u>	<u>4,555</u>	<u>4,537</u>	<u>4,542</u>	<u>4,565</u>
Total expenditures	<u>256,555</u>	<u>326,556</u>	<u>316,216</u>	<u>320,787</u>	<u>322,578</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 26,317,881</u>			<u>\$ 26,385,115</u>
Mill Levy		<u>11.505</u>			<u>11.500</u>
TOTAL MILL LEVY		<u>26.148</u>			<u>26.000</u>

SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 4
2025
BUDGET MESSAGE

Attached please find a copy of the adopted 2025 budget for Saddle Rock South Metropolitan District No. 4.

Saddle Rock South Metropolitan District No. 4 has adopted a budget for two separate funds, a General Fund to provide for transfers to Saddle Rock South Authority; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary sources of revenue for the district in 2025 will be transfers from Saddle Rock South Metropolitan District No. 2 and Saddle Rock South Metropolitan District No. 3, and property taxes from the imposition of a 26.000 mill levy on property within the district for 2025, of which 14.500 mills will be dedicated to the General Fund and the balance of 11.500 mills will be allocated to the Debt Service Fund.

Saddle Rock South Metropolitan District No. 4
Adopted Budget
General Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>9/30/2024</u>	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	618,559	791,834	808,276	809,000	758,542
Specific ownership taxes	38,284	55,422	34,092	45,000	45,440
Interest income	<u>209</u>	<u>150</u>	<u>254</u>	<u>300</u>	<u>200</u>
Total revenues	<u>657,052</u>	<u>847,406</u>	<u>842,622</u>	<u>854,300</u>	<u>804,182</u>
Total funds available	<u>657,052</u>	<u>847,406</u>	<u>842,622</u>	<u>854,300</u>	<u>804,182</u>
Expenditures:					
Treasurer fee	9,251	11,877	12,128	12,135	11,377
Transfer to Dist #1 / Authority	<u>647,801</u>	<u>835,529</u>	<u>830,494</u>	<u>842,165</u>	<u>792,805</u>
Total expenditures	<u>657,052</u>	<u>847,406</u>	<u>842,622</u>	<u>854,300</u>	<u>804,182</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 53,050,707</u>			<u>\$ 52,313,245</u>
Mill Levy		<u>14.926</u>			<u>14.500</u>

Saddle Rock South Metropolitan District No. 4
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>9/30/2024</u>	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ 492,132	\$ 632,849	\$ 642,063	\$ 642,063	\$ 1,089,515
Revenues:					
Property taxes	486,011	622,126	615,576	622,126	601,602
Specific ownership taxes	29,143	43,575	26,786	35,000	36,039
Interest/other income	57,290	50,000	54,599	65,000	55,000
Transfer from District 2	272,471	361,359	350,609	356,501	350,953
Transfer from District 3	<u>252,959</u>	<u>322,001</u>	<u>311,679</u>	<u>316,245</u>	<u>318,013</u>
Total revenues	<u>1,097,874</u>	<u>1,399,061</u>	<u>1,359,249</u>	<u>1,394,872</u>	<u>1,361,607</u>
Total funds available	<u>1,590,006</u>	<u>2,031,910</u>	<u>2,001,312</u>	<u>2,036,935</u>	<u>2,451,122</u>
Expenditures:					
Bond interest Series 2015	297,688	280,088	140,044	280,088	262,075
Bond principal Series 2015	640,000	655,000	-	655,000	675,000
Paying agent fees	3,000	3,000	3,000	3,000	3,000
Treasurer fees	7,255	9,332	9,236	9,332	9,023
Miscellaneous	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Total expenditures	<u>947,943</u>	<u>948,420</u>	<u>152,280</u>	<u>947,420</u>	<u>950,098</u>
Ending fund balance	<u>\$ 642,063</u>	<u>\$ 1,083,490</u>	<u>\$ 1,849,032</u>	<u>\$ 1,089,515</u>	<u>\$ 1,501,024</u>
Assessed valuation		<u>\$ 53,050,707</u>			<u>\$ 52,313,245</u>
Mill Levy		<u>11.727</u>			<u>11.500</u>
TOTAL MILL LEVY		<u>26.653</u>			<u>26.000</u>