

SENAC SOUTH METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/24

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 44,616,835	\$ 46,775,310	\$ 49,169,504
REVENUES			
Property taxes	488	461	461
Specific ownership taxes	33	32	28
Property taxes - SARIA	8	8	8
Interest income	2,256,039	2,400,000	1,500,000
Developer advance	77,000	80,000	80,000
Total revenues	<u>2,333,568</u>	<u>2,480,501</u>	<u>1,580,497</u>
TRANSFERS IN	<u>-</u>	<u>3,500</u>	<u>3,500</u>
Total funds available	<u>46,950,403</u>	<u>49,259,311</u>	<u>50,753,501</u>
EXPENDITURES			
General Fund	81,627	82,301	77,000
Debt Service Fund	4,006	4,006	4,006
Capital Projects Fund	89,460	-	27,000,000
Total expenditures	<u>175,093</u>	<u>86,307</u>	<u>27,081,006</u>
TRANSFERS OUT	<u>-</u>	<u>3,500</u>	<u>3,500</u>
Total expenditures and transfers out requiring appropriation	<u>175,093</u>	<u>89,807</u>	<u>27,084,506</u>
ENDING FUND BALANCES	<u>\$ 46,775,310</u>	<u>\$ 49,169,504</u>	<u>\$ 23,668,995</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/24

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Agricultural	\$ 6,526	\$ 6,736	\$ 6,736
Vacant land	145	140	140
Certified Assessed Value	\$ 6,671	\$ 6,876	\$ 6,876
 MILL LEVY			
General	12.205	12.214	12.214
Debt Service	61.027	54.864	54.864
ARI	1.220	1.097	1.097
Total mill levy	74.452	68.175	68.175
 PROPERTY TAXES			
General	\$ 81	\$ 84	\$ 84
Debt Service	407	377	377
ARI	8	8	8
Levied property taxes	496	469	469
Budgeted property taxes	\$ 496	\$ 469	\$ 469
 BUDGETED PROPERTY TAXES			
General	\$ 81	\$ 84	\$ 84
Debt Service	407	377	377
ARI	8	8	8
	\$ 496	\$ 469	\$ 469

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/24

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 12,810	\$ 8,278	\$ 2,575
REVENUES			
Property taxes	81	84	84
Specific ownership taxes	6	6	5
Property taxes - SARIA	8	8	8
Developer advance	77,000	80,000	80,000
Total revenues	77,095	80,098	80,097
Total funds available	89,905	88,376	82,672
EXPENDITURES			
General and administrative			
Accounting	25,392	32,000	30,000
Auditing	4,350	4,700	5,200
Contingency	-	-	1,641
County Treasurer's fee	1	1	1
Dues and membership	314	321	400
Election	2,108	-	1,000
Insurance	2,571	4,271	4,750
Legal	46,283	40,000	33,000
SARIA	8	8	8
Website	600	1,000	1,000
Total expenditures	81,627	82,301	77,000
TRANSFERS OUT			
Transfers to other fund	-	3,500	3,500
Total expenditures and transfers out requiring appropriation	81,627	85,801	80,500
ENDING FUND BALANCES	\$ 8,278	\$ 2,575	\$ 2,172
EMERGENCY RESERVE	\$ 100	\$ 100	\$ 100
TOTAL RESERVE	\$ 100	\$ 100	\$ 100

No assurance provided. See summary of significant assumptions.

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/24

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 4,008	\$ 436	\$ 333
REVENUES			
Property taxes	407	377	377
Specific ownership taxes	27	26	23
Total revenues	<u>434</u>	<u>403</u>	<u>400</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>3,500</u>	<u>3,500</u>
Total funds available	<u>4,442</u>	<u>4,339</u>	<u>4,233</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	6	6	6
Paying agent fees	4,000	4,000	4,000
Total expenditures	<u>4,006</u>	<u>4,006</u>	<u>4,006</u>
Total expenditures and transfers out requiring appropriation	<u>4,006</u>	<u>4,006</u>	<u>4,006</u>
ENDING FUND BALANCES	<u>\$ 436</u>	<u>\$ 333</u>	<u>\$ 227</u>

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

10/10/24

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 44,600,017	\$ 46,766,596	\$ 49,166,596
REVENUES			
Interest income	2,256,039	2,400,000	1,500,000
Total revenues	<u>2,256,039</u>	<u>2,400,000</u>	<u>1,500,000</u>
TRANSFERS IN			
Total funds available	<u>46,856,056</u>	<u>49,166,596</u>	<u>50,666,596</u>
EXPENDITURES			
Repay developer advance	89,460	-	-
Engineering	-	-	2,000,000
Capital outlay	-	-	25,000,000
Total expenditures	<u>89,460</u>	<u>-</u>	<u>27,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>89,460</u>	<u>-</u>	<u>27,000,000</u>
ENDING FUND BALANCES	<u>\$ 46,766,596</u>	<u>\$ 49,166,596</u>	<u>\$ 23,666,596</u>

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Court Order on December 8, 2005, to provide financing for the design, acquisition, installation, and construction of streets, traffic and safety controls, water, sanitary sewer, parks and recreation, public transportation, mosquito control and security services and related operation and maintenance services within and without the boundaries of the District. The District's service area is located entirely within the City of Aurora (the "City"), in Arapahoe County, Colorado. Under the Service Plan, the District is the Operating District and is related to Senac South Metropolitan District No. 2 (Senac South No. 2) and Senac South Metropolitan District No. 3 (Senac South No. 3) and Senac South Metropolitan District No. 4 (Senac South No. 4), which serve as the Taxing Districts. The Operating District is responsible for management of the construction of all facilities and improvement and for operation and maintenance of all improvements not conveyed to the City. The Taxing Districts provide the funding for infrastructure improvements and the tax base needed to support ongoing operations.

On November 1, 2005, District voters approved authorization to increase property taxes up to \$500,000, annually, without limitation of rate, to pay for the operations and maintenance expenditures of the District. District electors approved revenue indebtedness of \$66,000,000 for the above listed facilities, \$66,000,000 for refunding of debt, \$66,000,000 for multi-fiscal year intergovernmental contracts and \$66,000,000 for reimbursement agreements. The voters also authorized debt of \$8,500,000 for the issuance of mortgages, liens and other encumbrances on District real and personal property and \$40,000,000 for Aurora Regional Improvements. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law. Pursuant to the Service Plan, the total debt of the Districts is limited to \$55,000,000.

As a condition of the Service Plan Approval, the District agreed to enter into an Intergovernmental Agreement with The City of Aurora, Colorado (the "City"), Senac South No. 2, Senac South No. 3 and Senac South No. 4 (Districts 1, 2, 3 and 4 collectively the "Districts"). Under the provisions of this Intergovernmental Agreement the Districts have the responsibility, among other things, to construct certain public improvements set forth in the Service Plan and to impose a mill levy as defined in the Districts' Service Plan as the Aurora Regional Improvements Mill Levy (ARI Mill Levy). None of the Districts' debt service mill levy can exceed 50.000 mills for any portion of the Districts' debt which exceeds 50.00% of the Districts' assessed valuation ("mill levy cap").

The District as 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.

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Developer Advances

The District is in the development stage. Advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse others from bond proceeds and other available revenue.

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.

For property tax collection year 2025, SB22-238, SB 23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

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.

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 6.00% of the property taxes collected.

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical and anticipated future earnings based on market conditions.

System Development Fees

The District imposes a System Development Fee in the amount of \$2,500 for each residential unit within the District. The System Development Fee is payable at the time a building permit is issued by the County for a residential unit. The System Development Fee revenue is pledged to the payment of the Bonds. No System Development Fee revenue is expected in 2025.

Expenditures

Administrative and Operating Expenditures

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

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections by Arapahoe County.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2021A(3) Bonds (discussed under Debt and Leases). No principal or interest payments are expected in 2025.

Capital Infrastructure

The District anticipates capital expenditures as noted on the Capital Projects Fund page of the budget. The District will own, operate and maintain all District eligible public improvements within its boundaries that are not dedicated to any other public entity.

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

General Obligation Limited Tax Bonds, Series 2021⁽³⁾ (the Bonds)

The District issued the Bonds on November 10, 2021, in the par amount of \$45,155,000. Proceeds from the sale of the Bonds were used for the purposes of (i) paying a portion of the costs of capital infrastructure improvements or reimbursing the landowner for the advancement of those costs, to the extent of available proceeds; and (ii) paying costs of issuance of the Bonds.

The Bonds bear interest at 5.250% per annum and are payable annually on December 1, beginning on December 1, 2021, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the maturity date. Unpaid interest on the Bonds compounds annually on December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2061, such amounts shall be extinguished and no longer due and outstanding.

Proceeds of the Bonds in the amount of \$2,300,000 were deposited to the Restricted Account of the Project Fund upon closing. Upon the receipt by the District or the Landowner of a No Further Action Letter from the State or such other governmental authorities having jurisdiction over such matters, the Trustee is to transfer all amounts from within the Restricted Account to the Unrestricted Account. The balance in the Restricted Account as of December 31, 2025 is nil.

Developer Advances

Estimated Developer advances for operations for December 31, 2025 are as follows:

	Balance December 31, 2023	Additions	Deletions	Est. Balance December 31, 2024
Developer Advance				
Principal - O&M	\$ 45,000	\$ 80,000	\$ -	\$ 125,000
Interest	143	4,483	-	4,626
Total	<u>\$ 45,143</u>	<u>\$ 84,483</u>	<u>\$ -</u>	<u>\$ 129,626</u>
	Balance December 31, 2024	Additions	Deletions	Est. Balance December 31, 2024
Developer Advance				
Principal - O&M	\$ 125,000	\$ 80,000	\$ -	\$ 205,000
Interest	4,626	7,795	-	12,421
Total	<u>\$ 129,626</u>	<u>\$ 87,795</u>	<u>\$ -</u>	<u>\$ 217,421</u>

**SENAC SOUTH METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.