

**WATKINS ROAD HOLDINGS METROPOLITAN DISTRICT NO. 1**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**WATKINS ROAD HOLDINGS METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 135,719	\$ 137,921	\$ 202,871
REVENUES			
Property taxes	38,875	81,605	111,157
Specific ownership taxes	2,454	5,345	6,669
Interest income	2,409	8,000	7,000
Total revenues	<u>43,738</u>	<u>94,950</u>	<u>124,826</u>
Total funds available	<u>179,457</u>	<u>232,871</u>	<u>327,698</u>
EXPENDITURES			
General and administrative			
Accounting	9,853	10,000	15,000
County Treasurer's fee	584	1,224	1,667
Dues and membership	3,150	300	300
Insurance	13,081	2,571	5,000
Legal	10,289	10,000	18,000
Miscellaneous	900	-	-
Election	3,679	2,186	-
Contingency	-	3,419	9,733
Website	-	300	300
Total expenditures	<u>41,536</u>	<u>30,000</u>	<u>50,000</u>
Total expenditures and transfers out requiring appropriation	<u>41,536</u>	<u>30,000</u>	<u>50,000</u>
ENDING FUND BALANCES	<u>\$ 137,921</u>	<u>\$ 202,871</u>	<u>\$ 277,697</u>
EMERGENCY RESERVE	\$ 1,400	\$ 2,900	\$ 3,800
AVAILABLE FOR OPERATIONS	136,521	199,971	273,897
TOTAL RESERVE	<u>\$ 137,921</u>	<u>\$ 202,871</u>	<u>\$ 277,697</u>

No assurance provided. See summary of significant assumptions.

**WATKINS ROAD HOLDINGS METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

**ASSESSED VALUATION**

Agricultural	\$ 91	\$ 83	\$ 86
Personal property	242,536	269,321	314,659
Vacant land	41,633	41,633	52,675
Oil and Gas	271,098	854,745	1,220,541
Certified Assessed Value	\$ 555,358	\$ 1,165,782	\$ 1,587,961

**MILL LEVY**

General	70.000	70.000	70.000
Total mill levy	70.000	70.000	70.000

**PROPERTY TAXES**

General	\$ 38,875	\$ 81,605	\$ 111,157
Levied property taxes	38,875	81,605	111,157
Budgeted property taxes	\$ 38,875	\$ 81,605	\$ 111,157

**BUDGETED PROPERTY TAXES**

General	\$ 38,875	\$ 81,605	\$ 111,157
	\$ 38,875	\$ 81,605	\$ 111,157

**WATKINS ROAD HOLDINGS METROPOLITAN DISTRICT NO. 1**  
**2024 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court of the County of Arapahoe on November 26, 2018, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City of Aurora on August 6, 2018. The District's service area is located entirely within the City of Aurora, in Arapahoe County, Colorado.

The District was established to provide financing for the planning, design, acquisition, construction, installation, relocation, and redevelopment of public improvements, including but not limited to street improvements, traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements, and irrigation system improvements.

Pursuant to the Service Plan, the Districts are permitted to issue bond indebtedness of up to \$450 million. In the future, the Districts 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 Districts' service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contractual.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**WATKINS ROAD HOLDINGS METROPOLITAN DISTRICT NO. 1  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

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

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

**WATKINS ROAD HOLDINGS METROPOLITAN DISTRICT NO. 1  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative Expenditures**

Administrative expenditures for the project have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, audit, accounting, insurance, management, maintenance and other administrative expenses.

**County Treasurer's Fees**

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

**Debt and Leases**

The District has no debt or operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

**This information is an integral part of the accompanying budget.**