

**TOWN CENTER METROPOLITAN DISTRICT  
City and County of Denver, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2023**

**TOWN CENTER METROPOLITAN DISTRICT  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>1</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>2</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>BALANCE SHEET – GOVERNMENTAL FUNDS</b>	<b>3</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN         FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>4</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES,         EXPENDITURES, AND CHANGES IN FUND BALANCES OF         GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</b>	<b>5</b>
<b>STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUND</b>	<b>6</b>
<b>STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –         FIDUCIARY FUND</b>	<b>7</b>
<b>GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES,         AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>8</b>
<b>SPECIAL REVENUE FUND – SUBDISTRICT NO. 1 – STATEMENT OF         REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –         BUDGET AND ACTUAL</b>	<b>9</b>
<b>SPECIAL REVENUE FUND – SUBDISTRICT NO. 2 – STATEMENT OF         REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –         BUDGET AND ACTUAL</b>	<b>10</b>
<b>SPECIAL REVENUE FUND – SUBDISTRICT NO. 3 – STATEMENT OF         REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –         BUDGET AND ACTUAL</b>	<b>11</b>
<b>SPECIAL REVENUE FUND – SUBDISTRICT NO. 4 – STATEMENT OF         REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –         BUDGET AND ACTUAL</b>	<b>12</b>
<b>SPECIAL REVENUE FUND – SUBDISTRICT NO. 5 – STATEMENT OF         REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE         (DEFICIT) – BUDGET AND ACTUAL</b>	<b>13</b>

**TOWN CENTER METROPOLITAN DISTRICT  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023**

<b>SPECIAL REVENUE FUND – GVR TOWER COMMONS RETAIL – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL</b>	<b>14</b>
<b>SPECIAL REVENUE FUND – TOWNS AT OAK CREST – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL</b>	<b>15</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>16</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>COMBINING BALANCE SHEET – SPECIAL REVENUE FUNDS</b>	<b>39</b>
<b>COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) – SPECIAL REVENUE FUNDS</b>	<b>40</b>
<b>COMBINING BALANCE SHEET – CAPITAL PROJECTS FUNDS</b>	<b>41</b>
<b>COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – CAPITAL PROJECTS FUNDS</b>	<b>42</b>
<b>CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>43</b>
<b>CAPITAL REPLACEMENT FUND - SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>44</b>
<b>OTHER INFORMATION</b>	
<b>SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED</b>	<b>46</b>



Board of Directors  
Town Center Metropolitan District  
City and County of Denver, Colorado

Independent Auditor’s Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Town Center 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 Town Center 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 Supplemental 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.

### Other Information

Management is responsible for the other information included in our report. The other information, as 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, accordingly, we do not express an opinion or provide any assurance on them.

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.

*Wipfli LLP*

Wipfli LLP  
Denver, Colorado

September 26, 2024

## **BASIC FINANCIAL STATEMENTS**

**TOWN CENTER METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 1,481,940
Cash and Investments - Restricted	897,886
Receivable from Other Districts	59,615
Prepaid Expenses	71,371
Receivable from County Treasurer	7,482
Property Taxes Receivable	2,286,098
Other Receivables	277,571
Capital Assets:	
Capital Assets Not Being Depreciated	17,545,189
Capital Assets, Net of Depreciation	16,528,072
Total Assets	39,155,224
<b>LIABILITIES</b>	
Accounts Payable	1,043,864
Retainage Payable	121,297
Prepaid Assessments	5,966
Noncurrent Liabilities:	
Due in More than One Year	520,620
Total Liabilities	1,691,747
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	2,286,098
Total Deferred Inflows of Resources	2,286,098
<b>NET POSITION</b>	
Net Investment in Capital Assets	33,197,062
Restricted for:	
Emergencies (TABOR)	101,200
Capital Projects	801,986
Unrestricted	1,077,131
Total Net Position	\$ 35,177,379

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

		Program Revenues				
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Net Revenues (Expenses) and Change in Net Position	Governmental Activities
<b>FUNCTIONS/PROGRAMS</b>						
Primary Government:						
Governmental Activities:						
General Government	\$ 7,025,727	\$ 690,017	\$ 3,072,146	\$ 168,938	\$	\$ (3,094,626)
Interest and Related Costs on Long-Term Debt	<u>13,479</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>(13,479)</u>
Total Governmental Activities	<u>\$ 7,039,206</u>	<u>\$ 690,017</u>	<u>\$ 3,072,146</u>	<u>\$ 168,938</u>		<u>(3,108,105)</u>
<b>GENERAL REVENUES</b>						
Property Taxes					1,918,566	
Specific Ownership Taxes					105,804	
Net Investment Income					167,486	
Other Revenue					487,176	
Total General Revenues					<u>2,679,032</u>	
<b>CHANGE IN NET POSITION</b>					(429,073)	
Net Position - Beginning of Year					<u>35,606,452</u>	
<b>NET POSITION - END OF YEAR</b>					<u>\$ 35,177,379</u>	

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	General	Special Revenue Funds	Capital Projects Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 585,922	\$ 896,018	\$ -	\$ 1,481,940
Cash and Investments - Restricted	18,100	77,800	801,986	897,886
Accounts Receivable	12,500	265,071	-	277,571
Due from Ebert Metropolitan District	8,457	-	-	8,457
Due from First Creek Village Metropolitan District	825	-	50,333	51,158
Due from Other Funds	190,266	556	-	190,822
Prepaid Expenses	70,001	1,370	-	71,371
Receivable from County Treasurer	73	7,409	-	7,482
Property Taxes Receivable	27,926	2,258,172	-	2,286,098
	<b>\$ 914,070</b>	<b>\$ 3,506,396</b>	<b>\$ 852,319</b>	<b>\$ 5,272,785</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 630,169	\$ 283,816	\$ 129,879	\$ 1,043,864
Retainage Payable	-	-	121,297	121,297
Due to Other Funds	350	190,472	-	190,822
Prepaid Assessments	-	5,966	-	5,966
Total Liabilities	630,519	480,254	251,176	1,361,949
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Tax Revenue	27,926	2,258,172	-	2,286,098
Total Deferred Inflows of Resources	27,926	2,258,172	-	2,286,098
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Expenses	70,001	1,370	-	71,371
Restricted for:				
Emergencies (TABOR)	18,100	83,100	-	101,200
Capital Projects	-	-	801,986	801,986
Assigned to:				
Subsequent Year's Expenditures	167,524	36,445	-	203,969
Unassigned	-	647,055	(200,843)	446,212
Total Fund Balances	255,625	767,970	601,143	1,624,738
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<b>\$ 914,070</b>	<b>\$ 3,506,396</b>	<b>\$ 852,319</b>	
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				34,073,261
Long-term liabilities are not due and payable within the current period and, therefore, are not reported in the funds:				
Developer Advance Payable				(445,579)
Accrued Interest on Developer Advance				(75,041)
Net Position of Governmental Activities				<b>\$ 35,177,379</b>

See accompanying Notes to Basic Financial Statements.

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

	General	Special Revenue Funds	Capital Projects Funds	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 23,670	\$ 1,894,896	\$ -	\$ 1,918,566
Specific Ownership Taxes	1,168	104,636	-	105,804
Interest Income	49,083	54,315	64,088	167,486
Intergovernmental Revenue	-	273,206	-	273,206
Ebert Services Revenue	2,513,968	-	-	2,513,968
First Creek Village Services Revenue	222,972	-	-	222,972
Golf Course	50,000	-	-	50,000
Landscape Escrow Forfeits	12,000	-	-	12,000
Reimbursed Expenditures	-	-	83,322	83,322
System Development Fees	-	-	85,616	85,616
Customer/Tenant Billings	-	690,017	-	690,017
Other Revenue	465,469	21,707	-	487,176
Total Revenues	<u>3,338,330</u>	<u>3,038,777</u>	<u>233,026</u>	<u>6,610,133</u>
<b>EXPENDITURES</b>				
General Government	820,947	982,757	48,510	1,852,214
Operations and Maintenance	2,508,198	1,719,945	-	4,228,143
Pool and Cabana Maintenance	-	170,166	-	170,166
Capital Outlay	-	103,788	363,155	466,943
Total Expenditures	<u>3,329,145</u>	<u>2,976,656</u>	<u>411,665</u>	<u>6,717,466</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	9,185	62,121	(178,639)	(107,333)
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer Advances	-	165,000	-	165,000
Transfers from Other Funds	150,000	-	549,021	699,021
Transfers to Other Funds	-	-	(699,021)	(699,021)
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>165,000</u>	<u>(150,000)</u>	<u>165,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	159,185	227,121	(328,639)	57,667
Fund Balances - Beginning of Year	<u>96,440</u>	<u>540,849</u>	<u>929,782</u>	<u>1,567,071</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 255,625</u>	<u>\$ 767,970</u>	<u>\$ 601,143</u>	<u>\$ 1,624,738</u>

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER 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 Changes in Fund Balances - Total Governmental Funds	\$	57,667
---	----	--------

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

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

Capital Outlay		440,255
Depreciation		(748,516)

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 Payable - Change in Liability		<u>(13,479)</u>
--	--	-----------------

Change in Net Position of Governmental Activities	\$	<u><u>(429,073)</u></u>
---	----	-------------------------

**TOWN CENTER METROPOLITAN DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
YEAR ENDED DECEMBER 31, 2023**

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash and Investments	\$ 95,706
Accounts Receivable	63,116
Total Assets	158,822
<b>LIABILITIES</b>	
Accounts Payable	158,822
Total Liabilities	158,822
Total Net Position	\$ -

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
YEAR ENDED DECEMBER 31, 2023**

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Transfer Fees Collected	\$ 543,629
Total Additions	\$ 543,629
<b>DEDUCTIONS</b>	
Transfer Fees Distributed:	
To Developer	\$ 407,722
To GVR Foundation	135,907
Total Deductions	\$ 543,629
<b>Net Position - Beginning</b>	\$ -
<b>Net Position - Ending</b>	\$ -

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
GENERAL 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 Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 23,670	\$ 23,670	\$ 23,670	\$ -
Specific Ownership Taxes	1,184	1,184	1,168	(16)
Interest Income	2,900	2,900	49,083	46,183
Ebert Services Revenue	2,472,752	2,472,752	2,513,968	41,216
First Creek Village Services Revenue	198,897	198,897	222,972	24,075
Landscape Escrow Forfeits	15,000	15,000	12,000	(3,000)
Golf Course Revenue	50,000	50,000	50,000	
Other Revenue	300,000	300,000	465,469	165,469
Total Revenues	<u>3,064,403</u>	<u>3,064,403</u>	<u>3,338,330</u>	<u>273,927</u>
<b>EXPENDITURES</b>				
General Government:				
Accounting	180,000	180,000	188,339	(8,339)
Audit	12,000	12,000	20,700	(8,700)
Bank Fees	2,000	2,000	3,440	(1,440)
County Treasurer's Fees	236	236	240	(4)
Conferences	1,000	1,000	1,036	(36)
Directors' Fees	3,600	3,600	2,600	1,000
District Management	215,000	215,000	200,264	14,736
Dues and Licenses	17,000	17,000	20,330	(3,330)
Election	60,000	60,000	15,936	44,064
Insurance and Bonds	65,000	65,000	78,135	(13,135)
Legal	170,000	170,000	257,336	(87,336)
Legal - Special Counsel	-	200,000	31,899	168,101
Miscellaneous	5,000	5,000	531	4,469
Payroll Taxes	276	276	161	115
Transition Costs	25,000	25,000	-	25,000
Contingency	54,388	54,388	-	54,388
Operations and Maintenance:				
Administrative Management/Architectural Control	350,000	350,000	303,106	46,894
Covenant Control	40,000	40,000	45,596	(5,596)
Events	25,000	25,000	28,402	(3,402)
Fence Repairs	75,000	75,000	35,928	39,072
Landscape Escrow Refunds	15,000	15,000	1,000	14,000
Landscape Maintenance	950,000	1,000,000	1,189,255	(189,255)
Repairs and Maintenance	300,000	300,000	413,942	(113,942)
SCADA Maintenance	6,000	6,000	3,468	2,532
Snow Removal	150,000	150,000	163,950	(13,950)
Tree Replacement	50,000	50,000	47,628	2,372
Utilities - Electric	90,000	90,000	76,341	13,659
Utilities - General	10,000	10,000	9,754	246
Utilities - Storm Drainage	15,000	15,000	18,148	(3,148)
Utilities - Water	185,000	185,000	116,728	68,272
Water Rights	7,000	7,000	29,326	(22,326)
Water Well Maintenance	21,500	21,500	25,626	(4,126)
Total Expenditures	<u>3,100,000</u>	<u>3,350,000</u>	<u>3,329,145</u>	<u>20,855</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(35,597)	(285,597)	9,185	294,782
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Other Funds	-	150,000	150,000	-
Transfer to Other Funds	(50,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(85,597)	(135,597)	159,185	294,782
Fund Balance - Beginning of Year	<u>152,808</u>	<u>152,808</u>	<u>96,440</u>	<u>(56,368)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 67,211</u>	<u>\$ 17,211</u>	<u>\$ 255,625</u>	<u>\$ 238,414</u>

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – SUBDISTRICT NO. 1  
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)
<b>REVENUES</b>			
Property Taxes	\$ 450,121	\$ 450,911	\$ 790
Specific Ownership Taxes	22,506	25,107	2,601
Interest Income	4,000	18,725	14,725
Other Revenue	1,000	20,173	19,173
Intergovernmental Revenue - TCSD4	272,105	273,206	1,101
Total Revenues	<u>749,732</u>	<u>788,122</u>	<u>38,390</u>
<b>EXPENDITURES</b>			
General Government:			
Accounting	23,000	22,869	131
County Treasurer's Fees	4,501	4,511	(10)
District Management	145,875	120,322	25,553
Management Fees	-	16,000	(16,000)
Facility Maintenance	105,625	54,623	51,002
Miscellaneous	1,000	93	907
Program Management	139,513	106,370	33,143
Contingency	5,485	-	5,485
Operations and Maintenance:			
Cleaning	32,500	32,891	(391)
Cleaning Supplies	3,500	1,005	2,495
Elevator	1,100	2,788	(1,688)
Fire Alarm	1,200	684	516
Fitness Equipment Service	1,400	377	1,023
Pest Control	2,800	1,890	910
Signage	500	-	500
Windows	3,000	1,943	1,057
Key Fobs	1,500	1,252	248
Appliances	400	1,170	(770)
Batteries	100	54	46
Equipment	4,500	1,572	2,928
Light Bulbs	50	-	50
Painting	2,500	7,417	(4,917)
Stucco	1,000	-	1,000
Backflow Testing	800	550	250
Community Garden	1,500	1,825	(325)
Plant Material Replacement	6,000	317	5,683
Dehumidifier	1,900	-	1,900
Exhaust Fans	1,800	-	1,800
Geothermal	3,600	2,944	656
Mechanical Systems	17,500	25,495	(7,995)
Electrical Wiring	500	310	190
Low Voltage	500	2,358	(1,858)
Lighting	1,000	812	188
Plumbing	2,000	-	2,000
Clubhouse Operations	13,000	7,406	5,594
Clubhouse Events	55,000	77,760	(22,760)
Clubhouse Repairs Contingency	5,000	8,265	(3,265)
Clubhouse General Maintenance	-	1,827	(1,827)
Entertainment/ Decorations	4,000	2,365	1,635
Fitness Programs	25,000	27,177	(2,177)
HVAC Repairs and Maintenance	1,500	1,129	371
Irrigation Repairs	3,500	3,463	37
Kitchen Supplies	-	552	(552)
Landscape Maintenance	16,000	15,403	597
Phone Monitoring	326	-	326
Plumbing/Electric Repairs	3,500	-	3,500
Security Monitoring	6,000	3,595	2,405
Snow Removal	15,000	6,877	8,123
Trash Service	6,300	6,737	(437)
Utilities - Electric	35,000	34,206	794
Utilities - Phone/Internet/Television	12,000	12,564	(564)
Utilities - Storm Drainage	2,000	1,908	92
Utilities - Water	11,000	11,125	(125)
Pool Maintenance:			
Annual Pool Licensing Renewal	1,000	1,000	-
Life Safety Equipment	1,000	87	913
Minor Equipment	1,000	356	644
Chemicals	4,500	10,870	(6,370)
Occasional Maintenance	1,000	4,372	(3,372)
Regular Maintenance	500	1,485	(985)
Water Quality	500	27	473
Pool System Equipment	45,000	44,996	4
Capital Outlay:			
Clubhouse	26,000	28,451	(2,451)
Clubhouse Equipment	8,000	110	7,890
Clubhouse Replacement Reserve Items	56,200	61,765	(5,565)
Lodge Furnishings	40,000	11,862	28,138
Lodge Purchases	13,025	1,600	11,425
Total Expenditures	<u>930,000</u>	<u>801,782</u>	<u>128,218</u>
<b>NET CHANGE IN FUND BALANCE</b>	(180,268)	(13,660)	166,608
Fund Balance - Beginning of Year	285,940	276,627	(9,313)
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 105,672</u>	<u>\$ 262,967</u>	<u>\$ 157,295</u>

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – SUBDISTRICT NO. 2  
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)
<b>REVENUES</b>			
Property Taxes	\$ 765,890	\$ 768,029	\$ 2,139
Specific Ownership Taxes	38,290	43,592	5,302
Interest Income	3,100	28,802	25,702
Water Fees	345,000	341,304	(3,696)
Total Revenues	1,152,280	1,181,727	29,447
<b>EXPENDITURES</b>			
General Government:			
Accounting	25,000	21,650	3,350
County Treasurer's Fees	7,659	7,684	(25)
District Management	60,000	62,829	(2,829)
Billing Services	40,000	50,269	(10,269)
Construction Management	2,500	-	2,500
Contingency	8,991	-	8,991
Operations and Maintenance:			
Cross Connection Inspections	25,000	2,768	22,232
Repairs and Maintenance	1,000	339	661
Driveway Repairs	10,000	-	10,000
Sewer Line Repair	10,000	-	10,000
Winter Watering	5,000	-	5,000
Irrigation Repairs	50,000	106,042	(56,042)
Fencing Repairs	5,000	-	5,000
Water Line Repairs	5,000	540	4,460
Landscape Maintenance - Common Areas	15,000	2,101	12,899
Landscape Maintenance - Front Yards	285,000	271,512	13,488
Snow Removal	250,000	115,801	134,199
Tree Replacement	35,000	29,673	5,327
Utilities - Electric	350	559	(209)
Utilities - General	500	68	432
Utilities - Irrigation	17,000	12,832	4,168
Pocket Park Repairs	2,000	-	2,000
Water Expenses	345,000	326,886	18,114
Total Expenditures	1,205,000	1,011,553	193,447
<b>NET CHANGE IN FUND BALANCE</b>	(52,720)	170,174	222,894
Fund Balance - Beginning of Year	236,551	315,154	78,603
<b>FUND BALANCE - END OF YEAR</b>	\$ 183,831	\$ 485,328	\$ 301,497

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – SUBDISTRICT NO. 3  
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)
<b>REVENUES</b>			
Property Taxes	\$ 271,137	\$ 271,137	\$ -
Specific Ownership Taxes	13,560	15,116	1,556
Interest Income	600	6,404	5,804
Other Revenue	-	400	400
Total Revenues	<u>285,297</u>	<u>293,057</u>	<u>7,760</u>
<b>EXPENDITURES</b>			
General Government:			
Accounting	14,000	15,687	(1,687)
County Treasurer's Fees	2,711	2,713	(2)
District Management	44,000	47,810	(3,810)
Contingency	2,989	-	2,989
Operations and Maintenance:			
Century Link/DSL	4,500	5,282	(782)
Gate Contingency	2,000	-	2,000
Gate Data Monitoring	4,800	4,253	547
Gated Entrance Security	4,500	5,222	(722)
Gate Maintenance and Repairs	5,000	7,128	(2,128)
Guardhouse Maintenance and Repairs	7,500	6,673	827
Irrigation Repairs	3,250	3,866	(616)
Landscape Maintenance	20,000	30,339	(10,339)
Pavement Maintenance	5,000	4,649	351
Repairs and Reconstruction	5,000	2,404	2,596
Repairs and Maintenance	1,500	3,498	(1,998)
Security Cameras	7,500	7,685	(185)
Snow Removal	15,000	15,382	(382)
Street Light Repairs	3,500	-	3,500
Street Sweeping	1,000	-	1,000
Tree/Shrub Maintenance	15,000	-	15,000
Utilities - Electric	16,250	15,492	758
Utilities - General	500	-	500
Utilities - Storm Drainage	500	948	(448)
Utilities - Water	21,000	9,570	11,430
Waste Management	1,500	1,179	321
Winter Watering	2,500	-	2,500
Pool and Cabana Maintenance:			
ADA Equipment Maintenance and Repairs	2,000	-	2,000
Building Maintenance	3,000	5,283	(2,283)
Chemicals	10,000	12,719	(2,719)
Cleaning Facility	5,000	4,961	39
Events	6,000	11,284	(5,284)
Fencing Maintenance	2,500	2,929	(429)
Handyman Services	1,000	774	226
Other Operations	500	338	162
Pest Control	500	-	500
Pool Maintenance	27,500	36,026	(8,526)
Pool Management	35,000	22,921	12,079
Pool Repairs	10,000	6,739	3,261
Pool Supplies	10,000	2,459	7,541
Security Monitoring	3,000	540	2,460
Total Expenditures	<u>327,000</u>	<u>296,753</u>	<u>30,247</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(41,703)	(3,696)	38,007
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer Advances	15,000	-	(15,000)
Total Other Financing Sources (Uses)	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(26,703)	(3,696)	23,007
Fund Balance - Beginning of Year	<u>59,918</u>	<u>58,775</u>	<u>(1,143)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 33,215</u>	<u>\$ 55,079</u>	<u>\$ 21,864</u>

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – SUBDISTRICT NO. 4  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 259,692	\$ 259,692	\$ 259,692	\$ -
Specific Ownership Taxes	12,985	14,734	13,639	(1,095)
Other Revenue	1,134	1,134	1,134	-
Interest Income	100	50	49	(1)
Landscape Maintenance Fees	152,640	152,640	153,395	755
Total Revenues	<u>426,551</u>	<u>428,250</u>	<u>427,909</u>	<u>(341)</u>
<b>EXPENDITURES</b>				
General Government:				
Accounting	12,500	12,500	11,826	674
Billing Services	4,800	4,500	4,373	127
County Treasurer's Fees	2,597	2,597	2,597	-
District Management	13,200	10,000	11,225	(1,225)
Intergovernmental Expenditures - TCSD1	272,105	274,854	273,206	1,648
Contingency	5,482	549	-	549
Operations and Maintenance:				
Landscape Maintenance - Front Yards	49,598	53,000	51,374	1,626
Plant Material Replacement	10,700	2,000	-	2,000
Irrigation Repairs	6,500	18,000	11,528	6,472
Snow Removal	54,500	62,000	57,779	4,221
Total Expenditures	<u>431,982</u>	<u>440,000</u>	<u>423,908</u>	<u>16,092</u>
<b>NET CHANGE IN FUND BALANCE</b>	(5,431)	(11,750)	4,001	15,751
Fund Balance - Beginning of Year	<u>60,366</u>	<u>54,932</u>	<u>54,932</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 54,935</u>	<u>\$ 43,182</u>	<u>\$ 58,933</u>	<u>\$ 15,751</u>

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – SUBDISTRICT NO. 5  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 144,847	\$ 144,847	\$ 145,127	\$ 280
Specific Ownership Taxes	7,240	7,610	7,182	(428)
Interest Income	80	500	335	(165)
District Fees	15,000	21,000	20,923	(77)
Total Revenues	<u>167,167</u>	<u>173,957</u>	<u>173,567</u>	<u>(390)</u>
<b>EXPENDITURES</b>				
General Government:				
Accounting	11,500	11,000	10,857	143
Billing	1,500	13,500	14,331	(831)
County Treasurer's Fees	1,448	1,452	1,452	-
District Management	22,000	37,300	37,218	82
Miscellaneous	500	-	-	-
Construction Management	2,500	-	-	-
Contingency	2,052	648	-	648
Operations and Maintenance:				
Landscape Maintenance - Common Areas	3,000	2,000	1,963	37
Landscape Maintenance - Front Yards	85,000	94,600	94,552	48
Irrigation Repairs	10,000	7,100	7,072	28
Parking Management	-	6,600	6,516	84
Pocket Park Repairs	1,000	-	-	-
Repairs and Maintenance	1,000	800	743	57
Tree Replacements	20,000	18,700	18,635	65
Winter Watering	2,500	-	-	-
Utilities - Electric	500	-	-	-
Utilities - Water	500	19,200	19,103	97
Snow Removal	70,000	53,000	52,967	33
Trash Removal	-	20,100	20,018	82
Total Expenditures	<u>235,000</u>	<u>286,000</u>	<u>285,427</u>	<u>573</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(67,833)</b>	<b>(112,043)</b>	<b>(111,860)</b>	<b>183</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer Advances	70,000	184,000	165,000	(19,000)
Total Other Financing Sources (Uses)	<u>70,000</u>	<u>184,000</u>	<u>165,000</u>	<u>(19,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>2,167</b>	<b>71,957</b>	<b>53,140</b>	<b>(18,817)</b>
Fund Balance (Deficit) - Beginning of Year	4,647	(66,518)	(66,518)	-
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u><b>\$ 6,814</b></u>	<u><b>\$ 5,439</b></u>	<u><b>\$ (13,378)</b></u>	<u><b>\$ (18,817)</b></u>

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – GVR TOWER COMMONS RETAIL  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Tenant Billing	\$ 81,000	\$ 53,122	\$ (27,878)
Other Revenue	35,000	-	(35,000)
Total Revenues	116,000	53,122	(62,878)
 <b>EXPENDITURES</b>			
General Government:			
Accounting	10,000	8,520	1,480
District Management	14,000	17,488	(3,488)
Legal	10,000	-	10,000
Contingency	2,000	-	2,000
Operations and Maintenance:			
Landscape Maintenance	20,000	12,890	7,110
Repairs and Maintenance	3,000	3,464	(464)
Snow Removal	8,000	6,215	1,785
Street Repairs	35,000	-	35,000
Tree Replacement	10,000	10,270	(270)
Utilities - Electric	500	-	500
Utilities - Water	2,500	-	2,500
Total Expenditures	115,000	58,847	56,153
 <b>NET CHANGE IN FUND BALANCE</b>	1,000	(5,725)	(6,725)
 Fund Balance (Deficit) - Beginning of Year	3,771	(23,909)	(27,680)
 <b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	\$ 4,771	\$ (29,634)	\$ (34,405)

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND – TOWNS AT OAK CREST  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Homeowner Fees	\$ 113,472	\$ 121,273	\$ 7,801
Other Revenue	74,761	-	(74,761)
Total Revenues	113,472	121,273	7,801
<b>EXPENDITURES</b>			
General Government:			
Accounting	14,000	9,915	4,085
District Management	20,000	25,352	(5,352)
Billing Services	12,000	20,967	(8,967)
Legal	10,000	-	10,000
Contingency	4,150	-	4,150
Operations and Maintenance:			
Landscape Maintenance	15,000	13,444	1,556
Repairs and Maintenance	5,000	2,123	2,877
Covenant Control	8,000	8,461	(461)
Irrigation Repair	3,000	3,881	(881)
Snow Removal	17,000	10,370	6,630
Planting Replacement	5,000	3,873	1,127
Winter Watering	500	-	500
Utilities - Electric	250	-	250
Utilities - General	100	-	100
Utilities - Water	1,000	-	1,000
Total Expenditures	115,000	98,386	16,614
<b>NET CHANGE IN FUND BALANCE</b>	(1,528)	22,887	24,415
Fund Balance (Deficit) - Beginning of Year	(73,233)	(74,212)	(979)
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	\$ (74,761)	\$ (51,325)	\$ 23,436

See accompanying Notes to Basic Financial Statements.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Town Center Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Denver, Colorado (City), on September 12, 1983, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City. The District's service area is located within the City.

The District was organized concurrently with Ebert Metropolitan District (Ebert). The District has the power to provide sanitation, storm drainage, streets, traffic and safety controls and park and recreation improvements and other related improvements for the benefit of taxpayers and service users within Ebert's and the District's boundaries.

The District is intended to serve as the "operating district" while Ebert is intended to serve as the "financing district." The operating district is responsible for providing the day-to-day construction operations and administrative management of both districts per a Second Amended and Restated District Facilities Construction, Funding, and Service Agreement entered into in 2018. During 2017, the District entered into a District Facilities Agreement with First Creek Village Metropolitan District (FCV). The District will provide day-to-day management services for FCV similar to what is provided for Ebert. FCV will impose a mill levy not to exceed 17.000 mills, as adjusted for changes in the method of assessing residential property in the State, to be remitted to the District as a Service Levy.

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, including Ebert, FCV, and the City. The financial operations of Town Center Metropolitan District Subdistrict Nos. 1-5 are included within these financial statements.

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

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**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 taxes and intergovernmental revenues.

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

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

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

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

**TOWN CENTER 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 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 - Subdistrict No. 1 is used to account for financial resources to be used for the general operations related to the Town Center Subdistrict No. 1 subarea.

The Special Revenue Fund - Subdistrict No. 2 is used to account for financial resources to be used for the general operations related to the Town Center Subdistrict No. 2 subarea.

The Special Revenue Fund - Subdistrict No. 3 is used to account for financial resources to be used for the general operations related to the Town Center Subdistrict No. 3 subarea.

The Special Revenue Fund - Subdistrict No. 4 is used to account for financial resources to be used for the general operations related to the Town Center Subdistrict No. 4 subarea.

The Special Revenue Fund - Subdistrict No. 5 is used to account for financial resources to be used for the general operations related to the Town Center Subdistrict No. 5 subarea.

The Special Revenue Fund – GVR Tower Commons Retail is used to account for financial resources to be used for the general operations related to a retail center being serviced by the District.

The Special Revenue Fund – Towns at Oak Crest is used to account for financial resources to be used for the general operations related to a residential townhome community being serviced by the District.

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

The Capital Replacement Fund is used to account for financial resources accumulated for the repair and replacement of capital assets that will be maintained by the District.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

Additionally, the District reports the following fund type:

**Fiduciary Fund**

Custodial funds are accounted for using the accrual basis of accounting. The fund is used to account for assets held in a trustee capacity by the District in connection with the collection and disbursement of transfer fees imposed on any home resold in the District (see Note 8). A comparison of budgeted and actual amounts is not presented in the financial statements.

**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.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Each of the Special Revenue Funds – Subdistrict Nos. 1-5 has its own cash and investment accounts. Additionally, the District has a custodial investment account into which the property taxes of Ebert are deposited monthly and are disbursed in accordance with the Regional Facilities Construction Agreements (see Note 7). The balance in this account as of December 31, 2021 was \$40, which was transferred to Ebert in January 2022.

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

**Development Fees**

On January 1, 2016, the District entered into an Amended and Restated Facilities Construction, Funding and Service Agreement with Ebert (see Note 7). The responsibility for setting, collecting and spending the development fees passed from Ebert to Town. Fees are increased annually. As of March 1, 2015, the fees in effect were \$37,500 per acre for single family development, \$43,500 per acre for multi-family development, \$45,500 per acre for commercial development, \$16,000 per acre for school sites, and \$16,000 per acre for churches. No increases in fees have been made since March 1, 2015.

**Capital Assets**

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns 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.

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend 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. Any construction in process that will be dedicated to another entity is not depreciated. Land and certain landscaping improvements are not depreciated. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Buildings, Water Wells, Monumentation	50 Years
Fencing	20 Years
Irrigation Systems, Cart Paths	15 Years
Furniture and Equipment	5 to 10 Years

**Water Rights**

The cost of water rights includes acquisition cost, legal, and engineering costs related to the development and augmentation of those rights. Since the rights have a perpetual life, they are not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

**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.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

**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. 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.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

**Deficits**

The following individual funds had deficits reported in the fund financial statements as of December 31, 2023:

Special Revenue Fund - Subdistrict No. 5	\$ (13,378)
Special Revenue Fund - GVR Tower Commons Retail	\$ (29,634)
Special Revenue Fund - Towns at Oak Crest	\$ (51,325)

These deficits are anticipated to be eliminated with the receipt of developer advances, tenant billings, and homeowner fees in 2024.

**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	\$ 1,481,940
Cash and Investments - Restricted	897,886
Statement of Fiduciary Net Position:	
Cash and Investments	95,706
Total Cash and Investments	<u>\$ 2,475,532</u>

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

Deposits with Financial Institutions	\$ 188,692
Investments	2,286,840
Total Cash and Investments	<u>\$ 2,475,532</u>

**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 carrying balance of \$188,692.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

**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. Guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

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

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	<u>\$ 2,286,840</u>

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

**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 operations 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.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 CAPITAL ASSETS**

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

<b>By Classification</b>	Balance at December 31, 2022	Additions	Reclassification	Transfers and Retirements	Balance at December 31, 2023
<b>Capital Assets, Not Being Depreciated:</b>					
Landscape Improvements	\$ 9,513,185	\$ 58,726	\$ -	\$ -	\$ 9,571,911
Plaza, Lake, Amphitheater	1,189,292	-	-	-	1,189,292
Water Rights	2,226,731	-	-	-	2,226,731
Land	3,681,056	-	-	-	3,681,056
Construction in Process	592,430	283,769	-	-	876,199
<b>Total Capital Assets,     Not Being Depreciated</b>	<b>17,202,694</b>	<b>342,495</b>	<b>-</b>	<b>-</b>	<b>17,545,189</b>
<b>Capital Assets, Being Depreciated:</b>					
Fencing	3,395,813	-	-	-	3,395,813
Furniture and Equipment	218,218	97,760	-	-	315,978
Irrigation System	5,665,408	-	-	-	5,665,408
Golf Course Buildings	3,644,637	-	-	-	3,644,637
Community Center	6,092,353	-	-	-	6,092,353
Cart Paths	91,776	-	-	-	91,776
Monumentation	791,981	-	-	-	791,981
Campus Building	4,602,734	-	-	-	4,602,734
Storm Drainage	64,433	-	-	-	64,433
Water Wells	3,232,515	-	-	-	3,232,515
<b>Total Capital Assets,     Being Depreciated</b>	<b>27,799,868</b>	<b>97,760</b>	<b>-</b>	<b>-</b>	<b>27,897,628</b>
<b>Less Accumulated Depreciation for:</b>					
Fencing	(2,020,523)	(155,974)	-	-	(2,176,497)
Furniture and Equipment	(119,639)	(28,729)	-	-	(148,368)
Irrigation System	(4,099,214)	(185,019)	-	-	(4,284,233)
Golf Course Buildings	(1,442,211)	(72,893)	-	-	(1,515,104)
Community Center	(499,223)	(121,847)	-	-	(621,070)
Cart Paths	(91,776)	-	-	-	(91,776)
Monumentation	(237,319)	(15,840)	-	-	(253,159)
Campus Building	(874,520)	(92,055)	-	-	(966,575)
Storm Drainage	(3,330)	(3,222)	-	-	(6,552)
Water Wells	(1,233,285)	(72,937)	-	-	(1,306,222)
<b>Total Accumulated Depreciation</b>	<b>(10,621,040)</b>	<b>(748,516)</b>	<b>-</b>	<b>-</b>	<b>(11,369,556)</b>
<b>Total Capital Assets, Being     Depreciated, Net</b>	<b>17,178,828</b>	<b>(650,756)</b>	<b>-</b>	<b>-</b>	<b>16,528,072</b>
<b>Governmental Activities - Capital Assets, Net</b>	<b>\$ 34,381,522</b>	<b>\$ (308,261)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,073,261</b>

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

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

Government Activities:	
General Government	<u>\$ 748,516</u>

It is intended that upon completion of construction, all water facilities, except for those constructed or acquired for the purpose of irrigation or other nonpotable uses, will be dedicated to the Denver Water Board (DWB) for operation and maintenance. It is intended that all other completed capital facilities, with the exception of certain park facilities, will be dedicated to and maintained by the City and County of Denver (City). Certain park facilities shall be owned, operated and maintained by the District.

**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	Additions	Retirements	Balance - December 31, 2023	Due Within One Year
Other Debts:					
Developer Advances - Operations					
Subdistrict No. 3	\$ 83,508	\$ -	\$ -	\$ 83,508	\$ -
Subdistrict No. 4	160,071	-	-	160,071	-
Subdistrict No. 5	37,000	165,000	-	202,000	-
Accrued Interest on:					
Developer Advances - Operations					
Subdistrict No. 3	23,677	2,885	-	26,562	-
Subdistrict No. 4	33,733	6,988	-	40,721	-
Subdistrict No. 5	4,152	3,606	-	7,758	-
Total Long-Term Obligations	<u>\$ 342,141</u>	<u>\$ 178,479</u>	<u>\$ -</u>	<u>\$ 520,620</u>	<u>\$ -</u>

**Developer Advances**

**Operations and Administration Reimbursement Agreement**

The Subdistrict Nos. 3-5 entered into an Operations and Administration Reimbursement Agreement (OARA) with Clayton Properties Group II, Inc. dba: Oakwood Homes (the Developer) during 2023, with an effective date of January 1, 2020. The Developer agrees to periodically advance the Subdistrict Nos. 3-5 amounts to pay operation and administration expenses. The advances bear interest at the rate of 7% per annum simple interest from the date of advancement. Principal and interest in the amounts of \$445,579 and \$75,041, respectively, remain outstanding as of December 31, 2023.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

**Authorized Debt**

On November 3, 1998, the District’s electors authorized the incurrence of general obligation bonds totaling \$29,500,000 at an interest rate not to exceed 15% for a maximum term of 20 years. Pursuant to Colorado State Law, the Board has been made aware that because of the length of time that has passed since the 1998 authorization, they should not rely upon the validity of the 1998 authorization with respect to the unissued debt. The Board has adopted this position and considers the 1998 authorization to be stale with respect to unissued debt.

Please refer to Note 11 for authorized but unissued debt for Subdistrict Nos. 1-5.

**NOTE 6 NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

The net investment in capital assets component of net position consists of capital assets that are owned by the District, 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 improvements of those assets. As of December 31, 2023, the net investment in capital assets was \$33,197,062.

The restricted component of net position consists of amounts 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. As of December 31, 2023, the District had restricted net position as follows:

	Government Activities
Restricted Net Position:	
TABOR Reserves	\$ 101,200
Capital Projects	801,986
Total	\$ 903,186

The unrestricted component of net position is the net amount of the 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.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 INTERGOVERNMENTAL AGREEMENTS**

**Regional Facilities Construction Agreements**

The District entered into a Regional Facilities Construction Agreement (Old Agreement) with Ebert on December 1, 1999. Under the Old Agreement, the District is to provide capital construction and administrative services to Ebert. The District is to own, operate, maintain, and construct the facilities benefiting both Districts. Ebert will, to the extent that Ebert is to benefit, pay the capital and service costs of construction, operation and maintenance of such facilities. At special elections held within Ebert on November 2, 1999, and on November 7, 2000, Ebert's qualified electors approved \$33,000,000 and \$66,000,000, respectively, for a total amount of \$99,000,000, for the Old Agreement.

On April 28, 2005, the District and Ebert entered into a District Facilities Construction, Funding and Service Agreement (New Agreement), which replaced the Old Agreement. Under the New Agreement, the obligations of the District and Ebert remain essentially the same. In addition, the District may draw against Ebert's project funds, without further need of Ebert's consent, to pay the capital costs expected to be paid pursuant to the New Agreement. Ebert also agrees to levy a minimum service levy of not less than 10 mills and not greater than 50 mills to pay the service costs expected to be paid pursuant to the New Agreement.

The District and Ebert entered into an Amended and Restated Facilities, Construction, Funding and Service Agreement effective January 1, 2016 (Amended Agreement). Under the Amended Agreement, Ebert will pay a maximum of \$21,635,477 to the District for service costs, which represents voted authorization of \$99,000,000 less all service costs paid to the District through December 31, 2015. Service costs comprise all operations, maintenance, and administration costs incurred by the District in the performance of the duties and services required by the Amended Agreement. Ebert agrees to levy a minimum service levy of 19 mills that may be adjusted to account for constitutional or legislative changes in computing assessed valuation of Ebert's property, provided that the levy shall never exceed 50 mills. Payments for capital costs contemplated by the Amended Agreement are to be funded from the proceeds of Ebert's 2016C Note.

The District and Ebert entered into a Second Amended and Restated District Facilities Construction, Funding and Service Agreement dated effective November 1, 2018 (New Service Agreement). The New Service Agreement provides that Ebert will fund the construction of certain facilities necessary to complete the development in Ebert and the District will own, operate and maintain certain facilities identified therein and provide covenant enforcement and design review services for the benefit of Ebert. For the purposes of paying the costs incurred by the District for such purposes, the New Service Agreement further provides that Ebert will levy the Minimum Service Levy (a levy of not less than eighteen (18) mills against all taxable property within its boundaries, adjusted to account for constitutional and legislative changes, including new exemptions, in the manner, method or base percentage calculation for the computation of assessed values of taxable property, provided that the levy shall never exceed fifty (50) mills until such time as the New Service Agreement is terminated or when Ebert has paid to the District the Maximum Service Amount of \$16,947,741. The Maximum Service Amount represents the future maximum costs that can be incurred by the District for operations, maintenance and administration in the performance of its duties under the New Service Agreement. During 2023, \$2,513,968 was received from Ebert. At December 31, 2023, the Maximum Service Amount remaining was \$4,979,640.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)**

**Regional Facilities Construction Agreements (Continued)**

The New Service Agreement establishes and funds Ebert's Capital Repair and Replacement Fund (the CRRF). One mill of Ebert's Minimum Service Levy is to be reserved for the purpose of funding the CRRF. The amounts in the CRRF are to be used for the limited purpose of repairing, replacing and/or maintaining public improvements and for creating reserves for those purposes, all at the direction of Ebert's Board acting in its discretion. The District agrees in the New Service Agreement to, subject to funding provided by Ebert from the CRRF, to repair, replace and/or maintain public improvements in consultation with or as requested by Ebert's Board. Additionally, pursuant to the New Service Agreement, Ebert agrees to allow the District to withdraw, at the direction of Ebert, up to \$2,300,000 of proceeds from Ebert's Series 2018 A-2 Bonds for funding the construction or acquisition of certain facilities. During 2023, no proceeds were transferred to the District.

**Development Agreement**

On February 20, 2003, and as amended on May 25, 2007, March 13, 2012, and November 17, 2014, the District entered into a development agreement with Ebert (collectively, the Districts); the City, Denver School District No. 1 (the School); and C&H Ranch Company LLC, Oakwood Commercial Ventures LLC, and HC Development & Management Services, Inc. (collectively, the Developers). The purpose of the agreement was to modify and supersede prior annexation agreements between the City, the School, and the Developers in order to coordinate all present and future plans for the development of the area in the vicinity of the Districts, known as Green Valley Ranch (GVR).

The agreement outlines the capital improvement responsibilities of the Districts, the Developers, and the City. Under the agreement, the City is responsible for the funding and construction of a regional park, regional trails, arterial roads and medians surrounding GVR (less the first 22 feet of pavement, curb, gutter, and sidewalks of the arterial roads), and 50% of the costs associated with arterial road bridges. The City will also contribute funding toward the construction of a recreation center (see below). The Districts are responsible for construction and funding of five scenic viewing areas, neighborhood and pocket parks, the landscaping of the regional trails that lie within GVR, collector streets which link local streets to arterial streets, and the first 22 feet of pavement, curb, gutter, and sidewalks of the arterial roads. The Districts are also responsible for the construction and balance of funding of a recreation center. The Developers are responsible for the construction and funding of local or neighborhood roads and medians, interior arterial roads, the interior road bridges, 50% of the costs associated with arterial road bridges, and all storm drainage improvements within GVR. The Developers may assign or transfer all of their rights and obligations for collector and arterial improvements in this agreement to the Districts, which they have done.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)**

**Development Agreement (Continued)**

The public golf course and wetlands owned by the District are considered Metropolitan District Open Space and Wetlands and shall at all times be owned by a public entity and be maintained for the public golf course or other public open space or public recreational purposes.

In order to facilitate the completion of the arterial roads, the City and the District have agreed to undertake the other's obligations and have entered into written road development agreements (see below).

The City has acknowledged that the Developers have undertaken certain public improvements within GVR that were the obligation of the City under the terms of the prior annexation agreements. The City has given the Developer a credit of \$5,900,000 that will be applied by the City for payment or reimbursement for the benefit of the District, the District's share of arterial costs. As of December 31, 2023, all credits had been received by the District.

The City will own, operate, and maintain the regional park, the recreation center, the arterial roads, bridges, and medians, the interior roads and bridges, and the storm drainage for the recreation center and parks. The District will own, operate, and/or maintain the viewing areas and the remainder of the storm drainage improvements.

Per this agreement, the District is responsible for funding, constructing, and maintaining certain improvements within GVR, which encompasses areas outside of the District's boundaries, including other metropolitan districts. The District is currently in the process of negotiating with the other metropolitan districts for reimbursement of the improvement costs that are benefiting the other districts. The approximate cost of these improvements is \$3 million.

On May 9, 2008, GVR Metropolitan District and the Developers entered into a Mutual Release and Settlement Agreement whereby certain disputes regarding infrastructure construction and system development fee credits were resolved. Additionally, GVR Metropolitan District agreed to waive its rights or claims to all system development fees due from the Developers on residential property within GVR Metropolitan District.

**Restated Agreement for Reimbursement of Costs**

On January 11, 2017, the District and Green Valley Ranch Metropolitan District Nos. 6 and 7 (GVRE Districts) entered into a Restated Agreement for Reimbursement of Costs (Cost Reimbursement Agreement). The GVRE Districts agree to reimburse the District 75% of the District's costs of certain street improvements originally agreed to in 2008 in the total amount of \$1,392,829, plus accrued interest at the rate of 8% per annum. In 2020, Green Valley Ranch East Metropolitan District No. 6 (GVRE6) issued bonds and repaid the District \$1,044,622, plus \$1,136,065 of accrued interest in satisfaction of the Cost Recovery Agreement.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)**

**Restated Agreement for Reimbursement of Costs (Continued)**

The remaining 25% of the original amount due is the responsibility of Green Valley Ranch East Metropolitan District Nos. 1-5, which have subsequently been renamed and are referred to in this agreement as the TAH Districts. Upon issuance of its 2020 bonds, GVRE6 also reimbursed the District \$348,207, plus \$378,689 of accrued interest on behalf of the TAH Districts.

The funds received in satisfaction of the Cost Recovery Agreement are included in the District's Capital Projects Fund and will be used to pay for eligible capital improvements.

Because the original payment of \$1,392,829 by the District was funded with bond proceeds from Ebert's Series 2007 General Obligation Limited Tax Refunding and Improvement Bonds, Ebert has hired legal counsel to determine if all or a portion of the payment from GVRE6 should be remitted to Ebert. The District, upon advice from counsel, has determined no portion of the payment should be remitted to Ebert.

**Golf Club at Green Valley Ranch LLC**

On April 14, 2000, the District entered into a Golf Course Development Agreement and a Golf Course Concession Agreement with the Golf Club at Green Valley Ranch LLC (Concessionaire).

The Concessionaire constructed various golf course improvements and was reimbursed \$2,500,000 under the terms of the Development Agreement.

The Concessionaire will operate the golf course, clubhouse and maintenance facility as a public facility for a period of 99 years. The Concessionaire will be responsible for routine repairs and maintenance of the golf course and facilities, including the irrigation system and parking areas. The District will be responsible for the nonroutine repairs and replacements of structures and systems, including the water supply and drainage improvements. The District shall be responsible for the cost, maintenance and repair of the water supply system and the water supplied to the Concessionaire from its wells, provided, however, that any extra costs of maintenance or repair of damage to the water system shall be the responsibility of the Concessionaire.

During 2005, the District amended and restated the Golf Facility Use Agreement, whereby the District and Concessionaire agree to provide improvements to the golf facilities to include a short course and learning center for a First Tee program, which is aimed at developing the interest and ability of youth in the sport of golf. Since 2005, the Colorado Open Golf Foundation (Foundation) has contributed \$336,250 to the District and an additional \$54,236 was contributed by a related party toward the funding of these improvements. The agreement provides that for the next 30 years, the Foundation shall have the use of the short course and learning center in order to administer the First Tee program. The Foundation will make payments if and when it can to reimburse the District for additional First Tee program costs. A receivable was not recorded, and no revenue was budgeted in 2023 associated with this amended agreement.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)**

**Golf Club at Green Valley Ranch LLC (Continued)**

Effective January 1, 2005, the Golf Course Concession Agreement was amended whereby, for the next ten years, the Concessionaire will pay to the District a fee of 5% of gross revenues if gross revenues exceed operating expenses by \$300,000. No concession fee is due if revenues do not exceed expenses by \$300,000. Thereafter, the concession fee will be 5% of gross revenues if gross revenues exceed operating expenses.

The Gold Course was further amended on September 21, 2023, whereby, the Concessionaire will pay a fee equal to \$50,000 in 2023, \$75,000 in 2024, \$100,000 in 2025, and \$100,000 plus annual change in the Consumer Price Index in 2026 and beyond. Concession fees in the amount of \$50,000 were paid in 2023.

**Inclusion Agreement**

The District has entered into an Inclusion Agreement dated as of September 20, 2005 (the Inclusion Agreement), with Ebert and C.P. Bedrock LLC (C.P. Bedrock). Pursuant to the Inclusion Agreement, the parties set out the terms by which certain property owned by C.P. Bedrock has been and will be included into and excluded from Ebert. In addition, Ebert has agreed to limit its debt service mill levy to 65 mills, subject to certain adjustments for changes in law.

During 2008, the parties entered into an amendment to the Inclusion Agreement that modified the language in the Inclusion Agreement to describe the authorized adjustments to Ebert's 65-mill limit for changes in law and other provisions. As of December 31, 2016, the adjusted mill levy cap for Ebert was 74.717 mills. The parties also entered into an Escrow Agreement with United Missouri Bank (UMB) that modified the original escrow instructions delivered pursuant to the Inclusion Agreement. Pursuant to the Modified Escrow Agreement, \$4,657,010 of the proceeds of Ebert's 2007 bonds were deposited into an escrow account to be released as the District completes certain improvements benefiting property owned by C.P. Bedrock that is subject to the Inclusion Agreement. At December 31, 2023 the remaining balance in the escrow account held by Ebert was \$174,506.

**56<sup>th</sup> Avenue Improvements**

The District entered into an agreement dated October 20, 2009, with the City for the construction of the 56<sup>th</sup> Avenue Right-of-Way Improvements – Phase I. The 56<sup>th</sup> Avenue Right-of-Way Improvements include: 1) a full 6-lane section, with median and sidewalk on each side, from Tower Road to Dunkirk Street; 2) three southerly lanes, with a half median on the north side and adjacent sidewalk on the south side, from Dunkirk Street to Picadilly Road; 3) portions of the intersections of 56<sup>th</sup> Avenue with Tower Road, Argonne Street, Dunkirk Street, Ireland Street, Nepal Street, and Picadilly Road; 4) certain related utility relocations and installation of conduit; 5) certain traffic signalization and; 6) certain street lighting, signage, and other incidental improvements. Phase I consists of the 56<sup>th</sup> Avenue Right-of-Way Improvements from the Tower Road intersection to and including the Ireland Street intersection. The District shall cause the Project to be completed in accordance with the Project Plans and terms of the agreement.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)**

**56<sup>th</sup> Avenue Improvements (Continued)**

The project cost estimate for the Phase I improvements is \$3,227,940. The City has appropriated \$3,113,624 from various sources, including payments to the City from Denver High Point at DIA Metropolitan District and Gateway Regional Metropolitan District in accordance with agreements the City has with those districts. The District's share of the cost is \$114,316, of which \$61,844 is for design costs for drainage facilities benefitting the City of Aurora. Additionally, \$327,089 of the project cost estimate is for improvements located within the City of Aurora, which is currently not in a position to pay the cost of these improvements. The District, with the involvement and cooperation of the City, will diligently pursue agreements to have the Aurora improvements funded by the City of Aurora and/or adjacent private developers and/or metropolitan districts or other applicable governing authorities. Phase I was completed and accepted by the City in 2011.

Subsequent to December 31, 2017, the District entered into an intergovernmental agreement for 56th Avenue Improvements - Phase 2 with the City. This District will be responsible for construction of all roadways and right of way improvements for the three southerly lanes and adjacent sidewalk of 56th Avenue from Ireland Street through Piccadilly Street. The total estimated cost of the project is \$6.9 million, which includes \$2.1 million of landscaping costs. The City will contribute \$1,081,938 of remaining credits associated with the above Development Agreement, plus an additional \$1,206,126 of the City's share of project costs. Payment was received in 2019.

The costs were initially accepted on May 5, 2020. Subject to a three-year warranty period, the City shall own, operate, and maintain the Project.

**NOTE 8 RELATED PARTIES**

Majority of the members of the Board of Directors are employees of or consultants to the Developer. As such, these Board members may have conflicts of interest in dealing with the District.

The District has entered into a construction management agreement with the Developer whereby the District will pay a fee to the Developer for construction management services on various District projects. The District did not pay any fees to the Developer for construction management services during 2023.

A transfer fee in the amount of ½ of 1% of sales price for any home resold in the District was established by the 2001 Master Declaration for the Development. The District is designated to collect the fee and remit 75% of the transfer fee to the Developer and 25% to GVR Foundation, a Developer-related entity. During 2023, \$543,629 of transfer fees were collected and paid per the Master Declaration, \$407,722 to the Developer, and \$135,907 to GVR Foundation.

The financial activity related to the collection and disbursement of the transfer fees is reported in the Fiduciary Fund.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 9 RISK MANAGEMENT**

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 10 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

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

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 3, 1998, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

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.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 11 SUBDISTRICTS**

During 2011, the Board of Directors of the District by resolution allowed for the division of the District into one or more subareas. Different rates of levy for property tax purposes may be fixed against all the taxable property within the subareas for operations and/or repayment of indebtedness issued by the subareas to finance services, programs, and facilities furnished or to be furnished with the subareas.

**Town Center Metropolitan District Subdistrict No. 1** (Subdistrict No. 1) was established on August 22, 2011. The electors of Subdistrict No. 1, at an election held on November 1, 2011, approved authorization to increase property taxes up to \$500,000 annually, as necessary, to pay for the costs of operating and maintaining the improvements within and/or benefiting Subdistrict No. 1. Debt authorization was approved for the following improvements: \$1,500,000 for streets; \$1,500,000 for safety protection; \$1,500,000 for parks and recreation; \$1,500,000 for water supply; \$1,500,000 for sanitary and storm sewer; \$1,500,000 for mosquito control and \$1,500,000 for television relay. Debt authorization was also approved in the amount of \$15,000,000 for operations and maintenance, \$5,000,000 for refinance/refunding, and \$15,000,000 for executing intergovernmental agreements.

During 2016 a mill levy of 50.000 mills was levied against all taxable property within Subdistrict No. 1 for collection in 2017. The mill levy is subject to changes in the method of assessing residential property in the State. For tax collections in 2023, the mill levy was adjusted to 57.222. Financial activity of Subdistrict No. 1 is displayed within the financial statements as a Special Revenue Fund.

Subdistrict No. 1 is an adult community (Fairway Villas) consisting of ranch homes with a club house serving the residents of the Subdistrict No. 1 and Town Center Metropolitan District Subdistrict No. 4 (see Town Center Metropolitan District Subdistrict No. 4 note).

**Town Center Metropolitan Subdistrict No. 2** (Subdistrict No. 2) was established on April 30, 2013. The organizational election for Subdistrict No. 2 approved authorization to increase property taxes up to \$2,000,000 annually, as necessary, to pay for the cost of constructing, operating and maintaining the improvements within and/or benefiting Subdistrict No. 2. The election also authorized Subdistrict No. 2 to enter into multi-fiscal year agreements and to collect, retain, and spend amounts collected annually from any and all revenue sources without regard to any limitations contained within Article X, Section 20, of the Colorado Constitution.

In 2016 a mill levy of 50.000 mills was levied against all taxable property within Subdistrict No. 2 for collection in 2017. The mill levy is subject to changes in the method of assessing residential property in the State. For tax collections in 2023, the mill levy was adjusted to 57.226. Financial activity in Subdistrict No. 2 is displayed within the financial statements as a Special Revenue Fund.

Subdistrict No. 2 is a community (Carriage House) of cluster homes.

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 11 SUBDISTRICTS (CONTINUED)**

**Town Center Metropolitan Subdistrict No. 3** (Subdistrict No. 3) was originally established on February 5, 2014 and reestablished on September 1, 2017. The organizational election for Subdistrict No. 3 held on November 3, 2015, and again on November 7, 2017, approved authorization to increase property taxes up to \$1,000,000 annually, as necessary, to pay for the cost of constructing, operating and maintaining the improvements within and/or benefitting Subdistrict No. 3. The election also authorized Subdistrict No. 3 to collect, retain, and spend amounts collected annually from any and all revenue sources without regard to any limitations contained within Article X, Section 20, of the Colorado Constitution. Financial activity in Subdistrict No. 3 is displayed within the financial statements as a Special Revenue Fund.

Subdistrict No. 3 is a gated community of single-family homes with pool facilities.

**Town Center Metropolitan District Subdistrict No. 4** (Subdistrict No. 4) was established on February 5, 2014 and reestablished on September 1, 2017. The electors of Subdistrict No. 4, at an election held on November 3, 2015, approved authorization to increase property taxes and fees up to \$40,000 annually, as necessary, to pay for the costs of operating and maintaining the improvements within and/or benefitting Subdistrict No. 4. Debt authorization was approved for the following improvements: \$1,500,000 for streets; \$1,500,000 for security; \$1,500,000 for parks and recreation; \$1,500,000 for water supply; \$1,500,000 for sanitary and storm sewer; and \$1,500,000 for reimbursements with private entities. The election also authorized Subdistrict No. 4 to collect, retain, and spend amounts collected annually from any and all revenue sources without regard to any limitations contained within Article X, Section 20, of the Colorado Constitution. An election held on November 7, 2017, approved authorization to increase property taxes up to \$1,000,000 annually, as necessary, to pay for the cost of constructing, operating and maintaining the improvements within and/or benefitting Subdistrict No.4. The election also authorized Subdistrict No. 4 to collect, retain, and spend amounts collected annually from any and all revenue sources without regard to any limitations contained within Article X, Section 20, of the Colorado Constitution. Financial activity in Subdistrict No. 4 is displayed within the financial statements as a Special Revenue Fund.

Subdistrict No. 4 is intended to be an adult community similar to Subdistrict No. 1. Subdistrict No. 4 has a club house which serves the residents of both Subdistrict Nos. 1 and 4. Per an agreement between Subdistrict Nos. 1 and 4, the net tax revenue of Subdistrict No. 4 is transferred to Subdistrict No. 1, which is responsible for the operations, maintenance, and repairs of both club houses.

**Town Center Metropolitan District Subdistrict No. 5** (Subdistrict No. 5) was established in 2019. The electors of Subdistrict No. 5, at an election held on November 5, 2019, approved authorization to increase property taxes and fees up to \$2,000,000 annually, as necessary, to pay for the costs of operating and maintaining the improvements within and/or benefitting Subdistrict No. 5. The electors also approved authorization to increase property taxes up to \$2,000,000 for the funding of capital costs authorized by the Service Plan. The election also authorized Subdistrict No. 5 to collect, retain, and spend amounts collected annually from any and all revenue sources without regard to any limitations contained within

**TOWN CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 11 SUBDISTRICTS (CONTINUED)**

Article X, Section 20, of the Colorado Constitution and to enter into intergovernmental and multi-fiscal year agreements and to enter into contracts with private parties. Financial activity in Subdistrict No. 5 is displayed within the financial statements as a Special Revenue Fund.

Subdistrict No. 5 is a community of single-family homes.

## **SUPPLEMENTARY INFORMATION**

**TOWN CENTER METROPOLITAN DISTRICT  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Subdistrict No. 1		Subdistrict No. 2		Subdistrict No. 3		Subdistrict No. 4		Subdistrict No. 5		GVR Tower		Towns at		Total Governmental Funds
	Special Revenue		Special Revenue		Special Revenue		Special Revenue		Special Revenue		Commons Retail Special Revenue		Oak Crest Special Revenue		
<b>ASSETS</b>															
Cash and Investments	\$ 313,300	\$	418,590	\$	66,577	\$	92,028	\$	5,523	\$	-	\$	-	\$	896,018
Cash and investments - Restricted	23,700		35,500		8,800		4,600		5,200		-		-		77,800
Accounts Receivable	9,228		86,537		-		1,575		4,236		127,774		35,721		265,071
Due from Other Funds	206		350		-		-		-		-		-		556
Prepaid Expenses	947		-		423		-		-		-		-		1,370
Receivable from County Treasurer	1,761		3,081		1,100		954		513		-		-		7,409
Property Taxes Receivable	467,959		846,993		386,895		288,421		267,904		-		-		2,258,172
<b>Total Assets</b>	<b>\$ 817,101</b>	<b>\$</b>	<b>1,391,051</b>	<b>\$</b>	<b>463,795</b>	<b>\$</b>	<b>387,578</b>	<b>\$</b>	<b>283,376</b>	<b>\$</b>	<b>127,774</b>	<b>\$</b>	<b>35,721</b>	<b>\$</b>	<b>3,506,396</b>

**LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES, AND FUND BALANCES (DEFICITS)**

<b>LIABILITIES</b>															
Accounts Payable	\$ 86,175	\$	58,117	\$	21,821	\$	36,351	\$	27,776	\$	28,524	\$	25,052	\$	283,816
Due to Other Funds	-		-		-		206		-		128,884		61,382		190,472
Prepaid assessments	-		613		-		3,667		1,074		-		612		5,966
<b>Total Liabilities</b>	<b>86,175</b>		<b>58,730</b>		<b>21,821</b>		<b>40,224</b>		<b>28,850</b>		<b>157,408</b>		<b>87,046</b>		<b>480,254</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>															
Property Tax Revenue	467,959		846,993		386,895		288,421		267,904		-		-		2,258,172
<b>Total Deferred Inflows of Resources</b>	<b>467,959</b>		<b>846,993</b>		<b>386,895</b>		<b>288,421</b>		<b>267,904</b>		<b>-</b>		<b>-</b>		<b>2,258,172</b>
<b>FUND BALANCES (DEFICITS)</b>															
Nonspendable:															
Prepaid Expenses	947		-		423		-		-		-		-		1,370
Restricted for:															
Emergencies (TABOR)	23,700		35,500		8,800		4,600		5,200		1,600		3,700		83,100
Subsequent Year's Expenditures	35,185		-		1,260		-		-		-		-		36,445
Unassigned:															
Subdistrict - Special Revenues	203,135		449,828		44,596		54,333		(18,578)		(31,234)		(55,025)		647,055
<b>Total Fund Balances (Deficits)</b>	<b>262,967</b>		<b>485,328</b>		<b>55,079</b>		<b>58,933</b>		<b>(13,378)</b>		<b>(29,634)</b>		<b>(51,325)</b>		<b>767,970</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 817,101</b>	<b>\$</b>	<b>1,391,051</b>	<b>\$</b>	<b>463,795</b>	<b>\$</b>	<b>387,578</b>	<b>\$</b>	<b>283,376</b>	<b>\$</b>	<b>127,774</b>	<b>\$</b>	<b>35,721</b>	<b>\$</b>	<b>3,506,396</b>

**TOWN CENTER METROPOLITAN DISTRICT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES (DEFICITS)  
SPECIAL REVENUE FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Subdistrict No. 1 Special Revenue	Subdistrict No. 2 Special Revenue	Subdistrict No. 3 Special Revenue	Subdistrict No. 4 Special Revenue	Subdistrict No. 5 Special Revenue	GVR Tower Commons Retail Special Revenue	Towns at Oak Crest Special Revenue	Total Governmental Funds
<b>REVENUES</b>								
Property Taxes	\$ 450,911	\$ 768,029	\$ 271,137	\$ 259,692	\$ 145,127	\$ -	\$ -	\$ 1,894,896
Specific Ownership Taxes	25,107	43,592	15,116	13,639	7,182	-	-	104,636
Interest Income	18,725	28,802	6,404	49	335	-	-	54,315
Intergovernmental Revenue - TCSD4	273,206	-	-	-	-	-	-	273,206
Customer/Tenant Billings	-	341,304	-	153,395	20,923	53,122	121,273	690,017
Other Revenue	20,173	-	400	1,134	-	-	-	21,707
Total Revenues	<u>788,122</u>	<u>1,181,727</u>	<u>293,057</u>	<u>427,909</u>	<u>173,567</u>	<u>53,122</u>	<u>121,273</u>	<u>3,038,777</u>
<b>EXPENDITURES</b>								
General Government	324,788	142,432	66,210	303,227	63,858	26,008	56,234	982,757
Operations and Maintenance	310,013	869,121	123,570	120,681	221,569	32,839	42,152	1,719,945
Pool and Cabana Maintenance	63,193	-	106,973	-	-	-	-	170,166
Capital Outlay	103,788	-	-	-	-	-	-	103,788
Total Expenditures	<u>801,782</u>	<u>1,011,553</u>	<u>296,753</u>	<u>423,908</u>	<u>285,427</u>	<u>58,847</u>	<u>98,386</u>	<u>2,976,656</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(13,660)	170,174	(3,696)	4,001	(111,860)	(5,725)	22,887	62,121
<b>OTHER FINANCING SOURCES (USES)</b>								
Developer Advances	-	-	-	-	165,000	-	-	165,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,000</u>	<u>-</u>	<u>-</u>	<u>165,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	(13,660)	170,174	(3,696)	4,001	53,140	(5,725)	22,887	227,121
Fund Balances (Deficits) - Beginning of Year	276,627	315,154	58,775	54,932	(66,518)	(23,909)	(74,212)	540,849
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 262,967</u>	<u>\$ 485,328</u>	<u>\$ 55,079</u>	<u>\$ 58,933</u>	<u>\$ (13,378)</u>	<u>\$ (29,634)</u>	<u>\$ (51,325)</u>	<u>\$ 767,970</u>

**TOWN CENTER METROPOLITAN DISTRICT  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECTS FUNDS  
 YEAR ENDED DECEMBER 31, 2023**

	Capital Projects	Capital Replacement	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments - Restricted	\$ 801,986	\$ -	\$ 801,986
Due from First Creek Village	50,333	-	50,333
	<u>\$ 852,319</u>	<u>\$ -</u>	<u>\$ 852,319</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 129,879	\$ -	\$ 129,879
Retainage Payable	121,297	-	121,297
Total Liabilities	<u>251,176</u>	<u>-</u>	<u>251,176</u>
<b>FUND BALANCES</b>			
Restricted for:			
Capital Projects	801,986	-	801,986
Unassigned:			
General Government	(200,843)	-	(200,843)
Total Fund Balances	<u>601,143</u>	<u>-</u>	<u>601,143</u>
Total Liabilities and Fund Balances	<u>\$ 852,319</u>	<u>\$ -</u>	<u>\$ 852,319</u>

**TOWN CENTER METROPOLITAN DISTRICT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES  
 CAPITAL PROJECTS FUNDS  
 YEAR ENDED DECEMBER 31, 2023**

	<u>Capital Projects</u>	<u>Capital Replacement</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Reimbursed Expenditures	\$ 83,322	\$ -	\$ 83,322
Interest Income	30,310	33,778	64,088
System Development Fees	85,616	-	85,616
Total Revenues	<u>199,248</u>	<u>33,778</u>	<u>233,026</u>
<b>EXPENDITURES</b>			
General Government	48,510	-	48,510
Capital Outlay	363,155	-	363,155
Total Expenditures	<u>411,665</u>	<u>-</u>	<u>411,665</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(212,417)	33,778	(178,639)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from Other Funds	549,021	-	549,021
Transfers to Other Funds	-	(699,021)	(699,021)
Total Other Financing Sources (Uses)	<u>549,021</u>	<u>(699,021)</u>	<u>(150,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	336,604	(665,243)	(328,639)
Fund Balances - Beginning of Year	<u>264,539</u>	<u>665,243</u>	<u>929,782</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 601,143</u>	<u>\$ -</u>	<u>\$ 601,143</u>

**TOWN CENTER METROPOLITAN DISTRICT  
CAPITAL PROJECTS 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)
<b>REVENUES</b>			
Ebert Conservation Trust Fund Revenue	\$ 150,000	\$ -	\$ (150,000)
Ebert Revenue - Replacement Projects	862,917	-	(862,917)
Interest Income	15,000	30,310	15,310
Reimbursed Expenditures	130,000	83,322	(46,678)
System Development Fees	549,750	85,616	(464,134)
Total Revenues	<u>1,707,667</u>	<u>199,248</u>	<u>(1,508,419)</u>
<b>EXPENDITURES</b>			
General Government:			
Construction Management	15,000	48,510	(33,510)
Contingency	2,422	-	2,422
Capital Outlay:			
38th Avenue Landscaping	-	58,726	(58,726)
Detention Pond Rehabilitation	-	4,832	(4,832)
Engineering	-	30	(30)
Irrigation Upgrades	25,000	-	25,000
Landscaping	-	15,797	(15,797)
Pocket Parks and Tracts	150,000	-	150,000
Replacement Projects	332,578	-	332,578
Streets	300,000	239,727	60,273
Traffic Signal	750,000	44,043	705,957
Total Expenditures	<u>1,575,000</u>	<u>411,665</u>	<u>1,163,335</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	132,667	(212,417)	(345,084)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from Other Funds	-	549,021	549,021
Total Other Financing Sources (Uses)	<u>-</u>	<u>549,021</u>	<u>549,021</u>
<b>NET CHANGE IN FUND BALANCE</b>	132,667	336,604	203,937
Fund Balance - Beginning of Year	<u>403,991</u>	<u>264,539</u>	<u>(139,452)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 536,658</u>	<u>\$ 601,143</u>	<u>\$ 64,485</u>

**TOWN CENTER METROPOLITAN DISTRICT  
CAPITAL REPLACEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Budget		
<b>REVENUES</b>				
Interest Income	\$ 5,000	\$ 40,000	\$ 33,778	\$ (6,222)
Total Revenues	<u>5,000</u>	<u>40,000</u>	<u>33,778</u>	<u>(6,222)</u>
<b>EXPENDITURES</b>				
Intergovernmental Expenditures - Ebert	555,000	555,000	-	555,000
Total Expenditures	<u>555,000</u>	<u>555,000</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(550,000)	(515,000)	33,778	(6,222)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Other Funds	50,000	50,000	-	(50,000)
Transfers to Other Funds	-	(200,000)	(699,021)	(499,021)
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>(150,000)</u>	<u>(699,021)</u>	<u>(549,021)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(500,000)	(665,000)	(665,243)	(555,243)
Fund Balance - Beginning of Year	610,131	665,243	665,243	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 110,131</u>	<u>\$ 243</u>	<u>\$ -</u>	<u>\$ (555,243)</u>

## OTHER INFORMATION

**TOWN CENTER 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 Service		Levied	Collected	
2019	\$ 262,020	58.040		\$ 15,208	\$ 15,208	100.00 %
	7,116,600	55.278		393,391 (A)	386,313	98.20
	8,613,230	55.278		476,122 (B)	476,125	100.00
2020	339,540	58.319		19,802	19,772	99.85
	7,950,310	55.664		442,546 (A)	442,342	99.95
	12,593,430	55.664		701,001 (B)	700,574	99.94
	3,746,050	50.000		187,303 (C)	187,303	100.00
	2,829,230	55.664		157,486 (D)	157,486	100.00
2021	398,630	58.319		23,248	23,245	99.99
	7,979,770	55.664		444,186 (A)	444,186	100.00
	13,069,910	55.664		727,523 (B)	727,524	100.00
	4,310,340	50.000		215,517 (C)	215,516	100.00
	3,834,380	55.664		213,437 (D)	213,431	100.00
2022	750,920	55.664		41,799 (E)	41,640	99.62
	444,820	58.319		25,941	25,942	100.00
	8,137,770	55.664		452,981 (A)	453,533	100.12
	14,020,090	55.664		780,414 (B)	779,796	99.92
	5,411,580	50.000		270,579 (C)	257,749	95.26
2023	4,509,480	55.664		251,016 (D)	251,359	100.14
	2,332,870	55.664		129,857 (E)	129,723	99.90
	445,350	53.150		23,670	23,670	100.00
	7,866,230	57.222		450,121 (A)	450,911	100.18
	13,383,610	57.226		765,890 (B)	768,029	100.28
2024	5,422,730	50.000		271,137 (C)	271,137	100.00
	4,537,450	57.233		259,692 (D)	259,692	100.00
	2,531,190	57.225		144,847 (E)	145,127	100.19
	Estimated for year ending December 31,	\$ 525,410	53.150	\$ 27,926		
	2024	8,829,410	53.000	467,959 (A)		
	15,981,000	53.000	846,993 (B)			
	7,034,460	55.000	386,895 (C)			
	5,441,900	53.000	288,421 (D)			
	4,509,860	59.404	267,904 (E)			
			<u>\$ 2,286,098</u>			

**NOTES:**

Property taxes collected in any one year 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.

- (A) Represents property included in the Town Center Metropolitan District Subdistrict No. 1.
- (B) Represents property included in the Town Center Metropolitan District Subdistrict No. 2.
- (C) Represents property included in the Town Center Metropolitan District Subdistrict No. 3.
- (D) Represents property included in the Town Center Metropolitan District Subdistrict No. 4.
- (E) Represents property included in the Town Center Metropolitan District Subdistrict No. 5.