BUCKLEY METROPOLITAN DISTRICT NOS. 1-4

2025 CONSOLIDATED ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Consolidated Service Plan for Buckley Metropolitan District Nos. 1-4 (collectively the "**Districts**"), the Districts are required to provide an annual report to the Manager of the Office of Development Assistance of the City Manager's Office with regard to the following matters:

For the year ending December 31, 2025, the Districts make the following report:

§32-1-207(3) Statutory Requirements

1. **Boundary changes made.**

   There were no changes to the boundaries of the Districts during the reporting year.

2. **Intergovernmental Agreements entered into or terminated with other governmental entities.**

   There were no Intergovernmental Agreements entered into or terminated with other governmental entities during the reporting year.

3. **Access information to obtain a copy of rules and regulations adopted by the board.**

   The Districts have not adopted rules and regulations as of the date of this report.

4. **A summary of litigation involving public improvements owned by the Districts.**

   To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' public improvements as of December 31, 2025.

5. **The status of the construction of public improvements by the Districts.**

   As of December 31, 2025, District No. 1 has completed the necessary grading and erosion control necessary for construction of public improvements. The developer within the Districts continues to seek approval of construction documents through the City of Aurora and anticipates undertaking additional construction of public improvements in 2026.

6. **A list of facilities or improvements constructed by the Districts that were conveyed or dedicated to the county or municipality.**

   No improvements were dedicated to the City of Aurora during the reporting year.

7. The final assessed valuation of the Districts as of December 31st of the reporting year.

The Districts received certifications of valuation from the Arapahoe County Assessor that report a taxable assessed valuation of the following:

District No. 1: $43,829
District No. 2: $1,854,623
District No. 3: $1,524,008
District No. 4: $559,749

8. A copy of the current year's budget.

Copies of the 2026 Budgets are attached hereto as **Exhibit A.**

9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

The 2025 Audits for District Nos. 1 and 2 and the 2025 Audit Exemption Applications for District Nos. 3 and 4 are attached hereto as **Exhibit B.**

10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the Districts.

The Districts are not aware of any uncured events of default that existed for more than ninety (90) days under any debt instrument of the District.

11. Any inability of the Districts to pay their obligations as they come due under any obligation which continues beyond a ninety (90) day period.

The Districts are not aware of any inability to pay their obligations as they become due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

Service Plan Requirements

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.

There were no changes to the boundaries of the Districts during the reporting year.

2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.

There were no intergovernmental agreements entered into or proposed during the reporting year.

3. **Copies of the Districts' rules and regulations, and resolution imposing fees, if any, as of December 31 of the prior year.**

   The Districts have not adopted any rules and regulations as of December 31st of the reporting year.

4. **A summary of any litigation which involves the Districts Public Improvements as of December 31 of the prior year.**

   To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' public improvements as of December 31, 2024.

5. **Status of the Districts' construction of the Public Improvements as of December 31 of the prior year.**

   As of December 31, 2025, District No. 1 has completed the necessary grading and erosion control necessary for construction of public improvements. The developer within the Districts continues to seek approval of construction documents through the City of Aurora and anticipates undertaking additional construction of public improvements in 2026.

6. **A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of December 31 of the prior year.**

   No improvements were dedicated to the City of Aurora during the reporting year.

7. **The assessed valuation of the Districts for the current year.**

   The Districts received certifications of valuation from the Arapahoe County Assessor that report a taxable assessed valuation of the following:

   District No. 1: $43,829
   District No. 2: $1,854,623
   District No. 3: $1,524,008
   District No. 4: $559,749

8. **Current year budget including a description of the Public Improvements to be constructed in such year.**

   Copies of the 2026 Budgets are attached hereto as **Exhibit A.**

9. **Audit of the Districts financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

   The 2025 Audits for District Nos. 1 and 2 and the 2025 Audit Exemption Applications for District Nos. 3 and 4 are attached hereto as **Exhibit B.**

10. **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.**

    The Districts are not aware of any uncured events of default that existed for more than ninety (90) days under any debt instrument of the District.

11. **Any inability of the Districts to pay their obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

    The Districts are not aware of any inability to pay their obligations as they become due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

EXHIBIT A
2026 Budgets

BUCKLEY METROPOLITAN DISTRICT NO. 1

2026

BUDGET MESSAGE

Buckley Metropolitan Districts 1-4 are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act.

The districts have no employees, and all operations and administrative functions are contracted.

The following budget is prepared using the modified accrual basis of accounting.

The districts were formed with the primary purposes of 1) to finance construction of public improvements as defined in the Service Plan for the districts and 2) to operate and maintain such public improvements that are not otherwise dedicated or conveyed to the City or other governmental entities.

BUDGET STRATEGY

The District's strategy in preparing the 2026 budget is to strive to provide the scope of services defined in the service plan in the most economic manner possible.

REVENUE

The District certified a mill levy for 2026 collection comprised of 12.889 mills for operations and 38.667 mills for contractual obligations. The operating mill levy, combined with funds received from Districts 2-4 and developer advances, will be used to fund the joint operating costs of all four Districts. The contractual obligations taxes consists of 37.593 mills levied in conjunction with bonds issued by District No. 2 on November 30, 2021 and District No. 2 will provide funding from the bond issuance to be used towards funding of capital expenditures of the District, as well as 1 mill levied for Aurora Regional Improvements.

EXPENDITURES

The District budgeted for operational expenses as well as the transfer of revenues from 1.074 mills of the contractual obligation levy towards Aurora Regional Improvements funds in the General Fund. Since the District pledged 37.593 mills of the contractual obligations levy to the bonds issued by District No. 2 the District will transfer the taxes received to District No. 2 in the Debt Service Fund. The District budgeted for capital expenditures to be accounted for in the Capital Projects Fund.

	2024 Audited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	**26,570**	**26,570**	**-**	**26,570**				**43,829**	2025 Final AV
Mill Levy - Operations	12.473	12.473	-	12.473				12.889	12 Mills For Operations, Adjusted
Mill Levy - Debt Service Fund	36.380	36.380	-	36.380				37.593	35 Mills- Pledged to #2 Bonds, Adjusted
Mill Levy - Aurora Regional Improvements	1.039	1.039	-	1.039				1.074	1 Mill- For Regional Improvements, Adjusted
Total Mill Levy	**49.892**	**49.892**	**-**	**49.892**				**51.556**	Total of 48 Mills, Adjusted
Property Tax Revenue - Operations	331	331	-	331				565	AV * Mills / 1,000
Property Tax Revenue - Debt Service Fund	967	967	-	967				1,648	AV * Mills / 1,000
Property Tax Revenue - ARI Fund	28	28	-	28				47	AV * Mills / 1,000
Total Property Taxes	**1,326**	**1,326**	**-**	**1,326**				**2,260**	

Buckley Metropolitan District No. 1 (Coordinating District) **Print Date: 1/23/26**
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Audited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
COMBINED FUNDS									
REVENUE									
Property Taxes	1,334	1,326	-	1,326	1,326	1,326	(0)	2,260	Total of 48 Mills, Adjusted
Specific Ownership Taxes	78	53	0	53	41	31	10	90	4% of Property Taxes
Transfers From Districts 2, 3 & 4	45,325	44,988	1,767	46,755	45,417	44,221	1,196	71,835	Operations Mills Transferred- Per Districts Nos. 2-4
Interest & Other Income	109,419	1,000	124,350	125,350	109,270	667	108,603	149,698	
TOTAL REVENUE	**156,157**	**47,367**	**126,117**	**173,484**	**156,053**	**46,244**	**109,809**	**223,883**	
EXPENDITURES									
Administration									
Professional Services	66,111	81,500	7,700	73,800	43,498	58,733	15,236	76,900	Combined Total for All Districts
Treasurer's fees	20	20	(1)	21	20	20	0	34	1.5% of Property Taxes
Election	168	4,000	(3,500)	7,500	1,720	-	(1,720)	2,000	2027 Election Prep - all districts
Insurance, Bonds & SDA dues, Misc	16,073	18,700	1,368	17,332	15,865	17,533	1,669	19,000	Liability & Crime Ins. & SDA dues- Districts 1-4
ARI Transfers / Projects	28	27	(1)	28	28	27	(0)	46	Taxes Collected, Net of Treasurers Fee
Contingency	-	50,000	50,000	-	-	33,333	33,333	50,000	Unforeseen Needs
Debt Service									
Transfer to District No. 2	1,235	991	(299)	1,290	1,109	975	(134)	1,689	Net Available Transferred to No. 2 For Debt
Contingency	-	1,000	1,000	-	-	667	667	2,500	Unforeseen Needs
Capital									
Infrastructure & Other Capital Costs	612,326	18,412,195	11,013,000	7,399,195	305,289	12,424,797	12,119,508	17,636,390	See Capital Fund
TOTAL EXPENDITURES	**695,960**	**18,568,433**	**11,069,267**	**7,499,166**	**367,528**	**12,536,085**	**12,168,557**	**17,788,559**	
REVENUE OVER / (UNDER) EXPENDITURES	**(539,803)**	**(18,521,066)**	**11,195,384**	**(7,325,682)**	**(211,475)**	**(12,489,841)**	**12,278,366**	**(17,564,676)**	
OTHER SOURCES / (USES)									
Developer Advances	29,000	109,000	(57,000)	52,000	-	67,000	(67,000)	76,000	To Cover Operations Shortfall
Bond Proceeds Transfer From No. 2	2,563,527	16,792,563	(9,518,368)	7,274,195	269,967	10,811,491	(10,541,525)	17,636,390	Bond Project Funds From District No. 2
TOTAL OTHER SOURCES / (USES)	**2,592,527**	**16,901,563**	**(9,575,368)**	**7,326,195**	**269,967**	**10,878,491**	**(10,608,525)**	**17,712,390**	
CHANGE IN FUND BALANCE	**2,052,724**	**(1,619,503)**	**1,620,016**	**513**	**58,492**	**(1,611,350)**	**1,669,841**	**147,714**	
BEGINNING FUND BALANCE	**1,631,519**	**1,644,959**	**2,039,285**	**3,684,244**	**3,684,244**	**1,644,959**	**2,039,285**	**3,684,757**	
ENDING FUND BALANCE	**3,684,244**	**25,457**	**3,659,300**	**3,684,757**	**3,742,736**	**33,610**	**3,709,126**	**3,832,471**	
	=	=	=	=	=	=	=	=	
COMPONENTS OF FUND BALANCE									
Non-Spendable	-	15,960	(360)	15,600	-			16,380	Prepaid Insurance & SDA Dues
TABOR Emergency Reserve	2,472	4,631	(1,655)	2,975	2,975			4,454	3% of operating expenditures
Restricted For Debt Service	0	-	0	0	(0)			0	
Restricted for Capital Projects	3,679,943	0	3,679,943	3,679,943	3,753,717			3,827,141	
Unassigned	1,830	4,866	(18,627)	(13,761)	(13,957)			(15,504)	
TOTAL ENDING FUND BALANCE	**3,684,244**	**25,457**	**3,659,300**	**3,684,757**	**3,742,736**			**3,832,471**	
	=	=	=	=	=			=	

Buckley Metropolitan District No. 1 (Coordinating District) — Print Date: 1/23/26

Statement of Revenues, Expenditures, & Changes In Fund Balance

Modified Accrual Basis For the Period Indicated

	2024 Audited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
GENERAL FUND									
REVENUE									
Property Taxes - Operations	331	331	-	331	331	331	(0)	565	12 Mills For Operations, Adjusted
State Backfill	8		-	-	-	-	-	-	None for 2026
Property Taxes - ARI	28	28	-	28	28	28	0	47	1 Mill- For Regional Improvements, Adjusted
Specific Ownership Taxes	21	14	-	14	11	8	3	24	4% of Property Taxes
Transfer From District No. 2	9,871	9,316	983	10,299	9,827	9,153	674	24,582	Operations Mills Transferred- Per District No. 2
Transfer From District No. 3	29,681	30,205	634	30,839	30,111	29,697	414	39,835	Operations Mills Transferred- Per District No. 3
Transfer From District No. 4	5,774	5,467	150	5,617	5,479	5,371	107	7,419	Operations Mills Transferred- Per District No. 4
Interest Income	84	-	50	50	46	-	46	-	
Misc. Income	-	-	-	-	-	-	-	-	
TOTAL REVENUE	**45,798**	**45,362**	**1,817**	**47,179**	**45,833**	**44,588**	**1,245**	**72,472**	
EXPENDITURES									
Administration									
Accounting	30,894	42,000	11,000	31,000	16,762	28,000	11,238	32,300	Combined Total for All Districts
Audit	12,500	13,200	200	13,000	13,000	13,200	200	13,600	Districts No. 1 & 2- Based on 2025 Forecast
Legal	22,717	26,300	(3,500)	29,800	13,736	17,533	3,798	31,000	Combined Total for All Districts
Elections	168	4,000	(3,500)	7,500	1,720	-	(1,720)	2,000	2027 Election Prep - all districts
Supplies, Bank, Bill.com	1,142	1,900	300	1,600	933	1,267	334	1,700	Bill.com fees, checks, etc.
Website Maintenance	1,200	1,600	-	1,600	800	1,067	267	1,700	Website, Bill.com fees, checks, etc.
Treasurer's Fees	5	5	-	5	5	5	0	9	1.5% of Property Taxes
Insurance & SDA Dues	13,731	15,200	1,068	14,132	14,132	15,200	1,068	15,600	Liability & Crime Ins. & SDA dues- Districts 1-4
ARI Transfers / Projects	28	27	(1)	28	28	27	(0)	46	Taxes Collected, Net of Treasurers Fee
Contingency		50,000	50,000	-		33,333	33,333	50,000	Unforeseen Needs
TOTAL EXPENDITURES	**82,384**	**154,233**	**55,567**	**98,666**	**61,116**	**109,633**	**48,517**	**147,956**	
REVENUE OVER / (UNDER) EXPENDITURES	**(36,586)**	**(108,871)**	**57,384**	**(51,487)**	**(15,283)**	**(65,044)**	**49,761**	**(75,484)**	
OTHER SOURCES / (USES)									
Transfers In/(Out)	-	-	-	-	-	-	-	-	
Developer Advance	29,000	109,000	(57,000)	52,000	-	67,000	(67,000)	76,000	To Cover Operations Shortfall
TOTAL OTHER SOURCES / (USES)	**29,000**	**109,000**	**(57,000)**	**52,000**	**-**	**67,000**	**(67,000)**	**76,000**	
CHANGE IN FUND BALANCE	**(7,586)**	**129**	**384**	**513**	**(15,283)**	**1,956**	**(17,239)**	**516**	
BEGINNING FUND BALANCE	**11,888**	**25,327**	**(21,026)**	**4,301**	**4,301**	**25,327**	**(21,026)**	**4,814**	
ENDING FUND BALANCE	**4,301**	**25,457**	**(20,642)**	**4,814**	**(10,982)**	**27,283**	**(38,265)**	**5,331**	
	=	=	=	=	=	=	=	=	

Buckley Metropolitan District No. 1 (Coordinating District)
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

Print Date: 1/23/26

DEBT SERVICE FUND	2024 Audited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
REVENUE									
Property Taxes	967	967	-	967	967	967	0	1,648	35 Mills- Pledged to #2 Bonds, Adjusted
Specific Ownership Taxes	57	39	0	39	30	23	8	66	4% of Property Taxes
Interest Income	226	1,000	(700)	300	127	667	(540)	2,500	To Allow For Contingency
TOTAL REVENUE	**1,249**	**2,005**	**(700)**	**1,306**	**1,123**	**1,656**	**(532)**	**4,214**	
EXPENDITURES									
Treasurer's Fees	15	14	(1)	15	15	14	(0)	25	1.5% of Property Taxes
Transfer to District No. 2 For Debt	1,235	991	(299)	1,290	1,109	975	(134)	1,689	Net Available Transferred to No. 2 For Debt
Contingency		1,000	1,000	-		667	667	2,500	Unforeseen Needs
TOTAL EXPENDITURES	**1,249**	**2,005**	**700**	**1,306**	**1,123**	**1,656**	**532**	**4,214**	
REVENUE OVER / (UNDER) EXPENDITURES	**(0)**	**-**	**-**	**-**	**(0)**	**-**	**(0)**	**-**	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**(0)**	**-**	**-**	**-**	**(0)**	**-**	**(0)**	**-**	
BEGINNING FUND BALANCE	0	**-**	**0**	**0**	-	**-**	**-**	**0**	
ENDING FUND BALANCE	**0**	**-**	**0**	**0**	**(0)**	**-**	**(0)**	**0**	
	=	=	=	=	=	=	=	=	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

Buckley Metropolitan District No. 1 (Coordinating District)
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

Print Date: 1/23/26

	2024 Audited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
CAPITAL PROJECTS FUND									
REVENUE									
Interest Income	103,867	-	125,000	125,000	109,097	-	109,097	147,198	
Other /Misc. Income	5,243	-	-	-	-	-	-	-	
TOTAL REVENUE	**109,110**	**-**	**125,000**	**125,000**	**109,097**	**-**	**109,097**	**147,198**	
EXPENDITURES									
Accounting	7,557	20,000	10,000	10,000	2,741	13,333	10,593	21,000	Increased Activity
Legal	19,469	24,000	(14,000)	38,000	29,965	16,000	(13,965)	24,000	Increased Activity
Bank Fees	45	45	-	45	-	30	30	60	Incoming Wire Trf Fees from Project Fund-if needed
Engineering & City Fees	570,290	450,000	125,000	325,000	261,654	300,000	38,346	450,000	Based on 2025 Forecast
Streets	-	2,000,000	2,000,000	-	-	1,333,333	1,333,333	2,000,000	Per Steve
Streets - Valdai Street		2,000,000	2,000,000	-		1,333,333	1,333,333	2,000,000	
Parks & Recreation	-	-	-	-	-	-	-	-	
Water - Onsite	-	3,000,000	1,200,000	1,800,000	2,504	2,000,000	1,997,496	3,000,000	Per Steve
Water - Offsite	-	3,000,000	3,000,000		-	2,000,000	2,000,000	3,000,000	Per Steve
Sewer - Onsite	-	3,000,000	1,600,000	1,400,000	-	2,000,000	2,000,000	3,000,000	Per Steve
Sewer - Offsite	-	3,000,000	1,100,000	1,900,000	-	2,000,000	2,000,000	3,000,000	Per Steve
Organizational Costs	-	-	-	-	-	-	-	-	
Infrastructure	14,965		(8,000)	8,000	8,426	150,000	141,574		
Contingency		1,918,150	-	1,918,150		1,278,767	1,278,767	1,141,330	Assume all project funds utilized
TOTAL EXPENDITURES	**612,326**	**18,412,195**	**11,013,000**	**7,399,195**	**305,289**	**12,424,797**	**12,119,508**	**17,636,390**	
REVENUE OVER / (UNDER) EXPENDITURES	**(503,216)**	**(18,412,195)**	**11,138,000**	**(7,274,195)**	**(196,192)**	**(12,424,797)**	**12,228,605**	**(17,489,192)**	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
Developer Advance	-				-	-	-	-	None Anticipated
Bond Proceeds Transfer From #2	2,563,527	16,792,563	(9,518,368)	7,274,195	269,967	10,811,491	(10,541,525)	17,636,390	Bond Project Funds From District No. 2
TOTAL OTHER SOURCES / (USES)	**2,563,527**	**16,792,563**	**(9,518,368)**	**7,274,195**	**269,967**	**10,811,491**	**(10,541,525)**	**17,636,390**	
CHANGE IN FUND BALANCE	**2,060,311**	**(1,619,632)**	**1,619,632**	**-**	**73,775**	**(1,613,305)**	**1,687,080**	**147,198**	
BEGINNING FUND BALANCE	**1,619,632**	**1,619,632**	**2,060,311**	**3,679,943**	**3,679,943**	**1,619,632**	**2,060,311**	**3,679,943**	
ENDING FUND BALANCE	**3,679,943**	**0**	**3,679,943**	**3,679,943**	**3,753,717**	**6,327**	**3,747,391**	**3,827,141**	
	=	=	=	=	=	=	=	=	

BUCKLEY METROPOLITAN DISTRICT NO. 2

2026

BUDGET MESSAGE

Buckley Metropolitan Districts 1-4 are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act.

The districts have no employees and all operations and administrative functions are contracted.

The following budget is prepared using the modified accrual basis of accounting.

The districts were formed with the primary purposes of 1) to finance construction of public improvements as defined in the Service Plan for the districts and; 2) to operate and maintain such public improvements that are not otherwise dedicated or conveyed to the City or other governmental entities.

BUDGET STRATEGY

The District's strategy in preparing the 2026 budget is to strive to provide the scope of services defined in the service plan in the most economic manner possible.

REVENUE

The District certified a mill levy for 2026 collection comprised of 12.889 mills for operations, 1.074 mills for Aurora Regional Improvements, and 37.593 mills for debt service. The District will also receive taxes from the other Districts which are pledged for repayment of the Series 2021(3) Bonds issued on November 30, 2021. These revenues will be used to fund the expenditures described below.

EXPENDITURES

Since District No. 1 coordinates the operations of all 4 Districts, funds from the operations mill levy will be transferred to District No.1 in the General Fund. Funds received from taxes dedicated for use towards Aurora Regional Improvements are also budgeted to be paid from the General Fund. Expenditures related to the repayment of the Bonds, which are approximately equal to revenues as they are cash flow bonds, will be accounted for in the Debt Service Fund.

Buckley Metropolitan District No. 2 (Planned Commercial) **Print Date: 1/23/26**
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	**719,525**	**726,344**	**726,344**	**726,344**				**1,854,623**	2025 Final AV
Mill Levy - Operations	12.473	12.473	12.473	12.473				12.889	12 Mills- Transfer to #1 For Operations, Adjusted
Mill Levy - Debt Service Fund	36.380	36.380	36.380	36.380				37.593	35 Mills for Series 2021 Bonds, Adjusted
Mill Levy - Aurora Regional Improvements	1.039	1.039	1.039	1.039				1.074	1 Mill- For Regional Improvements, Adjusted
Total Mill Levy	**49.892**	**49.892**	**49.892**	**49.892**				**51.556**	Total of 48 Mills, Adjusted
Property Tax Revenue - Operations	8,975	9,060	9,060	9,060				23,904	AV * Mills / 1,000
Property Tax Revenue - Debt Service Fund	26,176	26,424	26,424	26,424				69,721	AV * Mills / 1,000
Property Tax Revenue - ARI Fund	748	755	755	755				1,992	AV * Mills / 1,000
Total Property Taxes	**35,899**	**36,239**	**36,239**	**36,239**				**95,617**	

Buckley Metropolitan District No. 2 (Planned Commercial) **Print Date: 1/23/26**
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

COMBINED FUNDS	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
REVENUE									
Property Taxes	35,899	36,239	36,853	38,508	38,508	36,239	2,269	95,617	Total of 48 Mills, Adjusted
State Backfill	221	-	-	-	-	-	-	-	-
Specific Ownership Taxes	2,114	1,450	1,474	1,540	1,127	846	282	3,825	4% of Property Taxes
Transfers From Districts 1, 3 & 4	70,154	71,376	71,376	73,187	71,363	70,215	1,148	107,149	Capital Pledge for Debt Service
Interest & Other Income	1,315,405	614,000	1,073,400	1,065,700	686,269	409,333	276,936	635,500	Interest Earned on Project Funds at 5.4% Rate
TOTAL REVENUE	**1,423,792**	**723,064**	**1,183,103**	**1,178,935**	**797,268**	**516,633**	**280,635**	**842,091**	
EXPENDITURES									
Administration									
Professional Services	-	-	-	-	-	-	-	-	Provided by District No. 1
Treasurer's fees	547	544	553	578	578	544	(34)	1,434	1.5% of Property Taxes
Election	-	-	-	-	-	-	-	-	Provided by District No. 1
Insurance, Bonds & SDA dues, Misc	-	-	-	-	-	-	-	-	Provided by District No. 1
Transfer to District No. 1	9,871	9,316	10,299	10,299	9,827	9,153	(674)	24,582	Transfer All Available Funds to #1 For Ops
ARI Transfers / Projects	736	743	790	790	790	743	(47)	1,962	Taxes Collected, Net of Treasurers Fee
Contingency	-	1,000	-	-	-	667	667	2,500	Unforeseen Needs
Debt Service									
Bond Interest	100,200	97,336	97,336	100,105	-	-	-	177,413	Amount Available For Payment
Bond Principal	-	-	-	-	-	-	-	-	No Funds Available
Bank Fees	89	125	125	265	45	83	39	200	
Debt Issuance Expense & Trustee Fees	4,000	4,000	4,000	4,000	4,000	4,000	-	4,000	Annual Trustee Fee
Contingency	-	10,000	10,000	-	-	6,667	6,667	10,000	Unforeseen Needs
Capital									
Transfer to District No. 1	2,563,527	16,792,563	16,792,563	7,274,195	269,967	10,811,491	10,541,525	17,636,390	Assume All Transferred to #1 For Infrastructure
Bank Fees	61,182	30,000	30,000	53,000	39,144	20,000	(19,144)	31,000	Estimated 5% of Interest Income
Contingency	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	**2,740,152**	**16,945,627**	**16,945,666**	**7,443,231**	**324,350**	**10,853,348**	**10,528,998**	**17,889,480**	
REVENUE OVER / (UNDER) EXPENDITURES	**(1,316,360)**	**(16,222,563)**	**(15,762,563)**	**(6,264,296)**	**472,918**	**(10,336,715)**	**10,809,633**	**(17,047,390)**	
OTHER SOURCES / (USES)									
Developer Advances	-	-	-	-	-	-	-	-	
Bond Proceeds	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**(1,316,360)**	**(16,222,563)**	**(15,762,563)**	**(6,264,296)**	**472,918**	**(10,336,715)**	**10,809,633**	**(17,047,390)**	
BEGINNING FUND BALANCE	**24,628,046**	**16,222,563**	**23,311,686**	**23,311,686**	**23,311,686**	**16,222,563**	**7,089,123**	**17,047,390**	
ENDING FUND BALANCE	**23,311,686**	**-**	**7,549,123**	**17,047,390**	**23,784,604**	**5,885,848**	**17,898,756**	**-**	
COMPONENTS OF FUND BALANCE	=	=	=	=	=	=	=	=	
TABOR Emergency Reserve	-	-	-	-	-			-	Reserve in District No. 1
Restricted For Debt Service	(2,899)	-	(2,899)	-	94,098			-	Assume All Used For Debt Service
Restricted for Capital Projects	23,314,585	-	7,552,022	17,047,390	23,690,506			-	Assume All Transferred to #1 For Infrastructure
Unassigned	-	-	-	-	0			-	
TOTAL ENDING FUND BALANCE	**23,311,686**	**-**	**7,549,123**	**17,047,390**	**23,784,604**			**-**	
	=	=		=	=			=	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

Buckley Metropolitan District No. 2 (Planned Commercial) **Print Date: 1/23/26**
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
GENERAL FUND									
REVENUE									
Property Taxes - Operations	8,975	9,060	9,627	9,627	9,627	9,060	567	23,904	12 Mills- Transfer to #1 For Operations, Adjusted
State Backfill	221		-	-	-	-	-	-	None Anticipated for 2025
Property Taxes - ARI	748	755	802	802	802	755	47	1,992	1 Mill- For Regional Improvements, Adjusted
Specific Ownership Taxes	572	393	417	417	305	229	76	1,036	4% of Property Taxes
Interest Income	240	1,000	400	400	39	667	(627)	2,500	To Allow For Contingency
TOTAL REVENUE	**10,755**	**11,207**	**11,245**	**11,245**	**10,774**	**10,710**	**64**	**29,432**	
EXPENDITURES									
Administration									
Accounting		-	-	-		-	-	-	Provided by District No. 1
Audit		-	-	-		-	-	-	Not Needed- Will Be Provided By District No. 1
Legal		-	-	-		-	-	-	Provided by District No. 1
Supplies, Bank, Bill.com		-	-	-		-	-	-	Provided by District No. 1
Treasurer's Fees	148	147	156	156	156	147	(9)	388	1.5% of Property Taxes
Transfer to District No. 1	9,871	9,316	10,299	10,299	9,827	9,153	(674)	24,582	Transfer All Available Funds to #1 For Ops
ARI Transfers / Projects	736	743	790	790	790	743	(47)	1,962	Taxes Collected, Net of Treasurers Fee
Contingency		1,000	-	-		667	667	2,500	Unforeseen Needs
TOTAL EXPENDITURES	**10,755**	**11,207**	**11,245**	**11,245**	**10,773**	**10,710**	**(63)**	**29,432**	
REVENUE OVER / (UNDER) EXPENDITURES	-	-	-	-	**0**	-	**0**	-	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
Developer Advance		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	-	-	-	-	**0**	-	**0**	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	**0**	-	**0**	-	
	=	=	=	=	=	=	=	=	

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substantially all disclosures required by GAAP omitted.

Buckley Metropolitan District No. 2 (Planned Commercial) **Print Date: 1/23/26**
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
DEBT SERVICE FUND									
REVENUE									
Property Taxes	26,176	26,424	26,424	28,079	28,079	26,424	1,655	69,721	35 Mills for Series 2021 Bonds, Adjusted
Specific Ownership Taxes	1,541	1,057	1,057	1,123	822	617	206	2,789	4% of Property Taxes
Transfer From District No. 1	1,235	991	991	1,290	1,109	975	134	1,689	Debt Service Mills Transferred- Per District No. 1
Transfer From District No. 3	52,552	54,490	54,490	55,752	54,328	53,604	724	83,891	Debt Service Mills Transferred- Per District No. 3
Transfer From District No. 4	16,367	15,895	15,895	16,145	15,926	15,636	290	21,569	Debt Service Mills Transferred- Per District No. 4
Interest Income	2,510	13,000	13,000	5,300	1,198	8,667	(7,469)	13,000	3K + Contingency Expense
TOTAL REVENUE	**100,381**	**111,857**	**111,857**	**107,689**	**101,462**	**105,923**	**(4,461)**	**192,659**	
EXPENDITURES									
Treasurer's Fees	399	396	396	421	421	396	(25)	1,046	1.5% of Property Taxes
Bond Interest	100,200	97,336	97,336	100,105	-	-	-	177,413	Amount Available For Payment
Bond Principal	-	-	-	-	-	-	-	-	No Funds Available
Trustee Fees	4,000	4,000	4,000	4,000	4,000	4,000	-	4,000	Annual Trustee Fee
Bank Fees	89	125	125	265	45	83	39	200	
Debt Issuance Expense	-	-	-	-	-	-	-	-	5% of Interest Income
Contingency		10,000	10,000	-		6,667	6,667	10,000	Unforeseen Needs
TOTAL EXPENDITURES	**104,688**	**111,857**	**111,857**	**104,791**	**4,466**	**11,146**	**6,680**	**192,659**	
REVENUE OVER / (UNDER) EXPENDITURES	**(4,307)**	**-**	**-**	**2,899**	**96,996**	**94,777**	**2,220**	**-**	
OTHER SOURCES / (USES)									
Transfer to Capital Fund	-	-	-	-	-	-	-	-	Project Funds Held In Capital Projects Fund
Bond Proceeds	-	-	-	-	-	-	-	-	Per PLOM
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**(4,307)**	**-**	**-**	**2,899**	**96,996**	**94,777**	**2,220**	**-**	
BEGINNING FUND BALANCE	**1,408**	**-**	**(2,899)**	**(2,899)**	**(2,899)**	**-**	**(2,899)**	**-**	
ENDING FUND BALANCE	**(2,899)**	**-**	**(2,899)**	**-**	**94,098**	**94,777**	**(679)**	**-**	Assume All Used For Debt Service
	=	=		=	=	=	=	=	

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substantially all disclosures required by GAAP omitted.

Buckley Metropolitan District No. 2 (Planned Commercial) Print Date: 1/23/26
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

CAPITAL PROJECTS FUND	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
REVENUE									
Interest Income	1,312,656	600,000	1,060,000	1,060,000	685,032	400,000	285,032	620,000	Interest Earned on Project Funds at 5.4% Rate
TOTAL REVENUE	**1,312,656**	**600,000**	**1,060,000**	**1,060,000**	**685,032**	**400,000**	**285,032**	**620,000**	
EXPENDITURES									
Transferred to #1 For Capital Costs	2,563,527	16,792,563	16,792,563	7,274,195	269,967	10,811,491	10,541,525	17,636,390	Assume All Transferred to #1 For Infrastructure
Bank Fees	61,182	30,000	30,000	53,000	39,144	20,000	(19,144)	31,000	Estimated 5% of Interest Income
Contingency		-	-	-		-	-	-	
TOTAL EXPENDITURES	**2,624,709**	**16,822,563**	**16,822,563**	**7,327,195**	**309,110**	**10,831,491**	**10,522,381**	**17,667,390**	
REVENUE OVER / (UNDER) EXPENDITURES	**(1,312,053)**	**(16,222,563)**	**(15,762,563)**	**(6,267,195)**	**375,922**	**(10,431,491)**	**10,807,413**	**(17,047,390)**	
OTHER SOURCES / (USES)									
Transfer From Debt Service Fund	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**(1,312,053)**	**(16,222,563)**	**(15,762,563)**	**(6,267,195)**	**375,922**	**(10,431,491)**	**10,807,413**	**(17,047,390)**	
BEGINNING FUND BALANCE	**24,626,638**	**16,222,563**	**23,314,585**	**23,314,585**	**23,314,585**	**16,222,563**	**7,092,022**	**17,047,390**	
ENDING FUND BALANCE	**23,314,585**	**-**	**7,552,022**	**17,047,390**	**23,690,506**	**5,791,072**	**17,899,434**	**-**	
	=	=		=	=	=	=	=	
COMPONENTS OF FUND BALANCE:									
Project Fund- Unrestricted	23,329,322	-	7,552,022	13,135,390	23,690,506			-	Assume All Transferred to #1 For Infrastructure
Project Fund- Restricted	-	-	-	3,912,000	-			-	Assume All Transferred to #1 For Infrastructure
Internal Balances/ Due To District No. 1	(14,737)	-	-	-	0			-	
TOTAL ENDING FUND BALANCE	**23,314,585**	**-**	**7,552,022**	**17,047,390**	**23,690,506**			**-**	
	=	=	=	=	=			=	

BUCKLEY METROPOLITAN DISTRICT NO. 3

2026

BUDGET MESSAGE

Buckley Metropolitan Districts 1-4 are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act.

The districts have no employees, and all operations and administrative functions are contracted.

The following budget is prepared using the modified accrual basis of accounting.

The districts were formed with the primary purposes of 1) to finance construction of public improvements as defined in the Service Plan for the districts and 2) to operate and maintain such public improvements that are not otherwise dedicated or conveyed to the City or other governmental entities.

BUDGET STRATEGY

The District's strategy in preparing the 2026 budget is to strive to provide the scope of services defined in the service plan in the most economic manner possible.

REVENUE

The District certified a mill levy for 2026 collection comprised of 25.459 mills for operations and 54.778 mills for contractual obligations. These revenues will be used to fund the expenditures described below.

EXPENDITURES

Since District No. 1 coordinates the operations of all 4 Districts, funds from the operations mill levy will be transferred to District No.1 in the General Fund. Also, the taxes generated from 1.074 mill of the contractual obligation taxes are pledged to Aurora Regional Improvements, which is shown as an expenditure in the General Fund. District No. 2 issued Bonds on November 30, 2021 and since the District pledged the remaining 53.704 mills of contractual obligations levy to the bonds the District will transfer the taxes received to District No. 2 in the Debt Service Fund.

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	**956,320**	**1,022,904**	**-**	**1,022,904**				**1,524,008**	2025 Final AV
Mill Levy - Operations	28.768	28.768	-	28.768				25.459	63 Mills Fully Adjusted, Less Other Mills- Trfr To #1
Mill Levy - Debt Service Fund	51.971	51.971	-	51.971				53.704	50 Mills Adjusted- Pledged to #2 Bonds
Mill Levy - Aurora Regional Improvements	1.039	1.039	-	1.039				1.074	1 Mill Adjusted- For Regional Improvements
Total Mill Levy	**81.778**	**81.778**	**-**	**81.778**				**80.237**	Total of 63 Mills, Adjusted
Property Tax Revenue - Operations	27,511	29,427	-	29,427				38,799	AV * Mills / 1,000
Property Tax Revenue - Debt Service Fund	49,701	53,161	-	53,161				81,845	AV * Mills / 1,000
Property Tax Revenue - ARI Fund	994	1,063	-	1,063				1,637	AV * Mills / 1,000
Total Property Taxes	**78,206**	**83,651**	**-**	**83,651**				**122,282**	

Buckley Metropolitan District No. 3 (Planned Residential)
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

Print Date: 1/23/26

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
COMBINED FUNDS									
REVENUE									
Property Taxes	78,206	83,651	94	83,745	83,744	83,651	93	122,282	Total of 63 Mills, Adjusted
State Backfill	519	-	-	-	-	-	-	-	None Anticipated for 2025
Specific Ownership Taxes	4,604	3,346	4	3,350	2,603	1,952	651	4,891	4% of Property Taxes
Interest & Other Income	1,072	7,500	(5,700)	1,800	396	5,000	(4,604)	7,500	To Allow For Contingency
TOTAL REVENUE	**84,401**	**94,497**	**(5,602)**	**88,895**	**86,743**	**90,603**	**(3,859)**	**134,673**	
EXPENDITURES									
Administration									
Professional Services	-	-	-	-	-	-	-	-	Provided by District No. 1
Treasurer's fees	1,190	1,255	(2)	1,256	1,256	1,255	(1)	1,834	1.5% of Property Taxes
Election	-	-	-	-	-	-	-	-	Provided by District No. 1
Insurance, Bonds & SDA dues, Misc	-	-	-	-	-	-	-	-	Provided by District No. 1
Transfer to District No. 1	29,681	30,205	(634)	30,839	30,111	29,697	(414)	39,835	Transfer All Available Funds to No. 1 For Operations
ARI Transfers / Projects	978	1,047	(1)	1,048	1,048	1,047	(1)	1,612	Taxes Collected, Net of Treasurers Fee
Contingency	-	2,500	2,500	-	-	1,667	1,667	2,500	Unforeseen Needs
Debt Service									
Transfer to District No. 2	52,552	54,490	(1,261)	55,752	54,328	53,604	(724)	83,891	Net Available Transferred to No. 2 For Debt
Contingency	-	5,000	5,000	-	-	3,333	3,333	5,000	Unforeseen Needs
TOTAL EXPENDITURES	**84,401**	**94,497**	**5,602**	**88,895**	**86,743**	**90,603**	**3,859**	**134,673**	
REVENUE OVER / (UNDER) EXPENDITURES	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	
OTHER SOURCES / (USES)									
Developer Advances	-	-	-	-	-	-	-	-	
Bond Proceeds	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	
BEGINNING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	
	=	=	=	=	=	=	=		
COMPONENTS OF FUND BALANCE									
Non-Spendable	-	-	-	-	-			-	
TABOR Emergency Reserve	-	-	-	-	-			-	Reserve in District No. 1
Restricted For Debt Service	-	-	-	-	(0)			-	
Unassigned	-	-	-	-	0			-	
TOTAL ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**			**-**	
	=	=	=	=	=			=	

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substantially all disclosures required by GAAP omitted.

Buckley Metropolitan District No. 3 (Planned Residential) **Print Date: 1/23/26**

Statement of Revenues, Expenditures, & Changes In Fund Balance

Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
GENERAL FUND									
REVENUE									
Property Taxes - Operations	27,511	29,427	33	29,460	29,460	29,427	33	38,799	63 Mills Fully Adjusted, Less Other Mills- Trfr To #1
State Backfill	519	-	-	-	-	-	-	-	None Anticipated for 2025
Property Taxes - ARI	994	1,063	1	1,064	1,064	1,063	1	1,637	1 Mill Adjusted- For Regional Improvements
Specific Ownership Taxes	1,678	1,220	1	1,221	949	711	237	1,617	4% of Property Taxes
Interest Income	391	2,500	(1,900)	600	144	1,667	(1,522)	2,500	To Allow For Contingency
TOTAL REVENUE	**31,093**	**34,209**	**(1,865)**	**32,344**	**31,617**	**32,868**	**(1,251)**	**44,554**	
EXPENDITURES									
Administration									
Accounting		-	-	-		-	-	-	Provided by District No. 1
Audit		-	-	-		-	-	-	Not Needed- Will Be Provided By District No. 1
Legal		-	-	-		-	-	-	Provided by District No. 1
Supplies, Bank, Bill.com		-	-	-		-	-	-	Bill.com fees, checks, etc.
Treasurer's Fees	434	457	(1)	458	458	457	(1)	607	1.5% of Property Taxes
Elections		-	-	-		-	-	-	Provided by District No. 1
Insurance & SDA Dues		-	-	-		-	-	-	Provided by District No. 1
Engineering		-	-	-		-	-	-	Provided by District No. 1
Transfer to District No. 1	29,681	30,205	(634)	30,839	30,111	29,697	(414)	39,835	Transfer All Available Funds to No. 1 For Operations
ARI Transfers / Projects	978	1,047	(1)	1,048	1,048	1,047	(1)	1,612	Taxes Collected, Net of Treasurers Fee
Contingency		2,500	2,500	-		1,667	1,667	2,500	Unforeseen Needs
TOTAL EXPENDITURES	**31,093**	**34,209**	**1,865**	**32,344**	**31,617**	**32,868**	**1,251**	**44,554**	
REVENUE OVER / (UNDER) EXPENDITURES	**-**	**-**	**(0)**	**-**	**0**	**-**	**0**	**-**	
OTHER SOURCES / (USES)									
Developer Advance		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	**-**	**-**	**(0)**	**-**	**0**	**-**	**0**	**-**	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	**-**	**-**	**(0)**	**-**	**0**	**-**	**0**	**-**	
	=	=	=	=	=	=	=	=	

Buckley Metropolitan District No. 3 (Planned Residential) **Print Date: 1/23/26**
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
DEBT SERVICE FUND									
REVENUE									
Property Taxes	49,701	53,161	60	53,221	53,221	53,161	59	81,845	50 Mills Adjusted- Pledged to #2 Bonds
Specific Ownership Taxes	2,926	2,126	2	2,129	1,654	1,240	413	3,274	4% of Property Taxes
Interest Income	681	5,000	(3,800)	1,200	252	3,333	(3,081)	5,000	To Allow For Contingency
TOTAL REVENUE	**53,308**	**60,288**	**(3,738)**	**56,550**	**55,126**	**57,735**	**(2,609)**	**90,119**	
EXPENDITURES									
Treasurer's Fees	756	797	(1)	798	798	797	(1)	1,228	1.5% of Property Taxes
Transfer to District No. 2 For Debt	52,552	54,490	(1,261)	55,752	54,328	53,604	(724)	83,891	Net Available Transferred to No. 2 For Debt
Contingency		5,000	5,000	-		3,333	3,333	5,000	Unforeseen Needs
TOTAL EXPENDITURES	**53,308**	**60,288**	**3,738**	**56,550**	**55,126**	**57,735**	**2,609**	**90,119**	
REVENUE OVER / (UNDER) EXPENDITURES	**-**	**-**	**-**	**-**	**(0)**	**-**	**(0)**	**-**	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
Bond Proceeds		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**-**	**-**	**-**	**-**	**(0)**	**-**	**(0)**	**-**	
BEGINNING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**(0)**	**-**	**(0)**	**-**	
	=	=	=	=	=	=	=	=	

BUCKLEY METROPOLITAN DISTRICT NO. 4

2026

BUDGET MESSAGE

Buckley Metropolitan Districts 1-4 are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act.

The districts have no employees and all operations and administrative functions are contracted.

The following budget is prepared using the modified accrual basis of accounting.

The districts were formed with the primary purposes of 1) to finance construction of public improvements as defined in the Service Plan for the districts and; 2) to operate and maintain such public improvements that are not otherwise dedicated or conveyed to the City or other governmental entities.

BUDGET STRATEGY

The District's strategy in preparing the 2026 budget is to strive to provide the scope of services defined in the service plan in the most economic manner possible.

REVENUE

The District certified a mill levy for 2026 collection comprised of 12.889 mills for operations and 38.667 mills for contractual obligations. These revenues will be used to fund the expenditures described below.

EXPENDITURES

Since District No. 1 coordinates the operations of all 4 Districts, funds from the operations mill levy will be transferred to District No.1 in the General Fund. Also, the taxes generated from 1.074 mill of the contractual obligations taxes are pledged to Aurora Regional Improvements, which is shown as an expenditure in the General Fund. District No. 2 issued Bonds on November 30, 2021 and since the District pledged the remaining 37.593 mills of contractual obligations levy to the bonds the District will transfer the taxes received to District No. 2 in the Debt Service Fund.

Buckley Metropolitan District No. 4 (Planned Mixed Use)

Print Date: 1/23/26

Statement of Revenues, Expenditures, & Changes In Fund Balance

Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	**426,187**	**426,253**	**-**	**426,253**				**559,749**	2025 Final AV
Mill Levy - Operations	12.473	12.473	-	12.473				12.889	12 Mills Adjusted- Transfer to #1 For Operations
Mill Levy - Debt Service Fund	36.380	36.380	-	36.380				37.593	35 Mills Adjusted- Pledged to #2 Bonds
Mill Levy - ARI Special Revenue Fund	1.039	1.039	-	1.039				1.074	1 Mill Adjusted- For Regional Improvements
Total Mill Levy	**49.892**	**49.892**	**-**	**49.892**				**51.556**	Total of 48 Mills, Adjusted
Property Tax Revenue - Operations	5,316	5,317	-	5,317				7,215	AV * Mills / 1,000
Property Tax Revenue - Debt Service Fund	15,505	15,507	-	15,507				21,043	AV * Mills / 1,000
Property Tax Revenue - ARI Fund	443	443	-	443				601	AV * Mills / 1,000
Total Property Taxes	**21,263**	**21,267**	**-**	**21,267**				**28,858**	

Buckley Metropolitan District No. 4 (Planned Mixed Use) **Print Date: 1/23/26**

Statement of Revenues, Expenditures, & Changes In Fund Balance

Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
COMBINED FUNDS									
REVENUE									
Property Taxes	21,263	21,267	-	21,267	21,267	21,267	(0)	28,858	Total of 48 Mills, Adjusted
State Backfill	131	-	-	-	-	-	-	-	None Anticipated for 2025
Specific Ownership Taxes	1,252	620	-	620	662	496	165	1,154	4% of Property Taxes
Interest & Other Income	252	3,230	(2,600)	630	233	2,000	(1,768)	3,000	To Allow For Contingency
TOTAL REVENUE	**22,899**	**25,117**	**(2,600)**	**22,517**	**22,161**	**23,763**	**(1,602)**	**33,013**	
EXPENDITURES									
Administration									
Professional Services	-	-	-	-	-	-	-	-	Provided by District No. 1
Treasurer's fees	323	319	-	319	321	319	(2)	433	1.5% of Property Taxes
Election	-	-	-	-	-	-	-	-	Provided by District No. 1
Insurance, Bonds & SDA dues, Misc	-	-	-	-	-	-	-	-	Provided by District No. 1
Transfer to District No. 1	5,774	5,467	(150)	5,617	5,479	5,371	(107)	7,419	Transfer All Available Funds to No. 1 For Ops
ARI Transfers / Projects	436	436	-	436	436	436	1	592	Taxes Collected, Net of Treasurers Fee
Contingency	-	1,500	1,500	-	-	1,000	1,000	1,500	Unforeseen Needs
Debt Service									
Transfer to District No. 2	16,367	15,895	(250)	16,145	15,926	15,636	(290)	21,569	Net Available Transferred to No. 2 For Debt
Contingency	-	1,500	1,500	-	-	1,000	1,000	1,500	Unforeseen Needs
TOTAL EXPENDITURES	**22,899**	**25,117**	**2,600**	**22,517**	**22,161**	**23,763**	**1,602**	**33,013**	
REVENUE OVER / (UNDER) EXPENDITURES	**-**	**-**	**-**	**-**	**-**	**-**	**(0)**	**-**	
OTHER SOURCES / (USES)									
Developer Advances	-	-	-	-	-	-	-	-	
Bond Proceeds	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**(0)**	**-**	
BEGINNING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**(0)**	**-**	
	=	=	=	=	=	=	=	=	
COMPONENTS OF FUND BALANCE									
Non-Spendable	-	-	-	-	-			-	
TABOR Emergency Reserve	-	-	-	-	-			-	Reserve in District No. 1
Restricted For Debt Service	-	-	-	-	-			-	
Unassigned	-	-	-	-	-			-	
TOTAL ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**			**-**	
	=	=	=	=	=			=	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

Buckley Metropolitan District No. 4 (Planned Mixed Use) Print Date: 1/23/26
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
GENERAL FUND									
REVENUE									
Property Taxes - Operations	5,316	5,317	-	5,317	5,317	5,317	(0)	7,215	12 Mills Adjusted- Transfer to #1 For Operations
State Backfill	131	-	-	-	-	-	-	-	None Anticipated for 2025
Property Taxes - ARI	442	443	-	443	442	443	(1)	601	1 Mill Adjusted- For Regional Improvements
Specific Ownership Taxes	339	230	-	230	179	134	45	313	4% of Property Taxes
Interest Income	68	1,500	(1,350)	150	63	1,000	(937)	1,500	To Allow For Contingency
TOTAL REVENUE	**6,297**	**7,490**	**(1,350)**	**6,140**	**6,001**	**6,894**	**(893)**	**9,628**	
EXPENDITURES									
Administration									
Accounting		-	-	-		-	-	-	Provided by District No. 1
Audit		-	-	-		-	-	-	Not Needed- Will Be Provided By District No. 1
Legal		-	-	-		-	-	-	Provided by District No. 1
Supplies, Bank, Bill.com		-	-	-		-	-	-	Bill.com fees, checks, etc.
Treasurer's Fees	87	86	-	86	87	86	(0)	117	1.5% of Property Taxes
Elections		-	-	-		-	-	-	Provided by District No. 1
Insurance & SDA Dues		-	-	-		-	-	-	Provided by District No. 1
Engineering		-	-	-		-	-	-	Provided by District No. 1
Transfer to District No. 1	5,774	5,467	(150)	5,617	5,479	5,371	(107)	7,419	Transfer All Available Funds to No. 1 For Ops
ARI Transfers / Projects	436	436	-	436	436	436	1	592	Taxes Collected, Net of Treasurers Fee
Contingency		1,500	1,500			1,000	1,000	1,500	Unforeseen Needs
TOTAL EXPENDITURES	**6,297**	**7,490**	**1,350**	**6,140**	**6,001**	**6,894**	**893**	**9,628**	
REVENUE OVER / (UNDER) EXPENDITURES	-	-	-	-	-	-	-	-	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
Developer Advance		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	-	-	-	-	-	-	-	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	
	=	=	=	=	=	=	=	=	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

Statement of Revenues, Expenditures, & Changes In Fund Balance

Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 08/31/25 Actual	YTD Thru 08/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
DEBT SERVICE FUND									
REVENUE									
Property Taxes	15,505	15,507	-	15,507	15,508	15,507	1	21,043	35 Mills Adjusted- Pledged to #2 Bonds
Specific Ownership Taxes	913	620	-	620	482	362	121	842	4% of Property Taxes
Interest Income	184	1,500	(1,250)	250	170	1,000	(830)	1,500	To Allow For Contingency
TOTAL REVENUE	**16,602**	**17,627**	**(1,250)**	**16,377**	**16,160**	**16,869**	**(709)**	**23,384**	
EXPENDITURES									
Treasurer's Fees	235	233	-	233	234	233	(1)	316	1.5% of Property Taxes
Transfer to District No. 2 For Debt	16,367	15,895	(250)	16,145	15,926	15,636	(290)	21,569	Net Available Transferred to No. 2 For Debt
Contingency		1,500	1,500	-		1,000	1,000	1,500	Unforeseen Needs
TOTAL EXPENDITURES	**16,602**	**17,627**	**1,250**	**16,377**	**16,160**	**16,869**	**709**	**23,384**	
REVENUE OVER / (UNDER) EXPENDITURES	**-**	**-**	**-**	**-**	**-**	**-**	**(0)**	**-**	
OTHER SOURCES / (USES)									
Transfers In/(Out)		-	-	-		-	-	-	
Bond Proceeds		-	-	-		-	-	-	
TOTAL OTHER SOURCES / (USES)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
CHANGE IN FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
BEGINNING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
	=	=	=	=	=	=	=	=	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

EXHIBIT B
2025 Audits
(District Nos. 1 & 2)
2025 Audit Exemption Applications
(District Nos. 3 & 4)

BUCKLEY METROPOLITAN DISTRICT NO. 1
Arapahoe County, Colorado

FINANCIAL STATEMENTS

With Independent Auditor's Report

December 31, 2025

BUCKLEY METROPOLITAN DISTRICT NO. 1

TABLE OF CONTENTS

December 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Buckley Metropolitan District No. 1
Arapahoe County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Buckley Metropolitan District No. 1 (the District) as of and for the year ended December 31, 2025, 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 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, 2025, and the respective changes in financial position thereof, 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.

Fiscal Focus Partners, LLC

P.O. Box 740339, Arvada, CO 80006
303.202.1800 Office www.ffpcpa.com

Auditor's Responsibility 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, 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 to 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 management's discussion and analysis that accounting principles generally accepted in the United States of America 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 basic financial statements. The supplementary information as identified in the table of contents is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters

Economic Dependency

As disclosed in Note 10 of the financial statements, the District has not yet established a revenue base sufficient to pay the District's operational expenditures. Until an independent revenue base is established, the District may be dependent upon the developer for funding continued operations.

Fiscal Focus Partners, LLC

Arvada, Colorado
March 11, 2026

BASIC FINANCIAL STATEMENTS

BUCKLEY METROPOLITAN DISTRICT NO. 1

STATEMENT OF NET POSITION

December 31, 2025

		Governmental Activities
Assets		
Cash and investments	$	-
Cash and investments - restricted		3,839,910
Prepaid expense		11,096
Receivable - County Treasurer		7
Due from other governments		288,684
Property taxes receivable		2,260
Capital assets, not being depreciated		4,504,200
Total Assets		8,646,157
Liabilities		
Accounts payable		33,360
Due to other governments		1,352
Noncurrent liabilities:		
Due in more than one year		267,426
Total Liabilities		302,138
Deferred Inflow of Resources		
Property tax revenue		2,260
Total Deferred Inflow of Resources		2,260
Net Position		
Restricted for:		
Emergencies		2,846
Capital improvements		3,851,183
Unrestricted		4,487,730
Total Net Position	$	8,341,759

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 1

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs:	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Primary government					
General government	$ 130,938	$ -	$ 90,020	$ 429,999	$ 389,081
Interest on long-term debt and related costs	14,669	-	-	-	(14,669)
Total primary government	$ 145,607	$ -	$ 90,020	$ 429,999	374,412
		General Revenues:			
		Property taxes			1,326
		Specific ownership taxes			73
		Interest income			161,948
		Total general revenues			163,347
		Change in net position			537,759
		Net position - beginning			7,804,000
		Net position - ending			$ 8,341,759

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 1

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
Assets				
Cash and investments	$ -	$ -	$ -	$ -
Cash and investments - restricted	2,846	4	3,837,060	3,839,910
Due from other funds	-	-	20,475	20,475
Prepaid Expense	11,096	-	-	11,096
Due from County Treasurer	2	5	-	7
Due from other governments	179	-	21,079	21,258
Property taxes receivable	612	1,648	-	2,260
Total Assets	14,735	1,657	3,878,614	3,895,006
Liabilities, Deferred Inflow of Resources and Fund Balances				
Liabilities				
Accounts payable	5,929	-	27,431	33,360
Due to other funds	20,475	-	-	20,475
Due to other governments	1,343	9	-	1,352
Total Liabilities	27,747	9	27,431	55,187
Deferred Inflow of Resources				
Property tax revenue	612	1,648	-	2,260
Total Deferred Inflow of Resources	612	1,648	-	2,260
Fund Balances				
Nonspendable	11,096	-	-	11,096
Restricted for:				
Emergencies	2,846	-	-	2,846
Assigned				
Capital projects	-	-	3,851,183	3,851,183
Unassigned	(27,566)	-	-	(27,566)
Total Fund Balances	(13,624)	-	3,851,183	3,837,559
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 14,735	$ 1,657	$ 3,878,614	

Amounts reported for governmental activities in the statement of net position are different because:	
Long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds:	
Capital assets	4,504,200
Due from other governments - service receivable (Note 8)	267,426
Long-term liabilities, including developer advances and accrued interest, are not due and payable in the current period and therefore are not reported in the funds:	
Developer advances	(228,479)
Accrued interest on developer advances	(38,947)
Net position of governmental activities	$ 8,341,759

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Property taxes	$ 359	$ 967	$ -	$ 1,326
Specific ownership tax	20	53	-	73
Intergovernmental revenue - Buckley Metropolitan District #2	10,064	-	429,999	440,063
Intergovernmental revenue - Buckley Metropolitan District #3	30,830	-	-	30,830
Intergovernmental revenue - Buckley Metropolitan District #4	5,616	-	-	5,616
Investment income	56	154	161,738	161,948
Total revenues	46,945	1,174	591,737	639,856
Expenditures				
General government				
Accounting	25,381	-	5,870	31,251
Audit	13,000	-	-	13,000
Insurance and bonds	14,226	-	-	14,226
Legal	37,299	-	30,183	67,482
County treasurer's fees	5	15	-	20
Other	4,931	-	-	4,931
Transfer to other governments	28	-	-	28
Debt Service				
Transfer to Buckley Metropolitan District #2	-	1,159	-	1,159
Capital				
Capital outlay	-	-	384,444	384,444
Total expenditures	94,870	1,174	420,497	516,541
Excess of revenue over (under) expenditures	(47,925)	-	171,240	123,315
Other financing sources (uses)				
Developer advance	30,000	-	-	30,000
Total other financing sources (uses)	30,000	-	-	30,000
Net change in fund balances	(17,925)	-	171,240	153,315
Fund balances - beginning	4,301	-	3,679,943	3,684,244
Fund balances - ending	$ (13,624)	$ -	$ 3,851,183	$ 3,837,559

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 1

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

Net change in fund balances - total governmental funds	$	153,315
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable assets over the estimated useful life of the asset.		
Capital outlay		384,444
Recognition of service obligation revenues is reflected in the statement of activities; it is not considered available to pay liabilities of the current period and is, therefore, not recognized on the statement of revenues, expenditures and changes in fund balances.		43,510
Long-term debt (e.g. loans) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Developer advances		(30,000)
Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued interest payable, developer advances - change in liability		(13,510)
Change in net position of governmental activities	$	537,759

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 1

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

For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Property taxes	$ 359	$ 359	$ -
Specific ownership tax	14	20	6
Intergovernmental revenue	44,989	46,510	1,521
Investment income	-	56	56
Total revenues	45,362	46,945	1,583
Expenditures			
General government			
Accounting	42,000	25,381	16,619
Audit	13,200	13,000	200
Insurance and bonds	15,200	14,226	974
Legal	26,300	27,287	(987)
Elections	4,000	10,012	(6,012)
County treasurer's fees	5	5	-
Other	3,500	4,931	(1,431)
Transfer to other governments	28	28	-
Contingency	50,000	-	50,000
Total expenditures	154,233	94,870	59,363
Excess of revenue over (under) expenditures	(108,871)	(47,925)	60,946
Other financing sources (uses)			
Developer advances	109,000	30,000	(79,000)
Total other financing sources (uses)	109,000	30,000	(79,000)
Net change in fund balances	129	(17,925)	(18,054)
Fund balances - beginning	25,327	4,301	(21,026)
Fund balances - ending	$ 25,456	$ (13,624)	$ (39,080)

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 1 – Reporting Entity

Buckley Metropolitan District No. 1 (the District) was organized on June 30, 2020, as a quasi-municipal organization established under the State of Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the City of Aurora, Colorado (the City).

The District was organized in conjunction with three other districts, Buckley Metropolitan District No. 2 (District No. 2), Buckley Metropolitan District No. 3 (District No. 3) and Buckley Metropolitan District No. 4 (District No. 4), (collectively the Districts). The Consolidated Service Plan for the Districts was approved by the City on November 18, 2019. The Districts were established to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of public improvements from proceeds of debt issued by the Districts. Upon completion of construction, the Districts intend to dedicate public improvements to the City or other public entities. Certain street improvements, traffic and safety controls, landscaping, park and recreation improvements and drainage improvement not required to be dedicated may continue to be maintained by the Districts. Under the terms of the District Coordinating Services Agreement (Note 8), the District is the Coordinating District for the Districts. District No. 2, District No. 3, and District No. 4 are Financing Districts. The Financing Districts are responsible for all costs, fees, charges and expenses incurred by the Coordinating District. The Coordinating District is responsible for administrative services for all of the Districts. In November 2021, the Districts entered into a Capital Pledge Agreement (Note 8) whereby the Districts agreed that District No. 2 shall issue bonds to finance projects and the District, District No. 3 and District No. 4 will provide ad valorem tax revenue along with other revenue to pay the debt service obligations.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set 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 District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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

Note 2 – Summary of Significant Accounting Policies

The more significant accounting policies of the District are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources of the District is reported as net position.

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.

Separate financial statements are provided for governmental funds. 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 related cash flows.

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 major source of revenue susceptible to accrual is intergovernmental revenue. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital facilities and other assets.

Budgets

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

Pooled Cash

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 single bank account. 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.

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 of 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 remits taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include open space, landscape and parks, are reported in the applicable governmental activities column of the government-wide financial statements. Capital assets are defined by the District as those assets with a cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements for which the District retains title are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Interest incurred during the construction phase of capital assets is not included as part of the capitalized value of the assets constructed.

Deferred Inflow of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period 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. Accordingly, property tax revenue is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: non-spendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

Deficits

The General Fund reported a deficit in the fund financial statements as of December 31, 2025. The deficit is expected to be eliminated with the receipt of funds advanced by the Developer in 2026.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires District management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 3 – Cash and Investments

Cash and investments are reflected on the December 31, 2025 Statement of net position as follows:

Statement of net position:	
Cash and investments – unrestricted	$ –
Cash and investments – restricted	3,839,910
Total cash and investments	$ 3,839,910

Cash and investments as of December 31, 2025 consist of the following:	
Deposits with financial institutions	$ 11,833
Investments	3,828,077
Total cash and investments	$ 3,839,910

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. As of December 31, 2025, the federal insurance limit was $250,000. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. 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.

At December 31, 2025, the District's cash deposits had a bank and carrying balance of $11,833.

Investments

The District has not adopted a formal investment policy but follows state statutes regarding investments.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers’ acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The District generally limits its investments to those which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party. Colorado revised statutes limit investment maturities to five year or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. As of December 31, 2025, the District had the following investment:

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average maturity less than 60 days	$ 3,828,077

<u>COLOTRUST</u>
The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE. The District holds all its investments in the COLOTRUST PLUS+ portfolio.

COLOTRUST PLUS+, which operates similarly to a money market fund and each share is equal in value to $1.00, offers daily liquidity. The portfolio may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PLUS+ is rated AAAm by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

Note 4 – Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2025 follows:

Governmental activities	Balance at December 31, 2024	Additions	Deletions	Balance at December 31, 2025
Capital assets not being depreciated:				
Construction in progress	$ 4,119,756	$ 384,444	$ –	$ 4,504,200
Total capital assets, not being depreciated	$ 4,119,756	$ 384,444	$ –	$ 4,504,200

Note 5 – Long-Term Obligations

The District's outstanding long-term obligations at December 31, 2025, are as follows:

	Balance at December 31, 2024	Additions	Deletions	Balance at December 31, 2025	Due within one year
Developer Advances – Operations and maintenance	$ 198,480	$ 30,000	$ –	$ 228,480	$ –
Accrued interest	25,436	13,510	–	38,946	–
Total	$ 223,916	$ 43,510	$ –	$ 267,426	$ –

Developer Advances

Funding and Reimbursement Agreement (Operations and Maintenance) – Wildcat Investors, LLC

The District and Wildcat Investors, LLC (the Developer) entered into a Funding and Reimbursement Agreement (Operations and Maintenance) on September 17, 2020. The Developer agreed to loan to the District an amount not to exceed $55,000 per year for up to three years, for a total of up to $165,000 through December 31, 2022. The Developer may agree to renew this obligation by providing written notice. The District agreed to utilize funds provided under the agreement in accordance with the annual adopted budget for the District. Advances made under the agreement are subject to an interest rate of

6.5% simple interest until the issuance of the Reimbursement Obligation. The advances are to be repaid with ad valorem taxes, fees and other legally available revenue net of any debt service or current operations and maintenance costs. The mill levy certified by the District for repayment of advances cannot exceed 50 mills.

Upon request of the Developer, the District has agreed to issue one or more Reimbursement Obligations (Obligations) to evidence any repayment obligation existing at the time of the request. The Obligations are payable from sources including ad valorem property tax revenues of the District and secured by the District's pledge to apply such revenues unless consented to by the Developer. The term for repayment of the Obligations will not exceed 30 years and will bear interest at a market rate, to be determined at the time of issuance. The District's intent to repay the Developer for advances does not constitute debt or indebtedness by the District within any constitutional or statutory provision, nor is it considered a multiple-fiscal-year financial obligation. As of December 31, 2025, the Developer has not requested any Reimbursement Obligations.

Funding and Reimbursement Agreement (Operations and Maintenance) – Torero Land Investments, LLC

The District and Torero Land Investments, LLC (Torero) entered into a Funding and Reimbursement Agreement (Operations and Maintenance) on January 1, 2022 as amended by that certain First Amendment to Funding and Reimbursement Agreement (Operations and Maintenance) dated April 2, 2024 (as amended, the Torero Funding Agreement). Under the Torero Funding Agreement, Torero agreed to loan the District an amount not to exceed $55,000 per year for up to five years, for a total of up to $275,000 through December 31, 2025. The loan obligation termination date extends automatically for one year unless Torero provides written notice to the District at least 30 days prior to year end. Upon each extension, Torero agrees to advance to the District sums of money up to the annual maximum and the Maximum Loan Amount (as defined in the Torero Funding Agreement) shall be automatically increased by the annual maximum amount.

The District agreed to utilize funds provided under the agreement in accordance with the annual adopted budget for the District. Advances made under the agreement are subject to an interest rate of 6.5% simple interest until the issuance of the Reimbursement Obligation or repayment. The advances are to be repaid with ad valorem taxes, fees and other legally available revenue net of any debt service or current operations and maintenance costs. The mill levy certified by the District for repayment of advances cannot exceed 50 mills.

Upon request of Torero, the District has agreed to issue one or more Reimbursement Obligations (Obligations) to evidence any repayment obligation existing at the time of the request. The Obligations are payable from sources including ad valorem property tax revenues of the District and secured by the District's pledge to apply such revenues unless consented to by Torero. The term for repayment of the Obligations will not exceed 30 years and will bear interest at a market rate, to be determined at the time of issuance. The District's intent to repay Torero for advances does not constitute debt or indebtedness by the District within any constitutional or statutory provision, nor is it considered a multiple-fiscal-year financial obligation. As of December 31, 2025, Torero has not requested any Reimbursement Obligations.

Debt Authorization

Pursuant to the Service Plan, the Districts are permitted to issue bond indebtedness of up to $75,000,000 in the aggregate, exclusive of debt for regional improvements, which may be issued up to the amount of $20,000,000 in the aggregate. After the issuance of the Bonds, the Districts will have $45,840,000 available for local public improvements under the service plan.

On May 5, 2020, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $2,280,000,000 at an interest rate not to exceed 18% per annum.

The District may not impose a mill levy for repayment of any and all debt (or use proceeds of any mill levy for repayment of debt) on any single property developed for residential uses which exceeds 40 years after the year of the initial imposition of such mill levy, subject to exemptions provided in the Service Plan.

Note 6 – Net Position

The District reports net position consisting of two components – restricted and unrestricted.

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation.

At December 31, 2025 the District had restricted net position as follows:

	Governmental Activities
Emergencies	$ 2,846
Capital improvements	3,851,183
Total restricted net position	$ 3,854,029

The District has unrestricted net position of $4,487,730 as of December 31, 2025.

Note 7 – Related Parties

All members of the Board of Directors are associated with the Developer and related companies and may have conflicts of interest with respect to certain transactions which come before the Board.

During 2025, the District received $30,000 in advances from the Developer to fund operations and maintenance of the District. The District owes the Developer for advances and accrued interest as described in Note 5.

Note 8 – District Agreements

Capital Pledge Agreement

The District entered into the Capital Pledge Agreement with District No. 2, District No. 3, District No. 4 and UMB Bank on November 30, 2021. Under the agreement the Districts agree that District No. 2 will issue General Obligation Limited Tax Bonds in the principal amount of $29,160,000 pursuant to an indenture of trust dated November 30, 2021 for the purpose of financing the costs of acquiring, constructing and installing a portion of the water, street, sanitation and park and recreation facilities of the Districts. In order to pay the debt service, the Districts agree to provide ad valorem property tax revenue and other revenue received to District No. 2. Each District agreed to be liable for the repayment of the bonds in accordance with their relative assessed valuations. The District agreed to impose a Mandatory Capital Levy in the amount of 35 mills less the number of mills necessary to pay any unlimited mill levy debt of the District or such lesser mill levy which will pay all the principal and interest on the bonds. In addition to the Mandatory Capital Levy, the District agreed to provide capital revenue from capital fees, the portion of the specific ownership tax collected as a result of the imposition of the Mandatory Capital Levy and any PILOT revenues to District No. 2. A PILOT is defined as an arrangement which provides for a tax equivalency payment in lieu of taxes against property that is classified by the county assessor as exempt from ad valorem property taxation.

District Coordinating Services Agreement

The District entered into the District Coordinating Services Agreement with District No. 2, District No. 3, and District No. 4 (collectively, the Financing Districts) effective January 1, 2022. Based on the agreement, the District will own, operate and maintain all public improvements within the boundaries of all the districts that are not dedicated to the City, County or other public entity or an owners' association. The District may also provide trash service, architectural review, and covenant enforcement services to property within the boundaries of the districts. The District is also to provide administrative services for the Financing Districts in compliance with all statutes, ordinances and regulations. In exchange for the services provided, the Financing Districts are responsible for all costs, fees, charges and expenses incurred by the District in connection with providing administrative, operating and maintenance services.

The District is to provide a preliminary budget to the Financing Districts by October 15 each year. The Financing Districts shall either approve the budget or propose in writing additions and/or deletions to the preliminary budget by November 1. All of the Districts shall discuss and attempt in good faith to reach an agreement with respect to the budget on or before November 15 each year. The Financing Districts on or before the 15th of each month shall deposit with the District an amount equal to 1/12th of the annual costs as determined by the budget.

The District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the District to provide a source of funding to pay for the operations and maintenance services. The Financing Districts agree to cooperate with the District in the collection of all fees including foreclosure as against the statutory perpetual lien associated with such fees.

District Nos. 2, 3 and 4 have not yet established a revenue base sufficient to pay operations expenditures (see Note 10). At December 31, 2025, the District included a receivable on the Statement of Net Position of $290,286 related to amounts due from Financing Districts for accumulated administration and operations.

City of Aurora Intergovernmental Agreement

In connection with the District's Service Plan, the District entered into the Intergovernmental Agreement with District No. 2, District No. 3, District No. 4 and the City. The District agreed to dedicate public improvements to the City or other appropriate jurisdiction or owners association. The District is authorized but not obligated to own, operate and maintain public improvements not required to be dedicated. The agreement also requires the District to impose the Aurora Regional Improvement Mill Levy (ARI Mill Levy) to be conveyed to the City for use in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing regional improvements which benefit the service users and taxpayers of the District.

At December 31, 2025, $1,352 was payable from the District to the City for ARI Mill Levy collections from District Nos. 1, 3 and 4 not yet remitted to the City.

Metropolitan District Infrastructure Agreement

On September 1, 2023, the District entered into an agreement with Lennar Colorado, LLC (Builder) to set forth the terms and conditions under which public improvements will be constructed and paid for by the District and reimbursed by the Builder. The District is constructing certain public infrastructure improvements on or near the Builder's property. The Builder is responsible for construction of dry utilities to serve their properties. The Agreement stipulates that the District will construct the public improvements and utilize bond proceeds to pay for such work.

After approval of the District's Construction Documents, there will be a period of thirty days where the amount of public funds and Builder's pro rata share will be mutually agreed to and funds required for the project construction will be deposited with an agreed upon Escrow Agent. Upon execution of the agreement, the District deposited $1,589,919 in the District's construction account in order to fund the escrow. Upon completion of the Public Improvements, any public funds including any earnings, held by the Escrow Agent shall be returned to the District for use at its discretion.

The agreement provides terms and outlines requirements for the District to submit requisitions to the Public Funds Escrow Account and stipulates the timing and manner for reimbursements. If the Builder fails or refuses to make a builder progress payment, the District is entitled to suspend work under any Contract until such payment is made.

To the extent the District incurred costs prior to the execution of the Agreement, the Builder agreed to reimburse the District for its pro rata share as set forth in any cost certifications within sixty days after notification by the District. Within sixty days of the execution of the agreement, the District was to provide to the Builder with an inventory of costs that were accrued prior to the execution of the Agreement.

Note 9 – Commitments

Infrastructure Acquisition and Reimbursement Agreement – Lennar Colorado LLC

On September 1, 2023, the District entered into an agreement with Lennar Colorado, LLC (Builder) to establish terms and conditions for the acquisition of the Builder Public Infrastructure financed and constructed by the Builder that is to be owned by the District or the City of Aurora and the reimbursement to the Builder of certified District eligible costs. Under the terms of the agreement, the District agrees to acquire all or a portion of the Builder Public Infrastructure that is intended to be conveyed to the District. Upon substantial completion of the Builder Public Infrastructure, the Builder initiates a request for reimbursement by submitting an application for acceptance of District Eligible Costs. Within a reasonable period of time after receipt of the application, the District's engineer or other appropriate professional inspects the infrastructure to be conveyed and provides certification to the District that the improvements are in substantial accordance with the construction plans and standards and the infrastructure is fit for its intended purpose. Unless the parties to the agreement agree to an extension, within thirty days following receipt of the engineer's certification, the District will adopt a resolution to acquire the infrastructure and deliver to the Builder a written notice of acquisition.

The District commits to utilize any available money not otherwise pledged or encumbered to reimburse the Builder. In the event the amounts due under the agreement are unpaid after the acceptance resolution, no later than 120 days thereafter, at the election of the Builder, the District will issue a promissory note or other privately placed debt instrument to the Builder. The debt shall bear simple interest of 8% per annum from the date of issuance or, for district eligible costs, from the effective date of the related acceptance resolution. The Builder has directed the reimbursements under this agreement to be made directly to Torero Land Investments, LLC.

Public Improvement Construction Agreement – KCM Aurora One, LLC

In April 2023, the District, District No. 2 and KCM Aurora One, LLC (Property Owner) entered into a Public Improvement Construction Agreement and Advance and Reimbursement and Facilities Acquisition Agreement. The Agreement establishes the terms and conditions for the Property Owner to expend funds on behalf of the District for District Eligible Costs and the terms for the District or District No. 2 to reimburse the Property Owner for such expenditures. The Agreement establishes guidelines to be followed by the Districts' Boards to evaluate a request to accept public improvement and guidelines to be followed in evaluating requests from the Property Owner to accept District costs which may be eligible for reimbursement.

The agreement provides terms and outlines requirements for the Property Owner to submit reimbursement requests to the District including acquisition of public improvements by the District.

Following receipt of any of the application and support as required by the agreement, the District's legal counsel, engineer and accountant shall review the application and support within 30 days. Within 30 days of receipt of the application and accountant's review, the District is required to schedule a meeting for the Board to accept the District Eligible Costs and related Public Improvements by resolution adoption. The District or District No. 2 shall repay Certified District Eligible Costs approved by the District from the proceeds of loans or bonds issued by or made available to the District or District No. 2, and/or other legally available funds of the District or District No. 2 not otherwise required for necessary operations, maintenance, capital improvements, and debt service costs.

Certified District Eligible Costs accepted in accordance with this Agreement bear simple interest at a rate of eight percent (8%) per annum from the date such costs are incurred by the Property Owner until the earlier of the date a Reimbursement Obligation is issued or the date of payment of such amount in full.

If requested by the Property Owner, the District or District No. 2 shall issue one or more promissory notes payable to the Property Owner, in such principal amounts equal to the Certified District Eligible Costs (the “Reimbursement Obligations”). The Reimbursement Obligations shall be secured by the District or District No. 2 pledge of an ad valorem property tax in the maximum amount permitted by the District’s Service Plan and its electoral authorization, the proceeds of any bonds or other indebtedness issued by the District or District No. 2, and any other legally available revenues of the District or District No. 2 that are pledged to the payment. Such Reimbursement Obligations will mature on a date or dates, and bear interest at a market rate not more than 8%, to be determined at the time of issuance of such Reimbursement Obligations. The District or District No. 2 will be permitted to prepay any Reimbursement Obligation, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued to the date of prepayments on the principal amount prepaid.

Note 10 – <u>Economic Dependency</u>

The District has not yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

Note 11 – <u>Risk Management</u>

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special District Property and Liability Pool (the Pool) as of December 31, 2025. The Pool is an organization created by an intergovernmental agreement to provide property, liability, public officials’ liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials’ liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool 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.

Note 12 – <u>Tax, Spending and Debt Limitations</u>

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer’s 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.

On May 5, 2020, a majority of the District's electors authorized the District to increase taxes $20,000,000 annually to pay the District's administration, covenant enforcement, design review, operations, maintenance and other expenses, without limitation on the mill levy rate imposed. The proceeds of such taxes and investment income thereon may be collected and spent by the District as a voter-approved revenue change without regard to spending, revenue-raising, or the limitations contained in TABOR or Section 29-1-301, C.R.S. The electors also authorized the District to collect, retain and spend any revenue from sources other than ad valorem taxes annually without regard to any limitations imposed by TABOR.

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 interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

BUCKLEY METROPOLITAN DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL DEBT SERVICE FUND

For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Property taxes	$ 967	$ 967	$ -
Specific ownership tax	38	53	15
Investment income	1,000	154	(846)
Total revenues	2,005	1,174	(831)
Expenditures			
General government			
County treasurer's fees	14	15	(1)
Contingency	1,000	-	1,000
Debt Service			
Transfer to Buckley Metropolitan District #2	991	1,159	(168)
Total expenditures	2,005	1,174	831
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	$ -	$ -	$ -

BUCKLEY METROPOLITAN DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL CAPITAL PROJECTS FUND

For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental revenue - Buckley Metropolitan District #2	$ 16,792,563	$ 429,999	$ (16,362,564)
Investment income	-	161,738	161,738
Total revenues	16,792,563	591,737	(16,200,826)
Expenditures			
General government			
Accounting	20,000	5,870	14,130
Bank fees	45	-	45
Legal	24,000	30,183	(6,183)
Capital Outlay	18,368,150	384,444	17,983,706
Total expenditures	18,412,195	420,497	17,991,698
Net change in fund balances	(1,619,632)	171,240	1,790,872
Fund balances - beginning	1,619,632	3,679,943	2,060,311
Fund balances - ending	$ -	$ 3,851,183	$ 3,851,183

BUCKLEY METROPOLITAN DISTRICT NO. 2
Arapahoe County, Colorado

FINANCIAL STATEMENTS

With Independent Auditor's Report

December 31, 2025

BUCKLEY METROPOLITAN DISTRICT NO. 2

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December 31, 2025

FISCAL FOCUS PARTNERS LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Buckley Metropolitan District No. 2
Arapahoe County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Buckley Metropolitan District No. 2 (the District) as of and for the year ended December 31, 2025, 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 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, 2025, and the respective changes in financial position thereof, 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.

Fiscal Focus Partners, LLC

P.O. Box 740339, Arvada, CO 80006
303.202.1800 Office www.ffpcpa.com

Auditor's Responsibility 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, 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 to 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 management's discussion and analysis that accounting principles generally accepted in the United States of America 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 basic financial statements. The supplementary information as identified in the table of contents is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Fiscal Focus Partners, LLC

Arvada, Colorado
March 11, 2026

BASIC FINANCIAL STATEMENTS

BUCKLEY METROPOLITAN DISTRICT NO. 2

STATEMENT OF NET POSITION

December 31, 2025

	Governmental Activities
Assets	
Cash and investments	$ 2,185
Cash and investments - restricted	23,867,778
Receivable - County Treasurer	170
Due from other governments	276
Property taxes receivable	95,617
Non-current capital obligations receivable (see Note 7)	28,447,346
Total Assets	52,413,372
Liabilities	
Accounts payable - Due to Buckley Metropolitan District #1	21,116
Due to other governments	2,194
Service obligation payable - Due to Buckley Metropolitan District #1	68,946
Noncurrent liabilities:	
Accrued interest payable	7,498,952
Due in more than one year	29,160,000
Total Liabilities	36,751,208
Deferred Inflow of Resources	
Property tax revenue	95,617
Total Deferred Inflow of Resources	95,617
Net Position	
Restricted for:	
Capital outlay	23,846,109
Unrestricted	(8,279,562)
Total Net Position	$ 15,566,547

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 2

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs:	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Primary government					
General government	$ 511,702	$ -	$ -	$ -	$ (511,702)
Interest on long-term debt and related costs	2,072,466	-	-	1,603,339	(469,127)
Total primary government	$ 2,584,168	$ -	$ -	$ 1,603,339	(980,829)
		General Revenues:			
		Property taxes			38,508
		Specific ownership taxes			1,969
		Interest income			1,022,810
		Total general revenues			1,063,287
		Change in net position			82,458
		Net position - beginning			15,484,089
		Net position - ending			$ 15,566,547

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 2

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
Assets				
Cash and investments	$ 2,185	$ -	$ -	$ 2,185
Cash and investments - restricted	-	590	23,867,188	23,867,778
Due from County Treasurer	46	124	-	170
Due from other governments	-	276	-	276
Property taxes receivable	25,896	69,721	-	95,617
Total Assets	28,127	70,711	23,867,188	23,966,026
Liabilities, Deferred Inflow of Resources and Fund Balances				
Liabilities				
Accounts payable - Due to Buckley Metropolitan District #1	37	-	21,079	21,116
Due to other governments	2,194	-	-	2,194
Total Liabilities	2,231	-	21,079	23,310
Deferred Inflow of Resources				
Property tax revenue	25,896	69,721	-	95,617
Total Deferred Inflow of Resources	25,896	69,721	-	95,617
Fund Balances				
Restricted for:				
Debt service	-	990	-	990
Assigned				
Capital projects	-	-	23,846,109	23,846,109
Unassigned	-	-	-	-
Total Fund Balances	-	990	23,846,109	23,847,099
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 28,127	$ 70,711	$ 23,867,188	

Amounts reported for governmental activities in the statement of net position are different because:	
Long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds:	
Capital obligation receivable	28,447,346
Long-term liabilities, including developer advances and accrued interest, are not due and payable in the current period and therefore are not reported in the funds:	
Service obligation payable - Due to Buckley Metropolitan District #1	(68,946)
Bonds payable	(29,160,000)
Accrued interest on bonds payable	(7,498,952)
Net position of governmental activities	$ 15,566,547

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Property taxes	$ 10,429	$ 28,079	$ -	$ 38,508
Specific ownership tax	533	1,436	-	1,969
Intergovernmental revenue	-	73,036	-	73,036
Investment income	48	2,312	1,020,450	1,022,810
Total revenues	11,010	104,863	1,020,450	1,136,323
Expenditures				
General government				
County treasurer's fees	156	421	-	577
Transfers to Buckley Metropolitan District #1	10,064	-	-	10,064
Transfers to other governments	790	-	-	790
Bank and trustee fees	-	127	58,927	59,054
Debt Service				
Bond interest	-	100,426	-	100,426
Capital				
Transfer to Buckley Metropolitan District #1	-	-	429,999	429,999
Total expenditures	11,010	100,974	488,926	600,910
Net change in fund balances	-	3,889	531,524	535,413
Fund balances (deficit) - beginning	-	(2,899)	23,314,585	23,311,686
Fund balances - ending	$ -	$ 990	$ 23,846,109	$ 23,847,099

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 2

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

Net change in fund balances - total governmental funds	$ 535,413
Amounts reported for governmental activities in the statement of activities are different because:	
Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Increase in capital obligation receivables due from District Nos. 3 and 4	1,530,303
Increase in service obligation due to District No. 1	(11,218)
Accrued interest payable - change in liability	(1,972,040)
Change in net position of governmental activities	$ 82,458

The accompanying Notes to Financial Statements are an integral part of these statements.

BUCKLEY METROPOLITAN DISTRICT NO. 2

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

For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Property taxes	$ 9,815	$ 10,429	$ 614
Specific ownership tax	392	533	141
Investment income	1,000	48	(952)
Total revenues	11,207	11,010	(197)
Expenditures			
General government			
County treasurer's fees	148	156	(8)
Administration and operations- Buckley Metropolitan District #1	9,316	10,064	(748)
Transfers to other governments	743	790	(47)
Contingency	1,000	-	1,000
Total expenditures	11,207	11,010	197
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	$ -	$ -	$ -

The accompanying Notes to Financial Statements are an integral part of these statements.

Note 1 – Reporting Entity

Buckley Metropolitan District No. 2 (the District) was organized on June 30, 2020, as a quasi-municipal organization established under the State of Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the City of Aurora, Colorado (the City).

The District was organized in conjunction with three other districts, Buckley Metropolitan District No. 1 (District No. 1), Buckley Metropolitan District No. 3 (District No. 3) and Buckley Metropolitan District No. 4 (District No. 4), (collectively the Districts). The Consolidated Service Plan for the Districts was approved by the City on November 18, 2019. The Districts were established to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of public improvements from proceeds of debt issued by the Districts. Upon completion of construction, the Districts intend to dedicate public improvements to the City or other public entities. Certain street improvements, traffic and safety controls, landscaping, park and recreation improvements and drainage improvements not required to be dedicated may continue to be maintained by the Districts. Under the terms of the District Coordinating Services Agreement (Note 7), District No. 1 is the Coordinating District for the Districts. The District along with Districts Nos. 3 and 4 are Financing Districts. The Financing Districts are responsible for all costs, fees, charges and expenses incurred by the Coordinating District. The Coordinating District is responsible for administrative services for all of the Districts. In November 2021, the Districts entered into a Capital Pledge Agreement (Note 7) whereby the Districts agreed that the District shall issue bonds to finance projects and District No. 1, District No. 3 and District No. 4 will provide ad valorem tax revenue along with other revenue to pay the debt service obligations.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set 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 District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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

Note 2 – Summary of Significant Accounting Policies

The more significant accounting policies of the District are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources of the District is reported as net position.

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.

Separate financial statements are provided for governmental funds. 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 related cash flows.

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 typically considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major source of revenue susceptible to accrual is property tax. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital facilities and other assets.

Budgets

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

Pooled Cash

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 single bank account. 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.

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 of 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 remits taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include open space, landscape and parks, are reported in the applicable governmental activities column of the government-wide financial statements. Capital assets are defined by the District as those assets with a cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements for which the District retains title are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Interest incurred during the construction phase of capital assets is not included as part of the capitalized value of the assets constructed.

Deferred Inflow of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period 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. Accordingly, deferred property tax revenue is deferred and recognized as inflows of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: non-spendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires District management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 3 – Cash and Investments

Cash and investments are reflected on the December 31, 2025 Statement of net position as follows:

Statement of net position:		
Cash and investments – unrestricted	$	2,185
Cash and investments – restricted		23,867,778
Total cash and investments	$	23,869,963

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. As of December 31, 2025, the federal insurance limit was $250,000. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. 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.

At December 31, 2025, the District had no cash deposits.

Investments

The District has not adopted a formal investment policy, but follows state statutes regarding investments.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers’ acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The District generally limits its investments to those which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party. Colorado revised statutes limit investment maturities to five year or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. As of December 31, 2025, the District had the following investment:

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average maturity less than 60 days	$ 23,869,963

COLOTRUST
The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE. The District holds all its investments in the COLOTRUST PLUS+ portfolio.

COLOTRUST PLUS+, which operates similarly to a money market fund and each share is equal in value to $1.00, offers daily liquidity. The portfolio may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PLUS+ is rated AAAm by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

Note 4 – Long-Term Obligations

The District's outstanding long-term obligations at December 31, 2025, are as follows:

Governmental activities, direct borrowing debt	Balance at December 31, 2024	Additions	Deletions	Balance at December 31, 2025	Due within one year
G.O. Limited Tax Bonds Series 2021	$ 29,160,000	$ –	$ –	$ 29,160,000	$ –
Total	$ 29,160,000	$ –	$ –	$ 29,160,000	$ –

Direct Borrowing Debt

General Obligation Limited Tax Bonds Series 2021

On November 30, 2021, the District issued a $29,160,000 General Obligation Limited Tax Bonds Series 2021 (Series 2021 Bonds). This issuance was undertaken to fund or reimburse the costs of public improvements related to the development of property in the Districts and pay the costs of issuing the bonds. The bonds mature on December 1, 2051. The bonds are cash flow bonds in that interest and principal is paid upon the collection of pledged revenues. Per the terms of the Capital Pledge Agreement (see Note 7), pledged revenues will be collected from District Nos. 1, 3, and 4 as well as the District. The amounts pledged to the payment of the Bonds are subject to the lien of such pledge without any physical delivery, filing, or further act.

For the purpose of paying the principal of, premium if any, and interest on the Bonds, the District is required to levy on all of the taxable property of the District annual taxes in each of the years 2021 to 2050 in the amount of the Required Mill Levy. The Required Mill Levy is defined as the amount of 35 mills less the number of mills necessary to pay any unlimited mill levy debt of the District, or such lesser mill levy which will fund the Bond Fund in an amount sufficient to pay all of the principal of and interest on the Bonds in full. If there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy is required to be increased or decreased to reflect such changes so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. A change in the ratio of actual valuation is deemed to be a change in the method of calculating assessed valuation.

The Series 2021 Bonds contain a provision regarding certain events of default. Upon the occurrence of an Event of Default, the Trustee is entitled to pursue on behalf of the Owners of the Bonds all available actions against the District. Events of Default occur if the District does not impose the Required Mill Levy and other customary terms and conditions consistent with normal bond financings.

On December 2, 2061, any unpaid principal and interest shall deemed to be paid, satisfied and discharged. Interest is payable annually on December 1 each year at a rate of 6%. The Bonds are subject to redemption prior to maturity beginning on December 1, 2026 with a 3% premium which decreases 1% each year.

For the year ended December 31, 2025, the District paid $100,426 in interest on the bonds.

The following table sets forth the estimated debt service payment schedule for the principal and interest on the Series 2021 Bonds:

	Principal	Interest	Total
2026	$ −	$ 1,437,165	$ 1,437,165
2027	−	1,814,727	1,814,727
2028	−	2,119,345	2,119,345
2029	−	2,336,704	2,336,704
2030	−	2,490,927	2,490,927
2031-2035	−	13,390,180	13,390,180
2036-2040	843,000	15,094,144	15,937,144
2041-2045	9,415,000	9,026,725	18,441,725
2046-2050	15,101,000	4,827,300	19,928,300
2051	3,801,000	420,480	4,221,480
Totals	$ 29,160,000	$ 52,957,697	$ 82,117,697

The Bonds are “cash flow” bonds and have no fixed principal or interest payment schedule. The payments with respect to the Bonds shown above reflect the forecasted principal and interest payments based on the Financial Forecast prepared in connection with the Limited Offering Memorandum dated November 18, 2021 updated for actual results.

Debt Authorization

Pursuant to the Service Plan, the Districts are permitted to issue bond indebtedness of up to $75,000,000 in the aggregate, exclusive of debt for regional improvements, which may be issued up to the amount of $20,000,000 in the aggregate. After the issuance of the Bonds, the Districts have $45,840,000 available for local public improvements.

On May 5, 2020, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $2,280,000,000 at an interest rate not to exceed 18% per annum.

The District may not impose a mill levy for repayment of any and all debt (or use proceeds of any mill levy for repayment of debt) on any single property developed for residential uses which exceeds 40 years after the year of the initial imposition of such mill levy, subject to exemptions provided in the Service Plan.

Note 5 – Net Position

The District reports net position consisting of two components – restricted and unrestricted.

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation.

At December 31, 2025 the District had restricted net position for capital outlay of $23,846,109.

The District has unrestricted deficit net position of ($8,279,562) as of December 31, 2025. The deficit is a result of the District's responsibility for the repayment of bonds issued for public improvements. The proceeds of the bonds were provided to other governmental entities for capital improvements so the District's records do not reflect the capital improvements.

Note 6 – Related Parties

All members of the Board of Directors are associated with the Developer and related companies and may have conflicts of interest with respect to certain transactions which come before the Board.

Note 7 – District Agreements

Capital Pledge Agreement

The District entered into the Capital Pledge Agreement with District No. 1, District No. 3, District No. 4 and UMB Bank on November 30, 2021. Under the agreement the Districts agree that the District will issue General Obligation Limited Tax Bonds in the principal amount of $29,160,000 pursuant to an indenture of trust dated November 30, 2021 for the purpose of financing the costs of acquiring, constructing and installing a portion of the water, street, sanitation and park and recreation facilities of the Districts. In order to pay the debt service, the Districts agree to provide ad valorem property tax revenue and other revenue received to the District. Each District agreed to be liable for the repayment of the bonds in accordance with their relative assessed valuations.

Districts Nos.1, 3 and 4 agreed to impose a Mandatory Capital Levy as follows:

	Mandatory Capital Levy
District No. 1	35 mills
District No. 3	50 mills
District No. 4	35 mills

Each of the mills above may be reduced by the number of mills necessary to pay any unlimited mill levy debt of each District or if a lesser mill levy will pay all of the principal and interest on the District No. 2 Bonds in full and any Refunding Obligations.

In addition to the Mandatory Capital Levy, the Districts Nos. 1, 3 and 4 agreed to provide capital revenue from capital fees, the portion of the specific ownership tax collected as a result of the imposition of the Mandatory Capital Levy and any PILOT revenues to the District. A PILOT is defined as an arrangement which provides for a tax equivalency payment in lieu of taxes against property that is classified by the county assessor as exempt from ad valorem property taxation.

A Capital Obligation Receivable was determined based on the amount of debt and accrued interest outstanding attributable to District Nos. 1, 3 and 4 in connection with the Series 2021 Bonds (see Note 4). Amounts due from each District are determined based on each District's pro-rated share of future estimated ad valorem taxes. For December 31, 2025, this estimate resulted in a balance due from District Nos. 3 and 4 of $28,447,346 which represents the estimated portion of tax revenues collectible from District Nos. 3 and 4 for the payment of bond principal and accrued interest. No amounts are due from District No. 1 because of the negligible tax base included within District No. 1. The difference between amounts due from District Nos. 3 and 4 and the total outstanding liabilities associated with the bonds are anticipated to be paid from the District's ad valorem tax revenue.

District Coordinating Services Agreement

The District entered into the District Coordinating Services Agreement with District No. 1, District No. 3, and District No. 4 effective January 1, 2022. Based on the agreement, District No. 1 will own, operate and maintain all public improvements within the boundaries of all the districts that are not dedicated to the City, County or other public entity or an owners' association. District No. 1 may also provide trash service, architectural review, and covenant enforcement services to property within the boundaries of the districts. District No. 1 is also to provide administrative services for District Nos. 2-4 (the Financing Districts) in compliance with all statutes, ordinances and regulations. In exchange for the services provided, the Financing Districts are responsible for all costs, fees, charges and expenses incurred by District No. 1 in connection with providing administrative, operating and maintenance services.

District No. 1 is to provide a preliminary budget to the Financing Districts by October 15 each year. The Financing Districts shall either approve the budget or propose in writing additions and/or deletions to the preliminary budget by November 1. All of the Districts shall discuss and attempt in good faith to reach an agreement with respect to the budget on or before November 15 each year. District Nos. 2-4 on or before the 15th of each month shall deposit with District No. 1 an amount equal to 1/12th of the annual costs as determined by the budget.

District No. 1 is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by District No. 1 to provide a source of funding to pay for the operations and maintenance services. The Financing Districts agree to cooperate with District No. 1 in the collection of all fees including foreclosure against the statutory perpetual lien associated with such fees.

The Districts have not yet established a revenue base sufficient to pay operational expenditures to District No. 1. Until an independent revenue base is established, continuation of operations in the Districts will be dependent upon funding by the Developer. District No. 1 has entered into multiple Funding and Reimbursement Agreements with developers in order to secure funding for operations of all the Districts.

During 2025, the District included a liability on the Statement of Net Position of $68,946 for its share of amounts due to District No. 1 for accumulated administration and operations costs.

City of Aurora Intergovernmental Agreement

In connection with the District's service plan, the District entered into the Intergovernmental Agreement with District No. 1, District No. 3, District No. 4 and the City of Aurora. The Districts agreed to dedicate public improvements to the City or other appropriate jurisdiction or owners association. The Districts are authorized but not obligated to own, operate and maintain public improvements not required to be dedicated.

The agreement also requires the District to impose the Aurora Regional Improvement Mill Levy (ARI Mill Levy) to be conveyed to the City for use in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing regional improvements which benefit the service users and taxpayers of the District.

At December 31, 2025, $2,194 was payable from the District to the City for the ARI Mill Levy collected and not yet remitted to the City.

Note 8 – Commitments

Public Improvement Construction Agreement – KCM Aurora One, LLC

In April 2023, the District, District No. 1 and KCM Aurora One, LLC (Property Owner) entered into a Public Improvement Construction Agreement and Advance and Reimbursement and Facilities Acquisition Agreement. The agreement establishes the terms and conditions for the Property Owner to expend funds on behalf of the District No. 1 for District Eligible Costs and the terms for District No. 1 or the District to reimburse the Property Owner for such expenditures. The Agreement establishes guidelines to be followed by the Districts' Boards to evaluate a request to accept public improvement and guidelines to be followed in evaluating requests from the Property Owner to accept District costs which may be eligible for reimbursement.

Requests for reimbursement, public improvement acquisition and professional cost acceptance will be submitted to District No. 1 with support that accompanies the requests as outlined in the agreements. Following receipt of any of the applications and support, the District No. 1's legal counsel, engineer and accountant shall review the application and support within 30 days. Within 30 days of receipt of the application and accountant's review, District No. 1 is required to schedule a meeting for the Board to accept the District Eligible Costs and related Public Improvements by resolution adoption.

The District or District No. 1 shall repay Certified District Eligible Costs approved by District No. 1 pursuant to the Agreement from the proceeds of loans or bonds issued by or made available to the District or District No. 1, including, Bonds, and/or other legally available funds of the District or District No. 1 not otherwise required for necessary operations, maintenance, capital improvements, and debt service costs.

Certified District Eligible Costs accepted in accordance with this Agreement bear simple interest at a rate of eight percent (8%) per annum from the date such costs are incurred by the Property Owner until the earlier of the date a Reimbursement Obligation is issued or the date of payment of such amount in full.

If requested by the Property Owner, the District or District No. 1 shall issue one or more promissory notes payable to the Property Owner, in such principal amounts equal to the Certified District Eligible Costs (the “Reimbursement Obligations”). The Reimbursement Obligations shall be secured by the District or District No. 1 pledge of an ad valorem property tax in the maximum amount permitted by the District’s Service Plan and its electoral authorization, the proceeds of any bonds or other indebtedness issued by the District or District No. 1, and any other legally available revenues of the District or District No. 1 that are pledged to the payment thereof. Such Reimbursement Obligations will mature on a date or dates, and bear interest at a market rate not more than 8%, to be determined at the time of issuance of such Reimbursement Obligations. The District or District No. 1 will be permitted to prepay any Reimbursement Obligation, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued to the date of prepayments on the principal amount prepaid.

Note 9 – Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special District Property and Liability Pool (the Pool) as of December 31, 2025. The Pool is an organization created by an intergovernmental agreement to provide property, liability, public officials’ liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials’ liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool 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.

Note 10 – Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer’s 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.

On May 5, 2020, a majority of the District's electors authorized the District to increase taxes $20,000,000 annually to pay the District's administration, covenant enforcement, design review, operations, maintenance and other expenses, without limitation on the mill levy rate imposed. The proceeds of such taxes and investment income thereon may be collected and spent by the District as a voter-approved revenue change without regard to spending, revenue-raising, or the limitations contained in TABOR or Section 29-1-301, C.R.S. The electors also authorized the District to collect, retain and spend any revenue from sources other than ad valorem taxes annually without regard to any limitations imposed by TABOR.

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. As of December 31, 2025, as a result of the District Coordinating Services Agreement (Note 7), District No. 1 provides for an Emergency Reserve based on total spending which includes expenditures on behalf of the District.

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 interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

BUCKLEY METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL DEBT SERVICE FUND

For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Property taxes	$ 26,424	$ 28,079	$ 1,655
Specific ownership tax	1,057	1,436	379
Intergovernmental revenue	71,376	73,036	1,660
Investment income	13,000	2,312	(10,688)
Total revenues	111,857	104,863	(6,994)
Expenditures			
General government			
County treasurer's fees	396	421	(25)
Bank and trustee fees	4,125	127	3,998
Contingency	10,000	-	10,000
Debt Service			
Bond interest	97,336	100,426	(3,090)
Total expenditures	111,857	100,974	10,883
Net change in fund balances	-	3,889	3,889
Fund balances - beginning	-	(2,899)	(2,899)
Fund balances - ending	$ -	$ 990	$ 990

BUCKLEY METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL CAPITAL PROJECTS FUND

For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Investment income	$ 600,000	$ 1,020,450	$ 420,450
Total revenues	600,000	1,020,450	420,450
Expenditures			
General government			
Bank and trustee fees	30,000	58,927	(28,927)
Capital Outlay			
Transfer to Buckley Metropolitan District #1	16,792,563	429,999	16,362,564
Total expenditures	16,822,563	488,926	16,333,637
Net change in fund balances	(16,222,563)	531,524	16,754,087
Fund balances - beginning	16,222,563	23,314,585	7,092,022
Fund balances - ending	$ -	$ 23,846,109	$ 23,846,109

Application for Exemption From Audit
Short Form

Instructions

GB

If either revenues or expenditures exceed $200,000, use the Long Form

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed $1,000,000 in the year.

Exemptions from audit are **NOT** automatic

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit **each year** and submit it to the Office of the State Auditor (OSA). Approval for an exemption from audit is granted only upon the review by the OSA.

Any preparer of an Application for Exemption from Audit — Short Form must be a person skilled in governmental accounting.

Read **ALL** instructions before completing and submitting this form

All applications must be filed with the OSA **within 3 months** after the accounting year-end.

For example, applications must be received by the OSA on or before March 31 for governments with a December 31 year-end. Applications for exemption from audit are not eligible for an extension of time.

Governmental activity should be reported on the modified accrual basis. Proprietary activity should be reported on a cash or budgetary basis.

Important!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the **Modified Accrual Basis.**

Proprietary Activity should be reported on a **Budgetary Basis**.

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year. In that event, an audit shall be required.

Postmark dates will not be accepted as proof of submission on or before the statutory deadline

Prior year forms are obsolete and will not be accepted.

Applications must be fully and accurately completed. Applications submitted on forms other than those prescribed by the OSA will not be accepted.

For your reference, the Colorado Revised Statutes are available through the LexisNexis Colorado portal.

Checklist

- ☑ Has the preparer signed the application prior to board approval?
- ☑ Has the entity corrected all prior year deficiencies as communicated by the OSA?
- ☑ Has the application been **personally** reviewed and approved by the governing body?
- ☑ Are all sections on the form complete, including responses to all of the questions?
- ☑ Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?

Will this application be submitted electronically? ◉ Yes ○ No

- ☑ If yes, have you read and understood the Electronic Signature Policy? See policy in Part 10.

-- or --

☐ If yes, have you included a resolution?

☐ Does the resolution state that the governing body **personally** reviewed and approved the resolution in an open public meeting?

☐ Has the resolution been signed by a **majority** of the governing body? See sample resolution at the end of this form.

Will this application be submitted via a mail service (e.g., U.S. Post Office, FedEx, UPS, courier)? ○ Yes ◉ No

☐ If yes, does the application include **original ink signatures** from the **majority** of the governing body?

Filing Methods

Web Portal (recommended)

apps.leg.co.gov/osa/lg

For faster processing, the web portal should be used for submissions.

Mail

Office of the State Auditor

Local Government Audit Division
1375 Sherman St., 5th Floor
Denver, CO 80261-3000

Questions? **Email:** osa.lg@coleg.gov **Phone:** 303-869-3000

Contact Information

For the year ended 12/31/2025 or the fiscal year ended 12/31/2025.

Name of government	Buckley Metropolitan District No. 3
Street address	245 Century Circle, Unit 103
City, State, Zip	Louisville, CO 80027
Contact person	Jon Erickson
Phone	970-926-6060
Email	Jon@mwcpaa.com

Certification of Preparer

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge. The preparer must sign prior to board approval.

Name	Jon Erickson
Title	District Accountant
Firm name (if applicable)	Marchetti & Weaver, LLC
Address	28 2nd St., Unit 213, Edwards, CO 81632
Phone	970-926-6060
Preparer signature	Date prepared
	1/31/26

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types.

☑ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

Part 1: Revenues

Part 1A: Revenues Table

All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
1-1	Taxes: Property (report mills levied in line 9-12)	$ 83,744
1-2	Specific ownership	$ 4,547
1-3	Sales and use	
	Other (specify in line 1-4):	
1-4	Interest Income	$ 426
1-5	Licenses and permits	
1-6	Intergovernmental: Grants	
1-7	Conservation Trust Funds (Lottery)	
1-8	Highway Users Tax Funds (HUTF)	
	Other (specify in line 1-9):	
1-9		
1-10	Charges for services	
1-11	Fines and forfeits	
1-12	Special assessments	
1-13	Investment income	
1-14	Charges for utility services	
1-15	Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-16	Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-17	Developer Advances received (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-18	Proceeds from sale of capital assets	
1-19	Fire and police pension	
1-20	Donations	
	Other (specify in lines 1-21 through 1-24)	
1-21		
1-22		
1-23		
1-24		
1-25	**TOTAL REVENUES** (add lines 1-1 through 1-24)	$ 88,717

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN $200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 1B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 2: Expenditures/Expenses

Part 2A: Expenditures/Expenses Table

All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
2-1	Administrative	$ 1,257
2-2	Salaries	
2-3	Payroll taxes	
2-4	Contract services	
2-5	Employee benefits	
2-6	Insurance	
2-7	Accounting and legal fees	
2-8	Repair and maintenance	
2-9	Supplies	
2-10	Utilities and telephone	
2-11	Fire/Police	
2-12	Streets and highways	
2-13	Public health	
2-14	Capital outlay	
2-15	Utility operations	
2-16	Culture and recreation	
2-17	Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')	
2-18	Debt service interest	
2-19	Repayment of Developer Advances Principal (should agree to Part 3, Debt Schedule Table, column 'Retired during year')	
2-20	Repayment of Developer Advances Interest	
2-21	Contribution to pension plan	
2-22	Contribution to Fire & Police Pension Association	
2-23	Other (specify in lines 2-24 through 2-27)	
2-24	Transfer for Aurora Regional Improvements	$ 1,048
2-25	Transfers to Coordinating District - No. 1	$ 30,830
2-26	Transfers to Debt Service District - No. 2	$ 55,582
2-27		
2-28	**TOTAL EXPENDITURES/EXPENSES** (Add lines 2-1 through 2-27)	$ 88,717

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN $200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 2B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 3: Debt Outstanding, Issued, and Retired

3-1	Does the entity have outstanding debt?		◉ Yes	○ No
3-2	If no, skip to line 3-13. If yes, please attach a copy of the entity's debt repayment schedule.			
3-3	Is the debt repayment schedule attached?	○ N/A	○ Yes	◉ No
	If no, MUST explain below.			
	Payments Subject to Available Cashflow			
3-4	Is the entity current in its debt service payments?		◉ Yes	○ No
	If no, MUST explain below.			
3-5	If no, also indicate if the government is in default with its bond agreements.		○ Yes	○ No

Debt Schedule Table

Please complete the following debt schedule, if applicable.
Please only include principal amounts. Enter all amounts as positive numbers.

Line	Debt Type	Oustanding at End of Prior Year*	Issued During Year	Retired During Year	Outstanding at Year-End
3-6	General Obligation Bonds				$ 0
3-7	Revenue Bonds				$ 0
3-8	Notes/Loans				$ 0
3-9	Lease & SBITA** Liabilities (GASB 87 & 96)				$ 0
3-10	Developer Advances				$ 0
	Other (specify in line 3-11)				
3-11	Service & Capital Obilgations	$ 14,651,923	$ 870,490		$ 15,522,413
3-12	**TOTAL** (Add lines 3-6 through 3-11)	$ 14,651,923	$ 870,490	$ 0	$ 15,522,413

*Must agree to prior year-end balance
**Subscription-Based Information Technology Arrangements

Comments (optional)

3-13	Does the entity have any authorized but unissued debt as of its fiscal year-end?	◉ Yes	○ No
3-14	If yes, how much?	$ 2,280,000,000	
3-15	Date the debt was authorized	11/05/2020	
3-16	Is the authorized but unissued debt further limited by the entity's most recent Service Plan?	◉ Yes	○ No
3-17	If yes, how much?	$ 75,000,000	
3-18	Date of the most recent Service Plan	10/11/2019	
3-19	Does the entity intend to issue debt within the next calendar year?	○ Yes	◉ No
3-20	If yes, how much?		
3-21	Does the entity have debt that has been refinanced that it is still responsible for?	○ Yes	◉ No
3-22	If yes, what is the amount outstanding?		
3-23	Does the entity have any lease agreements?	○ Yes	◉ No
3-24	If yes, what is being leased?		
3-25	What is the original date of the lease?		
3-26	Number of years of lease?		
3-27	Is the lease subject to annual appropriation?	○ Yes	○ No
3-28	What are the annual lease payments?		

Please use the space below to provide any additional information (optional):

Part 4: Cash and Investments

Please provide the entity's cash deposit and investment balances.

Line	Description	Amount
4-1	Year-end Total of all Checking and Savings Accounts	
4-2	Certificates of deposit	
4-3	**TOTAL CASH DEPOSITS** (Add lines 4-1 and 4-2)	$ 0
	Investments (specify in lines 4-4 through 4-8. If investment is a mutual fund, please list underlying investment.)	
4-4	Colotrust	$ 1,965
4-5		
4-6		
4-7		
4-8		
4-9	**Total Investments** (Add lines 4-4 through 4-8)	$ 1,965
4-10	**TOTAL CASH AND INVESTMENTS** (Add lines 4-3 and 4-9)	$ 1,965

Line	Question	N/A	Yes	No
4-11	Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	○ N/A	◉ Yes	○ No
4-12	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?		◉ Yes	○ No
4-13	If no, MUST explain below.			

Please use the space below to provide any additional information (optional).

Part 5: Capital and Right-to-Use Assets

5-1	Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)	○ Yes	◉ No
5-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.?	◉ Yes	○ No
5-3	If no, MUST explain below.		

Capital and Right-to-Use Assets Table

Line	Asset Type	Beginning of the Year Balance*	Additions**	Deletions	Year-End Balance
5-4	Land				$ 0
5-5	Buildings				$ 0
5-6	Machinery and Equipment				$ 0
5-7	Furniture and Fixtures				$ 0
5-8	Infrastructure				$ 0
5-9	Construction In Progress (CIP)				$ 0
5-10	Leased & SBITA Right-to-Use Assets				$ 0
	Other (explain in line 5-11)				
5-11					$ 0
5-12	Accumulated Depreciation/ Amortization (Enter a negative or credit balance)				$ 0
5-13	**TOTAL** (Add lines 5-4 through 5-12)	$ 0	$ 0	$ 0	$ 0

*Must agree to prior year-end balance
**Generally capital asset additions should be reported as capital outlay on line 2-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy in the comments section below.

Please use the space below to provide any additional information (optional).

Part 6: Pension Information

6-1	Does the entity have an “old hire” firefighters’ pension plan?	○ Yes	◉ No
6-2	Does the entity have a volunteer firefighters’ pension plan?	○ Yes	◉ No
6-3	If yes, who administers the plan?		
	Indicate the contributions from the following in lines 6-4 through 6-6.		
6-4	Tax (property, specific ownership, sales, etc.)		
6-5	State contribution amount		
6-6	Other (gifts, donations, etc.)		
6-7	**TOTAL** (Add lines 6-4 through 6-6)	$ 0	
6-8	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?		

Please use the space below to provide any additional information (optional).

Part 7: Budget Information

7-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?	○ N/A	◉ Yes	○ No
7-2	If no, MUST explain below.			
7-3	Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.?	○ N/A	◉ Yes	○ No
7-4	If no, MUST explain below.			
	If yes, indicate the amount appropriated for each fund separately for the year reported in the table below.			

Appropriation Amount by Fund Table

Enter the fund name, then indicate the final amount appropriated for each fund for the year reported.
Ensure each individual fund's final appropriated amount agrees to the adopted budget. Do not combine funds.

Line	Governmental/Proprietary Fund Name	Total
7-5	General Fund	$ 34,209
7-6	Debt Service	$ 60,288
7-7		
7-8		
7-9		

Please use the space below to provide any additional information (optional).

Part 8: Taxpayer's Bill of Rights (TABOR)

8-1	Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?	◉ Yes	○ No
8-2	If no, MUST explain below.		

Note: An election to exempt the entity from the spending limitations of TABOR does not exempt the entity from the 3 percent emergency reserve requirement. All entities should determine if they meet this requirement of TABOR.

Please use the space below to provide any additional information (optional).

Part 9: General Information

9-1	Is this application for a newly formed governmental entity?		○ Yes	◉ No
9-2	If yes, what was the date of formation			
9-3	Has the entity changed its name in the past or current year?		○ Yes	◉ No
9-4	If yes, please list the NEW name below.			
9-5	If yes, please list the PRIOR name below.			
9-6	Is the entity a metropolitan district?		◉ Yes	○ No
9-7	Please indicate what services the entity provides below.			
	Operation & Construction of Public Improvements as defined in the Service Plan			
9-8	Does the entity have an agreement with another government to provide services?		◉ Yes	○ No
9-9	If yes, list the name of the other governmental entity and the services provided below.			
	District 1- Operations, District 2- Capital Pledge, and City of Aurora- Regional Improvements			
9-10	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.)		○ Yes	◉ No
9-11	If yes, what was the date filed			
9-12	Does the entity have a certified mill levy?		◉ Yes	○ No
	If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14. (Do not report $ amounts.)			
9-13	Bond redemption mills		51.971	
9-14	General/other mills		29.807	
9-15	**TOTAL MILLS** (Add lines 9-13 through 9-14)		81.778	
9-16	If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?	○ N/A	◉ Yes	○ No
9-17	If no, please explain below.			

Please use the space below to provide any additional information (optional).

Part 10: Governing Body Approval

10-1	If you plan to submit this form electronically, have you read the Electronic Signature Policy?	◉ Yes	○ No

Office of the State Auditor — Local Government Division
Exemption Form Electronic Signature Policy and Procedure

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as Docusign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards must note their approval and submit the application using one of the following two methods:

1) Submit the application in hard copy via U.S. Mail, including original signatures.
2) Submit the application electronically via email and either:
   a. include a copy of an adopted resolution that documents formal approval by the board; or
   b. include electronic signatures obtained through a software program such as Docusign or Echosign, in accordance with the requirements noted above.

Governing Body Signatures

Print or type the names of all members of current governing body below.
A majority of the members of the governing body must sign below.

Board Member 1		
Board member's name	Geoffrey Babbitt	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature Geoffrey Babbitt Geoffrey Babbitt (Feb 4, 2026 08:54:44 MST)	Date Feb 4, 2026
Board Member 2		
Board member's name	Steven Nichols	
My term expires on	May 2029	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature Steven Nichols	Date Feb 4, 2026
Board Member 3		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 4		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 5		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 6		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 7		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date

Application for Exemption From Audit
Short Form

Instructions

If either revenues or expenditures exceed $200,000, use the Long Form

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed $1,000,000 in the year.

Exemptions from audit are **NOT** automatic

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit **each year** and submit it to the Office of the State Auditor (OSA). Approval for an exemption from audit is granted only upon the review by the OSA.

Any preparer of an Application for Exemption from Audit — Short Form must be a person skilled in governmental accounting.

Read **ALL** instructions before completing and submitting this form

All applications must be filed with the OSA **within 3 months** after the accounting year-end.

For example, applications must be received by the OSA on or before March 31 for governments with a December 31 year-end. Applications for exemption from audit are not eligible for an extension of time.

Governmental activity should be reported on the modified accrual basis. Proprietary activity should be reported on a cash or budgetary basis.

Important!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the **Modified Accrual Basis.**

Proprietary Activity should be reported on a **Budgetary Basis**.

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year. In that event, an audit shall be required.

Postmark dates will not be accepted as proof of submission on or before the statutory deadline

Prior year forms are obsolete and will not be accepted.

Applications must be fully and accurately completed. Applications submitted on forms other than those prescribed by the OSA will not be accepted.

For your reference, the Colorado Revised Statutes are available through the LexisNexis Colorado portal.

Checklist

- ☑ Has the preparer signed the application prior to board approval?
- ☑ Has the entity corrected all prior year deficiencies as communicated by the OSA?
- ☑ Has the application been **personally** reviewed and approved by the governing body?
- ☑ Are all sections on the form complete, including responses to all of the questions?
- ☑ Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?

Will this application be submitted electronically? ◉ Yes ○ No

- ☑ If yes, have you read and understood the Electronic Signature Policy? See policy in Part 10.

-- or --

☐ If yes, have you included a resolution?

☐ Does the resolution state that the governing body **personally** reviewed and approved the resolution in an open public meeting?

☐ Has the resolution been signed by a **majority** of the governing body? See sample resolution at the end of this form.

Will this application be submitted via a mail service (e.g., U.S. Post Office, FedEx, UPS, courier)? ○ Yes ◉ No

☐ If yes, does the application include **original ink signatures** from the **majority** of the governing body?

Filing Methods

Web Portal (recommended)

apps.leg.co.gov/osa/lg

For faster processing, the web portal should be used for submissions.

Mail

Office of the State Auditor

Local Government Audit Division
1375 Sherman St., 5th Floor
Denver, CO 80261-3000

Questions? **Email:** osa.lg@coleg.gov **Phone:** 303-869-3000

Contact Information

For the year ended 12/31/2025 or the fiscal year ended 12/31/2025.

Name of government	Buckley Metropolitan District No. 4
Street address	245 Century Circle, Unit 103
City, State, Zip	Louisville, CO 80027
Contact person	Jon Erickson
Phone	970-926-6060
Email	Jon@mwcpaa.com

Certification of Preparer

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge. The preparer must sign prior to board approval.

Name	Jon Erickson
Title	District Accountant
Firm name (if applicable)	Marchetti & Weaver, LLC
Address	28 2nd St., Unit 213, Edwards, CO 81632
Phone	970-926-6060
Preparer signature	Date prepared
	1/31/26

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types.

☑ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

Part 1: Revenues

Part 1A: Revenues Table

All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
1-1	Taxes: Property (report mills levied in line 9-12)	$ 21,267
1-2	Specific ownership	$ 1,156
1-3	Sales and use	
	Other (specify in line 1-4):	
1-4	Interest Income	$ 245
1-5	Licenses and permits	
1-6	Intergovernmental: Grants	
1-7	Conservation Trust Funds (Lottery)	
1-8	Highway Users Tax Funds (HUTF)	
	Other (specify in line 1-9):	
1-9		
1-10	Charges for services	
1-11	Fines and forfeits	
1-12	Special assessments	
1-13	Investment income	
1-14	Charges for utility services	
1-15	Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-16	Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-17	Developer Advances received (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-18	Proceeds from sale of capital assets	
1-19	Fire and police pension	
1-20	Donations	
	Other (specify in lines 1-21 through 1-24)	
1-21		
1-22		
1-23		
1-24		
1-25	**TOTAL REVENUES** (add lines 1-1 through 1-24)	$ 22,668

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN $200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 1B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 2: Expenditures/Expenses

Part 2A: Expenditures/Expenses Table

All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
2-1	Administrative	$ 320
2-2	Salaries	
2-3	Payroll taxes	
2-4	Contract services	
2-5	Employee benefits	
2-6	Insurance	
2-7	Accounting and legal fees	
2-8	Repair and maintenance	
2-9	Supplies	
2-10	Utilities and telephone	
2-11	Fire/Police	
2-12	Streets and highways	
2-13	Public health	
2-14	Capital outlay	
2-15	Utility operations	
2-16	Culture and recreation	
2-17	Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')	
2-18	Debt service interest	
2-19	Repayment of Developer Advances Principal (should agree to Part 3, Debt Schedule Table, column 'Retired during year')	
2-20	Repayment of Developer Advances Interest	
2-21	Contribution to pension plan	
2-22	Contribution to Fire & Police Pension Association	
2-23	Other (specify in lines 2-24 through 2-27)	
2-24	Aurora Regional Improvements	$ 436
2-25	Transfer to Coordinating District - MD No. 1	$ 5,616
2-26	Transfer to Debt Service Disttrict - MD No. 2	$ 16,296
2-27		
2-28	**TOTAL EXPENDITURES/EXPENSES** (Add lines 2-1 through 2-27)	$ 22,668

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN $200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 2B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 3: Debt Outstanding, Issued, and Retired

3-1	Does the entity have outstanding debt?		◉ Yes	○ No
3-2	If no, skip to line 3-13. If yes, please attach a copy of the entity's debt repayment schedule.			
3-3	Is the debt repayment schedule attached?	○ N/A	○ Yes	◉ No
	If no, MUST explain below.			
	Payments Subject to Available Cashflow			
3-4	Is the entity current in its debt service payments?		◉ Yes	○ No
	If no, MUST explain below.			
3-5	If no, also indicate if the government is in default with its bond agreements.		○ Yes	○ No

Debt Schedule Table

Please complete the following debt schedule, if applicable.
Please only include principal amounts. Enter all amounts as positive numbers.

Line	Debt Type	Oustanding at End of Prior Year*	Issued During Year	Retired During Year	Outstanding at Year-End
3-6	General Obligation Bonds				$ 0
3-7	Revenue Bonds				$ 0
3-8	Notes/Loans				$ 0
3-9	Lease & SBITA** Liabilities (GASB 87 & 96)				$ 0
3-10	Developer Advances				$ 0
	Other (specify in line 3-11)				
3-11	Service & Capital Obligations	$ 12,383,787	$ 739,627		$ 13,123,414
3-12	**TOTAL** (Add lines 3-6 through 3-11)	$ 12,383,787	$ 739,627	$ 0	$ 13,123,414

*Must agree to prior year-end balance
**Subscription-Based Information Technology Arrangements

Comments (optional)

3-13	Does the entity have any authorized but unissued debt as of its fiscal year-end?	◉ Yes	○ No
3-14	If yes, how much?	$ 2,800,000,000	
3-15	Date the debt was authorized	11/05/2020	
3-16	Is the authorized but unissued debt further limited by the entity's most recent Service Plan?	◉ Yes	○ No
3-17	If yes, how much?	$ 75,000,000	
3-18	Date of the most recent Service Plan	10/11/2019	
3-19	Does the entity intend to issue debt within the next calendar year?	○ Yes	◉ No
3-20	If yes, how much?		
3-21	Does the entity have debt that has been refinanced that it is still responsible for?	○ Yes	◉ No
3-22	If yes, what is the amount outstanding?		
3-23	Does the entity have any lease agreements?	○ Yes	◉ No
3-24	If yes, what is being leased?		
3-25	What is the original date of the lease?		
3-26	Number of years of lease?		
3-27	Is the lease subject to annual appropriation?	○ Yes	○ No
3-28	What are the annual lease payments?		

Please use the space below to provide any additional information (optional):

Part 4: Cash and Investments

Please provide the entity's cash deposit and investment balances.

Line	Description	Amount
4-1	Year-end Total of all Checking and Savings Accounts	
4-2	Certificates of deposit	
4-3	**TOTAL CASH DEPOSITS** (Add lines 4-1 and 4-2)	$ 0
	Investments (specify in lines 4-4 through 4-8. If investment is a mutual fund, please list underlying investment.)	
4-4	Colotrust	$ 871
4-5		
4-6		
4-7		
4-8		
4-9	**Total Investments** (Add lines 4-4 through 4-8)	$ 871
4-10	**TOTAL CASH AND INVESTMENTS** (Add lines 4-3 and 4-9)	$ 871

Line	Description			
4-11	Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	○ N/A	◉ Yes	○ No
4-12	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?		◉ Yes	○ No
4-13	If no, MUST explain below.			

Please use the space below to provide any additional information (optional).

Part 5: Capital and Right-to-Use Assets

5-1	Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)	○ Yes	◉ No
5-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.?	◉ Yes	○ No
5-3	If no, MUST explain below.		
	No Capital Assets for 2025		

Capital and Right-to-Use Assets Table

Line	Asset Type	Beginning of the Year Balance*	Additions**	Deletions	Year-End Balance
5-4	Land				$ 0
5-5	Buildings				$ 0
5-6	Machinery and Equipment				$ 0
5-7	Furniture and Fixtures				$ 0
5-8	Infrastructure				$ 0
5-9	Construction In Progress (CIP)				$ 0
5-10	Leased & SBITA Right-to-Use Assets				$ 0
	Other (explain in line 5-11)				
5-11					$ 0
5-12	Accumulated Depreciation/ Amortization (Enter a negative or credit balance)				$ 0
5-13	**TOTAL** (Add lines 5-4 through 5-12)	$ 0	$ 0	$ 0	$ 0

*Must agree to prior year-end balance

**Generally capital asset additions should be reported as capital outlay on line 2-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy in the comments section below.

Please use the space below to provide any additional information (optional).

Part 6: Pension Information

6-1	Does the entity have an “old hire” firefighters’ pension plan?	○ Yes	◉ No
6-2	Does the entity have a volunteer firefighters’ pension plan?	○ Yes	◉ No
6-3	If yes, who administers the plan?		
	Indicate the contributions from the following in lines 6-4 through 6-6.		
6-4	Tax (property, specific ownership, sales, etc.)		
6-5	State contribution amount		
6-6	Other (gifts, donations, etc.)		
6-7	**TOTAL** (Add lines 6-4 through 6-6)	$ 0	
6-8	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?		

Please use the space below to provide any additional information (optional).

Part 7: Budget Information

7-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?	○ N/A	◉ Yes	○ No
7-2	If no, MUST explain below.			
7-3	Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.?	○ N/A	◉ Yes	○ No
7-4	If no, MUST explain below.			
	If yes, indicate the amount appropriated for each fund separately for the year reported in the table below.			

Appropriation Amount by Fund Table

Enter the fund name, then indicate the final amount appropriated for each fund for the year reported.
Ensure each individual fund's final appropriated amount agrees to the adopted budget. Do not combine funds.

Line	Governmental/Proprietary Fund Name	Total
7-5	General Fund	$ 7,490
7-6	Debt Service Fund	$ 17,627
7-7		
7-8		
7-9		

Please use the space below to provide any additional information (optional).

Part 8: Taxpayer's Bill of Rights (TABOR)

8-1	Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?	● Yes	○ No
8-2	If no, MUST explain below.		

Note: An election to exempt the entity from the spending limitations of TABOR does not exempt the entity from the 3 percent emergency reserve requirement. All entities should determine if they meet this requirement of TABOR.

Please use the space below to provide any additional information (optional).

Part 9: General Information

9-1	Is this application for a newly formed governmental entity?		○ Yes	◉ No
9-2	If yes, what was the date of formation			
9-3	Has the entity changed its name in the past or current year?		○ Yes	◉ No
9-4	If yes, please list the NEW name below.			
9-5	If yes, please list the PRIOR name below.			
9-6	Is the entity a metropolitan district?		◉ Yes	○ No
9-7	Please indicate what services the entity provides below.			
	Operation & Construction of Public Improvements as defined in the Service Plan			
9-8	Does the entity have an agreement with another government to provide services?		◉ Yes	○ No
9-9	If yes, list the name of the other governmental entity and the services provided below.			
	District 1- Operations, District 2- Capital Pledge, and City of Aurora- Regional Improvements			
9-10	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.)		○ Yes	◉ No
9-11	If yes, what was the date filed			
9-12	Does the entity have a certified mill levy?		◉ Yes	○ No
	If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14. (Do not report $ amounts.)			
9-13	Bond redemption mills		36.380	
9-14	General/other mills		13.512	
9-15	**TOTAL MILLS** (Add lines 9-13 through 9-14)		49.892	
9-16	If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?	○ N/A	◉ Yes	○ No
9-17	If no, please explain below.			

Please use the space below to provide any additional information (optional).

Part 10: Governing Body Approval

10-1	If you plan to submit this form electronically, have you read the Electronic Signature Policy?	◉ Yes	○ No

Office of the State Auditor — Local Government Division
Exemption Form Electronic Signature Policy and Procedure

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as Docusign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards must note their approval and submit the application using one of the following two methods:

1) Submit the application in hard copy via U.S. Mail, including original signatures.
2) Submit the application electronically via email and either:
    a. include a copy of an adopted resolution that documents formal approval by the board; or
    b. include electronic signatures obtained through a software program such as Docusign or Echosign, in accordance with the requirements noted above.

Governing Body Signatures

Print or type the names of all members of current governing body below.
A majority of the members of the governing body must sign below.

Board Member 1		
Board member's name	Geoffrey Babbitt	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	Geoffrey Babbitt Geoffrey Babbitt (Feb 2, 2026 09:40:41 MST)	
Board Member 2		
Board member's name	Steven Nichols	
My term expires on	May 2029	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	Steven Nichols	
Board Member 3		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 4		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 5		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 6		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 7		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date