

SORREL RANCH METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032
<https://sorrelranchmd.colorado.gov>

NOTICE OF REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Mark Selden	President	2025/May 2025
Rebecca Stricker	Treasurer	2027/May 2027
David Bourne	Assistant Secretary	2027/May 2027
VACANT		2025/May 2025
VACANT		2025/May 2025
David Solin	Secretary (Non-Elected Position)	

DATE: Monday, November 4, 2024

TIME: 6:30 p.m.

PLACE: Via Zoom

** Individuals requiring special accommodation to attend and/or participate in the meeting please advise the District Manager (dsolin@sdmsi.com or 303-987-0835) of their specific need(s) before the meeting.*

Join Zoom Meeting

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Meeting ID: 546 911 9353

Passcode: 912873

Dial: 1-719-359-4580

I. ADMINISTRATIVE MATTERS

A. Present disclosures of potential conflicts of interest.

B. Confirm quorum, location of meeting and posting of meeting notice. Approve agenda.

C. Review and consider approval of Minutes from the March 25, 2024 Special Meeting (enclosure).

D. Discuss vacancies on the Board

E. Discuss business to be conducted in 2025 and location (**virtual and/or physical**) of meetings. Schedule regular meeting dates and consider adoption of Resolution Establishing Regular Meeting Dates, Time, and Location, and Designating Location for Posting of 24-Hour Notices (enclosure).

F. Authorize renewal of District’s insurance and Special District Association (SDA) membership for 2025.

G. Discuss requirement of Section 32-1-809, C.R.S. and direct staff regarding compliance for 2025 (District Transparency Notice).

H. Discuss website accessibility matters.

II. PUBLIC COMMENTS

A. Members of the public may express their views to the Boards on matters that affect the Districts. Comments will be limited to three (3) minutes per speaker.

III. FINANCIAL MATTERS

A. Review and ratify the approval of the payment of claims as follows (enclosures):

Fund	Period Ending March 31, 2024	Period Ending April 30, 2024	Period Ending May 31, 2024	Period Ending June 30, 2024
General	\$ 14,050.28	\$ 3,369.44	\$ 8,482.39	\$ 3,943.00
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 14,050.28	\$ 3,369.44	\$ 8,482.39	\$ 3,943.00

Fund	Period Ending July 31, 2024	Period Ending Aug. 31, 2024	Period Ending Sept. 30, 2024	Period Ending Sept. 30, 2024 HOA Transfer
General	\$ 2,846.12	\$ 1,709.82	\$ 2,090.20	\$ 169,850.79
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 2,846.12	\$ 1,709.82	\$ 2,090.20	\$ 169,850.79

Fund	Period Ending Oct. 31, 2024
General	\$ 4,348.02
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 4,348.02

- B. Review and accept the unaudited financial statements for the period ending September 30, 2024 and statement of cash position for the period ending September 30, 2024 (enclosure).

- C. Ratify approval of 2023 Audit and authorization to execute Management Representations Letter (enclosure).

- D. Discuss statutory requirements for an Audit. Consider engagement of _____ to perform the 2024 Audit, in an amount not to exceed \$ _____ (to be distributed).

- E. Conduct Public Hearing to consider amendment of the 2024 Budget. If necessary, consider adoption of Resolution to Amend the 2024 Budget.

- F. Conduct Public Hearing on the proposed 2025 Budget and consider adoption of Resolution to Adopt the 2025 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies (enclosures).

- G. Authorize District Accountant to prepare and sign the DLG-70 Certification of Tax Levies form and Mill Levy Public Information form for certification to the Board of County Commissioners and other interested parties.

- H. Discuss and consider adoption of Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan (enclosure).

- I. Consider appointment of District Accountant to prepare the 2026 Budget and set date for public hearing to adopt the 2026 Budget (_____, 2025).

IV. LEGAL MATTERS

- A. Discuss May 6, 2025 Regular Director Election and consider adoption of Resolution Calling May 6, 2025 Election for Directors, appointing Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. Self-Nomination Forms are due by February 28, 2025 (enclosure). Discuss the need for ballot issues and/or questions.

- B. Ratify approval of Cost Contribution Agreement between the District and the Sorrel Ranch Homeowners Association Inc. (enclosure).
-

VI. OTHER MATTERS

- A. Discuss status of Amendment to the District's Service Plan related to request from South Aurora Regional Improvement Authority to revise ARI Mill Levy to facilitate future bond issuance (enclosure).
-

VII. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2024.**

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
SORREL RANCH METROPOLITAN DISTRICT
HELD
MARCH 25, 2024**

A Special Meeting of the Board of Directors (the “Board”) of the Sorrel Ranch Metropolitan District (referred to hereafter as the “District”) was convened on Monday, March 25, 2024 at 6:30 p.m. via video/telephone conference on Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mark Selden
David Bourne
Rebecca Stricker

Also In Attendance Were:

David Solin and Diana Garcia; Special District Management Services, Inc.
Emily Murphy, Esq.; McGeady Becher P.C.
Angela Watts; Sorrel Ranch Homeowners Association Inc. Manager

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

A quorum of the Board was confirmed.

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Attorney Murphy that disclosures of potential conflicts of interest were filed with the Secretary of State for Director Selden, and no additional conflicts were disclosed at the meeting.

**ADMINISTRATIVE
MATTERS**

Agenda: Mr. Solin distributed for the Board’s review and approval, a proposed Agenda for the District’s Special Meeting.

Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker and, upon vote unanimously carried, the Agenda was approved.

Meeting Location: The Board entered into discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District’s Board meeting. Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker and, upon vote unanimously carried, the Board determined to conduct the meeting via Zoom. The Board further noted that notice of the time, date, location and Zoom information was duly posted and that they

RECORD OF PROCEEDINGS

have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

24-Hour Posting Location: Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker and, upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted at least 24-hours prior to each meeting on the District's website at: <https://sorrelranchmd.colorado.gov/>. If posting on the website is unavailable, notice will be posted at the corner of East Alexander Drive and South Buchanan Street, Aurora, Colorado.

Minutes: The Board reviewed the Minutes from the November 6, 2023 Special Meeting and the November 6, 2023 Statutory Annual Meeting.

Following review and discussion, upon motion duly made by Director Bourne, seconded by Director Stricker and, upon vote unanimously carried, the Board approved the Minutes of the November 6, 2023 Special Meeting and the November 6, 2023 Statutory Annual Meeting.

Board Vacancies: The Board discussed the vacancies on the Board of Directors. It was noted that there are no known interested, qualified candidates at this time.

PUBLIC COMMENT

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period Ending Nov. 30, 2023	Period Ending Dec. 31, 2023	Period Ending January 31, 2024	Period Ending February 29, 2024
General	\$ 3,050.85	\$ 6,057.58	\$ 3,978.17	\$ 3,906.94
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 3,050.85	\$ 6,057.58	\$ 3,978.17	\$ 3,906.94

Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker and, upon vote unanimously carried, the Board ratified approval of the payment of claims.

Financial Statements: Mr. Solin reviewed with the Board the unaudited financial statements through December 31, 2023.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote unanimously carried, the Board accepted the unaudited financial statements through December 31, 2023.

2023 Audit: The Board discussed the statutory requirements for an Audit. And considered the engagement of Tatton and Company, LLC to perform the 2023 Audit, in an amount not to exceed \$7,400.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote unanimously carried, the Board approved the engagement of Tatton and Company, LLC to perform the 2023 Audit, in an amount not to exceed \$7,400.

Infrastructure Improvements/Construction Project with Sorrel Ranch Homeowners Association Inc.: The Board discussed potential District contributions to the Sorrel Ranch Homeowners Association Inc. (the “Association”).

Following discussion, upon motion duly made by Director Stricker, seconded by Director Bourne and, upon vote, carried with Directors Stricker and Bourne voting “Yes” and Director Selden abstaining, the Board approved the infrastructure improvements/construction project with the Association, subject to final legal review, authorized funding for the project in an amount not to exceed \$169,850.79, and appointed Director Bourne to the oversight review committee. The Board further authorized District Counsel to prepare a Cost Contribution Agreement memorializing same.

LEGAL MATTERS

Mr. Solin provided an update regarding the South Aurora Regional Improvements Authority Bonds and the related Service Plan Amendment.

OTHER MATTERS

The Board requested that Director Stricker be added to the Bill.com account to review and approve payment of invoices.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Bourne, seconded by Director Stricker and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

RESOLUTION NO. 2024-11-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SORREL RANCH METROPOLITAN DISTRICT ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES

A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.

C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting, if a special district posts the Notice of Meeting online at a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.

E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sorrel Ranch Metropolitan District (the “**District**”), Arapahoe County, Colorado:

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2025 shall be held on June 4, 2025 and November 5, 2025 at 6:30 p.m., at virtual location (telephonically, electronically, or by other means).

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) physical location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District Board authorizes establishment of a District Website, if such District Website does not already exist, in order to provide full and timely notice of meetings of the District Board online pursuant to the provisions of Section 24-6-402(2)(c)(III), C.R.S.

8. That, if the District has established a District Website, the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

9. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) Corner of Aurora Parkway and Buchanan Street

10. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND DESIGNATING LOCATION FOR 24-HOUR NOTICES]

RESOLUTION APPROVED AND ADOPTED on November 4, 2024.

SORREL RANCH METROPOLITAN DISTRICT

By: _____
President

Attest:

Secretary

Sorrel Ranch Metropolitan District
March-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Haynie Company	C71745	9/30/2023	9/30/2023	\$ 10,000.00	Audit Fees	17020
McGeady Becher PC	659B 01.2024	1/31/2024	1/31/2024	\$ 1,386.21	Legal Services	17460
South Aurora Regional Improvement Authority	4th Qtr 2023	2/27/2024	2/27/2024	\$ 189.62	SARIA Payment	37505
Special District Association of Colorado	2024 Renewal	2/20/2024	2/20/2024	\$ 334.68	Dues & Membership	17250
Special District Management Services, Inc	2.2024	2/29/2024	2/29/2024	\$ 1,086.50	Accounting	17000
Special District Management Services, Inc	2.2024	2/29/2024	2/29/2024	\$ 1,053.27	District Management	17440
				\$ 14,050.28		

Sorrel Ranch Metropolitan District
March-24

	General	Debt	Capital	Totals
Disbursements	\$ 14,050.28			\$ 14,050.28
Payroll				\$ -
<u>Total Disbursements from Checking</u>	<u>\$ 14,050.28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,050.28</u>

Sorrel Ranch Metropolitan District
April-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher PC	659B 2.2024	2/29/2024	2/29/2024	\$ 262.60	Legal Services	17460
Special District Management Services, Inc	3.2024	4/15/2024	4/15/2024	\$ 630.20	Accounting	17000
Special District Management Services, Inc	3.2024	4/15/2024	4/15/2024	\$ 2,199.59	District Management	17440
				\$ 3,092.39		

Sorrel Ranch Metropolitan District
April-24

	General	Debt	Capital	Totals
Disbursements	\$ 3,092.39			\$ 3,092.39
Payroll	\$ 277.05			\$ 277.05
<u>Total Disbursements from Checking</u>	<u>\$ 3,369.44</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,369.44</u>

Sorrel Ranch Metropolitan District

May-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher PC	659B 3.2024	3/31/2024	3/31/2024	\$ 5,881.21	Legal Services	17460
Special District Management Services, Inc	4.2024	4/30/2024	4/30/2024	\$ 1,919.50	Accounting	17000
Special District Management Services, Inc	4.2024	4/30/2024	4/30/2024	\$ 681.68	District Management	17440
				\$ 8,482.39		

Sorrel Ranch Metropolitan District
May-24

	General	Debt	Capital	Totals
Disbursements	\$ 8,482.39			\$ 8,482.39
Payroll				\$ -
<u>Total Disbursements from Checking</u>	<u>\$ 8,482.39</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,482.39</u>

Sorrel Ranch Metropolitan District
June-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher PC	659B 04.2024	4/30/2024	4/30/2024	\$ 1,982.10	Legal Services	17460
Special District Management Services, Inc	5.2024	5/31/2024	5/31/2024	\$ 1,407.60	Accounting	17000
Special District Management Services, Inc	5.2024	5/31/2024	5/31/2024	\$ 553.30	District Management	17440
				\$ 3,943.00		

Sorrel Ranch Metropolitan District
June-24

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 3,943.00			\$ 3,943.00
Payroll				\$ -
<u>Total Disbursements from Checking</u>	<u>\$ 3,943.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,943.00</u>

Sorrel Ranch Metropolitan District
July-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher PC	659B 5.2024	5/31/2024	5/31/2024	\$ 1,689.22	Legal Services	17460
Special District Management Services, Inc	6.2024	6/30/2024	6/30/2024	\$ 697.80	Accounting	17000
Special District Management Services, Inc	6.2024	6/30/2024	6/30/2024	\$ 459.10	District Management	17440
				\$ 2,846.12		

Sorrel Ranch Metropolitan District
July-24

	General	Debt	Capital	Totals
Disbursements	\$ 2,846.12			\$ 2,846.12
Payroll				\$ -
<u>Total Disbursements from Checking</u>	<u>\$ 2,846.12</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,846.12</u>

Sorrel Ranch Metropolitan District

August-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher PC	659B 6.2024	6/30/2024	6/30/2024	\$ 45.45	Legal Services	17460
Special District Management Services, Inc	7.2024	7/31/2024	7/31/2024	\$ 1,069.60	Accounting	17000
Special District Management Services, Inc	7.2024	7/31/2024	7/31/2024	\$ 594.77	District Management	17440
				\$ 1,709.82		

Sorrel Ranch Metropolitan District
August-24

	General	Debt	Capital	Totals
Disbursements	\$ 1,709.82			\$ 1,709.82
Payroll				\$ -
Total Disbursements from Checking	\$ 1,709.82	\$ -	\$ -	\$ 1,709.82

Sorrel Ranch Metropolitan District
September-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Special District Management Services, Inc	8.2024	8/31/2024	8/31/2024	\$ 1,018.90	Accounting	17000
Special District Management Services, Inc	8.2024	8/31/2024	8/31/2024	\$ 1,071.30	District Management	17440
				\$ 2,090.20		

Sorrel Ranch Metropolitan District
September-24

	General	Debt	Capital	Totals
Disbursements	\$ 2,090.20			\$ 2,090.20
Payroll				\$ -
Total Disbursements from Checking	\$ 2,090.20	\$ -	\$ -	\$ 2,090.20

Sorrel Ranch Metropolitan District
September-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Weststar	9.4.2024 HOA Transfer	9/4/2024	9/4/2024	\$ 169,850.79	HOA Transfer	17371
				\$ 169,850.79		

Sorrel Ranch Metropolitan District
September-24

	General	Debt	Capital	Totals
Disbursements	\$ 169,850.79			\$ 169,850.79
Payroll				\$ -
Total Disbursements from Checking	\$ 169,850.79	\$ -	\$ -	\$ 169,850.79

Sorrel Ranch Metropolitan District
October-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Colorado Special District P&L Pool	25WC-60396-0396	8/7/2024	8/7/2024	\$ 450.00	Prepaid Insurance	11240
McGeady Becher Cortese Williams P.C.	659B 8.2024	8/31/2024	8/31/2024	\$ 1,083.22	Legal Services	17460
Special District Management Services, Inc	9.2024	9/30/2024	9/30/2024	\$ 1,996.90	Accounting	17000
Special District Management Services, Inc	9.2024	9/30/2024	9/30/2024	\$ 817.90	District Management	17440
				\$ 4,348.02		

Sorrel Ranch Metropolitan District
October-24

	General	Debt	Capital	Totals
Disbursements	\$ 4,348.02			\$ 4,348.02
Payroll				\$ -
<u>Total Disbursements from Checking</u>	<u>\$ 4,348.02</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,348.02</u>

SORREL RANCH METROPOLITAN DISTRICT
Schedule of Cash Position
September 30, 2024

	<u>Rate</u>	<u>Operating</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Checking:					
FirstBank - Checking		\$ 50,142.03	\$ 1,744.71	\$ (51,882.09)	\$ 4.65
Investments:					
Csafe	5.1900%	426,625.07	1,122,603.85	102,246.05	1,651,474.97
TOTAL FUNDS:		<u>\$ 476,767.10</u>	<u>\$ 1,124,348.56</u>	<u>\$ 50,363.96</u>	<u>\$ 1,651,479.62</u>

2024 Mill Levy Information

General Fund	4.000
Debt Service Fund	28.154
SARIA	<u>1.302</u>
Total	<u><u>33.456</u></u>

Board of Directors
* Mark Selden
* David Bourne
Rebecca Stricker

David Solin

*authorized signer on checking account

SORREL RANCH METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

September 30, 2024

SORREL RANCH METROPOLITAN DISTRICT
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 2024

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL MEMO ONLY</u>
Assets					
FirstBank - Checking	\$ 50,142	\$ 1,745	\$ (51,882)	\$ -	\$ 5
Csafe	426,625	1,122,604	102,246	-	1,651,475
Property Taxes Receivable	-	4,632	214	-	4,846
Total Current Assets	<u>476,767</u>	<u>1,128,980</u>	<u>50,578</u>	<u>-</u>	<u>1,656,326</u>
Other Debits					
Amount in Debt Service Fund	-	-	-	1,124,348	1,124,348
Amount to be Provided for Debt	-	-	-	14,922,234	14,922,234
Total Other Debits	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,046,582</u>	<u>16,046,582</u>
Total Assets	<u>\$ 476,767</u>	<u>\$ 1,128,980</u>	<u>\$ 50,578</u>	<u>\$ 16,046,582</u>	<u>\$ 17,702,908</u>
Liabilities					
Due to TOUSA	\$ 47,300	\$ -	\$ -	\$ -	\$ 47,300
Series 2020 Bonds	-	-	-	12,210,000	12,210,000
Series 2020 Bond Premium	-	-	-	1,258,346	1,258,346
Developer Adv - Operating	-	-	-	289,574	289,574
Developer Adv - Capital	-	-	-	1,001,287	1,001,287
Accrued Interest - Op Advance	-	-	-	289,811	289,811
Accrued Interest - Capital Adv	-	-	-	997,564	997,564
Total Liabilities	<u>47,300</u>	<u>-</u>	<u>-</u>	<u>16,046,582</u>	<u>16,093,882</u>
Deferred Inflows of Resources					
Deferred Property Taxes	-	4,632	214	-	4,846
Total Deferred Inflows of Resources	<u>-</u>	<u>4,632</u>	<u>214</u>	<u>-</u>	<u>4,846</u>
Fund Balance					
Fund Balance	474,181	426,573	5,657	-	906,411
Current Year Earnings	(44,714)	697,775	44,707	-	697,768
Total Fund Balances	<u>429,467</u>	<u>1,124,348</u>	<u>50,364</u>	<u>-</u>	<u>1,604,180</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 476,767</u>	<u>\$ 1,128,980</u>	<u>\$ 50,578</u>	<u>\$ 16,046,582</u>	<u>\$ 17,702,908</u>

SORREL RANCH METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 9 Months Ending
September 30, 2024
General Fund

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) Variance	% of Budget
Revenues					
Property Taxes	\$ 55,516	\$ 131,666	\$ 125,333	\$ 6,333	105.1%
Specific ownership tax	1,759	4,844	7,520	(2,676)	64.4%
Interest Income	8,770	23,800	10,000	13,800	238.0%
Administrative Fee	-	-	3,000	(3,000)	0.0%
Total Revenues	<u>66,045</u>	<u>160,310</u>	<u>145,853</u>	<u>14,457</u>	<u>109.9%</u>
Expenditures					
Accounting	2,786	10,032	13,800	3,768	72.7%
Audit Fees	-	-	8,000	8,000	0.0%
County Treasurer fees	834	1,976	1,880	(96)	105.1%
Director's Fees	-	185	800	615	23.1%
Dues & Membership	-	335	350	15	95.6%
Insurance and Bonds	-	3,121	4,300	1,179	72.6%
District Management	2,125	7,387	13,800	6,413	53.5%
Legal Services	1,735	11,247	23,000	11,753	48.9%
Payroll taxes	46	92	61	(31)	150.5%
Miscellaneous	234	800	1,000	200	80.0%
Contingency	-	-	20,000	20,000	0.0%
Total Expenditures	<u>7,759</u>	<u>35,173</u>	<u>86,991</u>	<u>51,818</u>	<u>40.4%</u>
Excess (Deficiency) of Revenues Over Expenditures	58,286	125,137	58,862	66,276	
Transfers and Other Sources (Uses)					
Emergency Reserve	-	-	(8,751)	8,751	
Transfer to HOA	169,851	169,851	-	(169,851)	
Total Transfers and Other Sources (Uses)	<u>169,851</u>	<u>169,851</u>	<u>(8,751)</u>	<u>(161,100)</u>	
Change in Fund Balance	228,137	(44,714)	50,111	(94,824)	
Beginning Fund Balance	201,331	474,181	452,102	22,079	
Ending Fund Balance	<u>\$ 429,467</u>	<u>\$ 429,467</u>	<u>\$ 502,212</u>	<u>\$ (72,745)</u>	

SORREL RANCH METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 9 Months Ending
September 30, 2024
Debt Service Fund

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property Taxes	\$ 390,752	\$ 877,524	\$ 882,156	\$ (4,632)	99.5%
Specific Ownership Tax	12,382	34,096	40,000	(5,904)	85.2%
Interest Income	13,216	29,988	15,000	14,988	199.9%
Total Revenues	<u>416,350</u>	<u>941,608</u>	<u>937,156</u>	<u>4,452</u>	<u>100.5%</u>
Expenditures					
County Treasurer's fee	5,869	13,171	13,232	61	99.5%
Paying agent / trustee fees	-	-	2,500	2,500	0.0%
Interest expense - bonds	-	230,663	461,325	230,663	50.0%
Bond Principal	-	-	420,000	420,000	0.0%
Contingency	-	-	5,000	5,000	0.0%
Total Expenditures	<u>5,869</u>	<u>243,833</u>	<u>902,057</u>	<u>658,224</u>	<u>27.0%</u>
Excess (Deficiency) of Revenues Over Expenditures	410,482	697,775	35,099	662,676	
Beginning Fund Balance	713,867	426,573	389,921	36,652	
Ending Fund Balance	<u>\$ 1,124,349</u>	<u>\$ 1,124,349</u>	<u>\$ 425,020</u>	<u>\$ 699,329</u>	

SORREL RANCH METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 9 Months Ending
September 30, 2024
Capital Projects Fund

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property Taxes - SARIA	\$ 18,071	\$ 40,582	\$ 40,796	\$ (214)	99.5%
Specific Ownership Tax	573	1,577	-	1,577	-
Interest Income	1,398	3,347	-	3,347	-
Total Revenues	<u>20,042</u>	<u>45,505</u>	<u>40,796</u>	<u>4,709</u>	<u>111.5%</u>
Expenditures					
SARIA Payment	-	190	40,184	39,994	0.5%
County Treasurer's Fee	271	609	612	3	99.5%
Total Expenditures	<u>271</u>	<u>799</u>	<u>40,796</u>	<u>39,997</u>	<u>2.0%</u>
Excess (Deficiency) of Revenues Over Expenditures	19,770	44,707	-	44,707	
Beginning Fund Balance	30,594	5,657	5,094	563	
Ending Fund Balance	<u>\$ 50,364</u>	<u>\$ 50,364</u>	<u>\$ 5,094</u>	<u>\$ 45,270</u>	

SORREL RANCH METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2023

with

Independent Auditors' Report

CONTENTS

<u>Independent Auditors' Report</u>	I
 <u>Basic Financial Statements</u>	
Balance Sheet/Statement of Net Position - Governmental Funds	1
Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities - Governmental Funds	2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	3
Notes to Financial Statements	4
 <u>Supplementary Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	17
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Fund	18
Summary of Assessed Valuation, Mill Levy and Property Taxes Collected	19
 <u>Continuing Disclosure Annual Financial Information - Unaudited</u>	
History of District's Assessed Valuation and Mill Levies	20
Property Tax Collections from the District	20
Ten Largest Taxpayers in the District	20

Independent Auditors' Report

Board of Directors
Sorrel Ranch Metropolitan District
Arapahoe County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund, of the Sorrel Ranch Metropolitan District (the “District”) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2023, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 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 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 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 opinions on the basic financial statements are not affected by this missing information.

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 supplementary information listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplementary 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 supplementary 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 as listed in the Table of Contents does not include the basic financial statements and our auditor's report there on. 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.

Tatton and Company, LLC

Cedaredge, CO
September 4, 2024

SORREL RANCH METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS						
Cash and investments	\$ 524,014	\$ -	\$ -	\$ 524,014	\$ -	\$ 524,014
Cash and investments - restricted	8,751	422,348	5,544	436,643	-	436,643
Receivable - County Treasurer	597	4,226	114	4,937	-	4,937
Property taxes receivable	125,333	882,156	40,796	1,048,285	-	1,048,285
Prepaid expenses	<u>3,121</u>	<u>-</u>	<u>-</u>	<u>3,121</u>	<u>-</u>	<u>3,121</u>
 Total Assets	 <u>\$ 661,816</u>	 <u>\$ 1,308,730</u>	 <u>\$ 46,454</u>	 <u>\$ 2,017,000</u>	 <u>-</u>	 <u>2,017,000</u>
 LIABILITIES						
Accounts payable	\$ 14,849	\$ -	\$ -	\$ 14,849	\$ -	\$ 14,849
Due To TOUSA	47,300	-	-	47,300	-	47,300
Accrued interest on bonds/long-term debt	-	-	-	-	38,444	38,444
Current portion of long-term debt	-	-	-	-	547,471	547,471
Long-term liabilities:						
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,499,111</u>	<u>15,499,111</u>
 Total Liabilities	 <u>62,149</u>	 <u>-</u>	 <u>-</u>	 <u>62,149</u>	 <u>16,085,026</u>	 <u>16,147,175</u>
 DEFERRED INFLOW OF RESOURCES						
Deferred property taxes	<u>125,333</u>	<u>882,156</u>	<u>40,796</u>	<u>1,048,285</u>	<u>-</u>	<u>1,048,285</u>
 Total Deferred Inflows of Resources	 <u>125,333</u>	 <u>882,156</u>	 <u>40,796</u>	 <u>1,048,285</u>	 <u>-</u>	 <u>1,048,285</u>
 FUND BALANCES/NET POSITION						
Fund Balances:						
Nonspendable:						
Prepays	3,121	-	-	3,121	(3,121)	-
Restricted:						
Emergencies	8,751	-	-	8,751	(8,751)	-
Debt Service	-	426,574	-	426,574	(426,574)	-
Capital	-	-	5,658	5,658	(5,658)	-
Unassigned	<u>462,462</u>	<u>-</u>	<u>-</u>	<u>462,462</u>	<u>(462,462)</u>	<u>-</u>
 Total Fund Balances	 <u>474,334</u>	 <u>426,574</u>	 <u>5,658</u>	 <u>906,566</u>	 <u>(906,566)</u>	 <u>-</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 661,816</u>	 <u>\$ 1,308,730</u>	 <u>\$ 46,454</u>	 <u>\$ 2,017,000</u>		
 Net Position:						
Restricted for:						
Emergencies					8,751	8,751
Debt service					388,130	388,130
Capital projects					5,658	5,658
Unrestricted					<u>(15,580,999)</u>	<u>(15,580,999)</u>
 Total Net Position					 <u>\$ (15,178,460)</u>	 <u>\$ (15,178,460)</u>

The notes to the financial statements are an integral part of these statements.

SORREL RANCH METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES						
General expenses:						
Accounting	\$ 12,355	\$ -	\$ -	\$ 12,355	\$ -	\$ 12,355
Audit	10,000	-	-	10,000	-	10,000
Directors fees	100	-	-	100	-	100
District management	6,660	-	-	6,660	-	6,660
Dues and membership	515	-	-	515	-	515
Election	1,676	-	-	1,676	-	1,676
Insurance	3,271	-	-	3,271	-	3,271
Legal	14,793	-	-	14,793	-	14,793
Miscellaneous expenses	1,189	-	-	1,189	-	1,189
Payroll taxes	21	-	-	21	-	21
SARIA payment	-	-	26,227	26,227	-	26,227
Treasurer's fees	2,110	14,948	402	17,460	-	17,460
Debt service:						
Bond interest expense	-	469,625	-	469,625	(130,455)	339,170
Bond principal	-	415,000	-	415,000	(415,000)	-
Paying agent/trustee fees	-	400	-	400	-	400
Developer advances - Interest	-	-	-	-	81,492	81,492
	<u>52,690</u>	<u>899,973</u>	<u>26,629</u>	<u>979,292</u>	<u>(463,963)</u>	<u>515,329</u>
GENERAL REVENUES						
Property taxes	140,611	995,998	26,810	1,163,419	-	1,163,419
Specific ownership taxes	9,214	65,263	1,757	76,234	-	76,234
Interest income	20,653	38,724	2,026	61,403	-	61,403
	<u>170,478</u>	<u>1,099,985</u>	<u>30,593</u>	<u>1,301,056</u>	<u>-</u>	<u>1,301,056</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	117,788	200,012	3,964	321,764	463,963	785,727
NET CHANGES IN FUND BALANCES						
	117,788	200,012	3,964	321,764	(321,764)	
CHANGE IN NET POSITION						
					785,727	785,727
FUND BALANCES/NET POSITION:						
BEGINNING OF YEAR	<u>356,546</u>	<u>226,562</u>	<u>1,694</u>	<u>584,802</u>	<u>(16,548,989)</u>	<u>(15,964,187)</u>
END OF YEAR	<u>\$ 474,334</u>	<u>\$ 426,574</u>	<u>\$ 5,658</u>	<u>\$ 906,566</u>	<u>\$ (16,085,026)</u>	<u>\$ (15,178,460)</u>

The notes to the financial statements are an integral part of these statements.

SORREL RANCH METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
GENERAL FUND

For the Year Ended December 31, 2023

	<u>Original and</u> <u>Final Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 140,611	\$ 140,611	\$ -
Specific ownership taxes	8,437	9,214	777
Administrative fee	15,000	-	(15,000)
Interest income	<u>10,000</u>	<u>20,653</u>	<u>10,653</u>
Total Revenues	<u>174,048</u>	<u>170,478</u>	<u>(3,570)</u>
EXPENDITURES			
Accounting	13,000	12,355	645
Audit	7,500	10,000	(2,500)
Directors fees	1,600	100	1,500
District management	13,000	6,660	6,340
Dues and membership	350	515	(165)
Election	1,500	1,676	(176)
Insurance	4,000	3,271	729
Legal	22,000	14,793	7,207
Miscellaneous expenses	500	1,189	(689)
Payroll taxes	122	21	101
Treasurer's fees	2,109	2,110	(1)
Contingency	20,000	-	20,000
Emergency Reserve	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total Expenditures	<u>90,681</u>	<u>52,690</u>	<u>37,991</u>
NET CHANGE IN FUND BALANCE	83,367	117,788	34,421
FUND BALANCE:			
BEGINNING OF YEAR	<u>357,606</u>	<u>356,546</u>	<u>(1,060)</u>
END OF YEAR	<u>\$ 440,973</u>	<u>\$ 474,334</u>	<u>\$ 33,361</u>

The notes to the financial statements are an integral part of these statements.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Sorrel Ranch Metropolitan District ("the District"), located in the City of Aurora, Arapahoe County, Colorado, (the "County"), conform to the accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized December 31, 2002, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to provide for the design, construction, acquisition, and financing of certain public improvements including street, safety protection, water, sanitation, storm drainage, mosquito control, and park and recreation facilities and improvements. The District operates pursuant to an Amended and Restated Service Plan, as approved on August 30, 2004, and modified on August 14, 2006 by the City Council of the City of Aurora (the "Service Plan"). The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows GASB Statement No. 61, The Financial Reporting Entity: Omnibus, which amended GASB Statement No. 14, The Financial Reporting Entity and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, which provides guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

The District has no employees and all operations and administrative functions are contracted.

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund - The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. As of December 31, 2023, the District has no items that qualify for reporting in this category.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Original Issue Premium

Original issue premium from the Series 2020 Bonds is being amortized over the term of the bonds using the effective interest method. Accumulated amortization of the original issue premium amounted to \$415,707 at December 31, 2023.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

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 taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund in the amount of \$3,121 represents prepaid expenditures.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$8,751 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$426,574 is restricted for the payment of the costs associated with the Series 2020 Bonds, as defined below. (See Note 3).

The restricted fund balance in the Capital Projects Fund in the amount of \$5,658 is restricted for the payment of the costs for capital improvements within the District.

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District may report three categories of net position, as follows:

Net investment in capital assets - consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Restricted net position - net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position - consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and investments

As of December 31, 2023, cash and investments are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 524,014
Cash and investments – restricted	<u>436,643</u>
	<u>\$ 960,657</u>

Cash and investments as of December 31, 202X consist of the following:

Deposits with financial institutions	\$ 10,224
Investments - CSAFE	<u>950,433</u>
	<u>\$ 960,657</u>

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District does not have a formal policy for deposits. None of the District's deposits were exposed to custodial credit risk.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Investments

Investment Valuation

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment, is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the amortized cost method.

Credit Risk

The District's investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

CSAFE

The local government investment pool Colorado Surplus Asset Fund Trust ("CSAFE"), is rated AAmmf by Fitch Ratings with a weighted average maturity of under 60 days. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. CSAFE 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 currently offers two portfolios – CSAFE Cash Fund and CSAFE Core. CSAFE Cash Fund operates similar to a money market fund, with each share valued at \$1.00. CSAFE Cash Fund may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to custodian agreements. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodians' internal records identify the investments owned by CSAFE. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. At December 31, 2023, the District had \$950,433 invested in CSAFE Cash Fund.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Note 3: Long Term Debt

The following is an analysis of changes in long-term debt for the period ending December 31, 2023:

	<u>Balance</u> <u>12/31/22</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/23</u>	<u>Current</u> <u>Portion</u>
<u>General Obligation Bonds</u>					
G.O. Limited Tax Bonds:					
Series 2020	\$ 12,625,000	\$ -	\$ 415,000	\$ 12,210,000	\$ 420,000
Bond premium	<u>1,388,110</u>	<u>-</u>	<u>129,764</u>	<u>1,258,346</u>	<u>127,471</u>
Total	<u>14,013,110</u>	<u>-</u>	<u>544,764</u>	<u>13,468,346</u>	<u>547,471</u>
<u>Other</u>					
Developer Advances - Operating	289,574	-	-	289,574	-
Developer Advances - Operating - Accrued Interest	271,530	18,281	-	289,811	-
Developer Advances - Capital	1,001,287	-	-	1,001,287	-
Developer Advances - Capital - Accrued Interest	<u>934,353</u>	<u>63,211</u>	<u>-</u>	<u>997,564</u>	<u>-</u>
Total	<u>2,496,744</u>	<u>81,492</u>	<u>-</u>	<u>2,578,236</u>	<u>-</u>
	<u>\$ 16,509,854</u>	<u>\$ 81,492</u>	<u>\$ 544,764</u>	<u>\$ 16,046,582</u>	<u>\$ 547,471</u>

A description of the long-term obligations as of December 31, 2023, is as follows:

Limited Tax General Obligation Refunding Bonds, Series 2020

On October 8, 2020, the District issued its Limited Tax General Obligation Refunding Bonds, Series 2020 (the "Series 2020 Bonds") for the purpose of paying the costs to refund the Senior 2006 Bonds and the Subordinate 2006 Bonds, purchasing the Insurance Policy and the Reserve Fund Insurance Policy (as such terms are defined below), and paying the costs of issuance of the Series 2020 Bonds.

The Series 2020 Bonds are secured and payable from the Pledged Revenue consisting of the moneys derived from the following sources, net of any costs of collection: (i) the Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and (iii) any other legally available moneys which the Board determines to credit to the Bond Fund. The District has covenanted to impose the Required Mill Levy on all taxable property of the District (but not beyond the Maximum Debt Mill Levy Imposition Term to the extent required by the Service Plan), in an amount sufficient to pay the principal of, premium if any, and interest on the Series 2020 Bonds as they become due and payable, and to replenish the Reserve Fund in the amount of the Reserve Fund Requirement (as discussed below), but not in excess of 50.000 mills, as adjusted.

The scheduled payment of principal of and interest on the Series 2020 Bonds when due are guaranteed under an insurance policy issued concurrently with the delivery of the Series 2020 Bonds by Assured Guaranty Municipal Corp (the Insurance Policy). The Series 2020 Bonds are also secured by amounts on deposit in the Reserve Fund which is funded by a Municipal Bond Debt Service Reserve Insurance Policy (the "Reserve Fund Insurance Policy") in the amount of the Reserve Fund Requirement. The Reserve Fund Requirement is the lesser of (i) 10% of the proceeds of the Series 2020 Bonds, (ii) the maximum annual principal and interest payable with respect to the Series 2020 Bonds, or (iii) 125% of the average annual principal and interest payable with respect to the Series 2020 Bonds.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

The Series 2020 Bonds were issued as serial bonds and term bonds bearing interest at 2.00% to 5.00%, payable semiannually on June 1 and December 1, beginning on December 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The Series 2020 Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity designated by the District and in whole or partial maturities, on December 1, 2030, and on any date thereafter, upon payment of the principal amount so redeemed plus accrued interest to the date of redemption, with no redemption premium.

The occurrence or existence of any one or more of the following events shall be an Event of Default under the Bond Resolution: (a) The District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Bond Resolution; (b) The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Bond Resolution, and fails to remedy the same within thirty (30) days after notice thereof; or (c) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds. Due to the limited nature of the Pledged Revenue, the Bond Resolution acknowledges that the failure to pay the principal of or interest on the Series 2020 Bonds when due does not, in and of itself, constitute an Event of Default under the Bond Resolution.

So long as the Insurance Policy is in effect and the Bond Insurer is not in default thereunder, upon the occurrence and continuance of a default or an event of default, the Bond Insurer shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Bonds or the Trustee for the benefit of the Bondholders. In addition, the Bondholder may proceed to protect and enforce its rights under the Bond Resolution by mandamus or such other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction; provided, however, that acceleration shall not be an available remedy.

The following is a summary of the annual long-term debt principal and interest requirements.

Year Ending, December 31,	Principal	Interest	Total
2024	\$ 420,000	\$ 461,325	\$ 881,325
2025	445,000	440,325	885,325
2026	465,000	418,075	883,075
2027	490,000	394,825	884,825
2028	510,000	370,325	880,325
2029-2033	2,955,000	1,459,175	4,414,175
2034-2038	3,610,000	800,475	4,410,475
2039-2042	3,315,000	209,500	3,524,500
	<u>\$ 12,210,000</u>	<u>\$ 4,554,025</u>	<u>\$ 16,764,025</u>

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Operation Funding Agreements

The District entered into various Operation Funding Agreements with Engle Homes Colorado, a division of TOUSA Homes, Inc. (the Developer), whereby the Developer agreed to fund any shortfall in operating costs from 2003 to 2007. In accordance with the Operation Funding Agreements, payments made to repay these operating advances are subject to annual budget and appropriation with interest rates at 3% above the 20-year AAA Municipal Market Data rate. The interest rate is set each January 1 for the upcoming year. The interest rate for 2023 was 6.313%. The term of the Agreement extends until December 31, 2027 unless terminated earlier by mutual agreement of the parties. The balance owed to the Developer pursuant to the Operation Funding Agreements was \$289,574 for principal and \$289,811 for accrued interest as of December 31, 2023. All budgeted repayments shall be made on December 1st of each year.

Facilities Funding and Acquisition Agreement

Effective January 1, 2007, the District entered into the Facilities Funding and Acquisition Agreement - 2007 (2007 FFAA) with the Developer, whereby the Developer agreed to design and construct public improvements within the District. The District agreed to purchase these improvements from the Developer for the costs incurred to construct them. The 2007 FFAA is subject to annual budget and appropriation with interest rates at 3% above the 20-year AAA Municipal Market Data rate. The interest rate is set each January 1 for the upcoming year. The interest rate for 2023 was 6.313%. This is to be paid to the Developer for the acquisition of these improvements. The term of the Agreement extends until December 31, 2027, unless terminated earlier by mutual agreement of the parties. The balance owed to the Developer for advances as of December 31, 2023, was \$1,001,287 for principal and \$997,564 for accrued interest. No payment is required under the 2007 FFAA unless and until such time the District issues bonds for this purpose and in an amount sufficient to acquire a part or all of such improvements, or to reimburse Developer for part or all of the Developer advances.

Debt Authorization

As of December 31, 2023, the District had \$2,812,000 of voted but unissued debt for providing public improvements and \$17,222,000 for refunding purposes and \$7,165,000 of additional debt capacity under its current Service Plan limit. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area. The District has not budgeted to issue any debt during 2024.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Note 4: Agreements

Intergovernmental Agreement with the City of Aurora

In November 2004, the District entered into the Amended and Restated Intergovernmental Agreement (IGA) between the City of Aurora (the City) and the District (the Amended City IGA). The Amended City IGA completely replaces the original Intergovernmental Agreement entered into by the District and the City on October 10, 2003. The IGA defines and clarifies the services which the District may provide, as well as those services which the District is prohibited from providing. Pursuant to the Service Plan, the District is required to impose the Aurora Regional Improvement (ARI) Mill Levy upon the District's residents. This mill levy is 1.000 mill for 20 years, which for this purpose begins the first year that the District certifies a debt service mill levy. The levy increases to 5.000 mills for years 21 through 40 or the date of repayment of the debt incurred for public improvements, other than regional improvements, whichever occurs first. For the 10 years subsequent to the period where the 5.000 mills is imposed, the ARI mill levy is the average of the debt service mill levy for the previous 10 years.

Aurora Regional Transportation Authority

In 2006, the District, along with other metropolitan districts within the City, entered into the Aurora Regional Transportation Authority (ARTA) Establishment Agreement (ARTA Agreement). The ARTA Agreement was amended on August 14, 2007, February 20, 2008, July 21, 2008, and June 11, 2009, to add additional metropolitan district members. ARTA will plan, design, acquire, construct, relocate, redevelop, and finance regional improvements within the boundaries of the metropolitan districts which are a party to the ARTA Agreement using the ARI revenue from each of the districts. In accordance with the IGA, the City has the right to appoint no less than 30% and no more than 49% of the ARTA Board. On August 1, 2017, the District resigned from ARTA, in order to join the South Aurora Regional Improvement Authority.

South Aurora Regional Improvement Authority

On December 8, 2017, the District along with other metropolitan districts within Aurora, entered into the South Aurora Regional Improvement Authority (SARIA) Establishment Agreement (SARIA Agreement) with the City. SARIA was formed to provide functions and services necessary to acquire, construct, finance, maintain, and manage certain regional improvements that are identified and agreed upon by the City and the member districts.

The SARIA Agreement provides that SARIA may adopt an ARI master plan, pursuant to the Code and Service Plans of the districts. SARIA will prioritize and support the completion of the regional improvements as identified in the ARI Master Plan. In order to fund these projects, SARIA may issue revenue bonds or other multi-fiscal year financial obligations, subject to its sole discretion, secured by the pledged revenues of the ARI Mill Levies by each of the districts and other funds legally available to SARIA.

On October 2, 2018, the SARIA Agreement was amended by the First Amendment to the South Aurora Regional Improvement Authority Establishment Agreement (First Amendment) in conjunction with the issuance of SARIA's Special Revenue Bonds, Series 2018 (SARIA Bonds). SARIA issued its SARIA Bonds in the amount of \$11,265,000 on December 19, 2018. The District is obligated to pledge its ARI Mill Levy Revenues to the repayment of the SARIA Bonds pursuant to the terms of the SARIA Agreement and the First Amendment.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Note 5: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On November 5, 2002, the District’s voters passed an election question to increase property taxes \$200,000, annually, without limitation of rate, to pay the District’s operational and maintenance costs.

On November 2, 2004, a majority of the qualified electors of the District voted for a phased tax increase up to \$35,000,000.

Note 6: Risk Management

Except as provided in the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (the “Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. 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.

SORREL RANCH METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Note 7: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) Long-term liabilities such as bonds/developer advances and accrued bonds/developer advance interest payable are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) Governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities; and
- 2) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTARY INFORMATION

SORREL RANCH METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
DEBT SERVICE FUND

For the Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Property taxes	\$ 995,997	\$ 995,998	\$ 1
Specific ownership taxes	59,760	65,263	5,503
Interest income	<u>-</u>	<u>38,724</u>	<u>38,724</u>
Total Revenues	<u>1,055,757</u>	<u>1,099,985</u>	<u>44,228</u>
EXPENDITURES			
Bond interest expense	469,625	469,625	-
Bond principal	415,000	415,000	-
Paying agent/trustee fees	2,500	400	2,100
Treasurer's fees	14,940	14,948	(8)
Contingency	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total Expenditures	<u>907,065</u>	<u>899,973</u>	<u>7,092</u>
NET CHANGE IN FUND BALANCE	148,692	200,012	51,320
FUND BALANCE:			
BEGINNING OF YEAR	<u>228,678</u>	<u>226,562</u>	<u>(2,116)</u>
END OF YEAR	<u><u>\$ 377,370</u></u>	<u><u>\$ 426,574</u></u>	<u><u>\$ 49,204</u></u>

SORREL RANCH METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 26,810	\$ 26,810	\$ -
Specific ownership taxes	1,609	1,757	148
Interest income	<u>100</u>	<u>2,026</u>	<u>1,926</u>
Total Revenues	<u>28,519</u>	<u>30,593</u>	<u>2,074</u>
EXPENDITURES			
SARIA payment	26,408	26,227	181
Treasurer's fees	<u>402</u>	<u>402</u>	<u>-</u>
Total Expenditures	<u>26,810</u>	<u>26,629</u>	<u>181</u>
NET CHANGE IN FUND BALANCE	1,709	3,964	2,255
FUND BALANCE:			
BEGINNING OF YEAR	<u>1,100</u>	<u>1,694</u>	<u>594</u>
END OF YEAR	<u><u>\$ 2,809</u></u>	<u><u>\$ 5,658</u></u>	<u><u>\$ 2,849</u></u>

SORREL RANCH METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2023

Collection Year Ended <u>December 31,</u>	Prior Year Assessed Valuation for Current Year Property <u>Tax Levy</u>	<u>Mills Levied</u>			<u>Total Property Tax</u>		<u>Percent Collected to Levied</u>
		<u>General Fund</u>	<u>Debt Service</u>	<u>ARI</u>	<u>Levied</u>	<u>Collected</u>	
2017	\$ 14,095,777	6.000	50.000	1.000	\$ 803,459	\$ 803,460	100.00%
2018	\$ 15,455,005	6.000	55.277	1.105	\$ 964,114	\$ 964,114	100.00%
2019	\$ 15,502,230	6.000	55.277	1.105	\$ 967,060	\$ 967,060	100.00%
2020	\$ 19,430,691	6.000	55.663	1.112	\$1,219,762	\$1,219,737	100.00%
2021	\$ 20,240,887	6.000	42.500	1.112	\$1,004,191	\$1,004,209	100.00%
2022	\$ 23,122,940	6.000	42.500	1.112	\$1,147,175	\$1,139,906	99.37%
2023	\$ 23,435,223	6.000	42.500	1.144	\$1,163,418	\$1,163,419	100.00%
Estimated for year ending December 31, 2024	\$ 31,333,247	4.000	28.154	1.302	\$1,048,285		

NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION - UNAUDITED

SORREL RANCH METROPOLITAN DISTRICT
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION (UNAUDITED)
12/31/2023

HISTORY OF DISTRICT'S ASSESSED VALUATION AND MILL LEVIES

Levy/Collection Year	Assessed Valuation	Percent Change	Mills Levied for			
			General	Debt Service	ARI	Total Levy
2016/2017	\$ 14,095,777	0.19%	6.000	50.000	1.000	57.000
2017/2018	15,455,005	8.79%	6.000	55.277	1.105	62.382
2018/2019	15,502,230	0.30%	6.000	55.277	1.105	62.382
2019/2020	19,430,691	20.22%	6.000	55.663	1.112	62.775
2020/2021	20,240,887	4.00%	6.000	42.500	1.112	49.612
2021/2022	23,122,940	12.46%	6.000	42.500	1.112	49.612
2022/2023	23,435,223	1.33%	6.000	42.500	1.144	49.644
2023/2024	31,333,247	25.21%	4.000	28.154	1.302	33.456

PROPERTY TAX COLLECTIONS FROM THE DISTRICT

Levy/Collection Year	Taxes Levied	Current Tax Collections	Percent of Levy Collected
2016/2017	\$ 803,460	\$ 803,460	100.00%
2017/2018	964,114	964,114	100.00%
2018/2019	967,060	967,060	100.00%
2019/2020	1,219,762	1,219,737	100.00%
2020/2021	1,004,191	1,004,209	100.00%
2021/2022	1,147,175	1,139,906	99.37%
2022/2023	1,163,418	1,163,419	100.00%
2023/2024	1,048,285		

TEN LARGEST TAXPAYERS IN THE DISTRICT FOR 2023

Taxpayer Name	Assessed Valuation	Percentage of Total Assessed Valuation
Public Service of Colorado	\$ 601,340	1.92%
Richmond American Homes CO	323,235	1.03%
Private Homeowner #1	58,532	0.19%
Private Homeowner #2	56,435	0.18%
Private Homeowner #3	56,066	0.18%
Private Homeowner #4	55,496	0.18%
Private Homeowner #5	55,477	0.18%
Private Homeowner #6	55,416	0.18%
Private Homeowner #7	54,827	0.17%
Private Homeowner #8	54,364	0.17%
	<u>\$ 1,371,188</u>	<u>4.38%</u>



PK Kaiser, MBA, MS

Assessor

August 28, 2024

AUTH 4587 SORREL RANCH METRO
SPECIAL DISTRICT MANAGEMENT
SERVICE
141 UNION BLVD SUITE 150
LAKEWOOD CO 80228-1898

OFFICE OF THE ASSESSOR
5334 S. Prince Street
Littleton, CO 80120-1136
Phone: 303-795-4650
TDD: Relay-711
Fax:303-738-7863
<http://co-arapahoe-ptoc.publicaccessnow.com>
arapahoepp@arapahoegov.com

Code # 4587

CERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2024 of:

\$31,388,747

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

PK Kaiser, MBA, MS
Arapahoe County Assessor

enc

CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity YES NO

Date: August 28, 2024

NAME OF TAX ENTITY: SORREL RANCH METRO DIST

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2024:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	31,333,247
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	31,388,747
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	31,388,747
5. NEW CONSTRUCTION: *	5.	\$	1,373
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Ⓢ	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	67

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution

* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Ⓢ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2024:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	454,918,322
ADDITIONS TO TAXABLE REAL PROPERTY			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	20,500
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$	0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$	0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:			
1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	0

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **		\$	0
--	--	----	---

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

SORREL RANCH METROPOLITAN DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2023 Actual	2024 Adopted Budget	2025 Preliminary Budget
Assessed Valuation	\$ 23,435,223	\$ 31,333,247	\$ 31,388,747
SB23B-001 Property Tax Credit Adjustment		\$ 3,025,385	\$ 3,025,385
Mill Levy			
General Fund	6.000	4.000	4.000
Debt Service Fund	42.500	25.675	25.675
Incremental Debt Service Mill Adjustment		2.479	2.474
Adjusted Debt Service Mill Levy		28.154	28.149
SARIA	1.144	1.188	5.940
Incremental SARIA Debt Service Adjustment		0.114	0.572
Adjusted SARIA Debt Service Mill Levy		1.302	6.512
Total Mill Levy	49.644	33.456	38.661
Property Taxes			
General Fund	\$ 140,611	\$ 125,333	\$ 125,555
Debt Service Fund	995,997	882,156	883,562
SARIA	26,810	40,796	204,404
Actual/Budgeted Property Taxes	\$ 1,163,418	\$ 1,048,285	\$ 1,213,521

SORREL RANCH METROPOLITAN DISTRICT

**GENERAL FUND
2025 Preliminary Budget**

with 2023 Actual, 2024 Adopted Budget and 2024 Estimated

	2023 Actual	01/24-06/24 YTD Actual	2024 Adopted Budget	2024 Estimated	2025 Preliminary Budget
BEGINNING FUND BALANCE	\$ 356,546	\$ 474,334	\$ 452,102	\$ 474,334	\$ 562,549
REVENUE					
Property Taxes	140,611	76,150	125,333	125,333	125,555
Specific ownership tax	9,214	3,085	7,520	5,500	5,500
Interest Income	20,653	15,030	10,000	25,000	10,000
Administrative Fee	-	-	3,000	-	-
Total Revenue	170,478	94,265	145,853	155,833	141,055
Total Funds Available	527,024	568,600	597,955	630,167	703,604
EXPENDITURES					
Accounting	12,355	7,246	13,800	16,000	16,000
Audit Fees	10,000	-	8,000	7,400	8,000
Election Expense	1,676	-	-	-	4,000
County Treasurer fees	2,110	1,142	1,880	1,880	1,883
Dues & Membership	515	335	350	335	350
Director's Fees	100	185	800	800	800
Payroll taxes	22	46	61	82	82
Insurance and Bonds	3,271	3,121	4,300	3,121	3,500
District Management	6,660	5,261	13,800	14,000	14,000
Legal Services	14,793	9,512	23,000	23,000	23,000
Miscellaneous	1,189	566	1,000	1,000	1,000
Contingency	-	-	20,000	-	20,000
Total Expenditures	52,690	27,414	86,991	67,618	92,615
Transfers and Other Sources (Uses)					
Emergency Reserve	-	-	8,751	-	8,463
Total Expenditures Requiring Appropriation	52,690	27,414	95,742	67,618	101,079
ENDING FUND BALANCE	\$ 474,334	\$ 541,186	\$ 502,213	\$ 562,549	\$ 602,525

SORREL RANCH METROPOLITAN DISTRICT

**DEBT SERVICE FUND
2025 Preliminary Budget
with 2023 Actual, 2024 Adopted Budget and 2024 Estimated**

	2023 Actual		01/24-06/24 YTD Actual		2024 Adopted Budget		2024 Estimated		2025 Preliminary Budget
BEGINNING FUND BALANCE	\$ 226,562	\$	426,574	\$	389,921	\$	426,574	\$	474,173
REVENUE									
Property Taxes	995,998		486,772		882,156		882,156		883,562
Specific Ownership Tax	65,263		21,714		40,000		35,000		35,000
Interest Income	38,724		16,772		15,000		27,500		10,000
Total Revenue	1,099,985		525,258		937,156		944,656		928,562
Total Funds Available	1,326,548		951,832		1,327,077		1,371,230		1,402,735
EXPENDITURES									
Bond Principal	415,000		-		420,000		420,000		445,000
Interest expense - bonds	469,625		230,663		461,325		461,325		440,325
County Treasurer's fee	14,948		7,302		13,232		13,232		13,253
Paying agent / trustee fees	400		-		2,500		2,500		2,500
Contingency	-		-		5,000		-		5,000
Total Expenditures	899,973		237,964		902,057		897,057		906,078
Total Expenditures Requiring Appropriation	899,972		237,964		902,057		897,057		906,078
ENDING FUND BALANCE	\$ 426,574	\$	713,867	\$	425,020	\$	474,173	\$	496,657

SORREL RANCH METROPOLITAN DISTRICT

CAPITAL PROJECTS FUND

2025 Preliminary Budget

with 2023 Actual, 2024 Adopted Budget and 2024 Estimated

	2023 Actual	01/24-06/24 YTD Actual	2024 Adopted Budget	2024 Estimated	2025 Preliminary Budget
BEGINNING FUND BALANCE	\$ 1,694	\$ 5,657	\$ 5,094	\$ 5,657	\$ 10,157
REVENUE					
Property Taxes - SARIA	26,810	22,511	40,796	40,796	204,404
Specific Ownership Tax	1,757	1,004	-	1,500	5,000
Interest Income	2,026	1,948	-	3,000	500
Total Revenue	30,593	25,464	40,796	45,296	209,904
Total Funds Available	32,287	31,121	45,890	50,953	220,061
EXPENDITURES					
SARIA Payment	26,227	190	40,184	40,184	201,338
County Treasurer's Fee	402	338	612	612	3,066
Total Expenditures	26,629	527	40,796	40,796	204,404
Total Expenditures Requiring Appropriation	26,629	527	40,796	40,796	204,404
ENDING FUND BALANCE	\$ 5,658	\$ 30,594	\$ 5,094	\$ 10,157	\$ 15,657

RESOLUTION NO. 2024-11-__

**RESOLUTION OF THE BOARD OF DIRECTORS OF SORREL RANCH
METROPOLITAN DISTRICT AUTHORIZING ADJUSTMENT OF THE DISTRICT
MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN**

A. Sorrel Ranch Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.

B. The District operates pursuant to its Amended and Restated Service Plan approved by the City Council of the City of Aurora, Colorado on August 30, 2004, as modified on August 14, 2006 (the “**Service Plan**”), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.

C. The Service Plan authorizes a maximum mill levy of fifty (50) mills for the payment of Debt (as defined in the Service Plan) (the “**Maximum Debt Mill Levy**”) and requires the District to impose the ARI Mill Levy (as defined in the Service Plan) upon the taxable property within the District pursuant to the provisions of the Service Plan (the ARI Mill Levy with the Maximum Debt Mill Levy are collectively referred to herein as the “**Maximum Mill Levies**”).

D. The Service Plan authorizes adjustment of the Maximum Mill Levies if, on or after January 1, 2004 (the “**Baseline Year**”), there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement. The Maximum Mill Levies may be increased or decreased to reflect such changes. Such increases or decreases shall be determined by the Board of Directors of the District (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 respective mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes.

E. The Service Plan provides that, 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.

F. The history of the residential assessment ratio in Colorado since property tax assessment year 1995, as set by the Colorado General Assembly (the “**General Assembly**”), or as voted by the electors of the State of Colorado, is set forth in **Exhibit A**, attached hereto and incorporated herein by this reference.

G. At the time of the Baseline Year, the residential assessment ratio set by the General Assembly was 7.96%.

H. In 2024, the General Assembly passed Senate Bill 24-233, which amended Section 39-1-104.2, C.R.S., by setting for, among other things, the ratio of valuation for:

1. Multi-family residential real property at 6.7%, after a deduction from the actual value of the lesser of either: (i) \$55,000; or (ii) the amount that causes assessed valuation to be \$1,000, for property tax assessment year 2024;
2. Residential real property other than multi-family residential real property at 6.7%, after a deduction from the actual value of the lesser of either: (i) \$55,000; or (ii) the amount that causes assessed valuation to be \$1,000, for property tax assessment year 2024.

I. On October 8, 2020, the District issued its Limited Tax General Obligation Refunding Bonds, Series 2020 (the “**Series 2020 Bonds**”) in the principal amount of \$13,425,000 pursuant to a resolution adopted by the Board on September 17, 2020 (the “**Bond Resolution**”).

J. Pursuant to the terms of the Bond Resolution, the District is required to impose a debt service mill levy in an amount not in excess of fifty (50) mills, as adjusted for changes in the method of calculating the assessed valuation or any constitutionally mandated tax credit, cut or amendment on or after January 1, 2004, subject to the specific provisions of the Bond Resolution (the “**Maximum Adjusted Debt Mill Levy**”).

K. However, the Bond Resolution does not require the District to impose the Maximum Adjusted Debt Mill Levy for collection year 2025 as the District is able to make all debt service payments due and payable on the Series 2020 Bonds in 2025 with the imposition of a debt service mill levy of ____ mills.

L. In compliance with the Service Plan, in order to mitigate the effect of the reduction in the ratio of valuation for residential real property as set by Senate Bill 24-233 for property tax assessment year 2024 (for collection year 2025), the Board determines it to be in the best interest of the District, its residents, users, property owners, and the public, to adjust the ARI Mill Levy, so that the actual tax revenues to be received by the District are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment since the Baseline Year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Sorrel Ranch Metropolitan District, City of Aurora, Arapahoe County, Colorado:

1. The Board hereby authorizes the adjustment of the the ARI Mill Levy to reflect that Senate Bill 24-233 set the residential assessment rate for both multi-family residential real property and residential real property other than multi-family residential real property at 6.7%, after a deduction from the actual value of the lesser of either: (i) \$55,000; or (ii) the amount that causes assessed valuation to be \$1,000, for property tax assessment year 2024, which is a change from the 7.96% ratio of valuation for assessment of residential property as of the Baseline Year.

2. The Service Plan allows for a mill levy imposition of ____ mills for the ARI Mill Levy (the “**Adjusted ARI Mill Levy**”) so that District revenues shall be neither diminished nor enhanced as a result of the ratio of valuation for assessment being set at 6.7%, after a deduction from the actual value of the lesser of either: (i) \$55,000; or (ii) the amount that causes assessed valuation to be \$1,000, for property tax assessment year 2024.

3. The Adjusted ARI Mill Levy shall be reflected in the District's Certification of Tax Levies to be submitted to the Arapahoe County Board of County Commissioners on or December 15, 2024, for collection in 2025.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE
DISTRICT MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN]**

RESOLUTION APPROVED AND ADOPTED ON November 4, 2024.

**SORREL RANCH METROPOLITAN
DISTRICT**

President

Attest:

Secretary or Assistant Secretary

EXHIBIT A
History of Residential Assessment Ratio

<u>Tax Levy/Assessment Year</u>	<u>Tax Collection Year</u>	<u>Residential Assessment Ratio</u>
1995	1996	10.36%
1996	1997	
1997	1998	9.74%
1998	1999	
1999	2000	
2000	2001	
2001	2002	9.15%
2002	2003	
2003	2004	7.96%
2004	2005	
2005	2006	
2006	2007	
2007	2008	
2008	2009	
2009	2010	
2010	2011	
2011	2012	
2012	2013	
2013	2014	
2014	2015	
2015	2016	

2016	2017	
2017	2018	7.20%
2018	2019	
2019	2020	7.15%
2020	2021	
2021	2022	
2022	2023	6.95% (other than multi-family) 6.80% (multi-family)
2023	2024	6.700%, after a deduction from the actual value of the lesser of either \$55,000 or the amount that causes assessed valuation to be \$1,000
2024	2025	6.700%, after a deduction from the actual value of the lesser of either \$55,000 or the amount that causes assessed valuation to be \$1,000

RESOLUTION NO. 2024-11-____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SORREL RANCH METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 6, 2025**

A. The term of the office of Director Selden shall expire upon the election of his successor at the regular election, to be held on May 6, 2025 (“**Election**”), and upon such successor taking office.

B. Two (2) vacancies currently exist on the Board of Directors of the District.

C. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect three (3) Directors to serve until the second regular election, to occur May 8, 2029.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sorrel Ranch Metropolitan District (the “**District**”) of the County of Arapahoe, Colorado:

1. Date and Time of Election. The Election shall be held on May 6, 2025, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, three (3) Directors shall be elected to serve until the second regular election, to occur May 8, 2029.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. David Solin shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with David Solin, the Designated Election Official of the District, c/o Special District Management

Services, Inc., 141 Union Blvd., Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 29, 2025).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from David Solin, the Designated Election Official for the District, c/o Special District Management Services, Inc., 141 Union Blvd., Suite 150, Lakewood, Colorado 80228, (303) 987-0835, and on the District's website at <https://sorrelranchmd.colorado.gov/>

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 4, 2025, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

10. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 6, 2025]**

RESOLUTION APPROVED AND ADOPTED on November 4, 2024.

**SORREL RANCH METROPOLITAN
DISTRICT**

By: _____
President

Attest:

Secretary

COST CONTRIBUTION AGREEMENT

THIS COST CONTRIBUTION AGREEMENT (the “**Agreement**”) is made and entered into as of this 6th day of May, 2024 (the “**Effective Date**”), by and between **SORREL RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and the **SORREL RANCH HOMEOWNERS ASSOCIATION INC.**, a Colorado nonprofit corporation (the “**Association**”) (each a “**Party**”, and collectively, the “**Parties**”).

RECITAL

A. The District is a quasi-municipal corporation and political subdivision of the State of Colorado, organized in the City of Aurora, County of Arapahoe, State of Colorado, pursuant to Title 32, Colorado Revised Statutes.

B. The District operates pursuant to a Service Plan, as approved by the City Council for the City of Aurora, Colorado (the “**City**”) on August 19, 2002, as amended and restated on August 30, 2004, and modified effective August 14, 2006 (collectively, the “**Service Plan**”).

C. The Service Plan authorizes the District to plan for, design, acquire, construct, install, relocate, redevelop and finance certain public improvements, including water, sanitation (including storm and sanitary sewer), street, safety protection, park and recreation, transportation, and mosquito control as generally described in the District’s Service Plan (collectively, the “**Improvements**”) for dedication to the City or other appropriate jurisdiction or owners association.

D. Pursuant to the Service Plan, the District is not authorized to operate and maintain any part or all of the Improvements, other than park and recreation improvements, unless the provision of such operation and maintenance is pursuant to an intergovernmental agreement with the City.

E. The Association is the association named and referred to in the Declaration of Covenants, Conditions and Restrictions for Sorrel Ranch, City of Aurora, County of Arapahoe, State of Colorado, recorded in the real property records of Arapahoe County on October 14, 2003, at Reception No. B3224972 (as supplemented and amended, the “**Covenants**”).

F. The Association is the fee owner of and, pursuant to the Covenants, is responsible for the maintenance, repair, upkeep of the Association Property (as defined in the Covenants), including certain landscape and/or open space tracts subject to the Covenants (the “**Open Space Tracts**”).

G. The Open Space Tracts are within the boundaries of the District.

H. The Open Space Tracts contain a trail system and other landscaping elements that are utilized by residents of the District as well as the general public.

I. The Association desires to perform maintenance work and enhancements on the Open Space Tracts, including mulch refreshing, removal of dead shrubs and trees, detention

pond cleaning, edger replacement, and renovation pruning, as such work is described in **Exhibit A** attached hereto and incorporated herein (the “**Landscape Enhancements**”) and the District desires to contribute funds to the Association to pay for the Landscape Enhancements.

J. The Landscape Enhancements will enhance the aesthetics of the community as well as the usability and safety of the Open Space Tracts by the residents of the District and the general public.

K. The District has agreed to contribute One Hundred Sixty-Nine Thousand Eight Hundred Fifty and Seventy-Nine Hundredth Dollars (\$169,850.79) (the “**District Contribution**”) from its general fund to the Association to finance costs associated with the Landscape Enhancements.

L. The Parties desire to set forth in this Agreement the procedures for and provisions that will govern the foregoing contemplated actions.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

AGREEMENT

1. District Contribution. In exchange for the benefit conferred upon the District and its residents and well as the general public by the Landscape Enhancements within the Open Space Tracts, the District shall pay to the Association the District Contribution within thirty (30) days of the Effective Date (being the date the last Party executes this Agreement). Upon the District’s payment of the District Contribution to the Association, the District shall have no further obligation under this Agreement.

2. District Contribution Limitation. The Parties agree that the District Contribution is the total and final one-time contribution amount due and owing from the District with respect to the Landscape Enhancements and shall not be adjusted in the event of any cost overruns, change orders, or like occurrences. The District shall have no further obligation to provide the Association with any additional funding related to the Landscape Enhancements and/or the Open Space Tracts. To the extent there are any cost savings or reduction in work performed relative to the Landscape Enhancements, the Association shall return any funds remaining of the District Contribution to the District within thirty (30) days of completion of the Landscape Enhancements.

3. Landscape Enhancements. The Association shall utilize the District Contribution solely for the purpose of funding the Landscape Enhancements. The Association will perform, or cause the performance of, the Landscape Enhancements in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the Association. The Association shall be solely responsible for the ownership, operation, and maintenance of the Open Space Tracts and the costs associated therewith. Upon completion of the Landscape Enhancements, the Association shall provide the District with documentation evidencing the District Contribution was used solely for those costs associated with the Landscape Enhancements.

4. District Limitations. It is hereby agreed and acknowledged that this Agreement and the obligations of the District contemplated in this Agreement are subject to annual appropriation and shall not be deemed to be multiple-fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution.

5. Indemnification. The Association agrees to indemnify, defend and hold the District and its affiliated entities, and their respective directors, trustees, officers, members, managers, agents and employees harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys' fees and costs, arising out of death or bodily injury to persons or damage to property arising out of, resulting from, or relating to this Agreement and/or the Landscape Enhancements, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Association and/or its agents, representatives, subcontractors, or suppliers. This Section 5 shall survive the termination of this Agreement.

6. Governmental Immunity. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

7. Term. This Agreement is effective as of the Effective Date and shall continue in full force and effect until all obligations with respect to delivery of the District Contribution, completion of the Landscape Enhancements, and the return of any portion of the District Contribution in accordance with Section 2, if applicable, are satisfied.

8. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via FedEx or other nationally recognized overnight air courier service, by electronically-confirmed facsimile transmission or electronically-confirmed electronic mail, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Sorrel Ranch Metropolitan District
141 Union Blvd., Suite 150
Lakewood, CO 80228
Phone: 303-987-0835
Email: dsolin@sdmsi.com
Attn: David Solin, Manager

With a Copy To: McGeady Becher P.C.
450 E. 17th Ave., Suite 400
Denver, CO 80203-1254
Phone: 303-592-4380
Email: legalnotices@specialdistrictlaw.com

To the Association: Sorrel Ranch Homeowners Association Inc.
c/o Weststar Management Corp.
6795 E. Tennessee Ave, Suite 601
Denver, CO 80224
Attention: Angela Watts
Phone: 720-941-9200
Email: angela@weststarmanagement.com

With a Copy To: Winzenburg, Leff, Purvis & Payne, LLP
8020 Shaffer Parkway, Suite 300
Littleton, CO 80127
Attention: Travis Keenan
Phone: 303-863-1870
Email: tkeenan@wlpplaw.com

All notices, demands, requests or other communications shall be effective upon such personal delivery, one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service, on the date of transmission if sent by confirmed facsimile or confirmed electronic mail, or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address or contact information.

9. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Association any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof.

10. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

11. Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the District Court in and for the County of Arapahoe, Colorado.

12. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

13. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

14. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

16. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

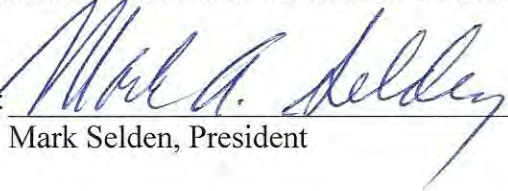
17. Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto, provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the Parties unless the same is in writing and duly executed by the Parties hereto.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO COST CONTRIBUTION AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this Cost Contribution Agreement as of the day and year first set forth above.

SORREL RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: 
Mark Selden, President

Attest:


Secretary

SORREL RANCH HOMEOWNERS ASSOCIATION INC., a Colorado nonprofit corporation


By: 
Name: Charles Brian Buchanan
Its: PRESIDENT

EXHIBIT A

LANDSCAPE ENHANCEMENTS



LMI COLORADO

Proposal #10460

Date: 2/22/2024

Customer:
Angela Patton
WestStar Management
6795 E Tennessee Ave
#601
Denver, CO 80024

Property:
Sorrel Ranch HOA
15151 E Alameda Pkwy
Aurora, CO 80012

Install Cobblestone

This Proposal will cover the removal of mulch on the beds next to the sidewalk on the trail north of Garden Dr.

Proposal will include the removal of the dead shrubs and mulch and install new shrubs with cobble to prevent any mulch wash out of the bed and to avoid any people from driving into the beds.

The total of beds will be 4 beds.

Default Group

EN - Enhancement

Items	Quantity	Unit	Price/Unit	Price
Labor to remove mulch and repair the bed	30.00	Hr	\$65.00	\$1,950.00
Top Soil	10.00	cuyd	\$125.00	\$1,250.00
2-4 Multi Cobble	35.00	Ton	\$208.34	\$7,291.90
3x300 Fabric	1.00	ea	\$184.97	\$184.97
POTENTILLA GOLD DROP #5	15.00	ea	\$61.05	\$915.72
SALVIA MAY NIGHT #1	20.00	ea	\$27.36	\$547.16
SPIREA MELLOW YELLOW #5	20.00	ea	\$66.07	\$1,321.35
BUTTERFLY BUSH EMPIRE BLUE-#5	20.00	ea	\$89.65	\$1,792.96
GRASS FEATHER REED #5	10.00	ea	\$80.21	\$802.08
Labor - Irrigation Tech	10.00	Hr	\$85.00	\$850.00
Irrigation Misc Fittings	1.00	Dollars	\$350.00	\$350.00
Dump Fee	10.00	cuyd	\$50.00	\$500.00
DAYLILY STELLA DE ORO #1	20.00	ea	\$29.32	\$586.36
EN - Enhancement:				\$18,342.50

Subtotal	\$18,342.50
Estimated Tax	\$0.00
Total	\$18,342.50



LMI COLORADO

Proposal #8489
Date: 2/27/2024

Customer:

Property:
Sorrel Ranch HOA
15151 E Alameda Pkwy
Aurora, CO 80012

Job Description

Remove and replace 115 dead and/or damaged shade trees.

Section 1 (Clubhouse) - 20 trees - 8 Chokecherry, 7 Autumn Blaze Maple, 5 Washington Hawthorne

Section 2 (North trail) - 9 trees - 1 Ponderosa Pine, 4 Autumn Blaze Maple, 2 Cottonwood, 2 Kentucky Coffee Tree

Section 3 (Hill behind houses) - 76 trees - 16 Autumn Blaze Maple, 1 Colorado Blue Spruce, 4 Single Stem Autumn Brilliance Serviceberry, 25 Pinion Pine, 10 Austrian Pine, 15 Ponderosa Pine, 3 Cottonwood (around pool), 2 royal raindrop Crabapple

~~Section 4 (construction damage on Alexander Dr) 4 Autumn Blaze Maple, 3 Imperial Honeylocust, 3 Kentucky Coffee Tree - P/D FOR - 15, 9/1 22~~

Tree replacements

EN - Enhancement

EN - Enhancement: ~~\$100,615.56~~

PROJECT TOTAL: ~~\$100,615.56~~

\$84,654.16



Proposal #8490
Date:

Customer:
 Angela Patton
 WestStar Management
 6795 E Tennessee Ave
 #601
 Denver, CO 80024

Property:
 Sorrel Ranch HOA
 15151 E Alameda Pkwy
 Aurora, CO 80012

Job Description

Detention pond cleaning of 2 ponds. One located on E Brandt Ave and another located on S Grand Baker Ct. Includes clearing of inlet and outlet structures, dead tree removal and creating a channel to allow water to continuous flow to outlet.

Cleaning of retention ponds

EN - Enhancement

Items	Quantity	Unit	
Labor	550.00	Hr	
Labor	1.00	ea	
EN - Enhancement:			\$34,450.00
PROJECT TOTAL:			\$34,450.00



LMI COLORADO

Proposal #10132

Date: 2/19/2024

Customer:

Angela Patton
WestStar Management
6795 E Tennessee Ave
#601
Denver, CO 80024

Property:

Sorrel Ranch HOA
15151 E Alameda Pkwy
Aurora, CO 80012

Install Edging

This Proposal will include the removal of the old edger and replace with the new edger with rolltop. Old edging its being sticking up and has sharp top that could be a hazard to pets and children's. will focus on the areas along S ~~Gun Club Rd~~ and entrance on Alexander Dr.

SECTION 1, CLUBHOUSE TRAIL

Default Group

EN - Enhancement

Items	Quantity	Unit	Price/Unit	Price
Labor - Enhancements Laborer	80.00	Hr	\$65.00	\$5,200.00
Med Duty Edge	120.00	ea	\$34.20	\$4,104.13
EN - Enhancement:				\$9,304.13
Subtotal				\$9,304.13
Estimated Tax				\$0.00
Total				\$9,304.13

Terms & Conditions

INSTRUCTIONS TO CONTRACTOR OR OWNER: THIS WORK ORDER PROPERLY SIGNED BY YOUR AGENT HAS BEEN ACCEPTED AS AUTHORIZATION TO PERFORM THE WORK. AN INVOICE WILL BE FORWARDED TO YOUR OFFICE FOR PAYMENT WHEN THE WORK IS COMPLETED.

****Price guaranteed for 45 days from date of proposal**



LMI COLORADO

Proposal #10443

Date: 2/20/2024

Customer:

Angela Patton
WestStar Management
6795 E Tennessee Ave
#601
Denver, CO 80024

Property:

Sorrel Ranch HOA
15151 E Alameda Pkwy
Aurora, CO 80012

Shrub Rejuvenation

Renovation pruning applies principles to promote an aesthetic appearance of shrubs and groundcovers on a designed urban landscape. This method of pruning permits plants to grow back into the space thought out the following growing season. The purpose Rejuvenation pruning will be cutting all the shrubs down to 3 to 5 ft of the ground removing all the unhealthy branches preventing of using energy from the healthy branches. After all the shrubs are being cut down its going to allow us grow back to a shape with healthy leaves and it's easy to come back.

Default Group

EN - Enhancement

Items	Quantity	Unit	Price/Unit	Price
Labor - Enhancements Laborer	100.00	Hr	\$65.00	\$6,500.00
Dump Fee	20.00	cuyd	\$50.00	\$1,000.00
EN - Enhancement:				\$7,500.00
Subtotal				\$7,500.00
Estimated Tax				\$0.00
Total				\$7,500.00

Terms & Conditions

INSTRUCTIONS TO CONTRACTOR OR OWNER: THIS WORK ORDER PROPERLY SIGNED BY YOUR AGENT HAS BEEN ACCEPTED AS AUTHORIZATION TO PERFORM THE WORK. AN INVOICE WILL BE FORWARDED TO YOUR OFFICE FOR PAYMENT WHEN THE WORK IS COMPLETED.

**Price guaranteed for 45 days from date of proposal



LMI COLORADO

Proposal #10442

Date: 2/20/2024

Customer:

Angela Patton
WestStar Management
6795 E Tennessee Ave
#601
Denver, CO 80024

Property:

Sorrel Ranch HOA
15151 E Alameda Pkwy
Aurora, CO 80012

Install Much

This proposal will cover that installation of mulch along the trail by the pool mulch will be install at 3" .

Default Group

EN - Enhancement

Items	Quantity	Unit	Price/Unit	Price
Labor - Enhancements Laborer	0.00	Hr	\$0.00	\$0.00
Harvest Dye Mulch	120.00	cuyd	\$130.00	\$15,600.00
EN - Enhancement:				\$15,600.00

Subtotal	\$15,600.00
Estimated Tax	\$0.00
Total	\$15,600.00

Terms & Conditions

INSTRUCTIONS TO CONTRACTOR OR OWNER: THIS WORK ORDER PROPERLY SIGNED BY YOUR AGENT HAS BEEN ACCEPTED AS AUTHORIZATION TO PERFORM THE WORK. AN INVOICE WILL BE FORWARDED TO YOUR OFFICE FOR PAYMENT WHEN THE WORK IS COMPLETED.

****Price guaranteed for 45 days from date of proposal**

****Payment is due within 30 days after the invoice date**

Terms and Conditions



August 15, 2024

Office of Development Assistance
City of Aurora
15151 E. Alameda Pkwy
Aurora, CO 80012

Re: Proposed Service Plan Amendments for South Aurora Regional Improvement Authority (“SARIA”) Member Districts; Revisions to ARI Mill Levies

To the Office of Development Assistance, City of Aurora:

I. Introduction

The South Aurora Regional Improvement Authority (“SARIA”) is a contractually-established authority created for the purpose of funding regional transportation improvements in the southern portion of Aurora. SARIA was originally established by intergovernmental agreement in 2017 and currently includes as its members the City of Aurora (the “City”) and the following 22 individual metropolitan districts:

- Beacon Point Metropolitan District
- Blackstone Metropolitan District
- Forest Trace Metropolitan District Nos. 1-3
- Inspiration Metropolitan District
- Kings Point South Metropolitan District Nos. 1-3
- Overlook at Kings Point South Metropolitan District
- Prairie Point Metropolitan District Nos. 1-3
- Pronghorn Valley Metropolitan District
- Senac South Metropolitan District Nos. 1-4
- Sorrel Ranch Metropolitan District
- Southlands Metropolitan District No. 2
- Wheatlands Metropolitan District
- Whispering Pines Metropolitan District No. 1

Submitted with this letter are proposed service plan amendments (the “Service Plan Amendments”) to amend the service plans of all but five of SARIA’s member districts (excluding such five districts, the “Amending Members”), along with resolutions of each of the Amending Members authorizing SARIA to submit the Service Plan Amendments to the City.

The Boards of Directors of all of the Amending Members have approved the Service Plan Amendments and have authorized SARIA, on behalf of the Amending Members, to process the Service Plan Amendments as one submittal with the City.

Forest Trace Metropolitan District No. 2 is not requesting an amendment to its service plan at this time because the district either is not expected at any time to issue debt and thus it will likely never impose an ARI Mill Levy or it will include only commercial property, and under either circumstance the changes proposed in the Service Plan Amendments would not apply. Senac South Metropolitan District Nos. 1-4 are also not requesting an amendment to their service plans at this time because the districts have



expressed a preference not to alter their ARI Mill Levy as proposed in the Service Plan Amendments. This is not expected to adversely impact the Amending Members or SARIA, and the Amending Members and SARIA have determined nonetheless to proceed with the Service Plan Amendments.

II. SARIA Background

SARIA was organized for the limited purpose of financing “Regional Improvements” consistent with SARIA’s establishing agreement and the service plans of each of SARIA’s member districts.

SARIA does not and is not authorized under its establishing agreement to own, operate or maintain any public improvements.

SARIA also does not impose any taxes or fees. Rather, SARIA relies entirely upon revenues derived from each member district’s ARI Mill Levy as set forth in the member districts’ service plans (the “ARI Mill Levy(ies)”) in order to finance Regional Improvements.

III. Current ARI Mill Levy System

Currently, consistent with the City’s Model Service Plan in place since 2004, the SARIA member districts’ ARI Mill Levies are generally imposed, beginning the first year each district imposes a debt service levy, as follows:

Tier 1: 1 mill from Years 1-20 (“Tier 1 Levy”);

Tier 2: 5 mills Years 21-40, or the date of repayment of the district’s debt, whichever first occurs (“Tier 2 Levy”); and

Tier 3: for an additional ten (10) years, the mill levy is equal to the average debt service mill levy imposed in the ten (10) years prior to the date of repayment of the district’s debt (“Tier 3 Levy”).

IV. Limited Purpose of Proposed Service Plan Amendments

The limited purpose of the Service Plan Amendments is to modify the ARI Mill Levy of each Amending Member as follows:

For Amending Members that currently have residents:

Tier 1: 1 mill from Years 1-20 (unchanged)

Tier 2: 5 mills for Years 21-40, or the date of repayment of the debt incurred for Public Improvements, other than Regional Improvements, which ever first occurs (unchanged); and



Tier 3: for an additional ten 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.

For Amending Members that do not currently have residents:

Tier 1: 5 mills from Years 1-20 (increased from 1 mill to 5 mills);

Tier 2: 5 mills from Years 21-40, or the date of repayment of the debt incurred for Public Improvements, other than Regional Improvements, which ever first occurs (unchanged); and

Tier 3: for an additional ten years, the mill levy shall be 30 mills.

In addition, the Service Plan Amendments provide that for any Amending Member whose current debt will extend beyond year 40, the ARI Mill Levy will not commence until that debt is paid off, but for all other Amending Members the Tier 3 levy is clarified to commence no later than year 40.

More specifically, the foregoing change to the ARI Mill Levy for the Amending Members can be summarized, and the Amending Members can be broken out into four groups, as follows:

“Group 1”:

- Tier 1:** 1 mill (unchanged)
- Tier 2:** 5 mills (unchanged)
- Tier 3:** 30 mills (fixed at 30 mills)

Forest Trace Metropolitan District No. 1 (2023/24 debt service levy = no levy imposed yet)
 Forest Trace Metropolitan District No. 3 (2023/24 debt service levy = 56.440)
 Inspiration Metropolitan District (2023/24 debt service levy = 34 mills)
 Pronghorn Valley Metropolitan District (2023/24 debt service levy = 57.156)

“Group 2”:

- Tier 1:** 1 mill (unchanged)
- Tier 2:** 5 mills (unchanged)
- Tier 3:** 2023/24 debt service mill levy (which is less than 30 mills)

Beacon Point Metropolitan District: Tier 3 = 25.367 mills
 Blackstone Metropolitan District: Tier 3 = 22 mills (commences in 42nd year)
 Sorrel Ranch Metropolitan District: Tier 3 = 28.154 mills
 Southlands Metropolitan District No. 2: Tier 3 = 25 mills
 Wheatlands Metropolitan District: Tier 3 = 20.707 mills
 Whispering Pines Metropolitan District No. 1: Tier 3 = 26 mills

“Group 3” (No Current Residents):

- Tier 1:** 5 mills (increased from 1 to 5)
- Tier 2:** 5 mills (unchanged)
- Tier 3:** 30 mills (fixed at 30 mills)

Kings Point South Metropolitan District Nos. 1-3
Overlook at Kings Point South Metropolitan District
Prairie Point Metropolitan District Nos. 1-3

“Group 4” (No Service Plan Amendment Proposed):

Forest Trace Metropolitan District No. 2
Senac South Metropolitan District Nos. 1-4

V. Rationale and Benefits of Proposed Service Plan Amendments

As stated above, the proposed Service Plan Amendments have been approved individually by the Boards of Directors of all of the Amending Members. The Service Plan Amendments are being submitted by SARIA to the City as one package on behalf of all of the Amending Members in order to process them efficiently.

As currently defined in the service plans of the Amending Members, the ARI Mill Levy is complicated, ambiguous, and, in particular with the Tier 3 Levy, simply cannot be accurately projected. For example, because the Tier 3 Levy is supposed to be “equal to the average debt service mill levy imposed in the ten (10) years prior to the date of repayment of the district’s debt,” a date that is for some districts more than 20 years in the future, it is impossible to know now what the Tier 3 Levy will actually be. This makes it difficult for the Amending Members to plan out their property tax levies into the future. It also means that the Tier 3 Levy may be impacted by long-term influences such as changing property values and changing Board priorities well into the future. Further, it makes the issuance of debt to finance Regional Improvements supported by the Amending Members’ ARI mill levies difficult and thus more expensive to issue.

The Tier 3 Levy is ambiguous because while it is supposed to begin in year 40 or the date of repayment of the district’s debt, whichever first occurs, the Tier 3 Levy rate cannot be calculated in year 40 if the district’s debt is not yet repaid because it calculated on the debt service levy rate in the 10 years prior to “repayment.” Further, the Tier 3 Levy could be read in some circumstances to be required in addition to a districts existing debt service levy, thus causing a ‘doubling-up’ of the Tier 3 Levy on top of the district’s debt service levy.

In order to resolve the foregoing issues, the Amending Members and SARIA initially proposed fixing the Tier 3 Levies of all member districts at 30 mills as an approximate average of currently projected Tier 3 Levies. But a number of Amending Members already had a debt service levy below 30 mills. So, rather than setting the Tier 3 Levies at a rate higher than the current projection, the Amending Members settled upon a Tier 3 Levy fixed at the lesser of 30 mills or each district’s current debt service mill levy. This is why the Amending Members are separated into Group 1 and Group 2, above.

Further, a subset of the Amending Members, identified as Group 3 above, are willing to increase their Tier 1 Levy from 1 mill to 5 mills. These districts are still in predevelopment stages and would generally not see an increase in their ARI Mill Levy for up to 20 years, unlike other members districts who are 10-20 years into the ARI Mill Levy timeline. By increasing their Tier 1 Levy, these Group 3 districts will contribute more to Regional Improvements by way of their increased Tier 1 Levy contributions in earlier years.

A final nuance is that, under the Service Plan Amendments, Blackstone Metropolitan District, but not any other district, will have its Tier 3 Levy commence not earlier than when it pays off its existing debt or year



42. The reason for this change is to avoid a 'doubling-up' of the Tier 3 Levy on top of Blackstone Metropolitan District's current debt which matures in year 42.

VI. Summary of Benefits of Proposed Service Plan Amendments

The benefits of the proposed Service Plan Amendments to the Amending Members can be summarized as follows:

- Clearly establishes a set Tier 3 Levy.
- Allows Amending Members to anticipate future property tax rates and assists in long-term planning.
- Protects against any factors that would otherwise increase the Tier 3 Levy.
- Allows for more certain revenue projections to aid in financing Regional Improvements .
- Increases Tier 1 Levy revenue from the Group 3 Amending Members to better support Regional Improvements.
- Clarifies ambiguity in the Tier 3 Levy when a district has not paid off its debt by year 40 by setting a defined Tier 3 Levy Rate and avoids 'doubling up.'

VII. Summary and Request

In closing, on behalf of the Amending Members and SARIA, we respectfully request the Aurora City Council approve the enclosed Service Plan Amendments.

Sincerely,

/s/ Thomas N. George

Tom George
Spencer Fane LLP

Encs.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEACON POINT METROPOLITAN DISTRICT
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Second Amended and Restated Service Plan on July 26, 2010 as amended by that First Amendment to the Second Amended and Restated Service Plan on May 11, 2015 (collectively, the “Service Plan”) for the Beacon Point Metropolitan District (the “District”);

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has approved an ARI Master Plan (as defined in the SARIA Establishment Agreement) and has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and


WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BEACON POINT METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

ADOPTED AND EFFECTIVE THIS 17th day of April, 2024.

**BEACON POINT METROPOLITAN
DISTRICT**

By: 
dave.guy (Apr 17, 2024 16:29 MDT)

Name: dave guy

Title: President

ATTEST:

By: 
Patricia Gardiner (Apr 18, 2024 16:47 MDT)

Name: Patricia Gardiner

Title: Beacon Point Secretary

Exhibit A to Resolution

**SECOND AMENDMENT
TO
SECOND AMENDED AND RESTATED SERVICE PLAN
FOR
BEACON POINT METROPOLITAN DISTRICT**

City of Aurora, Colorado

Second Amended and Restated Service Plan approved by the City of Aurora on July 26, 2010
As Amended by that First Amendment to the Second Amended and Restated Service Plan
approved by the City of Aurora on May 11, 2015

This Second Amendment to the Second Amended and Restated Service Plan Dated _____

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Second Amended and Restated Service Plan for Beacon Point Metropolitan District on July 26, 2010 as amended by that First Amendment to the Second Amended and Restated Service Plan on May 11, 2015 (collectively, the “**Service Plan**”). This Second Amendment to Service Plan (“**Amendment**”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “**SARIA Establishment Agreement**”) and is a member district of the South Aurora Regional Improvement Authority (“**SARIA**”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “**Regional Improvements**,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to financial additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be equal to the mill levy certified by such district for the tax year 2023 for collection in 2024; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “**2018 Bonds**”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above,

all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BLACKSTONE METROPOLITAN DISTRICT
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora (the “City”) previously approved the Second Amended and Restated Service Plan (the “Service Plan”) for the Blackstone Metropolitan District (the “District on July 26th, 2010, as amended by a First Amendment approved by the City_May 15, 2017;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has approved an ARI Master Plan (as defined in the SARIA Establishment Agreement) and has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BLACKSTONE METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 7th day of NOVEMBER, 2023.

BLACKSTONE METROPOLITAN DISTRICT

/s/ Shawn P. McGoff
Shawn P. McGoff (Dec 1, 2023 16:41 MST)

Name: Shawn P. McGoff

Title: Board President

ATTEST:

/s/ Lisa Monahan
Lisa Monahan (Dec 4, 2023 15:44 PST)

Name: Lisa Monahan

Title: Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**SECOND AMENDMENT
TO
SERVICE PLAN
FOR
BLACKSTONE METROPOLITAN DISTRICT**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on July 26th, 2010, as amended by a First Amendment approved by the City of Aurora on May 15, 2017

This Second Amendment Dated ____, 2024

I. INTRODUCTION AND PURPOSE OF SECOND AMENDMENT

The City of Aurora approved the Second Amended and Restated Service Plan for Blackstone Metropolitan District (the “District”) on July 26, 2010, as amended by a First Amendment approved by the City on May 15, 2017 (collectively, the “Service Plan”). This Second Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design,

permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be five (5) mills from the twenty-first (21st) year through the forty-second (42nd) year or the date of repayment of the debt incurred for Public Improvements, other than Regional Improvements, which ever first occurs; and (iii) for an additional ten (10) years, the mill levy shall be equal to the mill levy certified by such district for the tax year 2023 for collection in 2024; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
FOREST TRACE METROPOLITAN DISTRICT NO. 1
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Model Service Plan (the “Service Plan”) for the Forest Trace Metropolitan District No. 1 (the “District”) on July 24, 2006;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has approved an ARI Master Plan (as defined in the SARIA Establishment Agreement) and has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOREST TRACE METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 13th day of NOVEMBER, 2023.

**FOREST TRACE METROPOLITAN
DISTRICT NO. 1**

Daniel Frank
/s/: [Daniel Frank \(Nov 14, 2023 10:52 MST\)](#)

Name: Daniel Frank

Title: Board Member

ATTEST:

Marc Cooper
/s/: [Marc Cooper \(Nov 14, 2023 16:33 MST\)](#)

Name: Marc Cooper

Title: Board Member

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SERVICE PLAN
FOR
FOREST TRACE METROPOLITAN DISTRICT NO. 1**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on July 24, 2006

This Amendment Dated __, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Model Service Plan (the “Service Plan”) for Forest Trace Metropolitan District No. 1 (the “District”) on July 24, 2006. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

- A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1)

mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
FOREST TRACE METROPOLITAN DISTRICT NO. 3
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Model Service Plan (the “Service Plan”) for the Forest Trace Metropolitan District No. 3 (the “District”) on July 24, 2006;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has approved an ARI Master Plan (as defined in the SARIA Establishment Agreement) and has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOREST TRACE METROPOLITAN DISTRICT NO. 3 AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 13th day of NOVEMBER, 2023.

**FOREST TRACE METROPOLITAN
DISTRICT NO. 3**

/s/: *Daniel Frank*
Daniel Frank (Nov 14, 2023 10:52 MST)

Name: Daniel Frank

Title: Board Member

ATTEST:

/s/: *Marc Cooper*
Marc Cooper (Nov 14, 2023 16:33 MST)

Name: Marc Cooper

Title: Board Member

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SERVICE PLAN
FOR
FOREST TRACE METROPOLITAN DISTRICT NO. 3**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on July 24, 2006

This Amendment Dated ____, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Model Service Plan (the “Service Plan”) for Forest Trace Metropolitan District No. 3 (the “District”) on July 24, 2006. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for

collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as

amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INSPIRATION METROPOLITAN DISTRICT
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Consolidated Service Plan (the “Service Plan”) for RockingHorse Metropolitan Districts Nos. 1 and 2 on March 4, 2002, which Service Plan was amended and restated by the Amended and Restated Consolidated Service Plan for RockingHorse Metropolitan District Nos. 1 and 2 dated August 6, 2004, following which there was a change of the name RockingHorse Metropolitan District No. 2 to Inspiration Metropolitan District (the “District”) which change was approved by the District Court on February 10, 2017;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INSPIRATION METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably

necessary to obtain the City or Aurora's full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 13th day of February, 2024.

INSPIRATION METROPOLITAN DISTRICT

DocuSigned by:
/s: Rick Forsman
E545AD00E25E466...

Name: Rick Forsman

Title: President, Board of Directors

ATTEST:
DocuSigned by:
/s: 
A053890B88FB4FF...

Name: Doug Parris

Title: Secretary, Board of Directors

Exhibit A to Resolution

[Service Plan Amendment]

**SERVICE PLAN
FOR
INSPIRATION METROPOLITAN DISTRICT
(FORMERLY KNOWN AS ROCKINGHORSE
METROPOLITAN DISTRICT NO. 2)**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on March 4, 2002,
as amended and restated on August 6, 2004,
with a name change effective February 10, 2017

This Amendment Dated _____, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT FOR INSPIRATION METROPOLITAN DISTRICT

The City of Aurora approved the Consolidated Service Plan (the “Service Plan”) for RockingHorse Metropolitan Districts Nos. 1 and 2 on March 4, 2002, which Service Plan was amended and restated by the Amended and Restated Consolidated Service Plan for RockingHorse Metropolitan Districts Nos. 1 and 2 on August 6, 2004, following which there was a change of the name of RockingHorse Metropolitan District No. 2 to Inspiration Metropolitan District (the “District”). This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Inspiration Metropolitan District Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For districts with property within their boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) 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; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 1
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Amended and Restated Consolidated Service Plan (the “Service Plan”) for the Kings Point South Metropolitan District No. 1 (the “District”) on June 5, 2017;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.


NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 1st day of NOVEMBER, 2023.

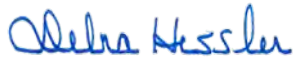
**KINGS POINT SOUTH METROPOLITAN
DISTRICT NO. 1**

/s/: 
/s/: [Kent Pedersen \(Apr 22, 2024 15:53 MDT\)](#)

Name: Kent Pedersen

Title: President

ATTEST:

/s/: 

Name: Debra Hessler

Title: Secretary/Treasurer

Exhibit A to Resolution

**AMENDMENT
TO
SERVICE PLAN
FOR
KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 1**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on June 5, 2017

This Amendment Dated ____, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Amended and Restated Consolidated Service Plan (the “Service Plan”) for Kings Point South Metropolitan District No. 1 (the “District”) on June 5, 2017. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the

planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be five (5) mills for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 2
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Amended and Restated Consolidated Service Plan (the “Service Plan”) for the Kings Point South Metropolitan District Nos. 1 and 2 on June 5, 2017; and

WHEREAS, Kings Point South Metropolitan District No. 2 (the “District”) previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has approved an ARI Master Plan (as defined in the SARIA Establishment Agreement) and has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA; and

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 2 AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 9th day of November, 2023.

**KINGS POINT SOUTH METROPOLITAN
DISTRICT NO. 2**

/s/ *Peter Niederman*
/s/ Peter Niederman (Nov 10, 2023 08:07 MST)

Name: Peter Niederman

Title: President

ATTEST:

/s/ *Julie Gamec*

Name: Julie Gamec

Title: Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SERVICE PLAN
FOR
KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 2**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on June 5, 2017

This Amendment Dated ____, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Amended and Restated Consolidated Service Plan (the “Service Plan”) for Kings Point South Metropolitan District No. 2 (the “District”) on June 5, 2017. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the

planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be five (5) mills for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 3
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Service Plan (the “Service Plan”) for the Kings Point South Metropolitan District No. 3 (the “District”) on August 8, 2022;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has approved an ARI Master Plan (as defined in the SARIA Establishment Agreement) and has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 3 AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 29th day of NOVEMBER, 2023.

**KINGS POINT SOUTH METROPOLITAN
DISTRICT NO. 3**

Charles H. Sanford
/s/: [Charles H. Sanford \(Nov 30, 2023 12:12 MST\)](#)

Name: Charles H. Sanford

Title: president

ATTEST:

Krista Towle
/s/: [Krista Towle \(Nov 30, 2023 11:21 MST\)](#)

Name: Krista Towle

Title: Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SERVICE PLAN
FOR
KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 3**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on August 8, 2022

This Amendment Dated ____, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Service Plan (the “Service Plan”) for Kings Point South Metropolitan District No. 3 (the “District”) on August 8, 2022. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the

improvements described in the ARI Master Plan, which: (i) shall be five (5) mills for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE OVERLOOK AT KINGS POINT SOUTH METROPOLITAN DISTRICT
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Service Plan (the “**Service Plan**”) for The Overlook at Kings Point South Metropolitan District (the “**District**”) on August 2, 2021;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “**SARIA Establishment Agreement**”) and is a member district of the South Aurora Regional Improvement Authority (“**SARIA**”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “**Board**”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE OVERLOOK AT KINGS POINT SOUTH METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “**Service Plan Amendment**”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City of Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City of Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 17th day of November, 2023.

**THE OVERLOOK AT KINGS POINT SOUTH
METROPOLITAN DISTRICT**

/s/: W. David Prusse

Name: David Prusse

Title: President

ATTEST:

/s/: 

Name: David Solin

Title: District Manager/Secretary

Exhibit A to Resolution

**AMENDMENT
TO
SERVICE PLAN
FOR
THE OVERLOOK AT KINGS POINT SOUTH METROPOLITAN DISTRICT**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on August 2, 2021

This Amendment Dated _____, 202__

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Service Plan (the “Service Plan”) for The Overlook at Kings Point South Metropolitan District (the “District”) on August 2, 2021. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be five (5) mills

for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 Bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 Bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as

amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**AMENDMENT
TO
SERVICE PLAN
FOR
THE OVERLOOK AT KINGS POINT SOUTH METROPOLITAN DISTRICT**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on August 2, 2021

This Amendment Dated August 12, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Service Plan (the “Service Plan”) for The Overlook at Kings Point South Metropolitan District (the “District”) on August 2, 2021. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be five (5) mills

for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 Bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 Bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.





V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as

amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

Title	Overlook at Kings Point / SARIA Amendment
File name	00966728.PDF, 00966726.PDF
Document ID	147357e44561edbb1b184f80aefdfd1dabb78ef7
Audit trail date format	MM / DD / YYYY
Status	● Signed

Document History

 SENT	08 / 06 / 2024 19:28:33 UTC	Sent for signature to David Prusse (wdprusse@comcast.net) from dsolin@sdmsi.com IP: 50.78.200.153
 VIEWED	08 / 07 / 2024 22:22:04 UTC	Viewed by David Prusse (wdprusse@comcast.net) IP: 174.51.117.112
 SIGNED	08 / 07 / 2024 22:23:14 UTC	Signed by David Prusse (wdprusse@comcast.net) IP: 174.51.117.112
 COMPLETED	08 / 07 / 2024 22:23:14 UTC	The document has been completed.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PRAIRIE POINT METROPOLITAN DISTRICT NO. 1
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, on September 17, 2001, the City of Aurora (the “City”) approved the Consolidated Service Plan for Kings Point Metropolitan District Nos. 1 and 2 (the “Service Plan”);

WHEREAS, on August 22, 2005, the City approved the First Amended and Restated Service Plan for Kings Point Metropolitan District No. 1 (the “First Amended and Restated Service Plan”), replacing the Service Plan in its entirety for the purposes of Kings Point Metropolitan District No. 1 (the “District”);

WHEREAS, on May 9, 2022, the District changed its name to Prairie Point Metropolitan District No. 1 pursuant to an Order Granting Petition for Name Change granted by the Arapahoe County District Court and recorded with the Arapahoe County Clerk and Recorder;

WHEREAS, on April 22, 2024, the City approved the Second Amended and Restated Service Plan for Prairie Point Metropolitan District No. 1 (the “Second Amended and Restated Service Plan”), replacing the First Amended and Restated Service Plan in its entirety;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Second Amended and Restated Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRAIRIE POINT METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board hereby approves the First Amendment to the Second Amended and Restated Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).

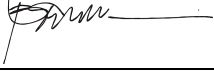
2. The Board directs and authorizes the District's manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City for consideration and to take any and all actions reasonably necessary to obtain the City's full and final approval of the Service Plan Amendment.

3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District's consultants, to submit the Service Plan Amendment to the City for consideration and to take any and all actions reasonably necessary to obtain the City's full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 1st day of August, 2024.

**PRAIRIE POINT METROPOLITAN
DISTRICT NO. 1**

/s/  _____

Name: Brandon Wyszynski

Title: Board President

ATTEST:

/s/ *Lisa Jacoby* _____

Name: Lisa Jacoby

Title: Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SECOND AMENDED AND RESTATED SERVICE PLAN
FOR
PRAIRIE POINT METROPOLITAN DISTRICT NO. 1**

City of Aurora, Colorado

Second Amended and Restated Service Plan approved by the City of Aurora on April 22, 2024

This Amendment Dated _____

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Second Amended and Restated Service Plan (the “**Service Plan**”) for Prairie Point Metropolitan District No. 1 (the “**District**”) on April 22, 2024. This Amendment to Service Plan (“**Amendment**”) is intended to be read in conjunction with the Service Plan.

The District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “**SARIA Establishment Agreement**”) and is a member district of the South Aurora Regional Improvement Authority (“**SARIA**”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “**Regional Improvements**,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be five (5) mills

for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D. of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “**2018 Bonds**”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as

amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PRAIRIE POINT METROPOLITAN DISTRICT NO. 2
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, on September 17, 2001, the City of Aurora (the “City”) approved the Consolidated Service Plan for Kings Point Metropolitan District Nos. 1 and 2 (the “Service Plan”);

WHEREAS, on August 22, 2005, the City approved the First Amended and Restated Service Plan for Kings Point Metropolitan District No. 2 (the “First Amended and Restated Service Plan”), replacing the Service Plan in its entirety for the purposes of Kings Point Metropolitan District No. 2 (the “District”);

WHEREAS, on May 9, 2022, the District changed its name to Prairie Point Metropolitan District No. 2 pursuant to an Order Granting Petition for Name Change granted by the Arapahoe County District Court and recorded with the Arapahoe County Clerk and Recorder;

WHEREAS, on April 22, 2024, the City approved the Second Amended and Restated Service Plan for Prairie Point Metropolitan District No. 2 (the “Second Amended and Restated Service Plan”), replacing the First Amended and Restated Service Plan in its entirety;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Second Amended and Restated Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRAIRIE POINT METROPOLITAN DISTRICT NO. 2 AS FOLLOWS:

1. The Board hereby approves the First Amendment to the Second Amended and Restated Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).

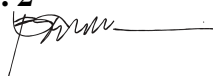
2. The Board directs and authorizes the District's manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City for consideration and to take any and all actions reasonably necessary to obtain the City's full and final approval of the Service Plan Amendment.

3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District's consultants, to submit the Service Plan Amendment to the City for consideration and to take any and all actions reasonably necessary to obtain the City's full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 1st day of August, 2024.

**PRAIRIE POINT METROPOLITAN
DISTRICT NO. 2**

/s/  _____

Name: Brandon Wyszynski

Title: Board President

ATTEST:

/s/  _____

Name: Lisa Jacoby

Title: Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SECOND AMENDED AND RESTATED SERVICE PLAN
FOR
PRAIRIE POINT METROPOLITAN DISTRICT NO. 2**

City of Aurora, Colorado

Second Amended and Restated Service Plan approved by the City of Aurora on April 22, 2024

This Amendment Dated _____

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Second Amended and Restated Service Plan (the “**Service Plan**”) for Prairie Point Metropolitan District No. 2 (the “**District**”) on April 22, 2024. This Amendment to Service Plan (“**Amendment**”) is intended to be read in conjunction with the Service Plan.

The District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “**SARIA Establishment Agreement**”) and is a member district of the South Aurora Regional Improvement Authority (“**SARIA**”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “**Regional Improvements**,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be five (5) mills

for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D. of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “**2018 Bonds**”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as

amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PRAIRIE POINT METROPOLITAN DISTRICT NO. 3
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, on August 22, 2005, the City of Aurora (the “City”) approved the Service Plan for Kings Point Metropolitan District No. 3 (the “Service Plan”);

WHEREAS, on May 9, 2022, Kings Point Metropolitan District No. 3 (the “District”) changed its name to Prairie Point Metropolitan District No. 3 pursuant to an Order Granting Petition for Name Change granted by the Arapahoe County District Court and recorded with the Arapahoe County Clerk and Recorder;

WHEREAS, on April 22, 2024, the City approved the Amended and Restated Service Plan for Prairie Point Metropolitan District No. 3 (the “Amended and Restated Service Plan”), replacing the Service Plan in its entirety;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Amended and Restated Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRAIRIE POINT METROPOLITAN DISTRICT NO. 3 AS FOLLOWS:

1. The Board hereby approves the First Amendment to Amended and Restated Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment

to the City for consideration and to take any and all actions reasonably necessary to obtain the City's full and final approval of the Service Plan Amendment.

3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District's consultants, to submit the Service Plan Amendment to the City for consideration and to take any and all actions reasonably necessary to obtain the City's full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 1st day of August, 2024.

**PRAIRIE POINT METROPOLITAN
DISTRICT NO. 3**

/s/  _____

Name: Brandon Wyszynski

Title: Board President

ATTEST:

/s/ *Lisa Jacoby* _____

Name: Lisa Jacoby

Title: Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
AMENDED AND RESTATED SERVICE PLAN
FOR
PRAIRIE POINT METROPOLITAN DISTRICT NO. 3**

City of Aurora, Colorado

Amended and Restated Service Plan approved by the City of Aurora on April 22, 2024

This Amendment Dated _____

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Amended and Restated Service Plan (the “**Service Plan**”) for Prairie Point Metropolitan District No. 3 (the “**District**”) on April 22, 2024. This Amendment to Service Plan (“**Amendment**”) is intended to be read in conjunction with the Service Plan.

The District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “**SARIA Establishment Agreement**”) and is a member district of the South Aurora Regional Improvement Authority (“**SARIA**”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “**Regional Improvements**,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be five (5) mills for collection beginning for each district in the first year of collection of a debt

service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D. of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “**2018 Bonds**”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as

amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PRONGHORN VALLEY METROPOLITAN DISTRICT
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Service Plan (the “Service Plan”) for the Pronghorn Valley Metropolitan District (the “District”) on July 24, 2017;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRONGHORN VALLEY METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 18th day of December 2023.

**PRONGHORN VALLEY METROPOLITAN
DISTRICT**

/s/: Lawrence Jacobson
Lawrence Jacobson (Apr 17, 2024 09:19 MDT)

Name: Lawrence Jacobson

Title: Board President

ATTEST:

/s/: 
Glen Barnard (Apr 17, 2024 10:56 HST)

Name: Glen Barnard

Title: Board Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SERVICE PLAN
FOR
PRONGHORN VALLEY METROPOLITAN DISTRICT**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on July 24, 2017

This Amendment Dated _____

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Service Plan (the “Service Plan”) for Pronghorn Valley Metropolitan District (the “District”) on July 24, 2017. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy,” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for

collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be thirty (30) mills; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as

amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

RESOLUTION NO. 2023-11-02

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SORREL RANCH METROPOLITAN DISTRICT
APPROVING SERVICE PLAN AMENDMENT**

A. The City of Aurora, Colorado (the “**City**”) previously approved the Service Plan for the Sorrel Ranch Metropolitan District (the “**District**”) on August 19, 2002, as amended and restated on August 30, 2004, and modified effective August 14, 2006 (collectively, the “**Service Plan**”).

B. The District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement, as amended (the “**SARIA Establishment Agreement**”) and is a member district of the South Aurora Regional Improvement Authority (“**SARIA**”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA.

C. SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement.

D. The Board of Directors of the District (the “**Board**”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Sorrel Ranch Metropolitan District, City of Aurora, Arapahoe County, Colorado:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “**Service Plan Amendment**”).


2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City for consideration and to take any and all actions reasonably necessary to obtain the City’s full and final approval of the Service Plan Amendment.

3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City for consideration and to take any and all actions reasonably necessary to obtain the City’s full and final approval of the Service Plan Amendment on behalf of the District.

**[SIGNATURE PAGE TO RESOLUTION APPROVING SERVICE PLAN
AMENDMENT]**

RESOLUTION APPROVED AND ADOPTED on November 6, 2023.

**SORREL RANCH METROPOLITAN
DISTRICT**

By: 

President

Attest:



Secretary or Assistant Secretary

EXHIBIT A

[attach Service Plan Amendment]

**AMENDMENT
TO
MODIFIED
AMENDED AND RESTATED SERVICE PLAN
FOR
SORREL RANCH METROPOLITAN DISTRICT**

City of Aurora, Colorado

Amended and Restated Service Plan approved by the City of Aurora on August 30, 2004
Modified on August 14, 2006

This Amendment dated _____

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora, Colorado (the “City”) previously approved the Service Plan for Sorrel Ranch Metropolitan District (the “District”) on August 19, 2002, as amended and restated on August 30, 2004, and modified effective August 14, 2006 (collectively, the “Service Plan”). This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement, as amended (the “**SARIA** Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Article II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the

planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be equal to the mill levy certified by such district for the tax year 2023 for collection in 2024; and

Additionally, Section D of the definition of “ARI Mill Levy” in Article II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 Bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 Bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTHLANDS METROPOLITAN DISTRICT NO. 2
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Service Plan (the “Service Plan”) for the Southlands Metropolitan District No. 2 (the “District”) on August 30, 2004;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.


NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 2 AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 9th day of NOVEMBER, 2023.

**SOUTHLANDS METROPOLITAN DISTRICT
NO. 2**


/s/; Kathleen Barela (Apr 22, 2024 15:24 MDT)

Name: Kathy Barela

Title: President

ATTEST:


/s/; Meredith Fish (Apr 22, 2024 17:03 MDT)

Name: Meredith Fish

Title: Assistant Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SERVICE PLAN
FOR
SOUTHLANDS METROPOLITAN DISTRICT NO. 2**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on August 30, 2004

This Amendment Dated ___, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Service Plan (the “Service Plan”) for Southlands Metropolitan District No. 2 (the “District”) on August 30, 2004. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for

collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be equal to the mill levy certified by such district for the tax year 2023 for collection in 2024; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
WHEATLANDS METROPOLITAN DISTRICT
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Amended and Restated Consolidated Service Plan (the “Service Plan”) for the Wheatlands Metropolitan District (the “District”) on August 30, 2004, as amended by a First Amendment approved by the City on August 24, 2015;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WHEATLANDS METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 12th day of OCTOBER, 2024.

WHEATLANDS METROPOLITAN DISTRICT

/s/ Paulette Martin

Name: Paulette Martin

Title: President

ATTEST:

/s/ Brooke Holliman
Brooke Holliman (Apr 22, 2024 18:52 MDT)

Name: Brooke Holliman

Title: Secretary

Exhibit A to Resolution

[attach Service Plan Amendment]

**AMENDMENT
TO
SERVICE PLAN
FOR
WHEATLANDS METROPOLITAN DISTRICT**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on August 30, 2004. as amended by a First Amendment approved by the City on August 24, 2015

This Amendment Dated ____, 2024

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Amended and Restated Consolidated Service Plan (the “Service Plan”) for Wheatlands Metropolitan District (the “District”) on August 30, 2004, as amended by a First Amendment approved by the City of Aurora on August 24, 2015. This Amendment to Service Plan (“Amendment”) is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the

planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be equal to the mill levy certified by such district for the tax year 2023 for collection in 2024; and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
WHISPERING PINES METROPOLITAN DISTRICT NO. 1
APPROVING SERVICE PLAN AMENDMENT**

WHEREAS, the City of Aurora previously approved the Service Plan (the “Service Plan”) for the Whispering Pines Metropolitan District No. 1 (the “District”) on August 22, 2005;

WHEREAS, the District previously entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”), and, consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy (as defined in the Service Plan) to SARIA;

WHEREAS, SARIA previously issued special revenue bonds to fund, in part, regional improvements consistent with the SARIA Establishment Agreement, and SARIA desires to issue additional debt to finance additional regional improvements, but SARIA has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are parties to the SARIA Establishment Agreement; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that an amendment to the Service Plan is necessary to make certain revisions to the ARI Mill Levy in order to facilitate the issuance of debt by SARIA to fund additional regional improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents, as set forth herein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WHISPERING PINES METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board hereby approves the amendment to the Service Plan attached hereto as **Exhibit A** and incorporated by reference herein (the “Service Plan Amendment”).
2. The Board directs and authorizes the District’s manager, legal counsel, accountant and/or other consultants, in coordination with each other, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment.
3. The Board further authorizes SARIA and its manager, legal counsel, accountant and/or other consultants, in coordination with the District’s consultants, to submit the Service Plan Amendment to the City of Aurora for consideration and to take any and all actions reasonably necessary to obtain the City or Aurora’s full and final approval of the Service Plan Amendment on behalf of the District.

[remainder of page intentionally left blank; signature page follows]

ADOPTED AND EFFECTIVE THIS 23rd day of October, 2023.

**WHISPERING PINES METROPOLITAN
DISTRICT NO. 1**

Matthew Kehoe
/s/:

Name: Matthew Kehoe

Title: Board President

ATTEST:

Angela Elliott
/s/:

Name: Angela Elliott

Title: District Manager and Secretary to the Board

Exhibit A to Resolution
Proposed Amended Service Plan

**AMENDMENT
TO
SERVICE PLAN
FOR
WHISPERING PINES METROPOLITAN DISTRICT NOS. 1 AND 2**

City of Aurora, Colorado

Service Plan approved by the City of Aurora on _____

This Amendment Dated _____

I. INTRODUCTION AND PURPOSE OF FIRST AMENDMENT

The City of Aurora approved the Service Plan (the “Service Plan”) for Whispering Pines Metropolitan District Nos. 1 and 2 on August 22, 2005. Whispering Pines Metropolitan District No. 2 has no continuing operations and no Board of Directors. This Amendment to Service Plan (“Amendment”) is submitted on behalf of Whispering Pines Metropolitan District No. 1 (“District”) and is intended to be read in conjunction with the Service Plan.

Since the time the Service Plan was approved, the District entered into that certain South Aurora Regional Improvement Authority Establishment Agreement (the “SARIA Establishment Agreement”) and is a member district of the South Aurora Regional Improvement Authority (“SARIA”). The SARIA Establishment Agreement is considered an ARI Establishment Agreement and SARIA is considered an ARI Authority pursuant to the Service Plan, as those terms are defined in the Service Plan.

Consistent with the Service Plan and the SARIA Establishment Agreement, the District has pledged its ARI Mill Levy to SARIA.

SARIA previously issued its Special Revenue Bonds, Series 2018, to fund, in part, Regional Improvements consistent with the SARIA Establishment Agreement (the “Regional Improvements,” as defined in the SARIA Establishment Agreement). SARIA desires to issue additional debt to finance additional Regional Improvements, but has determined that the ARI Mill Levy as currently set forth in the Service Plan poses various challenges to the issuance of debt funded by the ARI Mill Levy of the District and all other districts that are party to the SARIA Establishment Agreement.

The District, as well as SARIA and all the other districts that are parties to the SARIA Establishment Agreement, have determined that certain revisions to the ARI Mill Levy as set forth in the service plans of each of the districts, by way of this Amendment, will facilitate the issuance of debt by SARIA to fund additional Regional Improvements for the benefit of SARIA, the District, the other districts that are parties to the SARIA Establishment Agreement, and their collective and respective residents, owners, taxpayers and constituents.

The limited purpose of this Amendment is to amend the Service Plan’s definition of ARI Mill Levy as further set forth below.

II. AMENDMENT

The District’s Service Plan is hereby amended as follows:

Section A of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

A. A. For a district with property within its boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be 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 (iii) for an additional ten (10) years, the mill levy shall be equal to the mill levy imposed by such district in the tax year 2023 for collection in 2024 (twenty-six (26.000) mills); and

Additionally, Section D of the definition of “ARI Mill Levy” in Section II of the Service Plan shall be deleted in its entirety and replaced with the following language:

D. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, all mills described in this ARI Mill Levy definition 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.

III. CONDITIONAL EFFECTIVENESS OF AMENDMENT; REFUNDING OF 2018 BONDS AS CONDITION PRECEDENT

It is acknowledged that SARIA previously issued its South Aurora Regional Improvement Authority Special Revenue Bonds, Series 2018, in the original amount of \$11,265,000, on December 19, 2018 (the “2018 Bonds”). It is further acknowledged that the 2018 Bonds are secured, in part, by the pledge of the District’s ARI Mill Levy as such ARI Mill Levy is defined in the District’s Service Plan prior to this Amendment. Nothing in this Amendment is intended to alter, amend, limit or otherwise affect the ARI Mill Levy as pledged toward the 2018 Bonds.

Therefore, it is expressly stated that this Amendment shall only take effect upon the condition precedent that the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full, and this Amendment shall not be of any force and effect unless and until the 2018 bonds are refunded, repaid, defeased, or otherwise paid in full.

IV. EFFECT OF AMENDMENT

All capitalized terms used but not otherwise defined in this Amendment shall have the definitions ascribed to them in the Service Plan. Except as specifically amended as set forth above,

all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this Amendment and the Service Plan, this Amendment shall control.

V. REQUESTED APPROVAL

It is hereby requested that the City Council of the City of Aurora, Colorado, which has jurisdiction to approve this Amendment by virtue of Section 32-1-207(2) C.R.S., *et seq.*, as amended, adopt a resolution of approval which approves this Amendment to the Service Plan as submitted.



141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
303-987-0835 • Fax: 303-987-2032

MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski
Executive Vice-President

DATE: September 23, 2024

RE: Notice of 2025 Rate Increase

A rectangular box containing a handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by (2.5%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.