

**DENVER HIGH POINT AT DIA
METROPOLITAN DISTRICT**
City and County of Denver, Colorado

**FINANCIAL STATEMENTS
DECEMBER 31, 2024**

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Independent Auditor's Report

Board of Directors
Denver High Point at DIA Metropolitan District
City and County of Denver, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Denver High Point at DIA Metropolitan District (District) as of and for the year ended December 31, 2024, 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 Denver High Point at DIA Metropolitan District, as of December 31, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplemental Information

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 opinions on the basic financial statements are not affected by this missing information.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 supplemental information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information, 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 we do not express an opinion or any form of assurance thereon.

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
April 27, 2026

BASIC FINANCIAL STATEMENTS

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
December 31, 2024**

ASSETS

Cash deposits and investments - unrestricted	\$ 1,155,035
Cash deposits and investments - restricted	8,251,919
Due from other districts - CIC No.13	5,116
Due from other Districts - CIC No. 14	19,808
Accounts receivable	7,871
Prepaid expenses	450
Property taxes receivable	32
Capital assets, not being depreciated	33,836,630
Capital assets, being depreciated	134,449
Total assets	43,411,310

LIABILITIES

Accounts payable	1,548,550
Due to City and County of Denver (City IGA)	1,673,611
Due to other districts - CIC No. 14	1,624,118
Retainage payable	2,986
Noncurrent liabilities:	
Due in more than one year	1,076,933
Total liabilities	5,926,198

DEFERRED INFLOWS OF RESOURCES

Deferred property taxes	32
Total deferred inflows of resources	32

NET POSITION

Net investment in Capital Assets	33,971,079
Restricted for emergencies	24,200
Restricted for capital projects	3,601,319
Unrestricted	(111,518)
Total net position	\$ 37,485,080

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

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
Year Ended December 31, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
General government	\$ 2,022,435	\$ -	\$ 797,694	\$ 310,546
Interest and fiscal charges	53,037	-	-	(53,037)
	<u>\$ 2,075,472</u>	<u>\$ -</u>	<u>\$ 797,694</u>	<u>257,509</u>

General revenues:

Property taxes	138
Net investment income	42,509
Total general revenues	<u>42,647</u>

Change in net position

Net position - Beginning	300,156
Net position - Ending	<u>\$ 37,184,924</u>
	<u>\$ 37,485,080</u>

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

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024**

	General	Capital Projects	Capital Projects - Regional	Total Governmental Funds
ASSETS				
Cash deposits and investments - unrestricted	\$ 1,155,035	\$ -	\$ -	\$ 1,155,035
Cash deposits and investments - restricted	-	-	8,251,919	8,251,919
Due from other Districts - CIC No. 13	5,116	-	-	5,116
Due from other Districts - CIC No. 14	19,808	-	-	19,808
Due from other funds	-	-	116,992	116,992
Property tax receivable	-	-	32	32
Accounts receivable	7,871	-	-	7,871
Prepaid expense	450	-	-	450
TOTAL ASSETS	\$ 1,188,280	\$ -	\$ 8,368,943	\$ 9,557,223
LIABILITIES				
Accounts payable	\$ 49,343	\$ 29,344	\$ 1,469,863	\$ 1,548,550
Due to other funds	-	116,992	-	116,992
Due to City and County of Denver (City IGA)	-	-	1,673,611	1,673,611
Due to other Districts - CIC No. 14	-	-	1,624,118	1,624,118
Retainage payable	-	2,986	-	2,986
Total liabilities	49,343	149,322	4,767,592	4,966,257
DEFERRED INFLOWS OF RESOURCES				
Deferred property taxes	-	-	32	32
Total deferred inflows of resources	-	-	32	32
FUND BALANCES				
Nonspendable for prepaid items	450	-	-	450
Spendable:				
Restricted for emergencies	24,200	-	-	24,200
Restricted for capital projects	-	-	3,601,319	3,601,319
Unassigned	1,114,287	(149,322)	-	964,965
Total fund balances	1,138,937	(149,322)	3,601,319	4,590,934
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 1,188,280	\$ -	\$ 8,368,943	

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

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

Capital assets, net of accumulated depreciation

33,971,079
33,971,079

Some liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.

Developer advances payable

(594,653)

Accrued interest payable on developer advances payable

(482,280)

(1,076,933)

Net position of governmental activities

\$ 37,485,080

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

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICITS) - GOVERNMENTAL FUNDS
Year Ended December 31, 2024**

	<u>General</u>	<u>Capital Projects</u>	<u>Capital Projects - Regional</u>	<u>Total Governmental Funds</u>
REVENUES				
Property tax	\$ -	\$ -	\$ 138	\$ 138
Intergovernmental revenues - CIC No. 13	112,812	-	-	112,812
Intergovernmental revenues - CIC No. 14	684,882	1,333,719	-	2,018,601
Reimbursements - City IGA	-	-	201,568	201,568
GID Revenue	-	-	-	-
Net investment income	7,346	-	35,163	42,509
Total revenues	<u>805,040</u>	<u>1,333,719</u>	<u>236,869</u>	<u>2,375,628</u>
EXPENDITURES				
General and administrative:				
Accounting	34,050	51,075	-	85,125
Audit	8,900	-	-	8,900
City administration fee	9,000	-	-	9,000
County Treasurer's fees	-	-	2	2
Director's fees	7,200	-	-	7,200
District management	25,355	-	-	25,355
Dues and membership	1,184	-	-	1,184
Election	111	-	-	111
Insurance	13,266	-	-	13,266
Legal	25,075	23,317	-	48,392
Miscellaneous	-	1,523	-	1,523
Payroll taxes	551	-	-	551
Landscaping	44,723	-	-	44,723
Landscape contract	29,619	-	-	29,619
Snow removal	2,965	-	-	2,965
Storm drainage	540	-	-	540
Water	14,513	-	-	14,513
Electricity	659	-	-	659
Repay developer advances - principal	-	962,508	-	962,508
Repay developer advances - interest	-	15,865	-	15,865
Capital outlay				
Intergovernmental Expenditures	-	-	1,673,611	1,673,611
Dry utilities	-	43,972	-	43,972
Engineering	-	111,180	-	111,180
Landscape enhancements	-	3,012	-	3,012
Parks and recreation	-	131,006	-	131,006
Sewer	-	10,082	-	10,082
Streets	-	176,920	-	176,920
Water - non utilities	-	704,213	-	704,213
Total expenditures	<u>217,711</u>	<u>2,234,673</u>	<u>1,673,613</u>	<u>4,125,997</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>587,329</u>	<u>(900,954)</u>	<u>(1,436,744)</u>	<u>(1,750,369)</u>
OTHER FINANCING SOURCES (USES)				
Developer advances	-	962,508	-	962,508
Total other financing sources (uses)	<u>-</u>	<u>962,508</u>	<u>-</u>	<u>962,508</u>
NET CHANGE IN FUND BALANCES	587,329	61,554	(1,436,744)	(787,861)
FUND BALANCES (DEFICITS) - BEGINNING OF YEAR	551,608	(210,876)	5,038,063	5,378,795
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 1,138,937</u>	<u>\$ (149,322)</u>	<u>\$ 3,601,319</u>	<u>\$ 4,590,934</u>

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

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2024**

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

Net change in fund balances - Total governmental funds	<u>\$ (787,861)</u>
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay	1,133,400
Depreciation	<u>(8,211)</u>
	<u>1,125,189</u>
<p>Long-term debt (e.g. bonds, notes) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and gains/losses on refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>	
Developer advances	(962,508)
Repayment of developer advances - principal	<u>962,508</u>
	<u>-</u>
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Change in accrued interest payable on Developer Advance payable	<u>(37,172)</u>
	<u>(37,172)</u>
Change in net position - Governmental activities	<u>\$ 300,156</u>

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

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

Year Ended December 31, 2024

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Intergovernmental revenue from CIC No. 13	\$ 104,318	\$ 112,812	\$ 8,494
Intergovernmental revenue from CIC No. 14	632,910	684,882	51,972
Net investment income	-	7,346	7,346
Total Revenues	<u>737,228</u>	<u>805,040</u>	<u>67,812</u>
EXPENDITURES			
General and administrative:			
Accounting	98,000	34,050	63,950
Audit	10,500	8,900	1,600
City administration fee	9,000	9,000	-
Director's fees	18,000	7,200	10,800
District management	28,500	25,355	3,145
Dues and membership	750	1,184	(434)
Election	-	111	(111)
Insurance	14,000	13,266	734
Legal	44,000	25,075	18,925
Miscellaneous	500	-	500
Payroll taxes	1,377	551	826
Repay developer advances	250,000	-	250,000
Contingency	10,473	-	10,473
Operations and maintenance:			
Landscape contract	28,000	29,619	(1,619)
Landscaping repairs and maintenance	30,000	44,723	(14,723)
Landscape maintenance - Gateway	15,400	-	15,400
Landscape - enhancements	10,000	-	10,000
Snow removal	5,000	2,965	2,035
Storm drainage	600	540	60
Water	25,000	14,513	10,487
Electricity	900	659	241
Total Expenditures	<u>600,000</u>	<u>217,711</u>	<u>382,289</u>
NET CHANGE IN FUND BALANCE	137,228	587,329	450,101
FUND BALANCE - BEGINNING OF YEAR	418,843	551,608	132,765
FUND BALANCE - END OF YEAR	<u>\$ 556,071</u>	<u>\$ 1,138,937</u>	<u>\$ 582,866</u>

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

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 – DEFINITION OF REPORTING ENTITY

Denver High Point at DIA Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by an order and decree of the District Court recorded in and for the City and County of Denver on June 26, 2006, and is governed pursuant to the provisions of the Colorado Special District Act. The District operates under a service plan (the Service Plan) approved by the City and County of Denver (the City) on March 13, 2006. Concurrently with the formation of the District, the City approved the formation of Colorado International Center Metropolitan District No. 13 (CIC 13), which will contain all the residential property within the project and Colorado International Center Metropolitan District No. 14 (CIC 14), which will contain the commercial property within the project (Taxing Districts). The District is the Management District, and together with the Taxing Districts, are collectively the Denver High Point Districts (Districts).

The District, pursuant to an intergovernmental agreement among the Districts, is responsible for managing, implementing and coordinating the financing, acquisition, construction, completion, operation, and maintenance of all public infrastructure and services within the Districts, including street, safety protection, water, sewer and storm drainage, transportation, mosquito control, limited fire protection, and park and recreation improvements for the use of the inhabitants and taxpayers of the Districts. The operation and maintenance of most District services and facilities are anticipated to be provided by the City and not by the Districts.

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity, including the City and any of the Aurora High Point Districts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-wide and Fund Financial Statements

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

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

The statement of net position reports all financial and capital resources of the District, the difference between the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, being reported as net position.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District 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 Capital Projects Fund accounts for the resources accumulated for the acquisition and construction of capital equipment and facilities as determined by the Board of Directors. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The Capital Projects Fund – Regional accounts for the resources to be used for the acquisition and construction of regional capital equipment and facilities.

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

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

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Capital Assets

Capital assets, which include property and infrastructure improvements, are reported in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are included in the calculation of the 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, with the exception of landscaping improvements (trees, sod and similar items) are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Any construction in progress that will be dedicated to another entity is not depreciated.

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

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

Monuments	50 years
Landscape improvements	20 years

Maintenance Fee

On October 28, 2015, each of the Taxing Districts and the Management District adopted Joint Resolutions Concerning the Imposition of a Maintenance Fee, as amended on February 27, 2018. These Joint Resolutions (as amended) superseded all other resolutions imposing Maintenance Fees.

Pursuant to the Joint Maintenance Fee Resolutions, a monthly recurring maintenance fee is charged to each residential and commercial unit in the Taxing Districts for services provided in connection with the construction, operation and maintenance of public facilities within the District, including but not limited to the operation and maintenance of park and recreation facilities, landscaping and common areas. The maintenance fee may be adjusted from time to time. In 2024, the fees were \$26.50 for residential units without underdrains and \$27.50 for residential units with underdrains. The maintenance fees are to be billed, collected and retained by the Management District. The District and Management District have not yet billed or collected Maintenance Fees as of December 31, 2024.

The Districts are also authorized to charge a one-time maintenance fee payable upon the transfer of a residential or commercial unit by an End User at a rate established by the Districts from time to time. As of December 31, 2024, no rate for the one-time maintenance fees has been established.

Facilities Fee

On February 27, 2018, each of the Taxing Districts and the Management District adopted Amended and Restated Joint Resolutions Concerning the Imposition of Facilities Fees. These Amended and Restated Joint Resolutions superseded all other resolutions imposing Facilities Fees.

A facility fee of \$2,500 for each single-family residential unit, \$1,250 for each multi-family residential unit, and \$0.25 per square foot for each commercial unit is charged against properties within the District. The facility fee is due at the time of issuance of a building permit. The District records the facilities fee as revenue when received. Facility fees are pledged to Debt Service. The District collected \$0 in Facilities Fees during the year ended December 31, 2024.

Regional Development Fee

On October 8, 2023, each of the Taxing Districts and the Management District adopted Joint Resolutions Concerning the Imposition of Regional Development Fees, to be effective during the year ending December 31, 2024.

The Districts imposed a Regional Development Fee on property within the Districts using a base amount of \$0.20 to \$0.50 per square foot of a Zone Lot, as adjusted by the Construction Cost

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Adjustment multiplier provided by the City. The fee is imposed to provide for the funding of certain Regional Improvements, per that certain City Intergovernmental Agreement dated September 2, 2008 (as amended) with the City. During 2024, the fees ranged from \$0.52 to \$1.30 and the Districts collected \$0 of Regional Development Fees.

Any unpaid fees constitute a statutory and perpetual lien against the property served.

Deferred Inflows/Outflows of Resources

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

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Fund Balances – Governmental Funds

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

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

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

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

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

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

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

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NOTES TO FINANCIAL STATEMENTS
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has provided otherwise in its commitment or assignment actions.

Deficits

The Capital Projects Fund reported a deficit in the fund financial statements as of December 31, 2024. The deficit is anticipated to be eliminated with the receipt of project funds from CIC 14 in future years.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2024 are classified in the accompanying financial statements as follows:

Cash deposits and investments - Unrestricted	\$ 1,155,035
Cash deposits and investments - Restricted	<u>8,251,919</u>
	<u><u>\$ 9,406,954</u></u>

Cash and investments as of December 31, 2024 consist of the following:

Deposits with financial institutions	\$ 176,636
Investments	<u>9,230,318</u>
Total cash and investments	<u><u>\$ 9,406,954</u></u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2024, the District's cash deposits had a bank balance and carrying balance of \$176,636.

Investments

The District has adopted a formal investment policy whereby the District follows Colorado State Statutes which specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

At December 31, 2024, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 9,230,318
		<u>\$ 9,230,318</u>

CSAFE

At December 31, 2024, the District has invested in the Colorado Surplus Asset Fund Trust (CSAFE), 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 CSAFE. CSAFE operates similarly to a money market fund. CSAFE primarily invests in U.S. Treasury securities, agencies, repurchase agreements, bank deposits, AAAM rated SEC registered money-market funds and highly-rated commercial paper. CSAFE is rated AAAM by Standard and Poor's.

Investment Valuation

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

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

The CSAFE calculates the NAV as of the conclusion of each business day. The NAV is calculated by determining total assets, subtracting total liabilities from total assets, then dividing the result

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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

by the number of outstanding shares. Liabilities include all accrued expenses and fees, which are accrued daily. The NAV is calculated on an amortized cost basis as provided for by GASB Statement 79. CSAFE does not place any known limitations or restrictions such as notice periods or maximum transaction amounts on withdrawals. It is the goal of CSAFE to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by CSAFE and there can be no assurance that the NAV will not vary from \$1.00 per share.

Restricted Cash and Investments

At December 31, 2024, cash and investments in the amount of \$8,251,919 are restricted for capital projects – regional improvements.

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2024, follows:

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
Capital Assets, Not Being Depreciated:				
Construction in progress	\$ 32,508,573	\$ 1,133,400	\$ -	\$ 33,641,973
Landscape improvements	194,657	-	-	194,657
Total Capital Assets, Not being depreciated	<u>32,703,230</u>	<u>1,133,400</u>	<u>-</u>	<u>33,836,630</u>
Capital Assets, Being Depreciated:				
Landscaping	133,925	-	-	133,925
Monuments	75,747	-	-	75,747
Total Capital Assets, being depreciated	<u>209,672</u>	<u>-</u>	<u>-</u>	<u>209,672</u>
Less: Accumulated Depreciation:				
Landscaping	(50,221)	(1,515)	-	(51,736)
Monuments	(16,791)	(6,696)	-	(23,487)
Total Accumulated Depreciation	<u>(67,012)</u>	<u>(8,211)</u>	<u>-</u>	<u>(75,223)</u>
Total Capital Assets, being depreciated, net	<u>142,660</u>	<u>(8,211)</u>	<u>-</u>	<u>134,449</u>
Capital Assets, Net	<u>\$ 32,845,890</u>	<u>\$ 1,125,189</u>	<u>\$ -</u>	<u>\$ 33,971,079</u>

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**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 – LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District’s long-term obligations for the year ended December 31, 2024:

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

	Balance at December 31, 2023	New Issues	Retirements	Balance at December 31, 2024	Due Within One Year
<u>Direct Borrowings:</u>					
Developer Advances - Operating	\$ 594,653	\$ -	\$ -	\$ 594,653	-
Developer Advances - Capital	-	962,508	962,508	-	-
Accrued Interest on:					
Developer Advances - Operating	434,708	47,572	-	482,280	-
Developer Advances - Capital	10,400	5,465	15,865	-	-
Total Long-Term Obligations	<u>\$ 1,039,761</u>	<u>\$ 1,015,545</u>	<u>\$ 978,373</u>	<u>\$ 1,076,933</u>	<u>\$ -</u>

Developer Advances

On October 14, 2016, the District along with the Taxing Districts (the Districts) entered into an Operations Funding and Reimbursement Agreement (New Agreement) with LNR CPI High Point, LLC (LNR). The Districts had entered into previous Operations and Funding Agreements dated March 22, 2007, and made effective December 1, 2006 (Prior Agreements). The New Agreement was entered into for the purpose of terminating the Prior Agreements, acknowledging all prior costs to the Districts for the payment of operations costs, and clarifying and consolidating all understandings and commitments between the Districts and LNR. The Districts have acknowledged that LNR has made advances to the District since 2006 through the date of the New Agreement, and that LNR will continue to advance funds to the Districts for operations costs on a periodic basis as needed. Simple interest on such advances shall accrue at the rate of 8% per annum. Repayment of advances will be from ad valorem taxes, fees, or other legally available revenues. Any mill levy certified by the District for the purpose of repaying advances shall not exceed 50 mills, less amounts needed for current administrative, operation and maintenance costs, and to service existing debt.

The New Agreement is in effect until the earlier of repayment of advances or December 1, 2046. In July 2017, LNR sold its property in the District to ACM High Point VI LLC (ACM). The Operations and Capital Funding and Reimbursement Agreements with LNR were terminated and all reimbursement rights were assigned to ACM.

ACM and the District entered into the Operations Funding and Reimbursement Agreement on July 20, 2017, for the purposes of acknowledging all prior advances made by LNR to the Districts as assigned to ACM, and to provide for ACM’s advancement of funds to the District for future operations costs of the District up to \$1,000,000 for the fiscal years 2017 through 2020. The payment obligation to pay ACM constitutes a multiple-fiscal year obligation of the District. Simple interest shall accrue on each developer advance, including the prior advances, at a rate of 8%. The District intends to repay from certain revenues including ad valorem taxes and fees. Any mill

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
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levy certified by the District for the purpose of repaying advances made shall not exceed the mill levy limitation in the Service Plan, and in any event, shall not exceed 50 mills. The term of this Agreement is in effect until the earlier of the repayment of the obligation or December 1, 2047.

ACM and the District entered into the Capital Funding and Reimbursement Agreement on July 20, 2017 for the purposes of acknowledging all prior advances made by LNR to the Aurora High Point Districts, as assigned to ACM, and to provide for ACM's advancement of funds to the District for future capital costs of the District up to \$10,000,000 for the fiscal years 2017 through 2020. The payment obligation to pay ACM constitutes a multiple-fiscal year obligation of the District. Simple interest shall accrue on each developer advance, including the prior advances, at a rate of 8%. The District intends to repay from certain revenues including ad valorem taxes and fees. Any mill levy certified by the District for the purpose of repaying advances made shall not exceed the mill levy limitation in the Service Plan, and in any event, shall not exceed 50 mills. The term of this Agreement is in effect until the earlier of the repayment of the obligation or December 1, 2047.

At December 31, 2024, the outstanding amount due to ACM by the District was \$1,076,933, which includes \$482,280 of accrued interest.

Williams Lyon Homes Agreement

On March 11, 2020, the District, CIC 13 and William Lyons Homes, Inc (WLH) entered into a Facilities Acquisition Agreement (WLH FAA). Pursuant to the WLH FAA, WLH agrees to construct certain District Improvements (defined therein) on behalf of the District and to submit its Construction Related Expenses to the District for cost verification. The District agrees to reimburse the Verified Costs (defined therein) of the District Improvements to ACM under the terms of the Capital Funding and Reimbursement Agreement. As of December 31, 2024, \$12,123,488 has been reimbursed under this agreement by the District.

NOTE 6 – DEBT AUTHORIZATION

The District was organized to provide services to the same service area with the Denver High Point Districts pursuant to their respective Service Plans. The Denver High Point Districts, in aggregate, are limited in their ability to issue Debt as set forth in the Service Plans to a total amount of \$157,800,000 for District Improvements and \$90,200,000 for Regional Improvements (the "Service Plan Debt Issuance Limits"). In no event is the District authorized to issue Debt, which in aggregate with the Debt issued by the other Denver High Point Districts, in an amount that is in excess of the Service Plan Debt Issuance Limits. Of the \$157,800,000 in Service Plan Debt Issuance Limit for District Improvements, a total of \$0 of the Debt has been issued by the District. Of the \$90,200,000 in Service Plan Debt Issuance Limit for Regional Improvements, a total of \$0 of the Debt has been issued by the District. Therefore, the amount of debt authorization remaining within the Service Plan Debt Issuance Limit for the District Improvements is \$157,000,000 and the amount of debt authorization remaining within the Service Plan Debt Issuance Limit for Regional Improvements is \$90,200,000 however, these amounts do not take into consideration any debt issued by the other Denver High Point Districts. The District has voter authorization in excess of the Service Plan Debt Issuance Limits as at the time of the election the actual costs of construction were not known. Without knowing the costs of construction or the amount of Debt to be issued by the other Denver High Point Districts, it is impossible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer, or street) or to each of the

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
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Denver High Point Districts, individually. Therefore, the Service Plan Debt Issuance Limit was voted in every power.

With that understanding, on May 2, 2006 and May 3, 2016, a majority of the eligible electors of the District voted to authorize debt issuance in an amount not to exceed \$157,800,000 for District Improvements and \$90,200,000 for Regional Improvements, by power, as follows:

	Authorized May 2, 2006 Election	Authorized May 3, 2016 Election	Authorization Used	Remaining at December 31, 2024
Streets	\$ 157,800,000	\$ 157,800,000	-	\$ 315,600,000
Park and recreation	157,800,000	157,800,000	-	315,600,000
Water	157,800,000	157,800,000	-	315,600,000
Sanitary and storm sewer	157,800,000	157,800,000	-	315,600,000
Public transportation	157,800,000	157,800,000	-	315,600,000
Mosquito control	10,000,000	157,800,000	-	167,800,000
Traffic and safety protection	157,800,000	157,800,000	-	315,600,000
Fire protection	10,000,000	157,800,000	-	167,800,000
Operations and maintenance	157,800,000	157,800,000	-	315,600,000
Debt refunding	157,800,000	157,800,000	-	315,600,000
Intergovernmental contracts	157,800,000	157,800,000	-	315,600,000
Regional improvements	90,200,000	90,200,000	-	180,400,000
Special assessment debt	-	157,800,000	-	157,800,000
Television relay/translation	-	157,800,000	-	157,800,000
Security	-	157,800,000	-	157,800,000
Private contracts	-	157,800,000	-	157,800,000
Mortgages	-	157,800,000	-	157,800,000
Service Plan Limit - District Imprvmts	<u>\$ 157,800,000</u>			<u>\$ 157,800,000</u>
Service Plan Limit - Regional Imprvmts	<u>\$ 90,200,000</u>			<u>\$ 90,200,000</u>

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area; however, as of the date of this audit, the amount and timing of any debt issuances is not determinable

NOTE 7 - NET POSITION

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

The net investment in capital assets includes 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 improvement of those assets.

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

As of December 31, 2024, the District had net investment in capital assets as follows:

Net investment in capital assets:	
Capital assets, net	\$ 33,971,079
	<u>\$ 33,971,079</u>

The restricted portion of net position includes amounts that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had the following restricted net position:

Emergency reserves (see Note 11)	\$ 24,200
Capital Projects	3,601,319
	<u>\$ 3,625,519</u>

The unrestricted 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. The District's unrestricted net deficit of \$111,518 at December 31, 2024 which is a result of the District using bond proceeds from other districts to construct capital assets. Upon completion of the projects, a portion of those assets will be transferred to other entities for ownership and maintenance.

NOTE 8 – RELATED PARTIES

The property within the District is owned by and is being developed by ACM High Point VI, LLC, a Delaware limited liability corporation (ACM), which acquired the property from LNR in July 2017. During 2024, a majority of the members of the Board of Directors were officers of, employees of, or associated with ACM or Westside Investment Partners, Inc. One board member is the owner of Silverbluff Companies, Inc which provides construction management services to the Management District.

Silverbluff Companies, Inc.

On May 29, 2012, the District and Silverbluff Companies, Inc. (Silverbluff) entered into a construction management agreement. A first amendment to this agreement was entered into on December 23, 2015. On July 21, 2016, the District and Silverbluff entered into a Second Amended and Restated Independent Contractor Agreement – Construction Management (the Agreement) for the purpose of amending and restating the prior agreements in their entirety. A scope of services is detailed in the Agreement and includes all activities necessary to provide construction management services to ensure that District improvements are constructed in such a manner as to be acceptable by the District or another entity having jurisdiction over the District improvements. Compensation is to be 5% of the total contract price paid in equal installments over the term of the contract. Compensation will be adjusted for any change orders that increase or decrease the contract price. Compensation may be further adjusted if the term of the contract is increased fifteen or more days. The Agreement is effective as of the date of the Agreement and shall terminate the earlier of completion of services or December 31, 2016. The Agreement may also be terminated for cause or convenience by Silverbluff or the District upon giving 30 days written notice. If not terminated, the Agreement shall automatically renew for each succeeding

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

year for an additional one-year term commencing on January 1. The Agreement was renewed for 2024.

During 2024, no amounts were paid to Silverbluff under this agreement.

NOTE 9 – AGREEMENTS

Facilities Funding, Construction and Operations Agreement (FFCOA)

On June 28, 2007 (as amended on October 29, 2009, with an effective date of September 2, 2009), the District entered into a Facilities, Funding, Construct and Operations Agreement (FFCOA) with the Taxing Districts. The District will own, operate, maintain, finance, and construct facilities benefitting all of the Districts, and the Taxing Districts will contribute to the costs of construction, operation, and maintenance of such facilities. Since all assessed valuation of property developed will be located in the Taxing Districts, the Taxing Districts will either use proceeds of general obligation bonds or pledge their ad valorem tax revenues to pay their obligations to the District.

Operations Financing Intergovernmental Agreement

On June 6, 2007, the District entered into an agreement with the other Denver High Point Districts and Gateway Regional Metropolitan District (Gateway). Under the agreement, the Denver High Point Districts agreed to participate in the operations and maintenance of certain public landscaping improvements in the medians along Tower Road between 56th Avenue and 72nd Avenue that had been previously installed by Gateway. The Denver High Point Districts' share of the operations and maintenance expenses is 17% of Gateway's budgeted operation and maintenance expenses, as adjusted for certain provisions. As provided under the FFCOA (see above), the Management District shall collect revenues from the other Denver High Point Districts and remit to Gateway the annual amount due in 12 equal installments. During 2024, the District was not billed by Gateway so \$0 was paid by the District under this agreement.

City Intergovernmental Agreement

On September 2, 2008, the District entered into the City Intergovernmental Agreement (City IGA) with the City and County of Denver whereby the District is required to levy a Regional Mill Levy in the amount of 15.000 mills and to impose a one-time Regional Development Fee based upon the square footage of an applicable lot of all property within the project area, (collectively, the regional funds). The District will also require the Taxing Districts to comply with the City IGA. The regional funds will be used to pay the costs of defined Regional Improvements.

The District has the authority to construct the Regional Improvements as detailed in its Service Plan and in the service plans of the Taxing Districts. Per the agreement, the District is also responsible for 17% of Gateway Regional Metropolitan District's (Gateway) Service Plan project costs and certain Town Center Metropolitan District obligations.

The District's share of the Regional Improvements will be funded from the regional funds. The flow of funds for payment is as follows: 1) debt service on any bonds issued for the funding of Regional Improvements, 2) reimbursement to LNR in the event it advances funds to the City for payment of District obligations under the agreement, 3) payment of the Town Center obligations, 4) payment under the City IGA for past project costs (Note 2), 5) payment under the City IGA for

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

Tower – 56th District Lanes costs (Note 1), and 6) the District’s share of Regional Improvement costs as they become due, including Gateway service plan project costs. The City IGA was amended on March 17, 2014, to include additional projects.

The District shall utilize all available moneys from regional bonds or regional funds to meet the District obligations. Pursuant to the Funding Agreement – City IGA Obligations between the District, LNR, and the City below, if regional funds are inadequate to pay the entire amount due on the applicable payment date, LNR agrees that it will pay the shortfall amount as an advance to the District.

The District agrees to reimburse LNR for the advances, plus simple interest at a rate of 8% per annum. No payment shall be required of the District unless the District issues regional bonds or collects regional funds. Notwithstanding the foregoing, the District may reimburse LNR from otherwise legally available funds.

On September 2, 2008, the District entered into a Funding Agreement – City IGA Obligations with the City and LNR. LNR agrees that it will pay any shortfall amount to the City on behalf of the District for amounts owed under the City IGA above. The District agrees to reimburse LNR for advances, plus simple interest, at an annual rate of 8% per annum.

During 2009, 2010, 2012, and 2014, LNR advanced funds to pay the District’s obligations related to the City IGA. In July 2017, LNR sold its property in the District to ACM. LNR assigned all reimbursement rights in the City agreements to ACM.

During 2018, the District satisfied its obligations as it relates to payments to ACM pursuant to Funding Agreement.

During 2024, the City completed a short form reconciliation for the project costs for the Regional Improvements. The reconciliation results in the District owing the City \$1,673,611 under this City IGA. As of December 31, 2024, this amount has been recorded as accounts payable in the Capital Projects Fund – Regional. The District also received reimbursements under the City IGA in the amount of \$201,568 from Gateway Regional Metropolitan District.

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God. The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2024. 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.

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that apply to the State of Colorado and all local governments. Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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

On May 6, 2006 and again on May 3, 2016, the District's electors authorized the District to collect and spend or retain taxes up to \$10,000,000 annually for operation and maintenance and any revenues from any other sources without regard to any limitations imposed by TABOR beginning in 2007. Additionally, the District electors authorized the District to collect, retain and spend all revenue without regard to limitation under TABOR in 2006 and all subsequent years. The electors also authorized the District to increase taxes up to \$10,000,000 annually to pay the District's operations and maintenance expenses by the imposition of fees without limitation as to rate or amount. The electors also authorized the District to increase taxes of up to \$10,000,000 annually to pay for regional improvements for which it is obligated per its service plan and other intergovernmental agreements.

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.

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

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

SUPPLEMENTAL INFORMATION

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2024**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Intergovernmental revenues - CIC No. 14	\$ 20,000,000	\$ 1,333,719	\$ (18,666,281)
Total Revenues	<u>20,000,000</u>	<u>1,333,719</u>	<u>(18,666,281)</u>
EXPENDITURES			
Accounting	66,000	51,075	14,925
Engineering	500,000	111,180	388,820
Legal	5,000	23,317	(18,317)
Miscellaneous	1,000	1,523	(523)
Parks and recreation	4,000,000	131,006	3,868,994
Construction management	60,000	-	60,000
Grading/earthwork	1,000,000	-	1,000,000
Erosion control	1,000,000	-	1,000,000
Dry utilities	250,000	43,972	206,028
Landscape enhancements	-	3,012	(3,012)
Streets	5,000,000	176,920	4,823,080
Storm drainage	1,000,000	-	1,000,000
Sewer	2,700,000	10,082	2,689,918
Water - non utilities	2,700,000	704,213	1,995,787
Contingency	1,698,000	-	1,698,000
Repay developer advances - principal	3,000,000	962,508	(2,037,492)
Repay developer advances - interest	20,000	15,865	(4,135)
Total Expenditures	<u>23,000,000</u>	<u>2,234,673</u>	<u>16,682,073</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,000,000)</u>	<u>(900,954)</u>	<u>2,099,046</u>
OTHER FINANCING SOURCES (USES)			
Developer advances	3,000,000	962,508	(2,037,492)
Total other financing sources (uses)	<u>3,000,000</u>	<u>962,508</u>	<u>(2,037,492)</u>
NET CHANGE IN FUND BALANCE	-	61,554	61,554
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	2,053,247	(210,876)	(2,264,123)
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 2,053,247</u>	<u>\$ (149,322)</u>	<u>\$ (2,202,569)</u>

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND - REGIONAL
Year Ended December 31, 2024**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUE			
Property tax	\$ 139	\$ 138	\$ (1)
Specific ownership taxes	7	-	(7)
Regional Development fees	1,000,000	-	(1,000,000)
Net investment income	-	35,163	35,163
Reimbursements - City IGA	-	201,568	201,568
	<u>1,000,146</u>	<u>236,869</u>	<u>(763,277)</u>
EXPENDITURES			
County treasurer's fees	2	2	-
Capital outlay	6,039,292	-	6,039,292
Intergovernmental expense - City IGA	-	1,673,611	(1,673,611)
Total Expenditures	<u>6,039,294</u>	<u>1,673,613</u>	<u>4,365,681</u>
NET CHANGE IN FUND BALANCE	(5,039,148)	(1,436,744)	3,602,404
FUND BALANCE - BEGINNING OF YEAR	<u>5,039,148</u>	<u>5,038,063</u>	<u>(1,085)</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 3,601,319</u>	<u>\$ 3,601,319</u>

OTHER INFORMATION

**DENVER HIGH POINT AT DIA METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2024**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied			Property Taxes		Percentage Collected to Levied
		General	Regional Improvements	Debt	Levied	Collected	
2019	\$ 21,650	0.000	15.000	0.000	\$ 325	\$ 325	100.00%
2020	14,060	0.000	15.000	0.000	211	211	100.00%
2021	3,040	0.000	15.000	0.000	46	46	100.00%
2022	320	0.000	15.000	0.000	5	5	100.00%
2023	1,720	0.000	15.000	0.000	26	26	100.00%
2024	8,890	0.000	15.591	0.000	139	138	99.28%
Estimated for year ending December 31, 2025	\$ 2,030	0.000	15.591	0.000	\$ 32		

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