

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

**FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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Independent Auditor's Report

Board of Directors
Aurora CentreTech Metropolitan District
Arapahoe County, Colorado

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2023, 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.

Basis for Opinions

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

Responsibility of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages IV through VIII 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.

Supplemental 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 supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate 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 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 supplemental information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information listed in the table of contents does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
July 29, 2024

**AURORA CENTRETECH METROPOLITAN DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2023**

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, 2023. 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).

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 schedule for the Debt Service Fund is located on page 18 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 7-17 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 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 18-21, of this report.

NET POSITION		December 31,	
	2023	2022	
ASSETS			
Current assets	\$ 2,938,189	\$ 3,730,274	
Capital assets, not being depreciated	3,757,868	1,008,792	
Total assets	<u>6,696,057</u>	<u>4,739,066</u>	
LIABILITIES			
Current liabilities	22,171	28,674	
Long-term liabilities	8,278,921	7,930,004	
Total liabilities	<u>8,301,092</u>	<u>7,958,678</u>	
DEFERRED INFLOWS OF RESOURCES			
Property tax revenue	1,928,762	1,707,508	
Total deferred inflows of resources	<u>1,928,762</u>	<u>1,707,508</u>	
NET POSITION			
Investment in capital assets	1,686,146	325,540	
Restricted	730,047	705,482	
Unrestricted	(5,949,990)	(5,958,142)	
Total net position	<u>\$ (3,533,797)</u>	<u>\$ (4,927,120)</u>	

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 \$3,533,797 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 2022 to 2023, the District's total assets increased \$1,956,991 or 41.3%. The increase is primarily attributable to an increase in capital assets due to the assets accepted from the developer in 2023. Total liabilities increased \$342,414 primarily due to \$1,125,000 in bond principal payments made during 2023 offset by a net increase in developer advances and accrued interest of \$1,473,917 during 2023.

CHANGES IN NET POSITION

	Years Ended December 31,	
	2023	2022
REVENUES		
General revenues:		
Property taxes	\$ 1,700,549	\$ 1,630,586
Specific ownership taxes	111,884	105,123
Investment earnings	103,171	45,962
Miscellaneous income	5,982	-
Total revenues	1,921,586	1,781,671
EXPENSES		
General government	169,311	168,358
Interest and fiscal charges	358,952	264,411
Total expenses	528,263	432,769
CHANGE IN NET POSITION	1,393,323	1,348,902
NET POSITION - BEGINNING OF YEAR	(4,927,120)	(6,276,022)
NET POSITION - END OF YEAR	\$ (3,533,797)	\$ (4,927,120)

The District's overall financial position, as measured by net position, increased \$1,393,323 during 2023. This positive change in net position during 2023 can be attributed to the pay down of principal on long-term obligations of \$1,125,000 and revenues exceeding expenses in 2023. The District's revenue remained consistent between 2022 and 2023 except for increases in investment earnings due to overall improvement in investment market conditions. Overall general government expenses increased 0.6%. Debt service interest expense decreased from 2023 as the District paid developer advances of principal and interest.

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 \$1,001,552. Of this fund balance, \$744,343 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, \$5,860 is in nonspendable form being used for prepaid expenses and \$251,349 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 the amended budget by \$17,457 which related to specific ownership taxes and net investment income coming in over budget. In addition, property taxes were budgeted higher than actuals due to the allocation of the rebate mill levy between the General Fund and Debt Service in the actual numbers but only allocated to General Fund in the budget. Actual expenditures were under the amended budget by \$101,533 due to landscape maintenance coming in under budget and a large contingency and emergency reserves which were not used.

Capital Asset and Debt Administration

Capital Assets. In prior years, the District constructed various assets that were conveyed to the City for ownership. As of December 31, 2023, the District accepted capital assets from the developer. These assets are not complete as of December 31, 2023 and are recorded as construction in progress. It is anticipated that upon completion a portion of the assets will be conveyed to the City of Aurora for ownership while the District will own/maintain the remaining portion of those assets. Additional information on the District's capital assets can be found in Note 4 of this report.

Long-Term Obligations. At the end of the current fiscal year, the District had total outstanding general obligation bonds of \$6,105,000 and developer advances and accrued interest of \$2,075,159 . The analysis of changes in long-term obligations is as follows:

LONG-TERM OBLIGATIONS

	<u>2022</u>	<u>Change</u>	<u>2023</u>
Total General Obligation Bonds	<u>\$ 7,230,000</u>	<u>\$ (1,125,000)</u>	<u>\$ 6,105,000</u>
Total Developer Advances and Interest	<u>\$ 700,004</u>	<u>\$ 1,473,917</u>	<u>\$ 2,173,921</u>

The \$1,125,000 decrease in total general obligations represents scheduled payments made on the bonds. The \$1,473,917 increase in developer advances represents costs of assets accepted and accrued interest on developer advances but not yet reimbursed. 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 has increased the mill levy for operations in anticipation of a large capital project. The District does not expect any other significant changes in revenues or expenditures for 2024.

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, 2023

ASSETS

Cash and investments - unrestricted	\$ 269,179
Cash and investments - restricted	727,143
Cash with County Treasurer	7,245
Property taxes receivable	1,928,762
Prepaid expense	5,860
Capital assets, not being depreciated	3,757,868
Total assets	6,696,057

LIABILITIES

Accounts payable	7,875
Accrued interest payable	14,296
Bonds payable	
Due within one year	1,155,000
Due in more than one year	7,123,921
Total liabilities	8,301,092

DEFERRED INFLOWS OF RESOURCES

Property tax revenue	1,928,762
Total deferred inflows of resources	1,928,762

NET POSITION

Net Investment in capital assets	1,686,146
Restricted for emergencies	17,200
Restricted for debt service	712,847
Unrestricted	(5,949,990)
Total net position	\$ (3,533,797)

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, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
General government	\$ 169,311	\$ -	\$ -	\$ -	\$ (169,311)
Interest and fiscal charges	358,952	-	-	-	(358,952)
	<u>\$ 528,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(528,263)</u>
General revenues:					
Taxes:					
					1,700,549
					111,884
					103,171
					5,982
					<u>1,921,586</u>
					1,393,323
					<u>(4,927,120)</u>
					<u>\$ (3,533,797)</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, 2023**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and investments - unrestricted	\$ 269,179	\$ -	\$ 269,179
Cash and investments - restricted	-	727,143	727,143
Cash with County Treasurer	7,245	-	7,245
Property tax receivable	484,813	1,443,949	1,928,762
Prepaid expense	5,860	-	5,860
TOTAL ASSETS	\$ 767,097	\$ 2,171,092	\$ 2,938,189
LIABILITIES			
Accounts payable	\$ 7,875	\$ -	\$ 7,875
Total liabilities	7,875	-	7,875
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	484,813	1,443,949	1,928,762
Total deferred inflows of resources	484,813	1,443,949	1,928,762
FUND BALANCES			
Nonspendable - prepaid items	5,860	-	5,860
Spendable:			
Restricted for:			
Emergencies	17,200	-	17,200
Debt service	-	727,143	727,143
Unassigned	251,349	-	251,349
Total fund balances	274,409	727,143	1,001,552
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 767,097	\$ 2,171,092	

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	3,757,868
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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	(6,105,000)
Accrued interest payable	(14,296)
Developer advances payable	(2,072,508)
Accrued interest payable on developer advances	(101,413)
	(8,293,217)

Net position of governmental activities	\$ (3,533,797)
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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, 2023**

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
REVENUES			
Property tax	\$ 427,449	\$ 1,273,100	\$ 1,700,549
Specific ownership tax	111,884	-	111,884
Net investment income	32,025	71,146	103,171
Other income	481	5,501	5,982
Total revenues	<u>571,839</u>	<u>1,349,747</u>	<u>1,921,586</u>
EXPENDITURES			
Current			
Management fees	14,897	-	14,897
Accounting	18,234	-	18,234
Audit	6,000	-	6,000
Legal	26,696	-	26,696
Insurance	6,631	-	6,631
Utilities	13,664	-	13,664
Election expense	1,059	-	1,059
Miscellaneous	1,121	-	1,121
County Treasurer's fees	6,796	18,753	25,549
Landscape maintenance	29,414	-	29,414
Irrigation repairs	17,491	-	17,491
Locates	8,555	-	8,555
Capital Outlay	2,749,076	-	2,749,076
Debt service			
Developer advance principal	1,357,071	-	1,357,071
Developer advance interest	66,762	-	66,762
Paying agent fees and other fees	-	7,000	7,000
Bond principal	-	1,125,000	1,125,000
Bond interest	-	203,163	203,163
Total expenditures	<u>4,323,467</u>	<u>1,353,916</u>	<u>5,677,383</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,751,628)</u>	<u>(4,169)</u>	<u>(3,755,797)</u>
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	(25,000)	-	(25,000)
Transfer from other funds	-	25,000	25,000
Developer advances	2,746,327	-	2,746,327
Total other financing sources (uses)	<u>2,721,327</u>	<u>25,000</u>	<u>2,746,327</u>
NET CHANGE IN FUND BALANCES	(1,030,301)	20,831	(1,009,470)
FUND BALANCES - BEGINNING OF YEAR	1,304,710	706,312	2,011,022
FUND BALANCES - END OF YEAR	<u>\$ 274,409</u>	<u>\$ 727,143</u>	<u>\$ 1,001,552</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, 2023**

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	\$ (1,009,470)
<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	<u>2,749,076</u>
<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	1,125,000
Developer advance principal payments	<u>1,357,071</u>
	<u>2,482,071</u>
<p>The issuance of long-term debt provides for current financial resources of governmental funds. However, it has no effect on net position.</p>	
Developer advances	<u>(2,746,327)</u>
<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 - Bonds and Advances	<u>(82,027)</u>
Change in net position - Governmental activities	<u><u>\$ 1,393,323</u></u>

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, 2023**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget -
REVENUES				
Property tax	\$ 453,382	\$ 453,382	\$ 427,449	\$ (25,933)
Specific ownership taxes	90,000	90,000	111,884	21,884
Net investment income	11,000	11,000	32,025	21,025
Other income	-	-	481	481
Total Revenues	<u>554,382</u>	<u>554,382</u>	<u>571,839</u>	<u>17,457</u>
EXPENDITURES				
Management fees	21,600	21,600	14,897	6,703
Accounting	13,600	13,600	18,234	(4,634)
Audit	7,200	7,200	6,000	1,200
Legal	25,300	25,300	26,696	(1,396)
Insurance	7,000	7,000	6,631	369
Utilities	18,000	18,000	13,664	4,336
Election expense	1,200	1,200	1,059	141
Miscellaneous	1,500	1,500	1,121	379
County Treasurer's fees	6,801	6,801	6,796	5
Landscape maintenance	85,000	85,000	29,414	55,586
Irrigation repairs	4,500	4,500	17,491	(12,991)
Locates	-	-	8,555	(8,555)
Capital outlay	200,000	2,750,000	2,749,076	924
Contingency	40,000	40,000	-	40,000
Developer advance principal	-	1,360,000	1,357,071	2,929
Developer advance interest	-	66,668	66,762	(94)
Emergency reserves	16,631	16,631	-	16,631
Total Expenditures	<u>448,332</u>	<u>4,425,000</u>	<u>4,323,467</u>	<u>101,533</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>106,050</u>	<u>(3,870,618)</u>	<u>(3,751,628)</u>	<u>118,990</u>
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	(130,000)	(25,000)	(25,000)	-
Developer advances	-	2,750,000	2,746,327	(3,673)
Total other financing sources (uses)	<u>(130,000)</u>	<u>2,725,000</u>	<u>2,721,327</u>	<u>(3,673)</u>
NET CHANGE IN FUND BALANCE	(23,950)	(1,145,618)	(1,030,301)	115,317
FUND BALANCE - BEGINNING OF YEAR	117,560	1,304,710	1,304,710	-
FUND BALANCE - END OF YEAR	<u>\$ 93,610</u>	<u>\$ 159,092</u>	<u>\$ 274,409</u>	<u>\$ 115,317</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, 2023**

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 of Aurora 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.

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NOTES TO FINANCIAL STATEMENTS
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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. The District approved supplemental appropriations for the General Fund.

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

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
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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.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until that time. The District has no items that qualify for reporting in this category.

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

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

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NOTES TO FINANCIAL STATEMENTS
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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.

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, 2023 are classified in the accompanying financial statements as follows:

Cash and investments - unrestricted	\$ 269,179
Cash and investments - restricted	727,143
	\$ 996,322

Cash and investments as of December 31, 2023 consist of the following:

Deposits with financial institutions	\$ 80,646
Investments	915,676
	\$ 996,322

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, 2023, the District's cash deposits had a bank balance of \$80,811 and carrying balance of \$80,646.

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Investments

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

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, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST Plus+)	Weighted average under 60 days	\$ <u>915,676</u>

COLOTRUST

As of December 31, 2023, the District has invested in the Colorado Local Government Liquid Asset Trust (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 operates similarly to a money market fund. The Trust offers shares in three portfolios, COLOTRUST Prime (Prime), COLOTRUST Plus+ (Plus+) and COLOTRUST Edge (Edge). All portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST Plus+ and COLOTRUST Edge may also invest in the highest rated commercial paper. The Prime and Plus+ portfolios are restricted to a weighted average maturity (WAM) of 60 days or less while the Edge portfolio incorporates longer-dated securities with a WAM of 60 days or more. Both Prime and Plus+ portfolios are rated AAAM by Standard and Poor's and the EDGE portfolio is rated AAAs/S1 by Fitch Ratings. Information related to COLOTRUST, including the annual audited financial statements, can be found at the COLOTRUST website at 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

**AURORA CENTRETECH METROPOLITAN DISTRICT
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DECEMBER 31, 2023**

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.

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 records its investments at fair value and the District records its investments in COLOTRUST at net asset value as determined by fair value. Each share of Prime and Plus is equal in value to \$1.00 and the redemption frequency is daily with no redemption notice period. Edge's net asset value is managed to approximate a \$10.00 transactional share price and the redemption frequency is five business days. The principal value of an Edge investment may fluctuate and could be greater or less than \$10.00 per share at time of purchase, prior to redemption, and at the time of redemption. There are no unfunded commitments.

Restricted Cash and Investments

At December 31, 2023, cash and investments in the amount of \$727,143 are restricted for debt service in accordance with the indenture of trust related to the Series 1998A and C General Obligation Refunding and Improvement Bonds. The District is required to maintain a minimum liquidity of \$700,000 in lieu of a reserve (see Note 5).

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2023 follows:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ 1,008,792	\$ 2,749,076	\$ -	\$ 3,757,868
Total capital assets, not being depreciated	<u>\$ 1,008,792</u>	<u>\$ 2,749,076</u>	<u>\$ -</u>	<u>\$ 3,757,868</u>

It is anticipated that upon completion of a portion of the assets will be conveyed to the City for ownership while the District will own/maintain the remaining portion of those assets.

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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, 2023:

	<u>Balance at December 31, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at December 31, 2023</u>	<u>Due Within One Year</u>
<u>General Obligation Bonds:</u>					
Fixed rate mode					
1998A	\$ 1,090,000	\$ -	\$ (170,000)	\$ 920,000	\$ 170,000
1998C	6,140,000	-	(955,000)	5,185,000	985,000
	<u>7,230,000</u>	<u>-</u>	<u>(1,125,000)</u>	<u>6,105,000</u>	<u>1,155,000</u>
<u>Direct Borrowings:</u>					
Developer Advances	683,252	2,746,327	(1,357,071)	2,072,508	-
Accrued Interest on Developer Advances	16,752	151,423	(66,762)	101,413	-
	<u>700,004</u>	<u>2,897,750</u>	<u>(1,423,833)</u>	<u>2,173,921</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 7,930,004</u>	<u>\$ 2,897,750</u>	<u>\$ (2,548,833)</u>	<u>\$ 8,278,921</u>	<u>\$ 1,155,000</u>

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

General Obligation Refunding and Improvement Bonds, Series 1998A 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 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 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

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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 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). As of December 31, 2023, the District is in compliance with this requirement.

Evergreen Devco, Inc

On January 11, 2021, the District and Evergreen Devco, Inc. (Evergreen) entered into a letter of intent regarding Evergreen's construction of, the District's acquisition of, and the District's reimbursement to Evergreen for Phase I Improvements (as defined in the letter) within the District (Letter of Intent). Under the Letter of Intent, the District has agreed to reimburse Evergreen an estimated amount of \$2,427,092 with current funds from its General Fund as well as future tax revenues from the General Fund after covering administrative costs and standard operating costs on an annual basis.

Project Funding, Acquisition and Reimbursement Agreement

On December 13, 2021, the District and Evergreen-Airport & Alameda, LLC (Developer) entered into a Project Funding, Acquisition and Reimbursement Agreement (Agreement). The Agreement acknowledges the Letter of Intent discussed above. The District agrees to reimburse the Developer for verified Phase I Improvement costs upon completion. As of the date of the Agreement, the Phase I Improvement costs are estimated to be \$3,702,192. Subject to the availability of funds in the District's General Fund, the District agrees to reimburse the Developer for Construction Related Expenses expended hereunder, together with interest thereon. Simple interest shall accrue on Construction Related Expenses at 7% per annum until reimbursed by the District. As of December 31, 2023, \$3,751,258 of construction-related costs were accepted by the District and reflected as developer advances. During 2023, the District repaid advances of \$1,357,071 of principal and \$66,762 of accrued interest under this agreement. At December 31, 2023, outstanding obligations were \$2,173,921 representing \$2,072,508 of principal and \$101,413 of accrued interest.

Exclusion Agreement

On April 28, 2022, the District entered into an Exclusion Agreement with Buckley Yard Metropolitan District No. 2 (Buckley Yard MD No. 2) and Buckley Ref Acquisition LLC (Property Owner). The City of Aurora approved the Service Plan for Buckley Yard MD No. 2 on September 9, 2021 of which a portion of the inclusion area for Buckley Yard MD No. 2 overlaps the boundaries of the District (Overlap Area). An Exclusion Order has been issued which excludes the Overlap Area from the District.

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

As of the date of the Exclusion Order, the District had outstanding debt comprised of the 1998A Bonds and 1998 C Bonds of which the Overlap Area is partially responsible. The 1998A Bonds and 1998C Bonds are scheduled to be paid in full on December 1, 2028.

The Exclusion Agreement provides for Buckley Yard No. 2 to impose the EA mill levy, in every year beginning in tax levy year 2022 (for tax collection year 2023) and in every year thereafter through tax levy year 2028 (for tax collection in 2029) and shall remit the revenues from the EA Mill Levy to the District in an amount equal to what would be collected on the assessed valuation of the overlap area if 34.000 mills (subject to adjustment as outlined in the Exclusion Agreement) less the debt mill levy in each year for the term of the Exclusion Agreement.

During 2023, the District received \$5,501 from Buckley Yard MD No. 2 in accordance with the Exclusion Agreement.

The District's general obligation bonds will mature as follows:

Year Ending December 31,	Principal	Interest	Total
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>\$ 6,105,000</u>	<u>\$ 524,206</u>	<u>\$ 6,629,206</u>

NOTE 6 – DEBT AUTHORIZATION

As of December 31, 2023, the District had no authorized but unissued debt.

NOTE 7 – FUND EQUITY

At December 31, 2023, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of \$5,860 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 \$17,200 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 \$727,143 is to be used exclusively for debt service requirements (see Note 5).

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 8 - NET POSITION

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

Net investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets are reported by the District. As of December 31, 2023, net investment in capital assets was \$1,686,146.

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, 2023 is as follows:

Restricted net position:

Emergency reserves (see Note 11)	\$ 17,200
Debt Service	<u>712,847</u>
	<u><u>\$ 730,047</u></u>

The District's unrestricted net position at December 31, 2023 was a deficit of \$(5,949,990). This deficit amount was a result of the District being responsible for repayment of bonds issued for public improvements conveyed to other governmental entities.

NOTE 9 – RELATED PARTIES

The certain members of the Board of Directors of the District have ownership interests in Evergreen-Airport & Alameda, 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, 2023. 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.

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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 6, 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, 2023**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget -
REVENUES			
Property taxes	\$ 1,254,126	\$ 1,273,100	\$ 18,974
Net investment income	8,000	71,146	63,146
Other	-	5,501	5,501
Total Revenues	<u>1,262,126</u>	<u>1,349,747</u>	<u>87,621</u>
EXPENDITURES			
Bond principal	1,125,000	1,125,000	-
Interest on 1998 bonds	203,162	203,163	(1)
Paying agent and other fees	10,500	7,000	3,500
County treasurer's fees	18,812	18,753	59
Total Expenditures	<u>1,357,474</u>	<u>1,353,916</u>	<u>3,558</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(95,348)</u>	<u>(4,169)</u>	<u>91,179</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	130,000	25,000	(105,000)
Total other financing sources (uses)	<u>130,000</u>	<u>25,000</u>	<u>(105,000)</u>
NET CHANGE IN FUND BALANCE	34,652	20,831	(13,821)
FUND BALANCE - BEGINNING OF YEAR	<u>704,994</u>	<u>706,312</u>	<u>1,318</u>
FUND BALANCE - END OF YEAR	<u>\$ 739,646</u>	<u>\$ 727,143</u>	<u>\$ (12,503)</u>

OTHER INFORMATION

**AURORA CENTRETECH METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED
Year Ended December 31, 2023**

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%
2019	\$ 38,731,516	6.750	34.250	1.395	42.395	\$ 1,642,022	\$ 1,639,343	99.8%
2020	\$ 44,165,958	2.750	34.250	0.547	37.547	\$ 1,658,299	\$ 1,647,996	99.4%
2021	\$ 43,010,557	9.300	27.700	0.266	37.266	\$ 1,602,241	\$ 1,593,864	99.5%
2022	\$ 44,456,411	9.300	27.700	0.064	37.064	\$ 1,647,733	\$ 1,630,586	99.0%
2023	\$ 44,009,046	9.568	28.497	0.734	38.799	\$ 1,707,508	\$ 1,700,549	99.6%
Estimated for year ending December 31, 2024	\$ 50,448,878	9.568	28.497	0.167	38.232	\$ 1,928,762		

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, 2023**

Year Ending December 31,	\$3,585,000 General Obligation Refunding and Improvement Bonds, Series 1998A Fixed Rate Mode at 2.810% Principal Due December 1 Interest Due June 1 and December 1			\$12,680,000 General Obligation Refunding Bonds, Series 1998C Fixed Rate Mode at 2.810% Principal Due December 1 Interest Due June 1 and December 1			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2024	\$ 170,000	\$ 25,852	\$ 195,852	\$ 985,000	\$ 145,698	\$ 1,130,698	\$ 1,155,000	\$ 171,550
2025	180,000	21,076	201,076	1,005,000	118,020	1,123,020	1,185,000	139,096	1,324,096
2026	185,000	16,016	201,016	1,035,000	89,780	1,124,780	1,220,000	105,796	1,325,796
2027	135,000	10,818	145,818	1,120,000	60,696	1,180,696	1,255,000	71,514	1,326,514
2028	250,000	7,026	257,026	1,040,000	29,224	1,069,224	1,290,000	36,250	1,326,250
	<u>\$ 920,000</u>	<u>\$ 80,788</u>	<u>\$ 1,000,788</u>	<u>\$ 5,185,000</u>	<u>\$ 443,418</u>	<u>\$ 5,628,418</u>	<u>\$ 6,105,000</u>	<u>\$ 524,206</u>	<u>\$ 6,629,206</u>

**AURORA CENTRETECH METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED AND ACTUAL VALUATION
OF CLASSES OF PROPERTY IN THE DISTRICT
December 31, 2023**

<u>CLASS</u>	<u>ASSESSED VALUATION</u>	<u>PERCENT OF ASSESSED VALUATION</u>	<u>ACTUAL VALUATION</u>	<u>PERCENT OF ACTUAL VALUATION</u>
Commercial	\$ 43,496,559	86.22%	\$ 155,901,655	68.50%
Vacant	2,417,620	4.79%	8,665,302	3.81%
Residential - Multi-Family	4,123,515	8.17%	61,545,000	27.04%
State Assessed	411,184	0.82%	1,473,778	0.65%
Total	<u>\$ 50,448,878</u>	<u>100.00%</u>	<u>\$ 227,585,735</u>	<u>100.00%</u>

Source: Arapahoe County Assessor's Office - Final 2023 values