

**AURORA CENTRETECH  
METROPOLITAN DISTRICT  
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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### **Independent Auditor's Report**

Board of Directors  
Aurora CentreTech Metropolitan District  
Arapahoe County, Colorado

#### **Report for the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of Aurora CentreTech Metropolitan District (District) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

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 Aurora CentreTech Metropolitan District, as of December 31, 2018, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other-Matters

### *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages III through VII be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### *Other Information*

The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
June 21, 2019

**AURORA CENTRETECH METROPOLITAN DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2018**

Our discussion and analysis of Aurora CentreTech Metropolitan District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the District's basic financial statements which begin on page 1.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains supplemental information in addition to the basic financial statements themselves.

**Government-wide financial statements:** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the District's assets and deferred outflows of resources, and liabilities and deferred outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and earned but unused vacation leave).

The government-wide financial statements detail functions of the District that are principally supported by tax revenues (governmental activities).

The government-wide financial statements can be found on pages 1 and 2 of this report.

**Fund financial statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District reports governmental funds.

**Governmental funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on

balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The governmental fund financial statements can be found on pages 3 through 5 of this report.

The District adopted an annual appropriated budget for the General Fund and Debt Service Fund. The budgetary comparison statement for the General Fund is located on page 6 of this report. The budgetary comparison statement for the Debt Service Fund is located on page 17 of this report.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 7-16 of this report.

**Supplemental and Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents supplemental information consisting of the schedule of revenues, expenditures and changes in fund balance – budget to actual – Debt Service Fund, and other information consisting of the schedule of five year summary of assessed valuation, mill levy and property taxes collected, the schedule of debt service requirements to maturity and the schedule of assessed and actual valuation of classes of property in the District, which can be found on pages 17-21, of this report.

#### NET POSITION

	December 31,	
	2018	2017
<b>ASSETS</b>		
Current assets	\$ 2,882,694	\$ 2,648,978
Capital assets, not being depreciated	421,638	385,819
Total assets	3,304,332	3,034,797
<b>LIABILITIES</b>		
Current liabilities	52,983	58,833
Long-term liabilities	11,425,000	12,405,000
Total liabilities	11,477,983	12,463,833
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property tax revenue	1,642,022	1,659,410
Total deferred inflows of resources	1,642,022	1,659,410
<b>NET POSITION</b>		
Investment in capital assets	421,638	385,819
Restricted	694,060	680,751
Unrestricted	(10,931,371)	(12,155,016)
Total net position	\$ (9,815,673)	\$ (11,088,446)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities plus deferred inflows of resources exceeded assets by \$9,815,673 at the close of the most recent fiscal year. This is a result of the District incurring debt to construct infrastructure that was conveyed to the City of Aurora (City) for ownership and maintenance.

From 2017 to 2018, the District's current assets increased \$233,716 or 8.9%. The increase is primarily attributable to an increase in cash and investments as the District had more revenue generated than expenses incurred in 2018. Total liabilities decreased \$985,850 primarily due to \$980,000 in bond principal payments made during 2018.

#### CHANGES IN NET POSITION

	Years Ended December 31,	
	2018	2017
<b>REVENUES</b>		
General revenues:		
Property taxes	\$ 1,590,276	\$ 1,366,433
Specific ownership taxes	120,590	118,249
Investment earnings	41,950	21,682
Miscellaneous income	-	476
Total revenues	1,752,816	1,506,840
<b>EXPENSES</b>		
General government	125,256	116,200
Interest and fiscal charges	354,787	380,076
Total operating and debt service	480,043	496,276
<b>CHANGE IN NET POSITION</b>	1,272,773	1,010,564
<b>NET POSITION - BEGINNING OF YEAR</b>	(11,088,446)	(12,099,010)
<b>NET POSITION - END OF YEAR</b>	\$ (9,815,673)	\$ (11,088,446)

The District's overall financial position, as measured by net position, increased \$1,272,773 during 2018. This positive change in net position during 2018 can be attributed to the pay down of principal on long-term obligations of \$980,000 and increased property taxes collected in 2018. Property tax revenue increased \$223,843 or 16.4% from 2017 to 2018 primarily due to increases in the assessed value of property within the District from \$34,374,585 to \$40,195,017 and an increase in the total mills levied by 1.111 mills. The District also had increases in investment earnings due to overall market improvements. There were no other significant changes in revenue from 2017 to 2018. Overall general government expenses increased slightly from 2017, increasing by \$9,056 or 7.8%. The increase was primarily due to landscape maintenance costs for debris cleanup and erosion control incurred in 2018. Debt service interest expense decreased from 2017 as principal on the debt continues to be paid down.

#### Financial Analysis of the District's Funds

As mentioned previously, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A discussion of the District's governmental funds follows.

**Governmental funds:** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is

useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balance of \$1,214,443. Of this fund balance, \$720,814 is restricted, meaning it is not available for new spending, because it has already been committed for emergencies under Taxpayers' Bill Of Rights (TABOR) and debt service, \$20,952 of the combined fund balances is assigned to subsequent years spending, \$5,541 is in nonspendable form being used for prepaid expenses and \$467,136 is unassigned.

### Fund Budgetary Highlights

**Budget Variances.** The budget to actual comparison details for the General Fund can be seen on page 6 of the financial statements. District operating revenues were over budget by \$24,236 which related to specific ownership taxes being budgeted conservatively and the upturn in the economy. Actual expenditures were under budget by \$299,572 due to a large contingency that was not used.

The budget to actual comparison details for the Debt Service Fund can be seen on page 17 of the financial statements. Actual revenues were \$33,441 less than budgeted primarily as a result of property tax revenue being less than anticipated by \$57,808 offset by investment income being more than anticipated by \$24,367 due to increases in investment rates during 2018. Actual expenditures were consistent with the final budget, resulting in a \$2,662 favorable variance.

### Capital Asset and Debt Administration

**Capital Assets.** In prior years, the District constructed various assets that were conveyed to the City for ownership. In 2018, the District incurred \$35,819 of costs related to the Laredo Street extension project which will be conveyed to the City for ownership after completion.

**Long-Term Obligations.** At the end of the current fiscal year, the District had total outstanding general obligation bonds of \$11,425,000. The analysis of changes in bonds payable is as follows:

#### LONG-TERM OBLIGATIONS

	<u>2017</u>	<u>Change</u>	<u>2018</u>
Total General Obligation Bonds	<u>\$ 12,405,000</u>	<u>\$ (980,000)</u>	<u>\$ 11,425,000</u>

The \$980,000 decrease in total debt represents scheduled payments made on the bonds. Additional information on the District's long-term obligations can be found in Note 5 of this report.

### Economic Factors and Next Year's Budgets and Rates

The District is not anticipating any significant changes in revenues or expenditures in 2019.

## **Request for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Aurora CentreTech Metropolitan District, 141 Union Blvd., Suite 150, Lakewood, CO 80228.

## **BASIC FINANCIAL STATEMENTS**

**AURORA CENTRETECH METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**GOVERNMENTAL ACTIVITIES**  
**December 31, 2018**

**ASSETS**

Cash and investments - unrestricted	\$ 516,226
Cash and investments - restricted	708,989
Cash with County Treasurer	9,916
Property taxes receivable	1,642,022
Prepaid expense	5,541
Capital assets, not being depreciated	421,638
Total assets	3,304,332

**LIABILITIES**

Accounts payable	26,229
Accrued interest payable	26,754
Bonds payable	
Due within one year	100,500
Due in more than one year	11,324,500
Total liabilities	11,477,983

**DEFERRED INFLOWS OF RESOURCES**

Property tax revenue	1,642,022
Total deferred inflows of resources	1,642,022

**NET POSITION**

Investment in capital assets	421,638
Restricted for emergencies	11,800
Restricted for debt service	682,260
Unrestricted	(10,931,371)
Total net position	\$ (9,815,673)

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
Year Ended December 31, 2018**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
General government	\$ 125,256	\$ -	\$ -	\$ -	\$ (125,256)
Interest and fiscal charges	354,787	-	-	-	(354,787)
	<u>\$ 480,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(480,043)</u>

General revenues:

Taxes:

Property taxes	1,590,276
Specific ownership taxes	120,590
Net investment income	41,950
Total general revenues	<u>1,752,816</u>
Change in net position	1,272,773
Net position - beginning	<u>(11,088,446)</u>
Net position - ending	<u>\$ (9,815,673)</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2018**

	<b>General</b>	<b>Debt Service</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and investments - unrestricted	\$ 516,226	\$ -	\$ 516,226
Cash and investments - restricted	-	708,989	708,989
Cash with County Treasurer	9,891	25	9,916
Property tax receivable	270,291	1,371,731	1,642,022
Prepaid expense	5,541	-	5,541
<b>TOTAL ASSETS</b>	<b>\$ 801,949</b>	<b>\$ 2,080,745</b>	<b>\$ 2,882,694</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 26,229	\$ -	\$ 26,229
Total liabilities	26,229	-	26,229
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenue	270,291	1,371,731	1,642,022
Total deferred inflows of resources	270,291	1,371,731	1,642,022
<b>FUND BALANCES</b>			
Nonspendable - prepaid items	5,541	-	5,541
Spendable:			
Restricted for:			
Emergencies	11,800	-	11,800
Debt service	-	709,014	709,014
Assigned for subsequent year's expenditures	20,952	-	20,952
Unassigned	467,136	-	467,136
Total fund balances	505,429	709,014	1,214,443
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 801,949</b>	<b>\$ 2,080,745</b>	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Some long-term assets used in governmental activities are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.

Capital assets	421,638
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Some liabilities, including bonds payable and other accrued payables, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.

General obligation bonds payable	(11,425,000)
Accrued interest payable	(26,754)
	(11,451,754)

Net position of governmental activities	\$ (9,815,673)
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These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
Year Ended December 31, 2018**

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Property tax	\$ 260,560	\$ 1,329,716	\$ 1,590,276
Specific ownership tax	120,590	-	120,590
Net investment income	9,583	32,367	41,950
Total revenues	<u>390,733</u>	<u>1,362,083</u>	<u>1,752,816</u>
<b>EXPENDITURES</b>			
Current			
Management fees	18,684	-	18,684
Accounting	12,590	-	12,590
Audit	6,139	-	6,139
Legal	6,697	-	6,697
Insurance	5,908	-	5,908
Utilities	13,034	-	13,034
Director's fees	200	-	200
Miscellaneous	3,103	-	3,103
County Treasurer's fees	3,917	19,987	23,904
Landscape maintenance	31,707	-	31,707
Irrigation repairs	3,290	-	3,290
Capital Outlay - Laredo Street extension	35,819	-	35,819
Debt service			
Paying agent fees and other fees	-	8,500	8,500
Bond principal	-	980,000	980,000
Bond interest	-	348,581	348,581
Total expenditures	<u>141,088</u>	<u>1,357,068</u>	<u>1,498,156</u>
<b>NET CHANGE IN FUND BALANCES</b>	249,645	5,015	254,660
<b>FUND BALANCES - BEGINNING OF YEAR</b>	255,784	703,999	959,783
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 505,429</u>	<u>\$ 709,014</u>	<u>\$ 1,214,443</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2018**

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	\$ 254,660
<p>Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. Instead the cost of the asset is allocated over its estimated useful life, and recorded as depreciation expense in each of those years.</p>	
Capital outlay	35,819
<p>The repayment of the principal of long-term debt consumes current financial resources of governmental funds. However, it has no effect on net position.</p>	
Bond principal payments	980,000
<p>Some 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.</p>	
Change in accrued interest payable	2,294
Change in net position - Governmental activities	\$ 1,272,773

These financial statements should be read only in connection with the accompanying notes to financial statements.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
Year Ended December 31, 2018**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Property tax	\$ 271,887	\$ 260,560	\$ (11,327)
Specific ownership taxes	90,510	120,590	30,080
Net investment income	4,100	9,583	5,483
Total Revenues	<u>366,497</u>	<u>390,733</u>	<u>24,236</u>
<b>EXPENDITURES</b>			
Management fees	13,600	18,684	(5,084)
Accounting	12,600	12,590	10
Audit	6,000	6,139	(139)
Legal	8,100	6,697	1,403
Insurance	8,800	5,908	2,892
Utilities	15,000	13,034	1,966
Director's fees	200	200	-
Election expense	2,000	-	2,000
Miscellaneous	1,515	3,103	(1,588)
County Treasurer's fees	4,070	3,917	153
Landscape maintenance	40,000	31,707	8,293
Irrigation repairs	4,500	3,290	1,210
Laredo Street extension	-	35,819	(35,819)
Contingency	306,480	-	306,480
Tree analysis	6,800	-	6,800
Emergency reserves	10,995	-	10,995
Total Expenditures	<u>440,660</u>	<u>141,088</u>	<u>299,572</u>
<b>NET CHANGE IN FUND BALANCE</b>	(74,163)	249,645	323,808
<b>FUND BALANCE - BEGINNING OF YEAR</b>	80,719	255,784	175,065
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 6,556</u>	<u>\$ 505,429</u>	<u>\$ 498,873</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

Aurora CentreTech Metropolitan District (District), a quasi-municipal corporation, is governed pursuant to the provisions of the Colorado Special District Act. The District's service area is located in Arapahoe County, Colorado. The District was established to provide financing for the acquisition, construction, installation and/or operation of street improvements, water, sanitation, safety protection, park and recreation and transportation services. All facilities constructed by the District have been conveyed to the City for perpetual maintenance except certain common-area, street-scape and median landscape areas and monument signs.

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

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.

**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 include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, 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 District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, being 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.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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

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 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 general obligation debt of the governmental funds.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**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 without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Pooled Cash and Investments**

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 funds' average equity balance in 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 to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

**Fund Balances – Governmental Funds**

The District's governmental fund balances may consist of five classifications based on the relative strength of the spending constraints:

Nonspendable fund balance—the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance—the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

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

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Unassigned fund balance—amounts that are available for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

**NOTE 3 - CASH AND INVESTMENTS**

Cash and investments as of December 31, 2018 are classified in the accompanying financial statements as follows:

Cash and investments - unrestricted	\$ 516,226
Cash and investments - restricted	708,989
	<u>\$ 1,225,215</u>

Cash and investments as of December 31, 2018 consist of the following:

Deposits with financial institutions	\$ 5,762
Investments	1,219,453
	<u>\$ 1,225,215</u>

**Cash Deposits**

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. 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, 2018, the District's cash deposits had a bank balance of \$20,392 and carrying balance of \$5,762.

**Investments**

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

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

The District follows Colorado State Statutes which 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 and the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Certain reverse repurchase agreements
- . Certain securities lending agreements
- . Certain corporate bonds
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

At December 31, 2018, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	\$ <u>1,219,453</u>

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), 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 COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. COLOTRUST is rated AAAM by Standard and Poor's. A designated custodial bank serves as custodian for COLOTRUST's portfolio pursuant to custodian agreements. The custodian acts as safekeeping agent for COLOTRUST's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by COLOTRUST. As of December 31, 2018, the District had \$1,219,453 invested in COLOTRUST held directly by the District. Information related to COLOTRUST, including the annual audited financial statements, can be found at the COLOTRUST website at [www.colotrust.com](http://www.colotrust.com).

**Investment Valuation**

Certain investments are measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

The District's investments are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in COLOTRUST at year end for which the investment valuations were determined as follows.

COLOTRUST determines the NAV of the shares of each portfolio as of the close of business of each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of COLOTRUST, are accrued daily. The NAV is calculated at fair value using various inputs in determine value in accordance with FASB guidance. It is the goal of the Trust to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by COLOTRUST and there can be no assurance that the NAV will not vary from \$1.00 per share.

**Restricted Cash and Investments**

At December 31, 2018, cash and investments in the amount of \$708,989 are restricted for debt service in accordance with the indenture of trust related to the Series 1998A, B and C General Obligation Refunding and Improvement Bonds. The District is required to maintain a minimum liquidity of \$700,000 in lieu of the reserve (see Note 5).

**NOTE 4 - CAPITAL ASSETS**

An analysis of the changes in property for the period ended December 31, 2018 follows:

	<u>Balance at December 31, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2018</u>
<b><u>Governmental Activities</u></b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 385,819	\$ 35,819	\$ -	\$ 421,638
Total capital assets, not being depreciated	<u>\$ 385,819</u>	<u>\$ 35,819</u>	<u>\$ -</u>	<u>\$ 421,638</u>

In prior years, the District constructed and transferred to the City a golf course, streets, sidewalks, lighting, and other improvements. The District retains a portion of the debt issued to acquire such assets (See Note 5). The District has completed the Laredo Street extension project which will be conveyed to the City upon completion and warranty period.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 5 – LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District’s long-term obligations for the year ended December 31, 2018:

	<u>Balance at December 31, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at December 31, 2018</u>	<u>Due Within One Year</u>
GO Bonds					
Fixed rate mode					
1998A	\$ 1,865,000	\$ -	\$ (145,000)	\$ 1,720,000	\$ 150,000
1998C	10,540,000	-	(835,000)	9,705,000	855,000
	<u>\$ 12,405,000</u>	<u>\$ -</u>	<u>\$ (980,000)</u>	<u>\$ 11,425,000</u>	<u>\$ 1,005,000</u>

The detail of the District’s long-term debt is as follows:

**General Obligation Refunding and Improvement Bonds, Series 1998A, 1998B and 1998C**

Series 1998A

\$3,585,000 General Obligation Refunding and Improvement Bonds, Series 1998A, (1998A Bonds), with final maturity on December 1, 2028. The 1998A Bonds were variable rate bonds. On March 27, 2008, the District remarketed the 1998A Bonds. The 1998A Bonds were remarketed in the Weekly Mode with an initial rate of 3.00%. Interest was paid monthly in arrears based on weekly interest rates. On December 1, 2012 the 1998A bonds were changed from the Weekly Variable Rate Mode to the Fixed Rate Mode of 2.81% and remarketed. Principal is due on December 1 in varying amounts. Interest is due each June 1 and December 1. The 1998A Bonds are subject to mandatory redemption beginning December 1, 2013 and in varying amounts each December 1, thereafter until December 1, 2028. The 1998A Bonds are subject to optional redemption, as a whole or in integral multiples of \$5,000 on any date, upon payment of par and accrued interest plus a redemption premium in varying rates.

Series 1998B

\$2,765,000 General Obligation Refunding Bonds, Series 1998B, (1998B Bonds), with final maturity on December 1, 2018. The 1998B Bonds were variable rate bonds. On March 27, 2008, the District remarketed the 1998B Bonds. The 1998B Bonds were remarketed in the Weekly Mode with an initial rate of 3.00%. Interest was paid monthly in arrears based on weekly interest rates. On December 1, 2012 the 1998B bonds were changed from the Weekly Variable Rate Mode to the Fixed Rate Mode of 2.81% and remarketed. Principal is due on December 1 in varying amounts. Interest is due each June 1 and December 1. The 1998B Bonds are subject to mandatory redemption beginning December 1, 2013 and in varying amounts each December 1, thereafter until December 1, 2018. The 1998B Bonds are subject to optional redemption, as a whole or in integral multiples of \$5,000 on any date, upon payment of par and accrued interest plus a redemption premium in varying rates.

Series 1998C

\$12,680,000 General Obligation Refunding Bonds, Series 1998C, (1998C Bonds), with final maturity on December 1, 2028. The 1998C Bonds are variable rate bonds. On March 27, 2008, the District remarketed the 1998C Bonds. The 1998C Bonds were remarketed in the Weekly

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)**

Mode with an initial rate of 3.00%. Interest was paid monthly in arrears based on weekly interest rates. On December 1, 2012 the 1998C bonds were changed from the Weekly Variable Rate Mode to the Fixed Rate Mode of 2.81% and remarketed. Principal is due on December 1 in varying amounts. Interest is due each June 1 and December 1. The 1998C Bonds are subject to mandatory redemption beginning December 1, 2013 and in varying amounts each December 1, thereafter until December 1, 2028. The 1998C Bonds are subject to optional redemption, as a whole or in integral multiples of \$5,000 on any date, upon payment of par and accrued interest plus a redemption premium in varying rates.

In the Weekly Variable Rate Mode, the Series 1998A, 1998B and 1998C Bonds were secured by irrevocable, direct pay letters of credit issued by U.S. Bank National Association on March 27, 2008, in the stated amount of \$18,276,952. The District was required to pay the bank a fee of 0.90% per annum of the stated amount of the letter of credit. The District was also required to establish and maintain a Debt Service Reserve in the amount of not less than \$722,020. With the change in mode, the letters of credit were no longer required, and, thus, the agreement was terminated. The Debt Service Reserve was also no longer required and was liquidated. The District is now required to maintain a minimum liquidity of \$700,000 in lieu of a debt service reserve (see Note 3).

The District's long-term obligations will mature as follows.

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2019	\$ 1,005,000	\$ 321,042	\$ 1,326,042
2020	1,035,000	292,802	1,327,802
2021	1,065,000	263,720	1,328,720
2022	1,090,000	233,792	1,323,792
2023	1,125,000	203,162	1,328,162
2024-2028	6,105,000	524,206	6,629,206
	<u>\$ 11,425,000</u>	<u>\$ 1,838,724</u>	<u>\$ 13,263,724</u>

**NOTE 6 – DEBT AUTHORIZATION**

As of December 31, 2018, the District has \$1,014,000 of authorized but unissued general obligation indebtedness to be used for authorized improvement purposes and \$2,181,000 of authorized but unissued general obligation indebtedness to be used for refunding purposes. In the future, the District intends to issue a portion or all of the remaining authorized, but unissued general obligation debt, for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of these financial statements, the amount and timing of any debt issuances is not determinable.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 7 – FUND EQUITY**

At December 31, 2018, the District reported the following classifications of fund equity.

**Nonspendable Fund Balance**

The nonspendable fund balance in the General Fund in the amount of \$5,541 is comprised of prepaid amounts which are not in spendable form.

**Restricted Fund Balance**

The restricted fund balance in the General Fund in the amount of \$11,800 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 11). The restricted fund balance in the Debt Service Fund in the amount of \$709,014 is to be used exclusively for debt service requirements (see Note 5).

**Assigned Fund Balance**

The assigned fund balance in the General Fund in the amount of \$20,952 is comprised of amounts assigned by the Board of Directors by a resolution to eliminate the projected budgetary deficit in the subsequent year's budget.

**NOTE 8 - NET POSITION**

The District's net position consists of three components – investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, developer advances, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2018, the District reported \$421,638 as its investment in capital assets as no debt was issued to pay for construction.

The restricted portion of net position includes amounts that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District's restricted net position at December 31, 2018 is as follows:

Restricted net position:	
Emergency reserves (see Note 11)	\$ 11,800
Debt Service	<u>682,260</u>
	<u><u>\$ 694,060</u></u>

The District's unrestricted net position at December 31, 2018 totaled \$(10,931,371). This deficit amount was a result of the District being responsible for repayment of bonds issued for public improvements conveyed to other governmental entities.

**AURORA CENTRETECH METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 9 – RELATED PARTIES**

The members of the Board of Directors of the District have ownership interests in Aurora CentreTech, LLC, a major property owner within the boundaries of the District, which owns approximately 27 acres of undeveloped land within the District.

**NOTE 10 - 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 Districts Property and Liability Pool (Pool) as of December 31, 2018. The Pool is an organization created by 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, public officials' liability and workers compensation 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 11 - 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 that apply to the State of Colorado and all local governments. Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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

On May 3, 1998, the District's electors authorized the District to increase taxes \$400,000 annually or by a lesser annual amount as may be necessary to pay the District's operations and maintenance and other expenses without limitation of rate. Further the District's electors authorized the District to collect, keep and expend all District revenues received in 1998 and each year thereafter, of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

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

This information is an integral part of the accompanying financial statements.

**SUPPLEMENTAL INFORMATION**

**AURORA CENTRETECH METROPOLITAN DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND  
Year Ended December 31, 2018**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Property taxes	\$ 1,387,523	\$ 1,329,716	\$ (57,807)
Net investment income	8,000	32,367	24,367
Total Revenues	<u>1,395,523</u>	<u>1,362,083</u>	<u>(33,440)</u>
<b>EXPENDITURES</b>			
Bond principal	980,000	980,000	-
Interest on 1998 bonds	348,580	348,581	(1)
Paying agent and other fees	10,500	8,500	2,000
County treasurer's fees	20,650	19,987	663
Total Expenditures	<u>1,359,730</u>	<u>1,357,068</u>	<u>2,662</u>
<b>NET CHANGE IN FUND BALANCE</b>	35,793	5,015	(30,778)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>704,499</u>	<u>703,999</u>	<u>(500)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 740,292</u></u>	<u><u>\$ 709,014</u></u>	<u><u>\$ (31,278)</u></u>

## **OTHER INFORMATION**

**AURORA CENTRETECH METROPOLITAN DISTRICT  
SUMMARY OF ASSESSED VALUATION , MILL LEVY  
AND PROPERTY TAXES COLLECTED  
Year Ended December 31, 2018**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied				Property Taxes		Percentage Collected to Levied
		General	Debt	Refunds/ Abatements	Total	Levied	Collected	
2009	\$ 33,657,230	1.190	36.000	0.000	37.190	\$ 1,251,712	\$ 1,241,100	99.2%
2010	\$ 34,781,630	1.190	36.000	0.000	37.190	\$ 1,293,529	\$ 1,141,059	88.2%
2011	\$ 37,158,490	1.190	36.000	0.000	37.190	\$ 1,381,925	\$ 1,353,447	97.9%
2012	\$ 34,502,650	1.190	41.000	0.000	42.190	\$ 1,455,667	\$ 1,426,068	98.0%
2013	\$ 33,840,710	1.190	41.000	0.000	42.190	\$ 1,427,739	\$ 1,386,806	97.1%
2014	\$ 33,519,750	1.000	41.000	0.000	42.000	\$ 1,407,920	\$ 1,358,678	96.5%
2015	\$ 32,004,910	1.000	38.000	0.000	39.000	\$ 1,248,192	\$ 1,254,618	100.5%
2016	\$ 34,507,598	1.000	38.000	0.000	39.000	\$ 1,345,797	\$ 1,342,262	99.7%
2017	\$ 34,374,585	2.000	38.000	0.173	40.173	\$ 1,380,930	\$ 1,366,433	99.0%
2018	\$ 40,195,017	6.750	34.250	0.284	41.284	\$ 1,659,410	\$ 1,590,276	95.8%
Estimated for year ending December 31, 2019	\$ 38,731,516	6.750	34.250	1.395	42.395	\$ 1,642,022		

**NOTE:** Property taxes collected in any one year may include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.

**AURORA CENTRETECH METROPOLITAN DISTRICT**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
December 31, 2018

Year Ending December 31,	<b>\$3,585,000 General Obligation Refunding and Improvement Bonds, Series 1998A Fixed Rate Mode at 2.810% Principal Due December 1</b>			<b>\$12,680,000 General Obligation Refunding Bonds, Series 1998C Fixed Rate Mode at 2.810% Principal Due December 1</b>		
	<b>Interest Due June 1 and December 1</b>			<b>Interest Due June 1 and December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2019	\$ 150,000	\$ 48,332	\$ 198,332	\$ 855,000	\$ 272,710	\$ 1,127,710
2020	155,000	44,116	199,116	880,000	248,686	1,128,686
2021	160,000	39,762	199,762	905,000	223,958	1,128,958
2022	165,000	35,266	200,266	925,000	198,526	1,123,526
2023	170,000	30,628	200,628	955,000	172,534	1,127,534
2024	170,000	25,852	195,852	985,000	145,698	1,130,698
2025	180,000	21,076	201,076	1,005,000	118,020	1,123,020
2026	185,000	16,016	201,016	1,035,000	89,780	1,124,780
2027	135,000	10,818	145,818	1,120,000	60,696	1,180,696
2028	250,000	7,026	257,026	1,040,000	29,224	1,069,224
	<u>\$ 1,720,000</u>	<u>\$ 278,892</u>	<u>\$ 1,998,892</u>	<u>\$ 9,705,000</u>	<u>\$ 1,559,832</u>	<u>\$ 11,264,832</u>

Year Ending December 31,	Total		
	Principal	Interest	Total
2019	\$ 1,005,000	\$ 321,042	\$ 1,326,042
2020	1,035,000	292,802	1,327,802
2021	1,065,000	263,720	1,328,720
2022	1,090,000	233,792	1,323,792
2023	1,125,000	203,162	1,328,162
2024	1,155,000	171,550	1,326,550
2025	1,185,000	139,096	1,324,096
2026	1,220,000	105,796	1,325,796
2027	1,255,000	71,514	1,326,514
2028	1,290,000	36,250	1,326,250
	<u>\$ 11,425,000</u>	<u>\$ 1,838,724</u>	<u>\$ 13,263,724</u>

**AURORA CENTRETECH METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED AND ACTUAL VALUATION  
OF CLASSES OF PROPERTY IN THE DISTRICT  
December 31, 2018**

<u>CLASS</u>	<u>ASSESSED VALUATION</u>	<u>PERCENT OF ASSESSED VALUATION</u>	<u>ACTUAL VALUATION</u>	<u>PERCENT OF ACTUAL VALUATION</u>
Commercial	\$ 34,838,791	89.95%	\$ 120,133,521	75.86%
Vacant	1,251,825	3.23%	4,316,638	2.73%
Residential	2,376,000	6.13%	33,000,000	20.84%
State Assessed	264,900	0.68%	913,448	0.58%
Total	<u>\$ 38,731,516</u>	<u>100.00%</u>	<u>\$ 158,363,607</u>	<u>100.01%</u>

Source: Arapahoe County Assessor's Office - Final 2018 values