

**2024 ANNUAL REPORT
DAKOTA RIDGE METROPOLITAN DISTRICT**

As required by Section 32-1-207(3)(c), C.R.S. and Section XIV of the District's Service Plan, the following report of the activities of Dakota Ridge Metropolitan District (the "**District**") from January 1, 2024 to December 31, 2024 is hereby submitted.

- A. Boundary changes made:
There were no boundary changes made or proposed during 2024.
- B. Intergovernmental Agreements entered into or terminated:
The District did not enter into or terminate any intergovernmental agreements in 2024.
- C. Access information to obtain a copy of rules and regulations adopted:
The District's rules and regulations, including its design guidelines and other covenant enforcement related documents may be accessed on the District's website, under the "Documents" tab at <https://dakotaridgemd.specialdistrict.org/district-documents>. Further information may be obtained at the offices of CliftonLarsonAllen LLP, 2001 16th Street, Suite 1700, Denver, Colorado 80202. Further contact information may be obtained on the District's website under the "Contact Us" tab.
- D. Summary of litigation involving the District's public improvements:
The District was not involved in any litigation during 2024.
- E. Status of the District's construction of public improvements:
The District did not construct any public improvements in 2024.
- F. Conveyances or dedications of facilities or improvements, constructed by the District, to Jefferson County:
There were no conveyances or dedications of facilities or improvements constructed by the District to Jefferson County in 2024.
- G. Final assessed valuation of the District for the report year:
The final assessed valuation of the District for 2024 was \$1,823,527.
- H. Current year's budget, including a description of the Public Improvements to be constructed in such year:
A copy of the District's 2025 budget is attached hereto as **Exhibit A**.
- I. Audited financial statements for the reporting year (or application for exemption from audit):
- J. A copy of the 2024 Audit, once finalized, will be available through the state auditor's online portal: <https://apps.leg.co.gov/osa/lg/submissions/search> Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument:

To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.

K. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period:

To our knowledge, the District has been able to pay its obligations as they come due.

EXHIBIT A
2025 BUDGET

**DAKOTA RIDGE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025**

**DAKOTA RIDGE METROPOLITAN DISTRICT
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2025**

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 4,632	\$ 51,098	\$ 50,894
REVENUES			
Property taxes	53,268	118,767	170,575
Specific ownership taxes	3,811	8,314	8,529
Operations and maintenance fee	12,388	60,000	63,000
Interest Income	1,535	3,504	4,500
Developer advance	65,000	44,000	41,000
Transfer Fees	18,000	27,000	26,000
Total revenues	<u>154,002</u>	<u>261,585</u>	<u>313,604</u>
TRANSFERS IN	<u>-</u>	<u>588</u>	<u>-</u>
Total funds available	<u>158,634</u>	<u>313,271</u>	<u>364,498</u>
EXPENDITURES			
General Fund	103,017	137,854	185,000
Debt Service Fund	4,519	123,935	103,301
Total expenditures	<u>107,536</u>	<u>261,789</u>	<u>288,301</u>
TRANSFERS OUT	<u>-</u>	<u>588</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>107,536</u>	<u>262,377</u>	<u>288,301</u>
ENDING FUND BALANCES	<u>\$ 51,098</u>	<u>\$ 50,894</u>	<u>\$ 76,197</u>
EMERGENCY RESERVE	\$ 1,600	\$ 4,000	\$ 4,600
AVAILABLE FOR OPERATIONS	11,088	46,894	54,597
TOTAL RESERVE	<u>\$ 12,688</u>	<u>\$ 50,894</u>	<u>\$ 59,197</u>

**DAKOTA RIDGE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2025**

1/21/25

ACTUAL	ESTIMATED	BUDGET
2023	2024	2025

ASSESSED VALUATION

Residential	\$ -	\$ 309,736	\$ 1,607,334
State assessed	21,901	7,692	-
Vacant land	669,882	1,167,144	202,200
Personal property	-	-	13,993
	691,783	1,484,572	1,823,527
Certified Assessed Value	\$ 691,783	\$ 1,484,572	\$ 1,823,527

MILL LEVY

General	27.000	28.052	32.800
Debt Service	50.000	51.949	60.741
Total mill levy	77.000	80.001	93.541

PROPERTY TAXES

General	\$ 18,678	\$ 41,645	\$ 59,812
Debt Service	34,589	77,122	110,763
Levied property taxes	53,267	118,767	170,575
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	\$ 53,268	\$ 118,767	\$ 170,575

BUDGETED PROPERTY TAXES

General	\$ 18,678	\$ 41,645	\$ 59,812
Debt Service	34,590	77,122	110,763
	\$ 53,268	\$ 118,767	\$ 170,575

**DAKOTA RIDGE METROPOLITAN DISTRICT
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2025**

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 4,078	\$ 12,688	\$ 50,894
REVENUES			
Property taxes	18,678	41,645	59,812
Specific ownership taxes	1,336	2,915	2,991
Interest Income	225	500	500
Developer advance	61,000	44,000	41,000
Transfer Fees	18,000	27,000	26,000
Operations and maintenance fee	12,388	60,000	63,000
Total revenues	<u>111,627</u>	<u>176,060</u>	<u>193,303</u>
Total funds available	<u>115,705</u>	<u>188,748</u>	<u>244,197</u>
EXPENDITURES			
General and administrative			
Accounting	31,360	30,000	30,000
Auditing	4,850	5,250	7,500
County Treasurer's Fee	280	625	897
Dues and Membership	400	433	600
Insurance	3,021	3,546	5,000
District management	17,592	15,000	20,000
Legal	24,704	20,000	25,000
Miscellaneous	2,045	-	-
Billing	11,851	15,000	17,500
Election	1,540	-	-
Contingency	-	-	2,503
Operations and maintenance			
Engineering	-	5,000	10,000
Landscaping	-	5,000	10,000
Reserves	-	3,000	5,000
Trash collection	1,687	10,000	13,000
Snow removal	3,687	15,000	15,000
Utilities	-	2,000	10,000
Storm drainage	-	5,000	10,000
Parks and recreation	-	3,000	3,000
Total expenditures	<u>103,017</u>	<u>137,854</u>	<u>185,000</u>
Total expenditures and transfers out requiring appropriation	<u>103,017</u>	<u>137,854</u>	<u>185,000</u>
ENDING FUND BALANCES	<u>\$ 12,688</u>	<u>\$ 50,894</u>	<u>\$ 59,197</u>
EMERGENCY RESERVE	\$ 1,600	\$ 4,000	\$ 4,600
AVAILABLE FOR OPERATIONS	11,088	46,894	54,597
TOTAL RESERVE	<u>\$ 12,688</u>	<u>\$ 50,894</u>	<u>\$ 59,197</u>

No assurance provided. See summary of significant assumptions.

**DAKOTA RIDGE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2025**

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ 37,826	\$ -
REVENUES			
Property taxes	34,590	77,122	110,763
Specific ownership taxes	2,475	5,399	5,538
Interest Income	1,280	3,000	4,000
Developer advance	4,000	-	-
Total revenues	<u>42,345</u>	<u>85,521</u>	<u>120,301</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>588</u>	<u>-</u>
Total funds available	<u>42,345</u>	<u>123,935</u>	<u>120,301</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	519	1,157	1,661
Paying agent fees	4,000	4,000	4,000
Contingency	-	-	4,596
Debt Service			
Bond interest	-	118,778	93,044
Total expenditures	<u>4,519</u>	<u>123,935</u>	<u>103,301</u>
Total expenditures and transfers out requiring appropriation	<u>4,519</u>	<u>123,935</u>	<u>103,301</u>
ENDING FUND BALANCES	<u>\$ 37,826</u>	<u>\$ -</u>	<u>\$ 17,000</u>

**DAKOTA RIDGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2025**

1/21/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 554	\$ 584	\$ -
REVENUES			
Interest Income	30	4	-
Total revenues	30	4	-
Total funds available	584	588	-
EXPENDITURES			
General and Administrative			
Total expenditures	-	-	-
TRANSFERS OUT			
Transfers to other fund	-	588	-
Total expenditures and transfers out requiring appropriation	-	588	-
ENDING FUND BALANCES	\$ 584	\$ -	\$ -

**DAKOTA RIDGE METROPOLITAN DISTRICT
2025 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 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 Jefferson County on September 28, 2021.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

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

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.

The calculation of the taxes levied is displayed on the Property Tax Summary Information page of the budget.

For property tax collection year 2025, SB22-238, SB 22-238, SB 23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

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

**DAKOTA RIDGE METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

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 7% of the property taxes collected.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

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.

**DAKOTA RIDGE METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Debt and Leases

General Obligation Limited Tax Bonds, Series 2022A(3) (the “Series 2022A(3) Bonds”). The District issued the Series 2022A(3) Bonds on March 15, 2022, in the par amount of \$2,339,000. Proceeds from the sale of the Series 2022A(3) Bonds will be used for (a) financing or reimbursing a portion of the costs of acquiring, constructing, and/or installing certain public infrastructure to serve the Development; and (b) paying the costs of issuing the Bonds. The Series 2022A(3) Bonds bear interest at the rate of 6.000% and are payable annually December 1, commencing December 1, 2022. The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the maturity date. The Series 2022A(3) Bonds mature on December 1, 2052 and are subject to mandatory redemption to the extent of available Pledged Revenues.

The 2022A(3) Bonds are secured by and payable from Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy, (2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and (3) any other legally available monies which the District determines to be treated as Pledged Revenue. The Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the 2022A(3) Bonds as the same become due and payable but not in excess of 50.000 mills, provided however, that in the event the method of calculating assessed valuation is or was changed after January 1, 2021, the maximum mill levy will be increased or decreased to reflect such changes.

The Series 2022A(3) Bonds are subject to redemption prior to maturity, at the option of the District, on March 1, 2027, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
March 1, 2027, to February 29, 2028	3.00%
March 1, 2028, to February 28, 2029	2.00
March 1, 2029, to February 28, 2030	1.00
March 1, 2030, and thereafter	0.00

The District has no operating or capital leases

This information is an integral part of the accompanying budget.