

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
City and County of Denver, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2024**

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
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**BiggsKofford**

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

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Board of Directors

**Prologis Central Park Business Center 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 Prologis Central Park Business Center 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 the District as of December 31, 2024, 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 the report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, we:

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

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

## **Other Matters**

### *Required Supplementary Information*

Management has omitted 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 which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is 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. Such 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 supplementary information 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, as identified in the table of contents. The other information 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 provide any 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.

*BiggsKofford, P.C.*

Colorado Springs, Colorado  
June 9, 2025

## **BASIC FINANCIAL STATEMENTS**

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2024**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 6,539,108
Cash and Investments - Restricted	4,955,464
Prepaid Insurance	23,561
Receivable from County Treasurer	11,068
Property Tax Receivable	192,325
Bond Insurance Cost	59,237
Capital Assets:	
Capital Assets Not Being Depreciated	602,020
Capital Assets Net of Depreciation	2,256,132
Total Assets	14,638,915
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Cost of Refunding, Net	46,643
Total Deferred Outflows of Resources	46,643
<b>LIABILITIES</b>	
Accounts Payable	10,863
Due to County Treasurer	18,204
Due to DURA	1,239
Accrued Bond Interest	65,788
Noncurrent Liabilities:	
Due Within One Year	1,109,851
Due in More Than One Year	16,423,453
Total Liabilities	17,629,398
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Property Tax	192,325
Total Deferred Inflows of Resources	192,325
<b>NET POSITION</b>	
Net Investment in Capital Assets	(937,859)
Restricted for:	
Emergency Reserve	33,400
Debt Service	1,850,407
Capital Projects	423,309
Net Position - Unrestricted	(4,505,422)
Total Net Position	\$ (3,136,165)

See accompanying Notes to Basic Financial Statements.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024**

	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>FUNCTIONS/PROGRAMS</b>				
Primary Government:				
Governmental Activities:				
General Government	\$ 602,111	\$ -	\$ -	\$ (602,111)
Interest on Long-Term Debt and Related Costs	691,382	-	-	(691,382)
Total Governmental Activities	\$ 1,293,493	\$ -	\$ -	(1,293,493)
 <b>GENERAL REVENUES</b>				
Property Taxes				193,538
Property Taxes Remitted by DURA				2,797,124
Specific Ownership Taxes				143,684
Interest Income				654,063
Other Revenue				4,033
Total General Revenues and Transfers				3,792,442
 <b>CHANGES IN NET POSITION</b>				 2,498,949
Net Position - Beginning of Year				(5,635,114)
 <b>NET POSITION - END OF YEAR</b>				 \$ (3,136,165)

See accompanying Notes to Basic Financial Statements.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 6,539,108	\$ -	\$ -	\$ 6,539,108
Cash and Investments - Restricted	32,300	3,271,619	1,651,545	4,955,464
Receivable from County Treasurer	2,767	8,301	-	11,068
Prepaid Insurance	23,561	-	-	23,561
Property Tax Receivable	48,081	144,244	-	192,325
Total Assets	\$ 6,645,817	\$ 3,424,164	\$ 1,651,545	\$ 11,721,526
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 10,863	\$ -	\$ -	\$ 10,863
Due to County Treasurer	4,221	13,983	-	18,204
Due to DURA	287	952	-	1,239
Total Liabilities	15,371	14,935	-	30,306
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Tax	48,081	144,244	-	192,325
Total Deferred Inflows of Resources	48,081	144,244	-	192,325
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Expense	23,561	-	-	23,561
Restricted for:				
Emergency Reserves	33,400	-	-	33,400
Debt Service	-	3,264,985	-	3,264,985
Capital Projects	-	-	1,651,545	1,651,545
Unassigned	6,525,404	-	-	6,525,404
Total Fund Balances	6,582,365	3,264,985	1,651,545	11,498,895
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6,645,817	\$ 3,424,164	\$ 1,651,545	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets, Not Being Depreciated	602,020
Capital Assets, Net	2,256,132

Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

Cost of Refunding, Net	46,643
Bond Insurance Cost	59,237

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued Interest on Bonds Payable	(65,788)
General Obligation Bond Series 2012	(2,880,000)
General Obligation Refunding and Improvement Bonds Series 2016	(13,485,000)
Unamortized Bond Discount	49,528
Unamortized Bond Premium	(1,217,832)

Net Position of Governmental Activities	\$ (3,136,165)
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See accompanying Notes to Basic Financial Statements.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 48,384	\$ 145,154	\$ -	\$ 193,538
Property Taxes Remitted by DURA	699,281	2,097,843	-	2,797,124
Specific Ownership Taxes	35,921	107,763	-	143,684
Interest Income	325,279	244,099	84,685	654,063
Other Revenue	4,033	-	-	4,033
Total Revenues	<u>1,112,898</u>	<u>2,594,859</u>	<u>84,685</u>	<u>3,792,442</u>
<b>EXPENDITURES</b>				
Current:				
Accounting	34,422	-	-	34,422
Auditing	5,200	-	-	5,200
Banking Fees	577	-	-	577
County Treasurer's Fee	7,484	22,453	-	29,937
District Management	26,345	-	-	26,345
Dues and Membership	371	-	-	371
Election	61	-	-	61
Insurance	17,729	-	-	17,729
Irrigation Repairs	18,949	-	-	18,949
Landscape - Contract	129,208	-	-	129,208
Landscape - Floral	8,805	-	-	8,805
Landscape - Repairs and Maintenance	4,764	-	-	4,764
Legal	21,089	-	-	21,089
Locates	707	-	-	707
Miscellaneous	175	-	-	175
Mosquito Control	1,800	-	-	1,800
Security	17,458	-	-	17,458
Snow Removal	9,659	-	-	9,659
Storm Drainage	22,520	-	-	22,520
Trash Collection	3,492	-	-	3,492
Tree Replacement and Maintenance	95,450	-	-	95,450
Utilities	23,441	-	-	23,441
Debt Service:				
Bond Interest - Series 2012	-	156,533	-	156,533
Bond Interest - Series 2016	-	695,150	-	695,150
Bond Principal - Series 2012	-	1,000,000	-	1,000,000
Bond Principal - Series 2016	-	895,000	-	895,000
Paying Agent Fees	-	800	-	800
Total Expenditures	<u>449,706</u>	<u>2,769,936</u>	<u>-</u>	<u>3,219,642</u>
<b>NET CHANGE IN FUND BALANCES</b>	663,192	(175,077)	84,685	572,800
Fund Balances - Beginning of Year	<u>5,919,173</u>	<u>3,440,062</u>	<u>1,566,860</u>	<u>10,926,095</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 6,582,365</u>	<u>\$ 3,264,985</u>	<u>\$ 1,651,545</u>	<u>\$ 11,498,895</u>

See accompanying Notes to Basic Financial Statements.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ 572,800

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

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Depreciation Expense (152,404)

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 - Series 2012	1,000,000
Bond Principal - Series 2016	895,000
Amortization of Bond Insurance	(9,726)
Amortization of Bond Premium	199,947
Amortization of Bond Discount	(4,084)
Amortization of Cost of Refunding	(7,658)

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	5,074
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Changes in Net Position of Governmental Activities	\$ 2,498,949
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**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 48,477	\$ 48,384	\$ (93)
Property Taxes Remitted by DURA	700,622	699,281	(1,341)
Specific Ownership Taxes	2,424	35,921	33,497
Interest Income	200,000	325,279	125,279
Other Revenue	-	4,033	4,033
Total Revenues	<u>951,523</u>	<u>1,112,898</u>	<u>161,375</u>
<b>EXPENDITURES</b>			
Accounting	35,200	34,422	778
Auditing	5,000	5,200	(200)
Banking Fees	-	577	(577)
City of Denver Maintenance Fee	3,000	-	3,000
Contingency	6,784	-	6,784
County Treasurer's Fee	11,236	7,484	3,752
Detention Pond Maintenance	45,000	-	45,000
District Management	39,600	26,345	13,255
Dues and Membership	880	371	509
Election	-	61	(61)
Insurance	19,800	17,729	2,071
Irrigation Repairs	35,000	18,949	16,051
Landscape - Contract	138,600	129,208	9,392
Landscape - Floral	14,500	8,805	5,695
Landscape - Repairs and Maintenance	55,000	4,764	50,236
Landscape - Water	8,800	-	8,800
Legal	25,300	21,089	4,211
Locates	3,300	707	2,593
Miscellaneous	6,000	175	5,825
Mosquito Control	2,000	1,800	200
Repairs And Maintenance	6,000	-	6,000
Security	55,000	17,458	37,542
Snow Removal	16,500	9,659	6,841
Storm Drainage	14,000	22,520	(8,520)
Trash Collection	15,000	3,492	11,508
Tree Replacement and Maintenance	55,000	95,450	(40,450)
Utilities	38,500	23,441	15,059
Total Expenditures	<u>655,000</u>	<u>449,706</u>	<u>205,294</u>
<b>NET CHANGE IN FUND BALANCE</b>	296,523	663,192	366,669
Fund Balance - Beginning of Year	<u>5,838,136</u>	<u>5,919,173</u>	<u>81,037</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 6,134,659</u>	<u>\$ 6,582,365</u>	<u>\$ 447,706</u>

See accompanying Notes to Basic Financial Statements.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

The Prologis Central Park Business Center Metropolitan District (formerly known as (SBC Metropolitan District) (District) was organized on March 26, 1998, and is governed pursuant to provisions of the Colorado Special District Act. The District is located entirely within the City and County of Denver, Colorado (City). The District was established to provide for the design, construction, installation, financing and acquisition of certain street, traffic and safety controls, water, sanitation, park and recreation improvements, and mosquito control, in compliance with the Amended and Restated Service Plan approved by the City and County of Denver City Council on March 27, 2007, as modified August 1, 2011.

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 taxes and intergovernmental revenues.

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

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**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 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. Depreciation is computed and recorded as an operating expense.

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 taxes 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 is 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 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.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**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 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 or investment 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.

**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 Manager of Revenue 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, at the taxpayer's election, in equal installments 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 or to DURA (see Note 8).

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

**Capital Assets**

Capital assets, which include infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**Capital Assets (Continued)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives.

Landscaping	30 Years
Parks	30 Years
Monumentation	25 Years

**Amortization**

**Original Issue Discount/Premium**

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts and bond issue costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Cost of Bond Refunding**

In the government-wide financial statements, the deferred cost of bond refunding is being amortized using the interest method over the life of the new bonds. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

**Bond Insurance**

In the government-wide financial statements, the deferred cost of bond insurance is being amortized using the interest method over the life of the new bonds. The amortization amount is a component of bond insurance expense and the unamortized deferred cost is reflected as an asset.

**Deferred Inflow/Outflow 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, cost of bond refunding, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**Deferred Inflow/Outflow of Resources (Continued)**

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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

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

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. 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.

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

Fund Balance (Continued)

*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, 2024 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 6,539,108
Cash and Investments - Restricted	4,955,464
Total Cash and Investments	\$ 11,494,572

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

Deposits with Financial Institutions	\$ 34,752
Investments	11,459,820
Total Cash and Investments	\$ 11,494,572

**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, 2024, the District’s cash deposits had a bank balance and a carrying balance of \$34,752.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
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**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments**

The District has adopted a formal investment policy to follow the 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.

Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

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

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

As of December 31, 2024, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Assets Trust (COLOTRUST)	Weighted-Average Under 60 Days	<u>\$ 11,459,820</u>

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**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 AAaf/S1 by FitchRatings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

The District's funds are invested in COLOTRUST PLUS+.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
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DECEMBER 31, 2024**

**NOTE 4 CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2024, follows. Under the terms of the District's Service Plan, when complete and after the warranty period, the District is to transfer the streets and water and sewer facilities to the City for ownership and maintenance.

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Easement	\$ 600,000	\$ -	\$ -	\$ 600,000
Construction in Progress	2,020	-	-	2,020
Total Capital Assets, Not Being Depreciated	602,020	-	-	602,020
Capital Assets, Being Depreciated:				
Landscaping and Monumentation	4,558,353	-	-	4,558,353
Total Capital Assets, Being Depreciated	4,558,353	-	-	4,558,353
Less Accumulated Depreciation for:				
Landscaping and Monumentation	2,149,817	152,404	-	2,302,221
Total Accumulated Depreciation	2,149,817	152,404	-	2,302,221
Total Capital Assets, Being Depreciated, Net	2,408,536	(152,404)	-	2,256,132
Governmental Activities Capital Assets, Net	<u>\$ 3,010,556</u>	<u>\$ (152,404)</u>	<u>\$ -</u>	<u>\$ 2,858,152</u>

Depreciation expense for 2024 was all charged to the General Government function/program.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 5 LONG-TERM OBLIGATIONS**

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

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
<b>Bonds Payable:</b>					
General Obligation Bonds Series 2012	\$ 3,880,000	\$ -	\$ 1,000,000	\$ 2,880,000	\$ -
General Obligation Refunding and Improvement Bonds Series 2016	14,380,000	-	895,000	13,485,000	920,000
<b>Subtotal Bonds Payable</b>	<b>18,260,000</b>	<b>-</b>	<b>1,895,000</b>	<b>16,365,000</b>	<b>920,000</b>
<b>Bond Premium/Discount:</b>					
Unamortized Bond Discount	(53,612)	-	(4,084)	(49,528)	(4,084)
Unamortized Bond Premium	1,417,779	-	199,947	1,217,832	193,935
<b>Subtotal Bond Premium / Discount</b>	<b>1,364,167</b>	<b>-</b>	<b>195,863</b>	<b>1,168,304</b>	<b>189,851</b>
<b>Total Long-Term Obligations</b>	<b>\$ 19,624,167</b>	<b>\$ -</b>	<b>\$ 2,090,863</b>	<b>\$ 17,533,304</b>	<b>\$ 1,109,851</b>

The details of the District's long-term obligations are as follows:

**General Obligation Bonds**

**\$4,880,000 General Obligation Bonds, Series 2012.** On December 19, 2012, the District issued its General Obligation Bonds Series 2012 in the principal amount of \$4,880,000, with interest at the rate of 4.000% per annum (the Series 2012 Bonds). Proceeds from the sale of the Series 2012 Bonds will be used to (a) finance the cost of constructing public improvements, (b) fund the Reserve Account and (c) pay the costs of issuing the Bonds. The Series 2012 Bonds mature on December 1, 2037. The Series 2012 Bonds are subject to mandatory sinking fund redemption beginning on December 1, 2035. The Series 2012 Bonds are subject to optional redemption on or after December 1, 2022, without redemption premium. The Series 2012 Bonds were issued at a discount of \$98,332, which is being amortized over the life of the Series 2012 Bonds. No assets have been pledged as collateral on these Bonds.

The Series 2012 Bonds, rated BBB+ by Standard & Poor's, are secured by and payable from monies derived by the District from the following sources, net of any collection costs: tax revenue received from levying a mill levy on all taxable property of the District in an amount sufficient to pay the principal of and interest on the Bonds including any money received by the District under or pursuant to the Cooperation Agreement as a result of the District's debt service mill levy. The Series 2012 Bonds are also secured by amounts held in the Reserve Fund. The amount of the Reserve Requirement is \$478,167, and the Mill Levy Stabilization Account.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**General Obligation Bonds (Continued)**

**Events of Default of the Series 2012 Bonds**

The Bond Resolution of the Series 2012 Bonds provides that the occurrence or existence of any one or more of the following events shall be an event of default.

- (a) Payment of the principal or redemption premium is not made when due;
- (b) Payment of the interest is not made when due;
- (c) The District defaults in the performance on any of its covenants in the Bond Resolution, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied;
- (d) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws.

The Series 2012 Bonds do not have any unused lines of credit. The Series 2012 are not collateralized and are not subject to acceleration.

**\$19,225,000 General Obligation Refunding and Improvement Bonds, Series 2016.** On October 27, 2016, the District issued its General Obligation Refunding and Improvement Bonds Series 2016 in the principal amount of \$19,225,000 (the Series 2016 Bonds). The Series 2016 Bonds mature on December 1, 2034. The Series 2016 Bonds have interest rates ranging from 2.00% to 5.00%. Interest is payable semi-annually commencing December 1, 2016, on June 1 and December 1, and principal is payable annually on December 1. The Series 2016 Bonds were issued at a premium of \$3,075,148, which is being amortized over the life of the bonds. The Series 2016 Bonds were issued for the purpose of (i) paying the Project Costs; (ii) refunding on a current basis the Series 2005 Bonds; (iii) funding the Reserve Account; and; (iv) paying issuance and other costs in connection with the Bonds (including the premium for the Bond Insurance Policy). The amount of the Reserve Requirement is \$870,625. No assets have been pledged as collateral on these Bonds.

The Series 2016 Bonds maturing on or after December 1, 2027 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, and, if in part, in such order of maturities (and, in the case of multiple interest rates within a maturity, in such order of interest rates) as the District shall determine and by lot within bonds of the same maturity and bearing the same interest rate, on December 1, 2026 and on any date thereafter, at a redemption price equal to the par amount thereof (with no redemption premium) plus accrued interest to the redemption date.

The Series 2016 Bonds, rated BBB+ by Standard & Poor's, are secured by and payable from monies derived by the District from the following sources, net of any collection costs: tax revenue received from levying a mill levy on all taxable property of the District in an amount sufficient to pay the principal of and interest on the Bonds including any money received by the District under or pursuant to the Cooperation Agreement as a result of the District's debt service mill levy. The Series 2016 Bonds are also secured by amounts held in the Reserve Fund and Mill Levy Stabilization Account. The Bonds shall be additionally secured by a Bond Insurance Policy issued by Assured Guaranty Municipal Corp, rated AA by Standard & Poor's.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
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**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Events of Default of the Series 2016 Bonds**

The Bond Resolution of the Series 2016 Bonds provides that the occurrence or existence of any one or more of the following events shall be an event of default.

- (a) Payment of the principal or redemption premium is not made when due;
- (b) Payment of the interest is not made when due;
- (c) The District defaults in the performance on any of its covenants in the Bond Resolution, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied;
- (d) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws.

The Series 2016 Bonds do not have any unused lines of credit. The Series 2016 are not collateralized and are not subject to acceleration.

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 920,000	\$ 789,450	\$ 1,709,450
2026	1,000,000	743,450	1,743,450
2027	1,050,000	693,450	1,743,450
2028	1,140,000	640,950	1,780,950
2029	1,195,000	583,950	1,778,950
2030-2034	8,180,000	1,934,750	10,114,750
2035-2037	2,880,000	175,400	3,055,400
Total	<u>\$ 16,365,000</u>	<u>\$ 5,561,400</u>	<u>\$ 21,926,400</u>

**Debt Authorization**

On May 5, 1998, and November 1, 2005, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$30,000,000 and \$50,000,000, respectively, for general obligation bonds at an interest rate not to exceed 18% per annum. In addition, the electors authorized the refunding of up to \$30,000,000 and \$50,000,000, respectively, in general obligation bonds at a lower interest rate. During 2005, the District utilized \$22,785,000 of the \$80,000,000. As of December 31, 2024, the District had authorized but unissued general obligation indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized 1998	Amount Authorized 2005	Authorization Used				Authorized But Unused
			Prior To 2005	Series 2005	Series 2012	Series 2016	
Street improvements	\$ 12,840,000	\$ 10,000,000	\$ 11,131,721	\$ -	\$ 976,000	\$ 2,500,000	\$ 8,232,279
Safety Protection	1,653,000	10,000,000	1,510,648	-	976,000	-	9,166,352
Water Systems	2,058,000	10,000,000	972,514	-	976,000	-	10,109,486
Sewer Systems	9,060,000	10,000,000	6,120,980	-	976,000	-	11,963,020
Parks and Recreation	4,389,000	10,000,000	3,354,137	-	976,000	-	10,058,863
Refunding	30,000,000	50,000,000	-	22,785,000	-	16,725,000	40,490,000
Total	<u>\$ 60,000,000</u>	<u>\$ 100,000,000</u>	<u>\$ 23,090,000</u>	<u>\$ 22,785,000</u>	<u>\$ 4,880,000</u>	<u>\$ 19,225,000</u>	<u>\$ 90,020,000</u>

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
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DECEMBER 31, 2024**

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

**Debt Authorization (Continued)**

Per the original Service Plan, the District was limited to issuing \$23,600,000 in debt. An Amended and Restated Service Plan was approved by the City and County of Denver on March 27, 2007, further modified on August 1, 2011. Per the Amended Service Plan, the District can issue additional General Obligation Bonds for improvements to be completed on land that will be included into the District. The maximum amount of General Obligation Bonds the District may issue increased by \$182,000 per acre for each acre of land within the future inclusion area that is included into the District. On October 18, 2010, the District included approximately 76.5 acres into the District resulting in \$13,923,000 of additional authorized debt.

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 6 NET POSITION**

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2024, the District had net investment in capital assets calculated as follows:

Net Investment in Capital Assets:

Capital Assets, Net	\$ 2,858,152
Bond Premium (Net of Accumulated Amortization)	(310,061)
Bond Discount (Net of Accumulated Amortization)	12,609
Loss on Refunding (Net of Accumulated Amortization)	11,875
Bonds Payable	(4,166,548)
Unspent Bond Proceeds	656,114
Net Investment in Capital Assets	\$ (937,859)

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 6 NET POSITION (CONTINUED)**

Restricted assets include net position 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 as of December 31, 2024 as follows:

Restricted Net Position:	
Emergencies	\$ 33,400
Debt Service Reserve	1,850,407
Capital Projects Reserve	423,309
Total Restricted Net Position	<u>\$ 2,307,116</u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the financing and repayment of bonds issued for the construction of public improvements which were dedicated to other governmental entities and which costs were removed from the District's financial records.

**NOTE 7 RELATED PARTIES**

The primary developer of the property within the District is ProLogis, a Maryland real estate investment trust (Developer) as successor in interest to Catellus Development Corp., a Delaware Corporation (Catellus). All of the members of the Board of Directors of the District are employees or consultants of the Developer.

The Developer has made cash payments on behalf of the District and entered into the following agreements with the District:

**Facilities Funding and Acquisition Agreement**

On November 29, 2016, the District entered into a Facilities Funding and Acquisition Agreement (Agreement) to repay advances made by the Developer for such advances plus accrued interest at a rate of 8%. As of December 31, 2024, there are no advances outstanding under this agreement.

- Purpose: To fund public improvements within the District
- Parties: District and ProLogis
- Original Date: November 29, 2016
- Effective Date: January 1, 2013
- Years Covered: 2016-2025 for construction related expenses incurred by the District
- Maximum Amount: \$10,000,000
- Interest Rate: 8% per annum from date of deposit into the District's account or on the date the verified costs were incurred by the Developer.
- Principal Balance at December 31, 2024: \$0.00
- Accrued Interest Balance at December 31, 2024: \$0.00

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
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DECEMBER 31, 2024**

**NOTE 7 RELATED PARTIES (CONTINUED)**

**Facilities Funding and Acquisition Agreement (Continued)**

In the event that the District has not paid or reimbursed the Developer for any Construction Related Expenses and / or Verified Costs by December 31, 2053, any amount of principal and accrued interest outstanding shall be deemed to be forever discharged and satisfied in full.

**Maintenance Agreement**

The Developer (as successor in interest to Catellus) and the District entered into a Maintenance Agreement dated October 28, 1999, whereby the District agreed to perform certain maintenance responsibilities located within certain street improvements and railroad crossings, as defined in the Maintenance Agreement, in accordance with applicable state, federal, and local standards. The District's obligation to maintain the street improvements and railroad crossing remains until such time as the streets and/or public crossings, as defined in the Maintenance Agreement, are conveyed to the City and County of Denver.

**NOTE 8 DENVER URBAN RENEWAL AUTHORITY**

During 2000, the District was notified that the land encompassing the District was included within the Stapleton Urban Redevelopment Plan Area (Plan). The Plan includes incremental property tax financing under the Colorado Urban Renewal Law under the direction of the Denver Urban Renewal Authority (DURA) which would normally freeze the property taxes collectable by the District at the year 2000 base level, subject to certain adjustments. In order to provide interconnection of public improvements and services to serve the entire Plan area with DURA, the District and DURA entered into a Cooperation Agreement dated July 15, 2000, as amended on May 1, 2004, and April 11, 2007. Under the Cooperation Agreement, DURA acknowledges that property tax revenue attributable to the District's debt service mill levy relating to the District's authorized general indebtedness in an amount not to exceed \$30,000,000 are excluded from the Plan and will not affect or change the payment of such revenue to the District. The first amendment to the Cooperation Agreement provided that the obligation to make payments of certain property tax revenue received by DURA to the District constitutes a legal, binding and enforceable obligation of DURA.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
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DECEMBER 31, 2024**

**NOTE 9 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). 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.

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS**

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

On May 5, 1998, a majority of the District's electors authorized the District to collect and spend or retain in a reserve annually \$1,000,000 of all revenue other than ad valorem taxes of the District and authorized tax levies to produce taxes of \$1,000,000 annually for operations and maintenance without regard to any limitations under 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'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.

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
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DECEMBER 31, 2024**

**NOTE 11 COMMITMENTS AND CONTINGENCIES**

As of December 31, 2024, the Developer has incurred construction costs not yet certified for reimbursement by the District. It is anticipated that there will be a reimbursement in future years.

## **SUPPLEMENTARY INFORMATION**

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
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DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 145,431	\$ 145,154	\$ (277)
Property Taxes Remitted by DURA	2,101,866	2,097,843	(4,023)
Specific Ownership Taxes	7,272	107,763	100,491
Interest Income	160,000	244,099	84,099
Total Revenues	<u>2,414,569</u>	<u>2,594,859</u>	<u>180,290</u>
<b>EXPENDITURES</b>			
County Treasurer's Fee	33,709	22,453	11,256
Paying Agent Fees	1,200	800	400
Bond Interest - Series 2012	155,200	156,533	(1,333)
Bond Interest - Series 2016	695,150	695,150	-
Bond Principal - Series 2012	1,000,000	1,000,000	-
Bond Principal - Series 2016	895,000	895,000	-
Contingency	29,741	-	29,741
Total Expenditures	<u>2,810,000</u>	<u>2,769,936</u>	<u>40,064</u>
<b>NET CHANGE IN FUND BALANCE</b>	(395,431)	(175,077)	220,354
Fund Balance - Beginning of Year	<u>3,279,196</u>	<u>3,440,062</u>	<u>160,866</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 2,883,765</u></u>	<u><u>\$ 3,264,985</u></u>	<u><u>\$ 381,220</u></u>

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Interest Income	\$ 40,078	\$ 84,685	\$ 44,607
Total Revenues	<u>40,078</u>	<u>84,685</u>	<u>44,607</u>
<b>EXPENDITURES</b>			
Capital Outlay	1,585,000	-	1,585,000
Total Expenditures	<u>1,585,000</u>	<u>-</u>	<u>1,585,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,544,922)	84,685	1,629,607
Fund Balance - Beginning of Year	<u>1,544,922</u>	<u>1,566,860</u>	<u>21,938</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 1,651,545</u>	<u>\$ 1,651,545</u>

## **OTHER INFORMATION**

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2024**

Year Ended December 31,	\$4,880,000 General Obligation Bonds Series 2012, Dated December 19, 2012 Interest Rate of 4.00% Interest Payable June 1 and December 1, Principal Due December 1			\$19,225,000 General Obligation Refunding and Improvement Bonds Series 2016, Dated October 27, 2016 Interest Rate Varying from 3.00% - 5.00% Interest Payable June 1 and December 1, Principal Due December 1		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ -	\$ 115,200	\$ 115,200	\$ 920,000	\$ 674,250	\$ 1,594,250
2026	-	115,200	115,200	1,000,000	628,250	1,628,250
2027	-	115,200	115,200	1,050,000	578,250	1,628,250
2028	-	115,200	115,200	1,140,000	525,750	1,665,750
2029	-	115,200	115,200	1,195,000	468,750	1,663,750
2030	-	115,200	115,200	1,295,000	409,000	1,704,000
2031	-	115,200	115,200	1,360,000	344,250	1,704,250
2032	-	115,200	115,200	1,465,000	276,250	1,741,250
2033	-	115,200	115,200	1,535,000	203,000	1,738,000
2034	-	115,200	115,200	2,525,000	126,250	2,651,250
2035	1,390,000	115,200	1,505,200	-	-	-
2036	1,475,000	59,600	1,534,600	-	-	-
2037	15,000	600	15,600	-	-	-
<b>Total</b>	<b>\$ 2,880,000</b>	<b>\$ 1,327,400</b>	<b>\$ 4,207,400</b>	<b>\$ 13,485,000</b>	<b>\$ 4,234,000</b>	<b>\$ 17,719,000</b>

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)  
DECEMBER 31, 2024**

Year Ended December 31,	Total		
	Principal	Interest	Total
2025	\$ 920,000	\$ 789,450	\$ 1,709,450
2026	1,000,000	743,450	1,743,450
2027	1,050,000	693,450	1,743,450
2028	1,140,000	640,950	1,780,950
2029	1,195,000	583,950	1,778,950
2030	1,295,000	524,200	1,819,200
2031	1,360,000	459,450	1,819,450
2032	1,465,000	391,450	1,856,450
2033	1,535,000	318,200	1,853,200
2034	2,525,000	241,450	2,766,450
2035	1,390,000	115,200	1,505,200
2036	1,475,000	59,600	1,534,600
2037	15,000	600	15,600
Total	<u>\$ 16,365,000</u>	<u>\$ 5,561,400</u>	<u>\$ 21,926,400</u>

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
SCHEDULE 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	Prior Year Increment Assessed Valuation for Current Year Property Tax Levy	Mills Levied	
			Operations	Debt Service
2020	\$ 7,282,766	\$ 99,702,214	14.000	15.000
2021	7,629,386	106,834,874	7.000	15.000
2022	8,075,974	115,728,436	7.000	15.000
2023	7,992,805	113,250,035	7.000	15.000
2024	9,695,374	140,124,396	5.000	15.000
Estimated for the Year Ending December 31, 2025	\$ 9,616,261	\$ 147,786,180	5.000	15.000

Year Ended December 31,	Total Property Taxes		DURA Cooperation Agreement Based on Increment Value		Total Collections	Percentage Collected to Levied
	Levied	Collected	Levied	Collected		
2020	\$ 211,200	\$ 207,704	\$ 2,891,364	\$ 2,848,088	\$ 3,055,792	99.47%
2021	167,847	167,854	2,350,367	2,347,379	2,515,233	99.88
2022	177,671	176,812	2,546,026	2,527,922	2,704,734	99.30
2023	175,842	181,274	2,491,501	2,489,356	2,670,630	100.12
2024	193,908	183,547	2,802,488	2,652,741	2,836,288	94.66
Estimated for the Year Ending December 31, 2025	\$ 192,325		\$ 2,763,399			

**NOTE:**

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

**CONTINUING DISCLOSURE  
ANNUAL FINANCIAL INFORMATION  
(UNAUDITED)**

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
(UNAUDITED)  
DECEMBER 31, 2024**

**Taxpayers in the District for 2024**

<u>Name</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
CATELLUS DEVELOPMENT CORP	\$ 30,562,890	20.68 %
PROLOGIS	27,946,040	18.91
SF PACIFIC PROPERTIES INC	11,233,500	7.60
PROLOGIS MCA II LLC	10,860,010	7.35
CATELLUS PORTFOLIO I LLC	8,279,040	5.60
PROLOGIS LP	7,450,310	5.04
HERCULES CAPITAL LLC	6,014,880	4.07
CONAGRA FOODS PACKAGED FOODS LLC	4,800,760	3.25
PS MOUNTAIN WEST LLC	4,231,700	2.86
CQ LANDLORD LLC	3,614,420	2.45
Total	<u><u>\$ 114,993,550</u></u>	<u><u>77.81 %</u></u>

**2024 Assessed Valuation of Classes of Property in the District**

<u>Class</u>	<u>Total Assessed Valuation*</u>	<u>Percentage of Total Assessed Valuation</u>
Commercial	\$ 129,599,880	87.69 %
Personal Property	16,765,380	11.34
Vacant	810	-
Industrial	1,420,110	0.96
Total	<u><u>\$ 147,786,180</u></u>	<u><u>99.99 %</u></u>

**PROLOGIS CENTRAL PARK BUSINESS CENTER  
METROPOLITAN DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION (CONTINUED)  
(UNAUDITED)  
DECEMBER 31, 2024**

**Estimated Overlapping General Obligation Debt**

<u>Overlapping Entity (1)</u>	<u>2024 Valuation</u>	<u>Outstanding General Obligation Debt</u>	Net Outstanding General Obligation Debt Chargeable to Properties Within the District	
			<u>Percent (2)</u>	<u>Amount</u>
City and County of Denver	\$ 27,061,848,360	\$ 897,885,000	0.58 %	\$ 5,222,455
Denver School District No. 1	25,179,372,911	1,960,152,000	0.63	12,253,391
				<u>\$ 17,475,847</u>

(1) The following entities also overlap the District but have no reported general obligation debt outstanding:  
Regional Transportation District and Urban Drainage and Flood Control District.

(2) The percentage of each entity's outstanding debt chargeable to District property owners is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity.

**Selected Debt Ratios of the District**

Direct Debt (including the bonds)	\$ 16,365,000
Overlapping Debt	17,475,847
Total Direct Debt and Overlapping Debt	<u>\$ 33,840,847</u>
2024 District Assessed Valuation	\$ 157,402,441
Direct Debt to 2024 Assessed Valuation	10.40%
Direct Debt Plus Overlapping Debt to 2024 Assessed Valuation	21.50%
2024 District Statutory Actual Value	\$ 470,672,000
Direct Debt to Statutory Actual Value	3.48%
Direct Debt Plus Overlapping Debt to Statutory Actual Value	7.19%