

**9TH AVENUE METROPOLITAN
DISTRICT NO. 2
City and County of Denver, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**


YEAR ENDED DECEMBER 31, 2023


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YEAR ENDED DECEMBER 31, 2023**


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1221 W. Mineral Avenue, Suite 202
Littleton, CO 80120

 303-734-4800

 303-795-3356

 www.HaynieCPAs.com

INDEPENDENT AUDITORS' REPORT

Members of the Board of Directors
9th Avenue Metropolitan District No. 2
Denver County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of 9th Avenue Metropolitan District No. 2 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of 9th Avenue Metropolitan District No. 2, as of December 31, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 9th Avenue Metropolitan District No. 2 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 9th Avenue Metropolitan District No. 2'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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 9th Avenue Metropolitan District No. 2'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 9th Avenue Metropolitan District No. 2's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

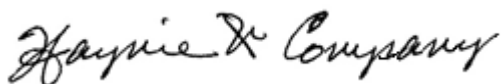
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is 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 9th Avenue Metropolitan District No. 2's basic financial statements. The schedules of revenues, expenditures and changes in fund balance – budget and actual for Debt Service is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information and continuing disclosure annual financial information, as listed in the table of contents, does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information and continuing disclosure annual financial information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Littleton, Colorado

July 21, 2024

BASIC FINANCIAL STATEMENTS

9TH AVENUE METROPOLITAN DISTRICT NO. 2
STATEMENT OF NET POSITION
DECEMBER 31, 2023

| | Governmental Activities |
|--------------------------------------|----------------------------|
| ASSETS | |
| Cash and Investments | \$ 8,444 |
| Cash and Investments - Restricted | 1,450,321 |
| Receivable from County Treasurer | 2,641 |
| Property Tax Receivable | 1,078,910 |
| Total Assets | 2,540,316 |
| LIABILITIES | |
| Due to 9th Ave MD 1 | 9,103 |
| Accrued Bond Interest | 59,833 |
| Noncurrent Liabilities: | |
| Due Within One Year | 5,000 |
| Due in More Than One Year | 14,355,000 |
| Total Liabilities | 14,428,936 |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred Property Tax | 1,078,910 |
| Total Deferred Inflows of Resources | 1,078,910 |
| NET POSITION | |
| Restricted for: | |
| Debt Service | 1,452,302 |
| Net Position - Unrestricted | (14,419,832) |
| Total Net Position | \$ (12,967,530) |

See accompanying Notes to Basic Financial Statements.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

| | General | Debt Service | Total Governmental Funds |
|--|-------------------|---------------------|--------------------------------|
| ASSETS | | | |
| Cash and Investments | \$ 4,690 | \$ 3,754 | \$ 8,444 |
| Cash and Investments - Restricted | - | 1,450,321 | 1,450,321 |
| Receivable from County Treasurer | 913 | 1,728 | 2,641 |
| Property Tax Receivable | 372,856 | 706,054 | 1,078,910 |
| Total Assets | <u>\$ 378,459</u> | <u>\$ 2,161,857</u> | <u>\$ 2,540,316</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Due to 9th Ave MD 1 | \$ 5,603 | \$ 3,500 | \$ 9,103 |
| Total Liabilities | 5,603 | 3,500 | 9,103 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Property Tax | 372,856 | 706,054 | 1,078,910 |
| Total Deferred Inflows of Resources | 372,856 | 706,054 | 1,078,910 |
| FUND BALANCES | | | |
| Restricted for: | | | |
| Debt Service | - | 1,452,303 | 1,452,303 |
| Total Fund Balances | - | 1,452,303 | 1,452,303 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 378,459</u> | <u>\$ 2,161,857</u> | |
| Amounts reported for governmental activities in the statement of net position are different because: | | | |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. | | | |
| Accrued Contingent Liability | | | (59,833) |
| Bonds Payable | | | (14,360,000) |
| Net Position of Governmental Activities | | | <u>\$ (12,967,530)</u> |

See accompanying Notes to Basic Financial Statements.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

| | General | Debt Service | Total Governmental Funds |
|--|-----------|-----------------|--------------------------------|
| REVENUES | | | |
| Specific Ownership Taxes | \$ 12,454 | \$ 23,583 | \$ 36,037 |
| Interest Income | 1,097 | 82,423 | 83,520 |
| Net TIF Taxes | 289,368 | 547,973 | 837,341 |
| Total Revenues | 302,919 | 653,979 | 956,898 |
| EXPENDITURES | | | |
| Current: | | | |
| Intergovernmental Expenditures | 302,919 | - | 302,919 |
| Debt Service: | | | |
| Bond Interest | - | 718,250 | 718,250 |
| Bond Principal | - | 5,000 | 5,000 |
| Paying Agent Fees | - | 3,500 | 3,500 |
| Total Expenditures | 302,919 | 726,750 | 1,029,669 |
| EXCESS OF REVENUES UNDER EXPENDITURES | - | (72,771) | (72,771) |
| NET CHANGE IN FUND BALANCES | - | (72,771) | (72,771) |
| Fund Balances - Beginning of Year | - | 1,525,074 | 1,525,074 |
| FUND BALANCES - END OF YEAR | \$ - | \$ 1,452,303 | \$ 1,452,303 |

See accompanying Notes to Basic Financial Statements.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

| | |
|--|--------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ (72,771) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. | |
| Bond Principal | 5,000 |
| 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 | 21 |
| Changes in Net Position of Governmental Activities | <u>\$ (67,750)</u> |

See accompanying Notes to Basic Financial Statements.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
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 | | |
| REVENUES | | | | |
| Specific Ownership Taxes | \$ 14,523 | \$ 14,523 | \$ 12,454 | \$ (2,069) |
| Interest Income | 25 | 2,000 | 1,097 | (903) |
| Other Revenue | 4,000 | 77 | - | (77) |
| Net TIF Taxes | 290,450 | 290,400 | 289,368 | (1,032) |
| Total Revenues | <u>308,998</u> | <u>307,000</u> | <u>302,919</u> | <u>(4,081)</u> |
| EXPENDITURES | | | | |
| Contingency | 4,000 | 77 | - | 77 |
| County Treasurer's Fee | - | 4,400 | - | 4,400 |
| Intergovernmental Expenditures | 271,975 | 302,523 | 302,919 | (396) |
| Total Expenditures | <u>275,975</u> | <u>307,000</u> | <u>302,919</u> | <u>4,081</u> |
| NET CHANGE IN FUND BALANCE | 33,023 | - | - | - |
| Fund Balance - Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE - END OF YEAR | <u><u>\$ 33,023</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

See accompanying Notes to Basic Financial Statements.

9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

9th Avenue Metropolitan District No. 2 (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court of the City and County of Denver (the City) on September 20, 2016, and recorded on September 30, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized in conjunction with two other districts, 9th Avenue Metropolitan District No. 1 (District No. 1) and 9th Avenue Metropolitan District No. 3 (District No. 3) (collectively, the Districts) to provide for the financing, acquisition, construction, completion, operation, and maintenance of all public infrastructure and services within and without the Districts' service area, including streets, traffic and safety, water, sanitation, storm drainage, transportation, mosquito control, and park and recreation facilities for the collective use and benefit of the property owners within, and residents of all of the Districts.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

The statement of net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District is reported as net position.

9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

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

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

9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 and investments.

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 property tax revenues are recorded as revenue in the year they are available or collected.

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.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

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.

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 | \$ 8,444 |
| Cash and Investments - Restricted | 1,450,321 |
| Total Cash and Investments | <u>\$ 1,458,765</u> |
| | |

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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

| | |
|--------------------------------------|---------------------|
| Deposits with Financial Institutions | |
| Investments | \$ 1,458,765 |
| Total Cash and Investments | <u>\$ 1,458,765</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 had no deposits with financial institutions.

Investments

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

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

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

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

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- . 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:

| Investment | Maturity | Amount |
|--|-----------------------------------|---------------------|
| Colorado Local Government Liquid Asset Trust (CSAFE) | Weighted-Average Under 60 Days | \$ 8,444 |
| Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+) | Weighted-Average Under 60 Days | 1,450,321 |
| Total | | <u>\$ 1,458,765</u> |

CSAFE

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

CSAFE CASH FUND 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.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

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

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

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

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

NOTE 4 LONG-TERM OBLIGATIONS

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

| | Balance at | | | Balance at | |
|-----------------------------|---------------|-----------|------------|---------------|------------|
| | December 31, | | | December 31, | Due Within |
| | 2022 | Additions | Reductions | 2023 | One Year |
| Series 2018 G.O. Bonds | \$ 14,365,000 | \$ - | \$ 5,000 | \$ 14,360,000 | \$ 5,000 |
| Total Long-Term Obligations | 14,365,000 | - | 5,000 | 14,360,000 | 5,000 |
| | | | | | |

9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

\$14,370,000 Limited Tax General Obligation Bonds, Series 2018

On December 19, 2018, the District issued Limited Tax General Obligation Bonds in the amount of \$14,370,000 (the 2018 Bonds). The 2018 Bonds bear interest at the rate of 5.00% per annum and are payable semi-annually on June 1 and December 1, beginning on June 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2022. The 2018 Bonds are limited tax general obligations of the District secured by and payable from and to the extent of the Pledged Revenue, consisting of the District Pledged Revenue and the District No. 3 Pledged Revenue. The proceeds from the sale of the 2018 Bonds were used for the purposes of: (i) acquiring certain real property or real property interests upon which public improvements are or will be located; (ii) funding or reimbursing the costs of construction of certain public improvements; (iii) funding the Reserve Fund; (iv) funding a portion of interest to accrue on the 2018 Bonds; and (v) paying the costs of issuance of the 2018 Bonds.

The 2018 Bonds are secured by amounts on deposit in the Reserve Fund in the amount of \$1,318,200 and by amounts accumulated in the Surplus Fund, if any. Available Pledged Revenue, if any, is to be accumulated in the Surplus Fund, prior to the Release Date, in accordance with the Indenture, up to the Maximum Surplus Amount of \$1,437,000.

The District Pledged Revenue consists of the following, net of any costs of collection (to the extent not previously deducted by definition): (a) all Property Tax Revenues and all Specific Ownership Tax Revenues (in each case whether such revenues are received by the District directly from the City Treasurer or indirectly pursuant to the District Cooperation Agreement); and (b) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The District No. 3 Pledged Revenue consists of the following revenues pledged pursuant to the Pledge Agreement, net of any costs of collection (to the extent not previously deducted by definition): (a) all District No. 3 Property Tax Revenues and all District No. 3 Specific Ownership Tax Revenues (in each case whether such revenues are received by District No. 3 directly from the City Treasurer or indirectly pursuant to the District Cooperation Agreement); and (b) any other legally available moneys which District No. 3 determines, in its absolute discretion, to transfer to the District for credit to the Bond Fund.

Pursuant to the Indenture, the District has covenanted to levy an ad valorem mill levy upon all taxable property of the District each year in an amount which would generate Property Tax Revenues, together with any District No. 3 Property Tax Revenues, sufficient to pay the principal of, premium if any, and interest on the 2018 Bonds as the same become due and payable and replenish the Reserve Fund to the Reserve Requirement, but not in excess of 50 mills, subject to adjustment as explained below.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

\$14,370,000 Limited Tax General Obligation Bonds, Series 2018 (Continued)

However, prior to the Release Date (defined below), for so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount, the Required Mill Levy is to be no less than 20 mills (subject to adjustment), unless a lesser number of mills which would generate Property Tax Revenues (a) sufficient to pay the principal of, premium if any, and interest on the 2018 Bonds as the same become due and payable and replenish the Reserve Fund to the Reserve Requirement, and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (b) when combined with moneys then on deposit in the Bond Fund, the Reserve Fund, and the Surplus Fund, will pay the Bonds in full.

On and after the Release Date, the Required Mill Levy is to be such number of mills not in excess of 50 mills (subject to adjustment), imposed by the District for collection in the succeeding calendar year that would generate Property Tax Revenues (i) sufficient to pay the principal of, premium if any, and interest on the 2018 Bonds as the same become due and payable, or (ii) when combined with moneys then on deposit in the Bond Fund would pay the 2018 Bonds in full.

In any year that a Required Mill Levy of 50 mills (subject to adjustment) would not produce Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the 2018 Bonds as the same become due and payable, and, prior to the Release Date, replenish the Reserve Fund to the Reserve Requirement, then the mill levy Allocation Standard requires that District No. 3 impose the District No. 3 Required Mill Levy at such number of mills that would generate District No. 3 Property Tax Revenues which, together with the Property Tax Revenues expected to be generated in the following years, would be sufficient to pay the principal of, premium if any, and interest on the 2018 Bonds as the same become due and payable and, prior to the Release Date, replenish the Reserve Fund to the Reserve Requirement, but not in excess of 50 mills (subject to adjustment.)

The Release Date is defined in the Indenture to mean the date on which the Senior Debt to Assessed Ratio is at or below 46%.

Events of default occur if the District, or District No. 3 fails or refuses to impose the Required Mill Levy or does not comply with the terms and conditions of the Indenture otherwise.

The 2018 Bonds do not have any unused lines of credit.

The 2018 Bonds are not subject to early termination or acceleration.

No assets have been pledged as collateral on the 2018 Bonds.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

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

| Year Ending December 31, | Bonded Debt | | Total |
|--------------------------|----------------------|----------------------|----------------------|
| | Principal | Interest | |
| 2024 | \$ 5,000 | \$ 718,000 | \$ 723,000 |
| 2025 | 5,000 | 717,750 | 722,750 |
| 2026 | 75,000 | 717,500 | 792,500 |
| 2027 | 80,000 | 713,750 | 793,750 |
| 2028 | 130,000 | 709,750 | 839,750 |
| 2029-2033 | 1,090,000 | 3,425,000 | 4,515,000 |
| 2034-2038 | 2,200,000 | 3,049,750 | 5,249,750 |
| 2039-2043 | 3,675,000 | 2,361,250 | 6,036,250 |
| 2044-2048 | 7,100,000 | 1,245,000 | 8,345,000 |
| Total | <u>\$ 14,360,000</u> | <u>\$ 13,657,750</u> | <u>\$ 28,017,750</u> |

Authorized Debt

On November 3, 2015, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$2,080,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

| | Amount | Authorization | Authorized |
|------------------------------------|-------------------------|----------------------|-------------------------|
| | Authorized on | Used by | But Unissued |
| | November 3, | Series 2018 | as of |
| | 2015 | Bonds | December 31, |
| | | | 2023 |
| Street Improvements | \$ 160,000,000 | \$ 3,888,017 | \$ 156,111,983 |
| Water | 160,000,000 | 4,186,519 | 155,813,481 |
| Storm and Sanitary Sewer | 160,000,000 | 4,188,721 | 155,811,279 |
| Traffic and Safety | 160,000,000 | - | 160,000,000 |
| Intergovernmental Agreements | 160,000,000 | - | 160,000,000 |
| Fire Protection, Ambulance Service | 160,000,000 | - | 160,000,000 |
| Perimeter and Interior Security | 160,000,000 | - | 160,000,000 |
| Park and Recreation | 160,000,000 | 2,106,743 | 157,893,257 |
| Mosquito Control | 160,000,000 | - | 160,000,000 |
| Television Relay and Translation | 160,000,000 | - | 160,000,000 |
| Public Transportation | 160,000,000 | - | 160,000,000 |
| Operations and Maintenance | 160,000,000 | - | 160,000,000 |
| Debt Refunding | 160,000,000 | - | 160,000,000 |
| Total | <u>\$ 2,080,000,000</u> | <u>\$ 14,370,000</u> | <u>\$ 2,065,630,000</u> |

9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

The District's Service Plan limits the aggregate debt issuance of the Districts to \$160,000,000, with a maximum debt mill levy of 50.000 mills, as may be adjusted to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation.

NOTE 5 NET POSITION

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

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position for debt service of \$1,452,302 as of December 31, 2023.

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, of which the funds for the acquisition of these improvements were transferred to District No. 1, which will acquire and/or construct the improvements.

NOTE 6 RELATED PARTIES

The Developer of the property which constitutes the District is 9th Avenue Denver (Land), LLC. The members of the Board of Directors are officers of employees of, or associated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 7 INTERGOVERNMENTAL AGREEMENTS

Denver Urban Renewal Authority (DURA)

All of the property within the boundaries of the Districts (the Development) is subject to the 9th and Colorado Urban Renewal Plan approved by an ordinance adopted by the City on July 26, 2013 (the Urban Renewal Plan). The Urban Renewal Plan specifies, for purposes of the Urban Renewal Law, a "Redevelopment Area" (referred to herein as the 9th and Colorado Urban Redevelopment Area) encompassing approximately 41 acres, comprising substantially all of the former campus of the University of Colorado Health Sciences Center.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Denver Urban Renewal Authority (DURA) Continued

In connection therewith and in order to further provide for the financing of public improvements within the 9th and Colorado Urban Redevelopment Area, the Denver Urban Renewal Authority (DURA) and the City entered into the 9th Avenue Tax Increment Area Cooperation Agreement dated as of December 15, 2014 (the City/DURA Cooperation Agreement). In accordance therewith and with the Urban Renewal Law (Section 31-25-101, et seq. C.R.S.), until the 25th anniversary of the date of the approval by the City Council of the 9th Avenue Project (i.e., December 8, 2039) (also referred to herein as the TIF Period), all property taxes resulting from imposition of ad valorem property taxes on the assessed valuation of all taxable property in the 9th Avenue Project within 9th and Colorado Urban Redevelopment Area (which includes all of the property within the boundaries of the Districts) in excess of the base assessed

valuation thereof (i.e., the incremental assessed valuation) are to be remitted by the City to DURA. According to the City Assessor, the base assessed valuation of taxable property in the Districts is zero.

The Districts, District No. 1 and DURA entered into a Cooperation Agreement, dated as of June 21, 2018 (the District Cooperation Agreement) pursuant to which DURA has agreed to remit during the TIF Period to each of the Districts and District No. 1 all revenues generated from the imposition of ad valorem property taxes by such district on the incremental assessed valuation of property of such district, including property tax revenue resulting from the imposition of the Required Mill Levy and the District No. 3 Required Mill Levy. Accordingly, during the TIF Period, the District and District No. 3 receive their respective Property Tax Revenues, and the District No. 3 Property Tax Revenues, from DURA and not from the City Treasurer. During the TIF Period, the District and District No. 3 may also receive Specific Ownership Taxes and District No. 3 Specific Ownership Taxes from DURA and not from the City Treasurer.

In October 2018, DURA issued bonds in the aggregate principal amount of \$63,760,000 for the purpose of, among other things, reimbursing the Developer for a portion of the costs incurred in financing the construction of certain public improvements in the Development pursuant to the Redevelopment Agreement. The DURA Bonds are secured by a pledge of certain amounts generated within the 9th and Colorado Urban Redevelopment Area by incremental increases in property tax revenues and sales tax revenues, except for those incremental increases in property tax revenues generated within the boundaries of the District and District No. 3 from the imposition of the Required Mill Levy and the District No. 3 Required Mill Levy, respectively, which revenues are pledged to the payment of the Bonds.

Memorandum of Understanding

On December 8, 2016 (with an effective date of September 30, 2016), the District entered into a Memorandum of Understanding (MOU) with District No. 1 and District No. 3. The MOU provides that the District, District No. 1, and District No. 3 anticipate entering into a Facilities Funding, Construction and Operations Agreement (FFOCA) that is expected to provide that District No. 1 will finance, own, acquire, operate, and maintain any or all of the improvements acquired by District No. 1 and services needed to service the development in conjunction with financing provided by the District and District No. 3.

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Intergovernmental Agreement Regarding Construction, Funding, Operations, and Maintenance of 10th Avenue and Bellaire Street Improvements

During the District's November 19, 2020 Board meeting, the District approved the Intergovernmental Agreement Regarding Construction, Funding, Operations, and Maintenance of 10th Avenue and Bellaire Street Improvements (the Bellaire IGA) by and among the Districts and the City, under which the Districts anticipate funding and constructing certain street improvements near 10th Avenue and Bellaire Street (the Bellaire Street Improvements), located within the Districts' service area. The Bellaire IGA sets forth the anticipated processes for the Districts to finance and construct the Bellaire Street Improvements and for the City to accept the Bellaire Street Improvements.

Intergovernmental Agreement Regarding Operations and Maintenance of Drainage and Water Quality Improvements Pursuant to Permanent Non-Exclusive Easements

During the District's November 18, 2021, Board meeting, the District approved the proposed Intergovernmental Agreement Regarding Operations and Maintenance of Drainage and Water Quality Improvements Pursuant to Permanent Non-Exclusive Easements (the Proposed Water Quality IGA) by and among the Districts, under which the Districts agreed that, upon District No. 1's acquisition of certain water quality improvements, District No. 1 will become the owner of certain permanent non-exclusive easement rights related to the water quality improvements. District No. 1 will therefore be required to provide operations and maintenance services for, and to fund the costs of construction, reconstruction, repair and maintenance, of such water quality improvements. As of the date of this audit, the Proposed Water Quality IGA is pending final execution.

NOTE 8 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the 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 and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

9TH AVENUE METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS

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

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

On November 3, 2015, the District's voters authorized the District to increase property taxes \$5,000,000 annually, for general operations and maintenance. The election also allows the

District to collect, spend, and retain all revenues without regard to the limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR).

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District transfers all of its TABOR related revenue to District No. 1. Therefore, the Emergency Reserve associated with this revenue is reported in District No. 1.

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

SUPPLEMENTARY INFORMATION

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

| | Budget Original and Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|-----------------------------------|---------------------------------|----------------------------|---|
| REVENUES | | | |
| Specific Ownership Taxes | \$ 27,500 | \$ 23,583 | \$ (3,917) |
| Interest Income | 21,704 | 82,423 | 60,719 |
| Net TIF Taxes | 550,000 | 547,973 | (2,027) |
| Total Revenues | <u>599,204</u> | <u>653,979</u> | <u>54,775</u> |
| EXPENDITURES | | | |
| Bond Interest | 718,250 | 718,250 | - |
| Bond Principal | 5,000 | 5,000 | - |
| Contingency | 2,250 | - | 2,250 |
| Paying Agent Fees | 3,500 | 3,500 | - |
| Total Expenditures | <u>729,000</u> | <u>726,750</u> | <u>2,250</u> |
| NET CHANGE IN FUND BALANCE | (129,796) | (72,771) | 57,025 |
| Fund Balance - Beginning of Year | <u>1,513,590</u> | <u>1,525,074</u> | <u>11,484</u> |
| FUND BALANCE - END OF YEAR | <u><u>\$ 1,383,794</u></u> | <u><u>\$ 1,452,303</u></u> | <u><u>\$ 68,509</u></u> |

OTHER INFORMATION

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

| | | \$14,370,000 | | |
|-----------------------------|----------------------|--------------------------------------|----------------------|--|
| | | Limited Tax General Obligation Bonds | | |
| | | Series 2018, Dated December 19, 2018 | | |
| | | Interest Rate 5.00% | | |
| Bonds/Loans and Interest | | Interest Payable | | |
| | | June 1 and December 1 | | |
| Maturing in the | | Principal Payable December 1 | | |
| Year Ending December 31, | Principal | Interest | Total | |
| 2024 | \$ 5,000 | \$ 718,000 | \$ 723,000 | |
| 2025 | 5,000 | 717,750 | 722,750 | |
| 2026 | 75,000 | 717,500 | 792,500 | |
| 2027 | 80,000 | 713,750 | 793,750 | |
| 2028 | 130,000 | 709,750 | 839,750 | |
| 2029 | 140,000 | 703,250 | 843,250 | |
| 2030 | 195,000 | 696,250 | 891,250 | |
| 2031 | 205,000 | 686,500 | 891,500 | |
| 2032 | 270,000 | 676,250 | 946,250 | |
| 2033 | 280,000 | 662,750 | 942,750 | |
| 2034 | 350,000 | 648,750 | 998,750 | |
| 2035 | 370,000 | 631,250 | 1,001,250 | |
| 2036 | 450,000 | 612,750 | 1,062,750 | |
| 2037 | 470,000 | 590,250 | 1,060,250 | |
| 2038 | 560,000 | 566,750 | 1,126,750 | |
| 2039 | 585,000 | 538,750 | 1,123,750 | |
| 2040 | 685,000 | 509,500 | 1,194,500 | |
| 2041 | 715,000 | 475,250 | 1,190,250 | |
| 2042 | 825,000 | 439,500 | 1,264,500 | |
| 2043 | 865,000 | 398,250 | 1,263,250 | |
| 2044 | 985,000 | 355,000 | 1,340,000 | |
| 2045 | 1,035,000 | 305,750 | 1,340,750 | |
| 2046 | 1,165,000 | 254,000 | 1,419,000 | |
| 2047 | 1,225,000 | 195,750 | 1,420,750 | |
| 2048 | 2,690,000 | 134,500 | 2,824,500 | |
| Total | <u>\$ 14,360,000</u> | <u>\$ 13,657,750</u> | <u>\$ 28,017,750</u> | |

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
 SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY
 TAXES COLLECTED – 9TH AVENUE METROPOLITAN DISTRICT NO. 3
 DECEMBER 31, 2023**

| Year Ended December 31, | Assessed Valuation | Total Mills Levied | | Total Property Taxes | | Percent Collected to Levied |
|---|-----------------------|-----------------------|-----------------|----------------------|-----------|-----------------------------------|
| | | General Operations | Debt Service | Levied | Collected | |
| 2019 | \$ - | 11.056 | - | \$ - | \$ - | N/A |
| 2020 | - | 11.133 | - | - | - | N/A |
| 2021 | - | 11.133 | - | - | - | N/A |
| 2022 | - | 11.133 | - | - | - | N/A |
| 2023 | - | 11.133 | - | - | - | N/A |
| Estimated for Year Ending December 31, 2024 | \$ - | 12.721 | 0.000 | | | |
| Note: | | | | | | |
| Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. | | | | | | |
| Information received from the Treasurer does not permit identification of specific year of levy. | | | | | | |

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
 ASSESSED VALUATION CLASSES AND LARGEST TAXPAYERS
 DECEMBER 31, 2023**

**2023 ASSESSED VALUATION OF CLASSES
 OF PROPERTY IN THE DISTRICT**

| <u>Class</u> | <u>Total Assessed Valuation</u> | <u>Percent of Total Assessed Valuation</u> |
|---------------------|---|--|
| Commercial | \$ 24,731,520 | 79.79% |
| Vacant Land | 2,533,840 | 8.18% |
| Personal | 3,728,960 | 12.03% |
| State Assessed | - | 0.00% |
| Less: TIF Increment | <u>(30,994,320)</u> | <u>-100.00%</u> |
| Total | <u><u>\$ -</u></u> | <u><u>0.00%</u></u> |

LARGEST TAXPAYERS IN THE DISTRICT FOR 2023

| <u>Taxpayer Name</u> | <u>2023 Assessed Valuation</u> | <u>Percentage of Total Assessed Valuation</u> |
|--|--|---|
| 9TH AVENUE (DENVER) COMMERCIAL I LLC | \$ 16,751,790 | 54.05% |
| 9TH AVENUE (DENVER) RESIDENTIAL I LLC | 3,811,200 | 12.30% |
| EQR-THEO LLC | 2,069,310 | 6.68% |
| 9TH AVENUE (DENVER) LAND LLC | 1,709,900 | 5.52% |
| 9TH AVENUE (DENVER) RESIDENTIAL II LLC | 1,687,580 | 5.44% |
| BLOCK 9 (DENVER) OWNER LLC | 823,940 | 2.66% |
| CP NURSES DORM LLC | 795,260 | 2.57% |
| AMC 9 COLORADO 10 #00540 | 688,180 | 2.22% |
| CULINARY DROPOUT | 581,540 | 1.88% |
| EQR-MILO LLC | 366,520 | 1.18% |
| BLANCO DENVER LLC | 291,560 | 0.94% |
| NGL ENERGY OPERATING LLC | 244,650 | 0.79% |
| HOP DODDY BURGER BAR | 167,390 | 0.54% |
| TARRA LLC | 153,970 | 0.50% |
| DOLBY LABORATORIES INC | 119,810 | 0.39% |
| JPMORGAN CHASE BANK NA | 102,570 | 0.33% |
| POSTINO | 100,410 | 0.32% |
| LASER AWAY | 89,950 | 0.29% |
| CAVA MEZZE GRILL LLC | 88,300 | 0.28% |
| CVS PHARMACY INC 11195 | 77,230 | 0.25% |
| ALL OTHERS | <u>273,260</u> | <u>0.88%</u> |
| Total | <u><u>\$ 30,994,320</u></u> | <u><u>100.00%</u></u> |

**9TH AVENUE METROPOLITAN DISTRICT NO. 2
 ASSESSED VALUATION CLASSES AND LARGEST TAXPAYERS –
 9TH AVENUE METROPOLITAN DISTRICT NO. 3, ASSESSED VALUATION
 HISTORY 9TH AND COLORADO URBAN REDEVELOPMENT AREA
 DECEMBER 31, 2023**

| 9TH AVENUE METROPOLITAN DISTRICT NO. 3 2023 ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT | | |
|--|--------------------------------|--|
| <u>Class</u> | Total Assessed Valuation | Percent of Total Assessed Valuation |
| Residential - Single Family | \$ 3,007,480 | 9.70% |
| Residential - Multi Family | 21,363,150 | 68.93% |
| State Assessed | 68,720 | 0.22% |
| Vacant Land | 10 | 0.00% |
| Less: TIF Increment | (24,439,360) | -78.85% |
| Total | <u>\$ -</u> | <u>0.00%</u> |
| 9TH AVENUE METROPOLITAN DISTRICT NO. 3 LARGEST TAXPAYERS IN THE DISTRICT FOR 2023 | | |
| <u>Taxpayer Name</u> | 2023 Assessed Valuation | Percentage of Total Assessed Valuation |
| EQR-MILO LLC | 8,453,610 | 34.59% |
| EQR-THEO LLC | 7,877,390 | 32.23% |
| GREP OVERTURE 9CO OWNER LLC | 5,032,150 | 20.59% |
| PRIVATE TAXPAYER | 103,250 | 0.42% |
| PRIVATE TAXPAYER | 101,290 | 0.41% |
| PRIVATE TAXPAYER | 99,480 | 0.41% |
| PRIVATE TAXPAYER | 99,470 | 0.41% |
| PRIVATE TAXPAYER | 99,470 | 0.41% |
| PRIVATE TAXPAYER | 99,470 | 0.41% |
| PRIVATE TAXPAYER | 98,000 | 0.40% |
| PRIVATE TAXPAYER | 98,000 | 0.40% |
| ALL OTHERS | 2,277,780 | 9.32% |
| Total | <u>\$ 24,439,360</u> | <u>100.00%</u> |
| 9TH AND COLORADO URBAN REDEVELOPMENT AREA HISTORY OF ASSESSED VALUATION | | |
| | Assessed Valuation | |
| 2019 | \$ 24,848,710 | |
| 2020 | 36,316,590 | |
| 2021 | 43,098,920 | |
| 2022 | 45,578,040 | |
| 2023 | 55,433,680 | |