

**SOUTHWEST PLAZA METROPOLITAN
DISTRICT
Jefferson County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
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Board of Directors
Southwest Plaza Metropolitan District
Jefferson County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Southwest Plaza Metropolitan District (the "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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Southwest Plaza Metropolitan District as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional 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.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates 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. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Wipfli LLP
Denver, Colorado

July 17, 2024

BASIC FINANCIAL STATEMENTS

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 654,556
Cash and Investments - Restricted	2,013,577
Receivable - Sales Tax	514,625
Receivable - County Treasurer	4,205
Prepaid Insurance	5,013
Prepaid Expense	25,750
Property Taxes Receivable	960,529
Capital Assets, Not Being Depreciated	119,619
Capital Assets - Net of Accumulated Depreciation	<u>23,248,757</u>
Total Assets	<u>27,546,631</u>
LIABILITIES	
Accounts Payable	82,196
Accrued Interest Payable	10,146
Retainage Payable	11,086
Noncurrent Liabilities:	
Due Within One Year	255,000
Due in More Than One Year	<u>27,180,000</u>
Total Liabilities	<u>27,538,428</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>960,529</u>
Total Deferred Inflows of Resources	960,529
NET POSITION	
Net Investment in Capital Assets	(4,066,624)
Restricted for:	
Emergency Reserves	93,000
Special Revenue Operations	2,376,126
Unrestricted	<u>645,172</u>
Total Net Position	<u><u>\$ (952,326)</u></u>

See accompanying Notes to Basic Financial Statements.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 2,462,200	\$ -	\$ -	\$ -	\$ (2,462,200)
Interest and Fees on Long-Term Debt	<u>1,882,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,882,750)</u>
Total Governmental Activities	<u>\$ 4,344,950</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(4,344,950)</u>

GENERAL REVENUES

Property Taxes	950,336
Specific Ownership Taxes	67,855
Sales Taxes	2,277,735
Interest Income	147,083
Other Income	9,493
Total General Revenues	<u>3,452,502</u>

CHANGE IN NET POSITION

Net Position - Beginning of Year	<u>(59,878)</u>
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NET POSITION - END OF YEAR

	<u>\$ (952,326)</u>
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See accompanying Notes to Basic Financial Statements.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

ASSETS	General	Special Revenue	Debt Service	Total Governmental Funds
Cash and Investments	\$ 654,556	\$ -	\$ -	\$ 654,556
Cash and Investments - Restricted	21,000	1,985,872	6,705	2,013,577
Receivable from County Treasurer	4,205	-	-	4,205
Due from Other Funds	-	31,000	-	31,000
Sales Tax Receivable	-	514,625	-	514,625
Prepaid Insurance	5,013	-	-	5,013
Prepaid Expense	375	25,375	-	25,750
Property Taxes Receivable	579,915	-	380,614	960,529
Total Assets	\$ 1,265,064	\$ 2,556,872	\$ 387,319	\$ 4,209,255
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 9,911	\$ 72,285	\$ -	\$ 82,196
Due to Other Funds	31,000	-	-	31,000
Retainage Payable	-	11,086	-	11,086
Total Liabilities	40,911	83,371	-	124,282
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	579,915	-	380,614	960,529
Total Deferred Inflows of Resources	579,915	-	380,614	960,529
FUND BALANCES				
Nonspendable:				
Prepaid Amounts	5,388	25,375	-	30,763
Restricted for:				
Emergencies (TABOR)	21,000	72,000	-	93,000
Debt Service	-	-	6,705	6,705
Special Revenue Operations	-	2,004,126	-	2,004,126
Assigned to:				
Subsequent Year's Expenditures	37,848	372,000	-	409,848
Unassigned:				
General Government	580,002	-	-	580,002
Total Fund Balances	644,238	2,473,501	6,705	3,124,444
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,265,064	\$ 2,556,872	\$ 387,319	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	23,368,376
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds	
Bonds Payable	(2,435,000)
Reimbursement Agreement	(25,000,000)
Accrued Interest Payable	(10,146)
Net Position of Governmental Activities	\$ (952,326)

See accompanying Notes to Basic Financial Statements.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Debt Service	Total Governmental Funds
REVENUES				
Property Taxes	\$ 574,310	\$ -	\$ 376,026	\$ 950,336
Specific Ownership Taxes	67,855	-	-	67,855
Interest Income	36,770	100,271	10,042	147,083
Other Revenue	6,622	2,871	-	9,493
Sales Taxes	-	2,277,735	-	2,277,735
Total Revenues	<u>685,557</u>	<u>2,380,877</u>	<u>386,068</u>	<u>3,452,502</u>
EXPENDITURES				
General and Administrative				
Accounting:	17,992	17,992	-	35,984
Audit	5,500	-	-	5,500
Consulting	750	750	-	1,500
County Treasurer's Fees	8,624	-	5,648	14,272
Dues	836	-	-	836
Permits and Fees	-	-	-	-
Insurance	4,985	-	-	4,985
Election Expense	1,120	-	-	1,120
Legal	7,345	7,346	-	14,691
Repairs and Maintenance	497,016	348,298	-	845,314
Miscellaneous	298	-	-	298
Sewage Treatment Fees	49,126	-	-	49,126
Sales Tax Collection Costs	-	27,500	-	27,500
Security	-	90,360	-	90,360
Debt Service:				
Principal Payments	-	-	240,000	240,000
Interest Expense	-	1,750,000	133,750	1,883,750
Capital Outlay	-	350,273	-	350,273
Total Expenditures	<u>593,592</u>	<u>2,592,519</u>	<u>379,398</u>	<u>3,565,509</u>
NET CHANGE IN FUND BALANCES	91,965	(211,642)	6,670	(113,007)
Fund Balances - Beginning of Year	<u>552,273</u>	<u>2,685,143</u>	<u>35</u>	<u>3,237,451</u>
FUND BALANCES - END OF YEAR	<u>\$ 644,238</u>	<u>\$ 2,473,501</u>	<u>\$ 6,705</u>	<u>\$ 3,124,444</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Governmental Funds \$ (113,007)

Amounts reported for governmental activities in the statement of activities are different because:

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:

Current Year Bond Principal Payment 240,000

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense, the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay 350,273
Depreciation (1,370,714)

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.

Accrued Interest on Bonds Payable - Change in Liability 1,000

Change in Net Position of Governmental Activities \$ (892,448)

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 573,006	\$ 574,310	\$ 1,304
Specific Ownership Taxes	66,373	67,855	1,482
Interest Income	7,500	36,770	29,270
Other Revenue	-	6,622	6,622
Total Revenues	<u>646,879</u>	<u>685,557</u>	<u>38,678</u>
EXPENDITURES			
General and Administrative			
Accounting	17,000	17,992	(992)
Audit	5,500	5,500	-
Consulting	-	750	(750)
County Treasurer's Fees	8,595	8,624	(29)
Dues and Licenses	1,300	836	464
Election Expense	2,000	1,120	880
Permits and Fees	500	-	500
Insurance	7,500	4,985	2,515
Legal	5,500	7,345	(1,845)
Repairs and Maintenance	552,000	497,016	54,984
Miscellaneous	1,000	298	702
Sewage Treatment Fees	49,126	49,126	-
Contingency	9,979	-	9,979
Capital Outlay	50,000	-	50,000
Total Expenditures	<u>710,000</u>	<u>593,592</u>	<u>116,408</u>
OTHER FINANCING SOURCES (USES)			
Transfer from (to) Other Funds	<u>(5,000)</u>	<u>-</u>	<u>5,000</u>
Total Other Financing Sources (Uses)	<u>(5,000)</u>	<u>-</u>	<u>5,000</u>
NET CHANGE IN FUND BALANCES	(68,121)	91,965	160,086
Fund Balance - Beginning of Year	<u>530,596</u>	<u>552,273</u>	<u>21,677</u>
FUND BALANCE - END OF YEAR	<u>\$ 462,475</u>	<u>\$ 644,238</u>	<u>\$ 181,763</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Interest Income	\$ 40,000	\$ 97,000	\$ 100,271	\$ 3,271
Other Revenue	-	-	2,871	2,871
Sales Taxes	<u>2,550,000</u>	<u>2,400,000</u>	<u>2,277,735</u>	<u>(122,265)</u>
Total Revenues	<u>2,590,000</u>	<u>2,497,000</u>	<u>2,380,877</u>	<u>(116,123)</u>
EXPENDITURES				
General and Administrative:				
Accounting	17,000	18,000	17,992	8
Consulting	-	-	750	(750)
Legal	5,500	7,500	7,346	154
Sales Tax Collection Costs	33,000	33,000	27,500	5,500
Operations and Maintenance:				
Escalator/Elevator Repairs and Maintenance	132,000	135,500	133,346	2,154
Interior Housekeeping	165,000	165,000	159,600	5,400
Interior Landscaping	23,000	25,000	24,194	806
Reimbursement to GGP	1,750,000	1,750,000	1,750,000	-
Repairs and Maintenance	50,000	55,000	31,158	23,842
Security	100,000	135,000	90,360	44,640
Capital Projects:				
Capital Outlay	25,000	25,000	15,800	9,200
Furniture and Fixtures	-	5,000	-	5,000
Other Capital Improvements	300,000	334,473	334,473	-
Contingency	49,500	47,527	-	47,527
Total Expenditures	<u>2,650,000</u>	<u>2,736,000</u>	<u>2,592,519</u>	<u>143,481</u>
NET CHANGE IN FUND BALANCES	(60,000)	(239,000)	(211,642)	27,358
Fund Balance - Beginning of Year	<u>2,742,005</u>	<u>2,685,143</u>	<u>2,685,143</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,682,005</u>	<u>\$ 2,446,143</u>	<u>\$ 2,473,501</u>	<u>\$ 27,358</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 DEFINITION OF REPORTING ENTITY

Southwest Plaza Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for Jefferson County on August 24, 1981 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan originally approved by the Board of County Commissioners of Jefferson County on July 15, 1981. The Service Plan was subsequently amended in September 1981 and October 1984, to increase the amount of debt and to impose an operations mill levy, respectively. The District's service area is located in Jefferson County, Colorado. The District was established to provide a storm drainage system, water supply system, and sewer system to the Southwest Plaza Regional Shopping Center.

A third amendment to the District's Service Plan was approved by the Jefferson County Commissioners on February 13, 2001. This amendment provided the following additional improvements and services by the District: landscaping and irrigation, parking and streets and street safety. The Service Plan amendment also contemplated a bond issue in the amount of \$10.8 million.

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 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 financial benefits or burdens and fiscal dependency.

The District is not financially accountable to any other organization, nor is the District a component unit of any other primary governmental entity.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of net position reports all financial and capital resources of the District. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and sales taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

The Special Revenue Fund is used to account for revenues earned and expenditures incurred in connection with the acquisition, construction, and maintenance of capital equipment and facilities associated with the License Agreement (see Note 8).

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

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

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 and other financing uses 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 amended its annual budget for the year ended December 31, 2023.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale 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 inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

Sales Tax

The District imposes a 1.5% sales tax on each dollar of eligible sales within the District. Such sales tax is collected by the Colorado Department of Revenue and remitted to the District approximately 60 days after collection from merchants.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

Capital assets are defined by the District as assets with an individual cost of more than \$5,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Water, Sewer, Storm Drainage, and Service Lines	50 Years
Parking Lot Improvements	15 to 40 Years
Irrigation System	20 Years
Common Area Improvements Under License Agreement	5 to 25 Years

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *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.

Equity

Net Position

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

Fund Balance

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

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

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

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

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

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

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

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 654,556
Cash and Investments - Restricted	2,013,577
Total Cash and Investments	<u>\$ 2,668,133</u>

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

Deposits with Financial Institutions	\$ 458,446
Investments	2,209,687
Total Cash and Investments	<u>\$ 2,668,133</u>

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. 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 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 and a carrying balance of \$458,446.

Investments

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

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

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

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

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 1,527,799
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	681,888
Total Investments		<u>\$ 2,209,687</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’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 CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

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

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

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAs/S1 by FitchRatings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 CAPITAL ASSETS

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

	Balance - December 31, 2022	Increases	Decreases	Reclassification	Balance - December 31, 2023
Capital Assets, Not Being Depreciated:					
Landscape Improvements	\$ 119,619	\$ -	\$ -	\$ -	\$ 119,619
Total Capital Assets, Not Being Depreciated	119,619	-	-	-	119,619
Capital Assets, Being Depreciated:					
Parking Lot	6,407,893	221,723	-	-	6,629,616
Water System	899,079	-	-	-	899,079
Sewer System	453,560	-	-	-	453,560
Storm Drainage System	684,865	-	-	-	684,865
Service/Irrigation Lines	222,254	112,750	-	-	335,004
License Agreement	26,985,645	-	-	-	26,985,645
Other Improvements	458,632	15,800	-	-	474,432
Total Capital Assets, Being Depreciated	36,111,928	350,273	-	-	36,462,201
Less Accumulated Depreciation For:					
Parking Lot	(2,766,039)	(170,716)	-	-	(2,936,755)
Water System	(748,367)	(17,982)	-	-	(766,349)
Sewer System	(382,756)	(9,072)	-	-	(391,828)
Storm Drainage System	(570,330)	(13,698)	-	-	(584,028)
Service/Irrigation Lines	(148,594)	(8,139)	-	-	(156,733)
License Agreement	(7,105,386)	(1,121,903)	-	-	(8,227,289)
Other Improvements	(121,258)	(29,204)	-	-	(150,462)
Total Accumulated Depreciation	(11,842,730)	(1,370,714)	-	-	(13,213,444)
Total Capital Assets, Being Depreciated, Net	24,269,198	(1,020,441)	-	-	23,248,757
Capital Assets, Net	<u>\$ 24,388,817</u>	<u>\$ (1,020,441)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,368,376</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:	
General Government	<u>\$ 1,370,714</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,370,714</u>

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2023:

	Balance - December 31, 2022	Increases	Retirements	Balance - December 31, 2023	Due Within One Year
G.O. Limited Tax Bonds					
Series 2001	\$ 2,675,000	\$ -	\$ 240,000	\$ 2,435,000	\$ 255,000
2016 Reimbursement Agreement	25,000,000	-	-	25,000,000	-
Total	<u>\$ 27,675,000</u>	<u>\$ -</u>	<u>\$ 240,000</u>	<u>\$ 27,435,000</u>	<u>\$ 255,000</u>

On May 4, 2001, the District's Board of Directors adopted a resolution authorizing the issuance of up to \$10,000,000 of limited tax general obligation bonds. The bonds mature on June 1, 2031, and bear interest on the outstanding principal at a rate of 5% per annum, payable on June 1 and December 1.

Unused Lines of Credit

The Series 2001 Limited Tax General Obligation Bonds do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the Series 2001 Limited Tax General Obligation Bonds.

Events of Default

Events of default occur if the Districts fail to impose the Required Mill Levy, or to apply the Pledged Revenues as required by the Indenture, and do not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indentures.

Termination Events

The Series 2001 Limited Tax General Obligation Bonds do not have a termination provision.

Acceleration

The Series 2001 Limited Tax General Obligation Bonds are not subject to acceleration.

Assuming an amortization of the outstanding bond principal over the remaining eight years, the outstanding bond principal and interest are estimated to mature as follows:

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 255,000	\$ 121,750	\$ 376,750
2025	265,000	109,000	374,000
2026	280,000	95,750	375,750
2027	295,000	81,750	376,750
2028	310,000	67,000	377,000
2029-2031	1,030,000	95,875	1,125,875
Total	<u>\$ 2,435,000</u>	<u>\$ 571,125</u>	<u>\$ 3,006,125</u>

Authorized Debt

On November 7, 2000, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$54,000,000 for public improvements and \$65,000,000 for debt refunding at an interest rate not to exceed 15% per annum. On November 7, 2006, a majority of the qualified electors of the District authorized the issuance of additional indebtedness in an amount not to exceed \$54,000,000 for public improvements and \$65,000,000 for debt refunding at an interest rate not to exceed 15% per annum. On November 3, 2015, a majority of the qualified electors of the District authorized the issuance of additional indebtedness in an amount not to exceed \$60,000,000 for public improvements and \$20,000,000 for debt refunding at an interest rate not to exceed 12%. As of December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	<u>Authorized November 7, 2000 Election</u>	<u>Authorized November 7, 2006 Election</u>	<u>Authorized November 3, 2015 Election</u>	<u>Total Authorization</u>
Water Supply	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 10,000,000
Sanitary Sewer	5,000,000	5,000,000	-	10,000,000
Street Improvements	20,000,000	20,000,000	20,000,000	60,000,000
Traffic and Safety Controls	2,000,000	2,000,000	20,000,000	24,000,000
Public Transportation	2,000,000	2,000,000	20,000,000	24,000,000
Park and Recreation	20,000,000	20,000,000	-	40,000,000
Debt Refunding	65,000,000	65,000,000	20,000,000	150,000,000
Total	<u>\$ 119,000,000</u>	<u>\$ 119,000,000</u>	<u>\$ 80,000,000</u>	<u>\$ 318,000,000</u>

	<u>Total Authorization</u>	<u>Authorization Used - Series 2001 Bonds</u>	<u>Remaining at December 31, 1899</u>
Water Supply	\$ 10,000,000	\$ -	\$ 10,000,000
Sanitary Sewer	10,000,000	-	10,000,000
Street Improvements	60,000,000	10,000,000	50,000,000
Traffic and Safety Controls	24,000,000	-	24,000,000
Public Transportation	24,000,000	-	24,000,000
Park and Recreation	40,000,000	-	40,000,000
Debt Refunding	150,000,000	-	150,000,000
Total	<u>\$ 318,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 308,000,000</u>

The District's Amended Service Plan states that the District expects to be able to issue approximately \$10.8 million in total debt to fund infrastructure improvements.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Reimbursement Agreement

On October 31, 2016, the District entered into a Reimbursement Agreement (the Agreement) with Southwest Plaza, LLC, which is the owner of the Southwest Plaza Regional Shopping Center (the SW Plaza Mall). Southwest Plaza, LLC is owned by General Growth Properties, Inc. (GGP). Under the Agreement, GGP will advance or pay funds for improvements and services related to the construction of streets, traffic and safety controls, and transportation facilities associated with the development of the District. The Agreement was effective as of July 1, 2016. On July 1, 2016, the District agreed to reimburse GGP \$25,000,000 for development improvements related to the Southwest Plaza Mall and which are referenced in the License Agreement (see Note 8). The District shall reimburse GGP for the actual amount of advances together with interest at the rate of 7% per annum. Repayment under this Agreement is from the imposition of a 1.5% sales tax imposed on eligible transactions within the District. Reimbursement of the payments made by GGP under this Agreement is subject to annual appropriation and budget approval from funds not otherwise required for operations, capital improvements, and debt service costs of the District. Interest is to be paid quarterly beginning on October 1, 2016. The Agreement continues until the earlier of (1) it is fully performed, (2) it is terminated by mutual agreement of the District and GGP, or (3) December 31, 2055. On August 28, 2018, Brookfield Properties Partners L.P. (Brookfield) acquired all the assets and liabilities of GGP.

NOTE 6 NET POSITION

The District has net position consisting of three components – net 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 balance of bonds that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2023, the District had net investment in capital assets calculated as follows:

Net Investment in Capital Assets:	
Capital Assets, Net	\$ 23,368,376
Capital Related Debt	<u>(27,435,000)</u>
Net Investment in Capital Assets	<u>\$ (4,066,624)</u>

The restricted component of net position includes assets that are restricted for use either externally by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 NET POSITION (CONTINUED)

The District had a restricted net position as of December 31, 2023 as follows:

Restricted Net Position:	
Emergency Reserves	\$ 93,000
Special Revenue Operations	<u>2,376,126</u>
Total Restricted Net Position	<u><u>\$ 2,469,126</u></u>

The unrestricted component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

NOTE 7 SERVICE CONTRACTS

The District has an agreement with the city and county of Denver (City) through the Denver Water Board for water distribution service. All water service in the District is provided and billed by the City to the users.

The District has an agreement with Metro Water Recovery (Metro) for sewage treatment and disposal. The District pays Metro sewage treatment fees.

The District is responsible for the maintenance and future construction costs of all water, sewer, and storm drainage lines and retains title to all lines in the District.

NOTE 8 LICENSE AGREEMENT

On September 1, 2016, the District entered into a License Agreement with Southwest Plaza, LLC (Licensor). The Licensor is the owner of the common areas of the SW Plaza Mall. The License Agreement allows the District to operate and maintain the common area improvements in a manner consistent with the authorized services allowed to the District under its Service Plan and election questions. The License Agreement shall continue in full force until such time as may be mutually agreed upon by the Licensor and the District. The License Agreement is being amortized by the District based upon the useful lives of the common area improvements – between 10 and 25 years.

NOTE 9 RELATED PARTIES

The registered holder of the District's General Obligation Limited Tax Bonds, Series 2001, is GGP, which was acquired by Brookfield on August 28, 2018 (see Note 5). The members of the Board of Directors of the District are employees of or associated with Brookfield. During 2023, the District paid Brookfield \$240,000 of principal and \$133,750 of interest on the Series 2001 Bonds. Brookfield also is a Party under the Reimbursement Agreement and was paid \$1,750,000 of interest in accordance with the terms of the Agreement.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 10 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, the District may be 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). 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 which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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 November 4, 1998, November 7, 2000, and November 7, 2006, a majority of the District's electors authorized the District to collect and spend or retain taxes of up to \$328,000, \$500,000, and \$1,000,000, respectively, annually for operations and maintenance. The 2000 and 2006 elections also allowed the District to collect and spend or retain any revenues from any other sources without regard to any limitation imposed by TABOR.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

On November 3, 2015, a majority of the District's electors authorized the District to collect up to \$6,000,000 by the imposition of sales or use taxes of up to 2% on eligible transactions within the District. These taxes are to be used for safety protection, street improvements, and public transportation.

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.

SUPPLEMENTARY INFORMATION

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 375,183	\$ 376,026	\$ 843
Interest Income	20	10,042	10,022
Total Revenues	<u>375,203</u>	<u>386,068</u>	<u>10,865</u>
EXPENDITURES			
County Treasurer's Fees	5,628	5,648	(20)
Bond Interest	133,750	133,750	-
Bond Principal	240,000	240,000	-
Contingency	622	-	622
Total Expenditures	<u>380,000</u>	<u>379,398</u>	<u>602</u>
OTHER FINANCING SOURCES (USES)			
Transfer from (to) Other Funds	5,000	-	(5,000)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
NET CHANGE IN FUND BALANCE	203	6,670	6,467
Fund Balance - Beginning of Year	869	35	(834)
FUND BALANCE - END OF YEAR	<u>\$ 1,072</u>	<u>\$ 6,705</u>	<u>\$ 5,633</u>

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
 SCHEDULE 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			Total Property Taxes		Percentage Collected to Levied
		General	Debt Service	Total	Levied	Collected	
2019	\$ 44,453,017	23.000	0.000	23.000	\$ 1,022,419	\$ 1,017,076	99.48%
2020	45,549,797	14.600	8.400	23.000	1,047,645	1,036,723	98.96
2021	45,708,267	14.600	8.400	23.000	1,051,290	1,049,091	99.79
2022	34,566,739	15.200	8.800	24.000	823,529	823,322	99.97
2023	34,107,517	17.000	11.000	28.000	948,188	950,336	100.23
Estimated for the Year Ending December 31, 2024	\$ 33,290,863	17.670	11.433	29.103	\$ 960,529		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements of valuations in prior years. Information received from the County Treasurer does not permit identification of specific year of assessment.

**SOUTHWEST PLAZA METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

<u>Year Ending December 31,</u>	\$10,000,000 General Obligation Limited Tax Improvement Bonds Dated May 4, 2001 Interest Rate 5% Due June 1 and December 1 Principal Due December 1		Total General Obligation Bonds
	Principal	Interest	
2024	\$ 255,000	\$ 121,750	\$ 376,750
2025	265,000	109,000	374,000
2026	280,000	95,750	375,750
2027	295,000	81,750	376,750
2028	310,000	67,000	377,000
2029	325,000	51,500	376,500
2030	340,000	35,250	375,250
2031	365,000	9,125	374,125
Total	\$ 2,435,000	\$ 571,125	\$ 3,006,125

NOTE: This estimated debt service schedule assumes the amortization of the outstanding bond principal over the remaining eight years. The bonds mature on June 1, 2031.