

AURORA CENTRETECH METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

<https://auroracentretechmd.colorado.gov/>

NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Tyler L. Carlson	President	2025/May 2025
Amber L. Carlson	Treasurer	2025/May 2025
Erika K. Shorter	Assistant Secretary	2025/May 2025
Jeffrey A. Wikstrom	Assistant Secretary	2027/May 2027
Susan K. Wikstrom	Assistant Secretary	2027/May 2027

DATE: June 15, 2023 (Thursday)

TIME: 11:00 A.M.

PLACE: **Zoom Meeting: This meeting will be held via Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting can be joined through the directions below:**

Join Zoom Meeting

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Meeting ID: 546 911 9353

Passcode: 912873

Dial In: 1-253-215-8782

I. ADMINISTRATIVE MATTERS

A. Present disclosures of potential conflicts of interest.

B. Confirm quorum, location of the meeting and posting of meeting notices and designated 24-hour posting location. Approve Agenda.

C. Review and approve Minutes of the November 17, 2022 Regular Meeting (enclosure).

D. Acknowledge resignation of Steve Beck as Secretary to the Board and consider appointment of David Solin as Secretary to the Board.

E. Discuss results of the cancelled May 2, 2023 Regular Director's Election.

F. Consider appointment of officers.

President: _____
Treasurer: _____
Secretary: _____
Assistant Secretary: _____
Assistant Secretary: _____
Assistant Secretary: _____

II. PUBLIC COMMENTS

A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes.

III. FINANCIAL MATTERS

A. Review and ratify the approval of the payment of claims as follows (enclosures):

Fund	Period Ending Dec. 31, 2022	Period Ending Jan. 31, 2023	Period Ending Feb. 28, 2023	Period Ending March 31, 2023
General	\$ 14,540.42	\$ 7,635.37	\$ 8,456.91	\$ 9,655.00
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 1,922.70	\$ -0-	\$ -0-	\$ 742.50
Total	\$ 16,463.12	\$ 7,635.37	\$ 8,456.91	\$ 10,397.50

Fund	Period Ending April 30, 2023	Period Ending May 31, 2023
General	\$ 5,047.80	\$ 8,901.68
Debt	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-
Total	\$ 5,047.80	\$ 8,901.68

B. Review and accept unaudited financial statements through the period ending March 31, 2023 (enclosure).

C. Review and consider approval of the 2022 Audit and authorize execution of Representations Letter (enclosure).

IV. LEGAL MATTERS

A. Discuss and consider approval of Engineer's Report and Certification No. 3 prepared by Ranger Engineering, LLC, dated _____ (to be distributed).

- B. Discuss and consider termination of Agreement Regarding Covenant Enforcement and Design Review between the District and Aurora CentreTech Park Association (enclosure).
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- C. Discuss email regarding GIS and tax information data based on the determination of the Boundary Map (enclosure).
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- D. Discuss and consider ratification of Master License Agreement between the District and the City of Aurora.
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- E. Discuss and consider ratification of Sidewalk Easement with the City of Aurora (the "City").
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- F. Discuss and consider ratification of Service Agreement with CDI Environmental Contractor for 2023 Landscape Maintenance Services (enclosure).
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- G. Discuss and consider ratification of Service Agreement with CDI Environmental Contractor for 2022-23 Snow Removal Services(enclosure).
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V. CONSTRUCTION AND MAINTENANCE MATTERS

- A. _____
-

VI. OTHER BUSINESS

- A. Discuss status of development within the District.
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VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 16, 2023.**

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE AURORA CENTRETECH METROPOLITAN DISTRICT (THE "DISTRICT") HELD NOVEMBER 17, 2022

A Regular Meeting of the Board of Directors of the Aurora CentreTech Metropolitan District (the "Board") was duly held on Thursday, the 17th day of November, 2022, at 10:30 a.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Tyler L. Carlson
Amber L. Carlson
Erika K. Shorter

Following discussion, upon motion duly made by Director T. Carlson, seconded by Director Shorter and, upon vote, unanimously carried, the absences of Directors J. Wikstrom and S. Wikstrom were excused.

Also In Attendance Were:

Steve Beck and Larry Loften; Special District Management Services, Inc. ("SDMS")
Erica Montague, Esq. and MaryAnn McGeady, Esq.; McGeady Becher P.C.
Zach Lauterbach; Evergreen Devco, Inc.
David Firmin; Altitude Community Law P.C.

PUBLIC COMMENTS

None.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Beck noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. No additional conflicts were disclosed.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: Mr. Beck reviewed the proposed Agenda for the District's Regular Board Meeting with the Board. Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board approved the Agenda, as amended.

Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means and encouraged public participation. The Board further noted that notice of the time, date and location/manner of the meeting was duly posted and that the Board did not receive any objections to the video/telephonic manner of the meeting, or any requests that the manner of the meeting be changed, by taxpaying electors within the District's boundaries.

Minutes: The Board reviewed the Minutes of the June 17, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board approved the Minutes of the June 17, 2022 Regular Meeting.

Resignation of Secretary: The Board discussed the resignation of David M. Solin as Secretary to the Board and considered the appointment of Steve Beck as Secretary to the Board.

Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board acknowledged the resignation of David M. Solin and appointed Steve Beck as Secretary to the Board.

Resolution No. 2022-11-01 Establishing Regular 2023 Meeting Dates, Times and Location, Establishing District Website and Designating Locations for Posting of 24-Hour Notices: The Board considered Resolution No. 2022-11-01, Resolution Establishing 2023 Regular Meeting Dates, Times and Location, Establishing District Website and Designating Locations for Posting of 24-Hour Notices.

Mr. Beck reviewed the business to be conducted in 2023 to meet the statutory compliance requirements. Following discussion, the Board determined to meet on June 15, 2023 and November 16, 2023 at 11:00 a.m. via Zoom.

Following review, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-01 Establishing 2023 Regular Meeting Dates, Times

and Location, Establishing District Website and Designating Locations for

RECORD OF PROCEEDINGS

Posting of 24-Hour Notices.

District Website: Mr. Beck reported to the Board that the District's website is live.

Section §32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification: Mr. Beck discussed with the Board the §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2023.

Following discussion, the Board directed staff to post the Transparency Notice on the Special District Association website and the District's website.

FINANCIAL MATTERS

Payment of Claims: Mr. Beck reviewed with the Board the payment of claims as follows:

Fund	Period Ending June 30, 2022	Period Ending July 31, 2022	Period Ending Aug. 31, 2022	Period Ending Sept. 30, 2022
General	\$ 10,493.27	\$ 10,493.27	\$ 17,214.74	\$ 19,161.30
Debt	\$ 7,000	\$ 7,000	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 17,493.27	\$ 17,493.27	\$ 17,214.74	\$ 19,161.30

Fund	Period Ending Oct. 31, 2022	Period Ending Nov. 30, 2022
General	\$ 10,338.15	\$ 11,781.47
Debt	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-
Total	\$ 10,338.15	\$ 11,781.47

Following review and discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Unaudited Financial Statements: Mr. Beck reviewed with the Board the unaudited financial statements of the District for the period ending September 30, 2022.

Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending on September 30, 2022.

2022 Audit: The Board discussed the engagement of Schilling & Company, Inc. to perform 2022 Audit.

Following review and discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board

RECORD OF PROCEEDINGS

approved the engagement of Schilling & Company, Inc. for the preparation of the 2022 Audit, in an amount not to exceed \$6,500.

2022 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2022 Budget and discuss related issues.

It was noted that publication of a Notice stating that the Board would consider adoption of a Resolution to Amend the 2022 Budget and the date, time and place of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Following discussion, it was determined that a 2022 Budget Amendment was not necessary.

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the Budget and the date, time and place of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Mr. Beck reviewed the estimated 2022 expenditures and the proposed 2023 expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2022-11-02; Resolution to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution No. 2022-11-03; Resolution to Set Mill Levies (for the General Fund at 9.568 mills, the Debt Service Fund at 28.497 mills, and the Refund and Abatement at 0.734 mills, for a total mill levy of 38.799 mills). Upon motion duly made by Director T. Carlson, seconded by Director Shorter and, upon vote, unanimously carried, the Board: adopted the Resolutions, as discussed; authorized the execution of the Certification of Budget and Certification of Mill Levies, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2022; authorized Mr. Beck to transmit the Certification of Mill Levy to the Board of County Commissioners of Arapahoe County and the Division of Local Government, not later than December 15, 2022; and authorized Mr. Beck to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification

RECORD OF PROCEEDINGS

form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director T. Carlson seconded by Director Shorter and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

2024 Budget Preparation: The Board entered into discussion regarding appointing the District Accountant to prepare the 2024 Budget and setting the date for the Public Hearing to adopt the 2024 Budget.

Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget and set the date for the Public Hearing to adopt the 2024 Budget for November 16, 2023.

Options for Process to Handle Reserve Shortages: The Board determined this was not necessary.

LEGAL MATTERS

Engineer's Report and Certification No. 2 ("Report No. 2"), dated November 17, 2022, prepared by Ranger Engineering, LLC: Attorney Montague reviewed with the Board Report No. 2, dated November 17, 2022, prepared by Ranger Engineering, LLC.

Following discussion, upon motion duly made by Director T. Carlson, seconded by Director Shorter and, upon vote, unanimously carried, the Board accepted Report No. 2, dated November 17, 2022, prepared by Ranger Engineering, LLC, in the amount of \$673,832.57.

Reimbursement of Evergreen-Airport & Alameda, L.L.C. (the "Developer") under Engineer's Report and Certification No. 2, dated November 17, 2022, and Project Funding, Acquisition, and Reimbursement Agreement between the District and Developer: Attorney Montague discussed with the Board the reimbursement of Evergreen-Airport & Alameda, L.L.C. (the "Developer") under Engineer's Report and Certification No. 2 dated November 17, 2022, and the Project Funding, Acquisition, and Reimbursement Agreement between the District and Developer.

Following discussion, upon motion duly made by Director T. Carlson, seconded by Director Shorter and, upon vote, unanimously carried, the Board approved the reimbursement of Evergreen-Airport & Alameda, L.L.C. (the "Developer") under Engineer's Report and Certification No. 2 dated November 17, 2022, and the Project Funding, Acquisition, and Reimbursement Agreement between the District and Developer.

RECORD OF PROCEEDINGS

Resolution No. 2022-11-04; Resolution Calling May 2, 2023 Regular Election: The Board discussed Resolution No. 2022-11-04; Resolution Calling a Regular Election for Directors May 2, 2023, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director T. Carlson, seconded by Director Shorter and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-04; Resolution Calling a Regular Election for Directors May 2, 2023, appointing Steve Beck as the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Estoppel Certificate for Master License Agreement: The Board deferred discussion and no action was taken.

Master License Agreement between the District and the City of Aurora: Attorneys Montague and McGeady discussed with the Board the Master License Agreement between the District and the City of Aurora.

Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board approved the Master License Agreement between the District and the City of Aurora, subject to final approval by Director T. Carlson.

Sidewalk Easement with the City of Aurora (the “City”): The Board discussed the sidewalk easement requested by the City for sidewalks and ramps on Buckley Road.

Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board approved the sidewalk easement requested by the City for sidewalks and ramps on Buckley Road, subject to final legal review..

Proposal for Landscape Maintenance Services: The Board discussed the proposal from CDI Environmental Contractor for landscape maintenance services. Following discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board approved the proposal from CDI Environmental Contractor for landscape maintenance services, subject to review and final approval by Director T. Carlson.

Proposal for Snow Removal Services: The Board discussed the proposal from CDI Environmental Contractor for snow removal services. Following

RECORD OF PROCEEDINGS

discussion, upon motion duly made by Director Shorter, seconded by Director T. Carlson and, upon vote, unanimously carried, the Board approved the proposal from CDI Environmental Contractor for snow removal services, subject to review and confirmation of price increases by Mr. Beck.

OTHER BUSINESS

Status of Development: Mr. Lauterbach discussed with the Board the construction development within the District. Paving is expected to start by mid-December. Landscaping is expected to be installed in March or April of 2023.

Status of Engagement with Altitude Community Law: Mr. Firmin and Attorney McGeady discussed with the Board the engagement with Altitude Community Law. The Board took no further action.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director T. Carlson, seconded by Director Shorter and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

Aurora Centre Tech Metropolitan District
December-22

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Aurora Media Group	104127	10/11/2022	11/10/2022	\$ 45.20	Legal Publications	1680
CDI Consolidated Divisions, Inc.	2005795	9/30/2022	10/30/2022	\$ 2,148.97	Landscape Maintenance	1673
City of Aurora	A003572 11-2022	11/21/2022	12/12/2022	\$ 512.21	Utilities	1705
City of Aurora	A003569 11-2022	11/21/2022	11/21/2022	\$ -	Utilities	1705
City of Aurora	A003570 11-2022	11/11/2022	11/11/2022	\$ 12.43	Utilities	1705
City of Aurora	A003571 11-2022	11/21/2022	11/21/2022	\$ 471.16	Utilities	1705
Colorado Special Districts P&L	23PL-60757-2018	10/20/2022	10/20/2022	\$ 4,487.00	Prepaid Expenses	1142
Diversified Underground, Inc.	26707	11/30/2022	12/30/2022	\$ 115.00	Locates	1690
McGeady Becher P.C.	1M 11-2022	11/30/2022	11/30/2022	\$ 3,415.50	Legal	1675
Ranger Engineering	1575	11/18/2022	11/18/2022	\$ 1,922.70	Engineering	3784
Special Dist Management Srvc	Nov-22	11/30/2022	11/30/2022	\$ 37.58	Miscellaneous Expenses	1685
Special Dist Management Srvc	Nov-22	11/30/2022	11/30/2022	\$ 799.20	Accounting	1612
Special Dist Management Srvc	Nov-22	11/30/2022	11/30/2022	\$ 1,626.60	Management Fees	1614
T Charles Wilson Insurance	12003	11/3/2022	1/1/2023	\$ 775.00	Prepaid Expenses	1142
Utility Notification Center	222110061	11/30/2022	11/30/2022	\$ 23.40	Miscellaneous Expenses	1685
Xcel Energy	806531533	12/1/2022	12/27/2022	\$ 71.17	Utilities	1705
				\$ 16,463.12		

**Aurora Centre Tech Metropolitan District
December-22**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 14,540.42		\$ 1,922.70	\$ 16,463.12
Total Disbursements from Checking Acct	\$14,540.42	\$0.00	\$1,922.70	\$16,463.12

Aurora Centre Tech Metropolitan District

January-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
CDI Consolidated Divisions, Inc.	2007566	12/30/2022	12/30/2022	\$ 4,182.00	Landscape Maintenance	1673
City of Aurora	A003569 12-2022	12/22/2022	1/11/2023	\$ 27.82	Utilities	1705
City of Aurora	A003572 12-2022	12/22/2022	1/11/2023	\$ 27.82	Utilities	1705
City of Aurora	A003571 12-2022	12/22/2022	1/11/2023	\$ 27.82	Utilities	1705
City of Aurora	A003570 12-2022	12/22/2022	1/11/2023	\$ 12.43	Utilities	1705
Diversified Underground, Inc.	26865	12/31/2022	1/30/2023	\$ 1,220.00	Locates	1690
Special Dist Management Srvc	Dec-22	12/31/2022	12/31/2022	\$ 21.58	Miscellaneous Expenses	1685
Special Dist Management Srvc	Dec-22	12/31/2022	12/31/2022	\$ 947.20	Accounting	1612
Special Dist Management Srvc	Dec-22	12/31/2022	12/31/2022	\$ 1,154.40	Management Fees	1614
Utility Notification Center	222120059	12/31/2022	12/31/2022	\$ 14.30	Miscellaneous Expenses	1685
				\$ 7,635.37		

**Aurora Centre Tech Metropolitan District
January-23**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 7,635.37			\$ 7,635.37
Total Disbursements from Checking Acct	\$7,635.37	\$0.00	\$0.00	\$7,635.37

Aurora Centre Tech Metropolitan District

February-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
CDI Consolidated Divisions, Inc.	2007993	1/19/2023	1/19/2023	\$ 1,146.00	Landscape Maintenance	1673
City of Aurora	A003570 1-2023	1/24/2023	2/13/2023	\$ 12.72	Utilities	1705
City of Aurora	A003571 1-2023	1/24/2023	2/13/2023	\$ 28.48	Utilities	1705
City of Aurora	A003572 1-2023	1/24/2023	2/13/2023	\$ 28.48	Utilities	1705
City of Aurora	A003569 1-2023	1/24/2023	2/13/2023	\$ 28.48	Utilities	1705
Diversified Underground, Inc.	27010	1/31/2023	3/2/2023	\$ 785.00	Locates	1690
McGeady Becher P.C.	1M 12-2022	12/31/2022	12/31/2022	\$ 2,826.17	Legal	1675
Special Dist Management Srvc	Jan-23	1/31/2023	1/31/2023	\$ 80.00	Election Expense	1635
Special Dist Management Srvc	Jan-23	1/31/2023	1/31/2023	\$ 8.60	Miscellaneous Expenses	1685
Special Dist Management Srvc	Jan-23	1/31/2023	1/31/2023	\$ 1,463.00	Accounting	1612
Special Dist Management Srvc	Jan-23	1/31/2023	1/31/2023	\$ 1,220.80	Management Fees	1614
Special District Association	2023 Renewal	2/3/2023	2/3/2023	\$ 594.94	Insurance	1670
Utility Notification Center	223010054	1/31/2023	1/31/2023	\$ 21.93	Miscellaneous Expenses	1685
Xcel Energy	814345486	2/1/2023	2/27/2023	\$ 117.80	Utilities	1705
Xcel Energy	810338792	1/3/2023	1/30/2023	\$ 94.51	Utilities	1705
				\$ 8,456.91		

**Aurora Centre Tech Metropolitan District
February-23**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 8,456.91			\$ 8,456.91
Total Disbursements from Checking Acct	\$8,456.91	\$0.00	\$0.00	\$8,456.91

Aurora Centre Tech Metropolitan District
March-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
City of Aurora	A003571 2-2023	2/21/2023	3/13/2023	\$ 28.90	Utilities	1705
City of Aurora	A003570 2-2023	2/21/2023	3/13/2023	\$ 12.91	Utilities	1705
City of Aurora	A003572 2-2023	2/21/2023	3/13/2023	\$ 28.90	Utilities	1705
City of Aurora	A003569 2-2023	2/21/2023	3/13/2023	\$ 28.90	Utilities	1705
Diversified Underground, Inc.	27168	2/28/2023	3/30/2023	\$ 2,110.00	Locates	1690
McGeady Becher P.C.	1M 10-2022	10/31/2022	10/31/2022	\$ 1,187.70	Legal	1675
McGeady Becher P.C.	1M 1-2023	1/31/2023	1/31/2023	\$ 3,487.79	Legal	1675
Ranger Engineering	1617	2/16/2023	2/16/2023	\$ 742.50	Engineering	3784
Special Dist Management Srvc	Feb-23	2/28/2023	2/28/2023	\$ 352.00	Election Expense	1635
Special Dist Management Srvc	Feb-23	2/28/2023	2/28/2023	\$ 10.80	Miscellaneous Expenses	1685
Special Dist Management Srvc	Feb-23	2/28/2023	2/28/2023	\$ 1,323.60	Accounting	1612
Special Dist Management Srvc	Feb-23	2/28/2023	2/28/2023	\$ 1,044.80	Management Fees	1614
Utility Notification Center	223020052	2/28/2023	2/28/2023	\$ 38.70	Miscellaneous Expenses	1685
				\$ 10,397.50		

**Aurora Centre Tech Metropolitan District
March-23**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 9,655.00		\$ 742.50	\$ 10,397.50
Total Disbursements from Checking Acct	\$9,655.00	\$0.00	\$742.50	\$10,397.50

Aurora Centre Tech Metropolitan District

April-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
City of Aurora	A003572 3-2023	3/22/2023	4/11/2023	\$ 28.90	Utilities	1705
City of Aurora	A003571 3-2023	3/22/2023	4/11/2023	\$ 28.90	Utilities	1705
City of Aurora	A003570 3-2023	3/22/2023	4/11/2023	\$ 12.91	Utilities	1705
City of Aurora	A003569 3-2023	3/22/2023	4/11/2023	\$ 28.90	Utilities	1705
Diversified Underground, Inc.	27348	3/31/2023	4/30/2023	\$ 2,135.00	Locates	1690
McGeady Becher P.C.	1M 2-2023	2/28/2023	2/28/2023	\$ 1,505.04	Legal	1675
Special Dist Management Srvc	Mar-23	3/31/2023	3/31/2023	\$ 249.20	Election Expense	1635
Special Dist Management Srvc	Mar-23	3/31/2023	3/31/2023	\$ 713.20	Accounting	1612
Special Dist Management Srvc	Mar-23	3/31/2023	3/31/2023	\$ 300.60	Management Fees	1614
Utility Notification Center	223030057	3/31/2023	3/31/2023	\$ 45.15	Miscellaneous Expenses	1685
				\$ 5,047.80		

Aurora Centre Tech Metropolitan District
April-23

	General	Debt	Capital	Totals
Disbursements	\$ 5,047.80			\$ 5,047.80
Total Disbursements from Checking Acct	\$5,047.80	\$0.00	\$0.00	\$5,047.80

Aurora Centre Tech Metropolitan District
May-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
City of Aurora	A003570 4-2023	4/21/2023	5/11/2023	\$ 12.91	Utilities	1705
City of Aurora	A003569 4-2023	4/21/2023	5/11/2023	\$ 28.90	Utilities	1705
City of Aurora	A003572 4-2023	4/21/2023	4/21/2023	\$ 28.90	Utilities	1705
City of Aurora	A003571 4-2023	4/21/2023	5/11/2023	\$ 28.90	Utilities	1705
Diversified Underground, Inc.	27520	4/30/2023	5/30/2023	\$ 1,895.00	Locates	1690
McGeady Becher P.C.	1M 3-2023	3/31/2023	3/31/2023	\$ 2,088.63	Legal	1675
McGeady Becher P.C.	1M 4-2023	4/30/2023	4/30/2023	\$ 1,975.56	Legal	1675
Special Dist Management Srvc	Apr-23	4/30/2023	4/30/2023	\$ 105.20	Election Expense	1635
Special Dist Management Srvc	Apr-23	4/30/2023	4/30/2023	\$ 1,625.20	Accounting	1612
Special Dist Management Srvc	Apr-23	4/30/2023	4/30/2023	\$ 1,071.20	Management Fees	1614
Utility Notification Center	223040060	4/30/2023	4/30/2023	\$ 41.28	Miscellaneous Expenses	1685
				\$ 8,901.68		

**Aurora Centre Tech Metropolitan District
May-23**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 8,901.68			\$ 8,901.68
Total Disbursements from Checking Acct	\$8,901.68	\$0.00	\$0.00	\$8,901.68

AURORA CENTRETECH METROPOLITAN DISTRICT
Schedule of Cash Position
March 31, 2023

	<u>Rate</u>	<u>Operating</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Checking:					
Cash in Checking-Wells Fargo		\$ 177,159.01	\$ 28,159.93	\$ (742.50)	\$ 204,576.44
Investments:					
Investment in ColoTrust	4.8592%	506,436.27	814,613.12	-	1,321,049.39
Trustee:					
Trustee-DS Reserve A		-	133.29	-	133.29
Trustee-2008 DS Reserve		-	747.36	-	747.36
Trustee-Capital Int/Reserve A			18.48	-	18.48
Trustee-Capital Int/Reserve C			104.01	-	104.01
TOTAL FUNDS:		<u>\$ 683,595.28</u>	<u>\$ 843,776.19</u>	<u>\$ (742.50)</u>	<u>\$ 1,526,628.97</u>

2023 Mill Levy Information

General Fund	9.568
Debt Service Fund	28.497
Abatement	0.734
Total	<u>38.799</u>

Board of Directors

* Tyler Carlson
 * Amber L. Carlson
 Susan Wikstrom
 Jeff Wikstrom
 Erika Shorter

*authorized signer on checking account

AURORA CENTRETECH METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

March 31, 2023

AURORA CENTRETECH METROPOLITAN DISTRICT
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
March 31, 2023

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL MEMO ONLY</u>
Assets					
Cash in Checking-Wells Fargo	\$ 177,159	\$ 28,160	\$ (743)	\$ -	\$ 204,576
Investment in ColoTrust	506,436	814,613	-	-	1,321,049
Trustee-Capital Int/Reserve A	-	18	-	-	18
Trustee-DS Reserve A	-	133	-	-	133
Trustee-Capital Int/Reserve C	-	104	-	-	104
Trustee-2008 DS Reserve	-	747	-	-	747
Property Taxes Receivable	405,948	1,122,919	-	-	1,528,867
Total Current Assets	<u>1,089,543</u>	<u>1,966,695</u>	<u>(743)</u>	<u>-</u>	<u>3,055,496</u>
Other Debits					
Amount in Debt Service Fund	-	-	-	843,776	843,776
Amount to be Provided for Debt	-	-	-	6,386,224	6,386,224
Total Other Debits	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,230,000</u>	<u>7,230,000</u>
Total Assets	<u>\$ 1,089,543</u>	<u>\$ 1,966,695</u>	<u>\$ (743)</u>	<u>\$ 7,230,000</u>	<u>\$ 10,285,496</u>
Liabilities					
Bonds Payable	\$ -	\$ -	\$ -	\$ 7,230,000	\$ 7,230,000
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,230,000</u>	<u>7,230,000</u>
Deferred Inflows of Resources					
Deferred Property Taxes	405,948	1,122,919	-	-	1,528,867
Total Deferred Inflows of Resources	<u>405,948</u>	<u>1,122,919</u>	<u>-</u>	<u>-</u>	<u>1,528,867</u>
Fund Balance	1,304,710	706,312	(743)	-	2,010,279
Current Year Earnings	(621,114)	137,464	-	-	(483,650)
Total fund balances	<u>683,595</u>	<u>843,776</u>	<u>(743)</u>	<u>-</u>	<u>1,526,629</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,089,543</u>	<u>\$ 1,966,695</u>	<u>\$ (743)</u>	<u>\$ 7,230,000</u>	<u>\$ 10,285,496</u>

AURORA CENTRETECH METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the 3 Months Ending
March 31, 2023

Acct No	Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) Variance	% of Budget
Revenues						
1510	Property Tax Revenue	\$ 47,433	\$ 47,433	\$ 453,382	\$ (405,949)	10.5%
1515	Specific Ownership Taxes	17,326	17,326	90,000	(72,674)	19.3%
1575	Miscellaneous Income	481	481	-	481	-
1560	Investment Income	8,352	8,352	11,000	(2,648)	75.9%
	Total Revenues	<u>73,593</u>	<u>73,593</u>	<u>554,382</u>	<u>(480,789)</u>	<u>13.3%</u>
Expenditures						
1612	Accounting	2,787	2,787	13,600	10,813	20.5%
1614	Management Fees	2,266	2,266	21,600	19,334	10.5%
1615	Accounting/Audit	-	-	7,200	7,200	0.0%
1635	Election Expense	432	432	1,200	768	36.0%
1670	Insurance	6,557	6,557	7,000	443	93.7%
1673	Landscape Maintenance	1,146	1,146	85,000	83,854	1.3%
1674	Irrigation Repairs	-	-	4,500	4,500	0.0%
1675	Legal	3,488	3,488	25,000	21,512	14.0%
1680	Legal Publications	-	-	300	300	0.0%
1685	Miscellaneous Expenses	278	278	1,500	1,223	18.5%
1690	Locates	2,895	2,895	-	(2,895)	-
1700	County Treasurer's Fees	712	712	6,801	6,090	10.5%
1705	Utilities	316	316	18,000	17,684	1.8%
1795	Contingency	-	-	40,000	40,000	0.0%
1815	Capital Projects	673,833	673,833	200,000	(473,833)	336.9%
1895	Emergency Reserves	-	-	16,631	16,631	0.0%
	Total Expenditures	<u>694,707</u>	<u>694,707</u>	<u>448,332</u>	<u>(246,375)</u>	<u>155.0%</u>
	Excess (Deficiency) of Revenues Over Expenditures	(621,114)	(621,114)	106,050	(727,164)	
Transfers and Other Sources (Uses)						
1894	Transfer to Debt Service	-	-	(130,000)	130,000	
	Total Transfers and Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>(130,000)</u>	<u>130,000</u>	
	Change in Fund Balance	(621,114)	(621,114)	(23,950)	(597,164)	
1501	Beginning Fund Balance	1,304,710	1,304,710	117,561	1,187,149	
1450						
1497	Ending Fund Balance	<u>\$ 683,595</u>	<u>\$ 683,595</u>	<u>\$ 93,611</u>	<u>\$ 589,984</u>	

AURORA CENTRETECH METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Debt Service Fund
For the 3 Months Ending
March 31, 2023

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) Variance	% of Budget
Revenues					
Property Tax Revenue	\$ 131,207	\$ 131,207	\$ 1,254,126	\$ (1,122,919)	10.5%
Investment Income	8,225	8,225	8,000	225	102.8%
Total Revenues	<u>139,432</u>	<u>139,432</u>	<u>1,262,126</u>	<u>(1,122,694)</u>	<u>11.0%</u>
Expenditures					
Bond Principal	-	-	1,125,000	1,125,000	0.0%
Bond Int-1998 GO Refunding/Imp	-	-	203,162	203,162	0.0%
Paying Agent/Trustee Fees	-	-	10,500	10,500	0.0%
County Treasurer's Fees	1,968	1,968	18,812	16,844	10.5%
Total Expenditures	<u>1,968</u>	<u>1,968</u>	<u>1,357,474</u>	<u>1,355,506</u>	<u>0.1%</u>
Excess (Deficiency) of Revenues Over Expenditures	137,464	137,464	(95,348)	232,812	
Transfers and Other Sources (Uses)					
Transfer from General Fund	-	-	130,000	(130,000)	
Total Transfers and Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>130,000</u>	<u>(130,000)</u>	
Change in Fund Balance	137,464	137,464	34,652	102,812	
Beginning Fund Balance	706,312	706,312	704,994	1,318	
Ending Fund Balance	<u>\$ 843,776</u>	<u>\$ 843,776</u>	<u>\$ 739,646</u>	<u>\$ 104,130</u>	

Note: The District is required to maintain a minimum liquidity of \$700,000 in the Debt Service Fund.

**AURORA CENTRETECH
METROPOLITAN DISTRICT
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS
DECEMBER 31, 2022**

DRAFT 05/25/2023

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SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Independent Auditor's Report

Board of Directors
Aurora CentreTech Metropolitan District
Arapahoe County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Aurora CentreTech Metropolitan District (District) as of and for the year ended December 31, 2022, 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 Aurora CentreTech Metropolitan District, as of December 31, 2022, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

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

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages IV through VIII be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 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 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(al) 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 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
 , 2023

**AURORA CENTRETECH METROPOLITAN DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2022**

Our discussion and analysis of Aurora CentreTech Metropolitan District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the District's basic financial statements which begin on page 1.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains supplemental information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the District's assets and deferred outflows of resources, and liabilities and deferred outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and earned but unused vacation leave).

The government-wide financial statements detail functions of the District that are principally supported by tax revenues (governmental activities).

The government-wide financial statements can be found on pages 1 and 2 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District reports governmental funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental fund financial statements can be found on pages 3 through 5 of this report.

The District adopted an annual appropriated budget for the General Fund and Debt Service Fund. The budgetary comparison statement for the General Fund is located on page 6 of this report. The budgetary comparison statement for the Debt Service Fund is located on page 17 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 7-16 of this report.

Supplemental and Other Information: In addition to the basic financial statements and accompanying notes, this report also presents supplemental information consisting of the schedule of revenues, expenditures and changes in fund balance – budget to actual – Debt Service Fund, and other information consisting of the schedule of five year summary of assessed valuation, mill levy and property taxes collected, the schedule of debt service requirements to maturity and the schedule of assessed and actual valuation of classes of property in the District, which can be found on pages 17-20, of this report.

NET POSITION		December 31,	
	2022	2021	
ASSETS			
Current assets	\$ 3,730,274	\$ 3,731,419	
Capital assets, not being depreciated	1,008,792	-	
Total assets	<u>4,739,066</u>	<u>3,731,419</u>	
LIABILITIES			
Current liabilities	28,674	39,708	
Long-term liabilities	7,930,004	8,320,000	
Total liabilities	<u>7,958,678</u>	<u>8,359,708</u>	
DEFERRED INFLOWS OF RESOURCES			
Property tax revenue	1,707,508	1,647,733	
Total deferred inflows of resources	<u>1,707,508</u>	<u>1,647,733</u>	
NET POSITION			
Investment in capital assets	308,788	-	
Restricted	705,482	774,231	
Unrestricted	(5,941,390)	(7,050,253)	
Total net position	<u>\$ (4,927,120)</u>	<u>\$ (6,276,022)</u>	

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities plus deferred inflows of resources exceeded assets by \$4,927,121 at the close of the most recent fiscal year. This is a result of

the District incurring debt to construct infrastructure that was conveyed to the City of Aurora (City) for ownership and maintenance.

From 2021 to 2022, the District's total assets increased \$1,007,647 or 27.00%. The increase is primarily attributable to an increase in capital assets due to the assets accepted from the developer in 2022. Total liabilities decreased \$401,029 primarily due to \$1,090,000 in bond principal payments made during 2022.

CHANGES IN NET POSITION

	Years Ended December 31,	
	2022	2021
REVENUES		
General revenues:		
Property taxes	\$ 1,630,586	\$ 1,593,864
Specific ownership taxes	105,123	110,466
Investment earnings	45,962	2,400
Miscellaneous income	-	211
Total revenues	<u>1,781,671</u>	<u>1,706,941</u>
EXPENSES		
General government	168,358	199,950
Interest and fiscal charges	264,411	268,225
Total expenses	<u>432,769</u>	<u>468,175</u>
CHANGE IN NET POSITION	1,348,902	1,238,766
NET POSITION - BEGINNING OF YEAR	<u>(7,514,788)</u>	<u>(7,514,788)</u>
NET POSITION - END OF YEAR	<u>\$ (6,165,886)</u>	<u>\$ (6,276,022)</u>

The District's overall financial position, as measured by net position, increased \$1,348,902 during 2022. This positive change in net position during 2022 can be attributed to the pay down of principal on long-term obligations of \$1,090,000 and revenues exceeding expenses in 2022. The District's revenue remained consistent between 2021 and 2022 except for increases in investment earnings due to overall improvement in investment market conditions. Overall general government expenses decreased 7.6% from 2021 due to decreases in management expense and landscape maintenance. Debt service interest expense decreased from 2021 as principal on the debt continues to be paid down.

Financial Analysis of the District's Funds

As mentioned previously, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A discussion of the District's governmental funds follows.

Governmental funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balance of \$2,011,022. Of this fund balance, \$722,412 is restricted, meaning it is not available for new spending, because it has already been committed for emergencies under

Taxpayers' Bill Of Rights (TABOR) and debt service, \$5,962 is in nonspendable form being used for prepaid expenses, \$23,950 is assigned for 2023 budgeted expenditures and \$1,258,698 is unassigned.

Fund Budgetary Highlights

Budget Variances. The budget to actual comparison details for the General Fund can be seen on page 6 of the financial statements. District operating revenues were over budget by \$27,301 which related to specific ownership taxes and net investment income coming in over budget. In addition, property taxes were budgeted higher than actuals due to the allocation of the rebate mill levy between the General Fund and Debt Service in the actual numbers but only allocated to General Fund in the budget. Actual expenditures were under budget by \$126,163 due to capital outlay coming in under budget and a large contingency and emergency reserves that was not used.

Capital Asset and Debt Administration

Capital Assets. In prior years, the District constructed various assets that were conveyed to the City for ownership. As of December 31, 2022, the District accepted capital assets from the developer. These assets are not complete as of December 31, 2022 and are recorded as construction in progress. It is anticipated that upon completion a portion of the assets will be conveyed to the City for ownership while the District will own/maintain the remaining portion of those assets. Additional information on the District's capital assets can be found in Note 4 of this report.

Long-Term Obligations. At the end of the current fiscal year, the District had total outstanding general obligation bonds of \$7,230,000 and developer advances of \$700,004 . The analysis of changes in long-term obligations is as follows:

LONG-TERM OBLIGATIONS			
	<u>2021</u>	<u>Change</u>	<u>2022</u>
Total General Obligation Bonds	<u>\$ 8,320,000</u>	<u>\$ (1,090,000)</u>	<u>\$ 7,230,000</u>
Total Developer Advances	<u>\$ -</u>	<u>\$ 700,004</u>	<u>\$ 700,004</u>

The \$1,090,000 decrease in total general obligations represents scheduled payments made on the bonds. The \$700,004 increase in developer advances represents costs of assets accepted and accrued interest on assets accepted but not yet reimbursed. Additional information on the District's long-term obligations can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

The District has increased the mill levy for operations in anticipation of a large capital project. The District does not expect any other significant changes in revenues or expenditures for 2023.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the

information provided in this report or requests for additional information should be addressed to:
Aurora CentreTech Metropolitan District, 141 Union Blvd., Suite 150, Lakewood, CO 80228.

DRAFT 05/25/2023

BASIC FINANCIAL STATEMENTS

DRAFT 05/25/2023

**AURORA CENTRETECH METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
December 31, 2022**

ASSETS

Cash and investments - unrestricted	\$ 1,302,809
Cash and investments - restricted	706,312
Cash with County Treasurer	7,683
Property taxes receivable	1,707,508
Prepaid expense	5,962
Capital assets, not being depreciated	1,008,792
Total assets	<u>4,739,066</u>

LIABILITIES

Accounts payable	11,744
Accrued interest payable	16,930
Bonds payable	
Due within one year	1,125,000
Due in more than one year	6,805,004
Total liabilities	<u>7,958,678</u>

DEFERRED INFLOWS OF RESOURCES

Property tax revenue	1,707,508
Total deferred inflows of resources	<u>1,707,508</u>

NET POSITION

Net Investment in capital assets	308,788
Restricted for emergencies	16,100
Restricted for debt service	689,382
Unrestricted	(5,941,390)
Total net position	<u>\$ (4,927,120)</u>

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

**AURORA CENTRETECH METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
Year Ended December 31, 2022**

<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>	<u>Capital Grants and Contributions</u>	
General government	\$ 168,358	\$ -	\$ -	\$ -	\$ (168,358)
Interest and fiscal charges	264,411	-	-	-	(264,411)
	<u>\$ 432,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(432,769)</u>
General revenues:					
Taxes:					
Property taxes					1,630,586
Specific ownership taxes					105,123
Net investment income					45,962
Other income					-
Total general revenues					<u>1,781,671</u>
Change in net position					1,348,902
Net position - beginning					<u>(6,276,022)</u>
Net position - ending					<u>\$ (4,927,120)</u>

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

**AURORA CENTRETECH METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and investments - unrestricted	\$ 1,302,809	\$ -	\$ 1,302,809
Cash and investments - restricted	-	706,312	706,312
Cash with County Treasurer	7,683	-	7,683
Property tax receivable	429,240	1,278,268	1,707,508
Prepaid expense	5,962	-	5,962
TOTAL ASSETS	\$ 1,745,694	\$ 1,984,580	\$ 3,730,274
LIABILITIES			
Accounts payable	\$ 11,744	\$ -	\$ 11,744
Total liabilities	11,744	-	11,744
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	429,240	1,278,268	1,707,508
Total deferred inflows of resources	429,240	1,278,268	1,707,508
FUND BALANCES			
Nonspendable - prepaid items	5,962	-	5,962
Spendable:			
Restricted for:			
Emergencies	16,100	-	16,100
Debt service	-	706,312	706,312
Assigned for subsequent year's expenditures	23,950	-	23,950
Unassigned	1,258,698	-	1,258,698
Total fund balances	1,304,710	706,312	2,011,022
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,745,694	\$ 1,984,580	

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

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

Capital assets	1,008,792
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Some liabilities, including bonds payable and other accrued payables, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.

General obligation bonds payable	(7,230,000)
Accrued interest payable	(16,930)
Developer advances payable	(683,252)
Accrued interest payable on developer advances	(16,752)
	(7,946,934)

Net position of governmental activities	\$ (4,927,120)
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These financial statements should be read only in connection with
the accompanying notes to financial statements.

**AURORA CENTRETECH METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2022**

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
REVENUES			
Property tax	\$ 409,850	\$ 1,220,736	\$ 1,630,586
Specific ownership tax	105,123	-	105,123
Net investment income	19,618	26,344	45,962
Total revenues	<u>534,591</u>	<u>1,247,080</u>	<u>1,781,671</u>
EXPENDITURES			
Current			
Management fees	16,181	-	16,181
Accounting	11,766	-	11,766
Audit	6,000	-	6,000
Legal	35,452	-	35,452
Insurance	6,663	-	6,663
Utilities	33,134	-	33,134
Election expense	1,050	-	1,050
Miscellaneous	2,172	-	2,172
County Treasurer's fees	6,177	18,290	24,467
Landscape maintenance	31,473	-	31,473
Capital Outlay	1,008,792	-	1,008,792
Debt service			
Developer advance principal	321,678	-	321,678
Developer advance interest	9,420	-	9,420
Paying agent fees and other fees	-	7,000	7,000
Bond principal	-	1,090,000	1,090,000
Bond interest	-	233,792	233,792
Total expenditures	<u>1,489,958</u>	<u>1,349,082</u>	<u>2,839,040</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(955,367)</u>	<u>(102,002)</u>	<u>(1,057,369)</u>
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	(30,000)	-	(30,000)
Transfer from other funds	-	30,000	30,000
Developer advances	1,004,930	-	1,004,930
Total other financing sources (uses)	<u>974,930</u>	<u>30,000</u>	<u>1,004,930</u>
NET CHANGE IN FUND BALANCES	19,563	(72,002)	(52,439)
FUND BALANCES - BEGINNING OF YEAR	1,285,147	778,314	2,063,461
FUND BALANCES - END OF YEAR	<u>\$ 1,304,710</u>	<u>\$ 706,312</u>	<u>\$ 2,011,022</u>

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

**AURORA CENTRETECH METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2022**

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	\$ (52,439)
<p>Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. Instead the cost of the asset is allocated over its estimated useful life, and recorded as depreciation expense in each of those years.</p>	
Capital outlay	1,008,792
<p>The repayment of the principal of long-term debt consumes current financial resources of governmental funds. However, it has no effect on net position.</p>	
Bond principal payments	1,090,000
Developer advance principal payments	321,678
<p>The issuance of long-term debt provides for current financial resources of governmental funds. However, it has no effect on net position.</p>	
Developer advances	(1,004,930)
<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	<u>(14,199)</u>
Change in net position - Governmental activities	<u><u>\$ 1,348,902</u></u>

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

**AURORA CENTRETECH METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2022**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Property tax	\$ 416,290	\$ 409,850	\$ (6,440)
Specific ownership taxes	90,000	105,123	15,123
Net investment income	1,000	19,618	18,618
Total Revenues	<u>507,290</u>	<u>534,591</u>	<u>27,301</u>
EXPENDITURES			
Management fees	20,000	16,181	3,819
Accounting	12,600	11,766	834
Audit	6,800	6,000	800
Legal	25,300	35,452	(10,152)
Insurance	7,000	6,663	337
Utilities	18,000	33,134	(15,134)
Election expense	4,000	1,050	2,950
Miscellaneous	1,500	2,172	(672)
County Treasurer's fees	6,202	6,177	25
Landscape maintenance	85,000	31,473	53,527
Irrigation repairs	4,500	-	4,500
Capital outlay	1,400,000	1,008,792	391,208
Contingency	40,000	-	40,000
Developer advance principal	-	321,678	(321,678)
Developer advance interest	-	9,420	(9,420)
Emergency reserves	15,219	-	15,219
Total Expenditures	<u>1,646,121</u>	<u>1,489,958</u>	<u>156,163</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,138,831)</u>	<u>(955,367)</u>	<u>183,464</u>
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	-	(30,000)	(30,000)
Developer advances	-	1,004,930	1,004,930
Total other financing sources (uses)	<u>-</u>	<u>974,930</u>	<u>974,930</u>
NET CHANGE IN FUND BALANCE	(1,138,831)	19,563	1,158,394
FUND BALANCE - BEGINNING OF YEAR	1,266,719	1,285,147	(18,428)
FUND BALANCE - END OF YEAR	<u>\$ 127,888</u>	<u>\$ 1,304,710</u>	<u>\$ 1,139,966</u>

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

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – DEFINITION OF REPORTING ENTITY

Aurora CentreTech Metropolitan District (District), a quasi-municipal corporation, is governed pursuant to the provisions of the Colorado Special District Act. The District's service area is located in Arapahoe County, Colorado. The District was established to provide financing for the acquisition, construction, installation and/or operation of street improvements, water, sanitation, safety protection, park and recreation and transportation services. All facilities constructed by the District have been conveyed to the City for perpetual maintenance except certain common-area, street-scape and median landscape areas and monument signs.

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.

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.

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.

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

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

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

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.

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

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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.

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 has provided otherwise in its commitment or assignment actions.

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Cash and investments - unrestricted	\$ 1,302,809
Cash and investments - restricted	706,312
	<u>\$ 2,009,121</u>

Cash and investments as of December 31, 2022 consist of the following:

Deposits with financial institutions	\$ 230,359
Investments	1,778,762
	<u>\$ 2,009,121</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, 2022, the District's cash deposits had a bank balance of \$246,136 and carrying balance of \$230,359.

Investments

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

The District follows Colorado State Statutes which specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . 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

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

- . Guaranteed investment contracts
- . Local government investment pools

At December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST Plus+)	Weighted average under 60 days	\$ <u>1,778,762</u>

COLOTRUST

As of December 31, 2022, the District has invested in the Colorado Local Government Liquid Asset Trust (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 operates similarly to a money market fund. The Trust offers shares in three portfolios, COLOTRUST Prime (Prime), COLOTRUST Plus+ (Plus+) and COLOTRUST Edge (Edge). All portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST Plus+ and COLOTRUST Edge may also invest in the highest rated commercial paper. The Prime and Plus+ portfolios are restricted to a weighted average maturity (WAM) of 60 days or less while the Edge portfolio incorporates longer-dated securities with a WAM of 60 days or more. Both Prime and Plus+ portfolios are rated AAAM by Standard and Poor's and the EDGE portfolio is rated AA Af/S1 by Fitch Ratings. Information related to COLOTRUST, including the annual audited financial statements, can be found at the COLOTRUST website at www.colotrust.com.

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 COLOTRUST at year end for which the investment valuations were determined as follows.

COLOTRUST records its investments at fair value and the District records its investments in COLOTRUST at net asset value as determined by fair value. Each share of Prime and Plus is equal in value to \$1.00 and the redemption frequency is daily with no redemption notice period. Edge's net asset value is managed to approximate a \$10.00 transactional share price and the redemption frequency is five business days. The principal value of an Edge investment may

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

fluctuate and could be greater or less than \$10.00 per share at time of purchase, prior to redemption, and at the time of redemption. There are no unfunded commitments.

Restricted Cash and Investments

At December 31, 2022, cash and investments in the amount of \$706,312 are restricted for debt service in accordance with the indenture of trust related to the Series 1998A and C General Obligation Refunding and Improvement Bonds. The District is required to maintain a minimum liquidity of \$700,000 in lieu of a reserve (see Note 5).

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021 follows:

	<u>Balance at December 31, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2022</u>
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ 1,008,792	\$ -	\$ 1,008,792
Total capital assets, not being depreciated	<u>\$ -</u>	<u>\$ 1,008,792</u>	<u>\$ -</u>	<u>\$ 1,008,792</u>

It is anticipated that upon completion of a portion of the assets will be conveyed to the City for ownership while the District will own/maintain the remaining portion of those assets.

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, 2022:

	<u>Balance at December 31, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at December 31, 2022</u>	<u>Due Within One Year</u>
General Obligation Bonds:					
Fixed rate mode					
1998A	\$ 1,255,000	\$ -	\$ (165,000)	\$ 1,090,000	\$ 170,000
1998C	7,065,000	-	(925,000)	6,140,000	955,000
	<u>8,320,000</u>	<u>-</u>	<u>(1,090,000)</u>	<u>7,230,000</u>	<u>1,125,000</u>
Developer Advances	-	1,004,930	(321,678)	683,252	-
Accrued Interest on					
Developer Advances	-	26,172	(9,420)	16,752	-
	<u>-</u>	<u>1,031,102</u>	<u>(331,098)</u>	<u>700,004</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 8,320,000</u>	<u>\$ 1,031,102</u>	<u>\$ (1,421,098)</u>	<u>\$ 7,930,004</u>	<u>\$ 1,125,000</u>

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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

General Obligation Refunding and Improvement Bonds, Series 1998A and 1998C

Series 1998A

\$3,585,000 General Obligation Refunding and Improvement Bonds, Series 1998A, (1998A Bonds), with final maturity on December 1, 2028. The 1998A Bonds were variable rate bonds. On March 27, 2008, the District remarketed the 1998A Bonds. The 1998A Bonds were remarketed in the Weekly Mode with an initial rate of 3.00%. Interest was paid monthly in arrears based on weekly interest rates. On December 1, 2012 the 1998A bonds were changed from the Weekly Variable Rate Mode to the Fixed Rate Mode of 2.81% and remarketed. Principal is due on December 1 in varying amounts. Interest is due each June 1 and December 1. The 1998A Bonds are subject to mandatory redemption beginning December 1, 2013 and in varying amounts each December 1, thereafter until December 1, 2028. The 1998A Bonds are subject to optional redemption, as a whole or in integral multiples of \$5,000 on any date, upon payment of par and accrued interest plus a redemption premium in varying rates.

Series 1998C

\$12,680,000 General Obligation Refunding Bonds, Series 1998C, (1998C Bonds), with final maturity on December 1, 2028. The 1998C Bonds are variable rate bonds. On March 27, 2008, the District remarketed the 1998C Bonds. The 1998C Bonds were remarketed in the Weekly Mode with an initial rate of 3.00%. Interest was paid monthly in arrears based on weekly interest rates. On December 1, 2012 the 1998C bonds were changed from the Weekly Variable Rate Mode to the Fixed Rate Mode of 2.81% and remarketed. Principal is due on December 1 in varying amounts. Interest is due each June 1 and December 1. The 1998C Bonds are subject to mandatory redemption beginning December 1, 2013 and in varying amounts each December 1, thereafter until December 1, 2028. The 1998C Bonds are subject to optional redemption, as a whole or in integral multiples of \$5,000 on any date, upon payment of par and accrued interest plus a redemption premium in varying rates.

In the Weekly Variable Rate Mode, the Series 1998A and 1998C Bonds were secured by irrevocable, direct pay letters of credit issued by U.S. Bank National Association on March 27, 2008, in the stated amount of \$18,276,952. The District was required to pay the bank a fee of 0.90% per annum of the stated amount of the letter of credit. The District was also required to establish and maintain a Debt Service Reserve in the amount of not less than \$722,020. With the change in mode, the letters of credit were no longer required, and, thus, the agreement was terminated. The Debt Service Reserve was also no longer required and was liquidated. The District is now required to maintain a minimum liquidity of \$700,000 in lieu of a debt service reserve (see Note 3).

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Evergreen Devco, Inc

On January 11, 2021, the District and Evergreen Devco, Inc. (Evergreen) entered into a letter of intent regarding Evergreen's construction of, the District's acquisition of, and the District's reimbursement to Evergreen for Phase I Improvements (as defined in the letter) within the District (Letter of Intent). Under the Letter of Intent, the District has agreed to reimburse Evergreen an estimated amount of \$2,427,092 with current funds from its General Fund as well as future tax revenues from the General Fund after covering administrative costs and standard operating costs on an annual basis.

Project Funding, Acquisition and Reimbursement Agreement

On December 13, 2021, the District and Evergreen-Airport & Alameda, LLC (Developer) entered into a Project Funding, Acquisition and Reimbursement Agreement (Agreement). The Agreement acknowledges the Letter of Intent discussed above. The District agrees to reimburse the Developer for verified Phase I Improvement costs upon completion. As of the date of the Agreement, the Phase I Improvement costs are estimated to be \$3,702,192. Subject to the availability of funds in the District's General Fund, the District agrees to reimburse the Developer for Construction Related Expenses expended hereunder, together with interest thereon. Simple interest shall accrue on Construction Related Expenses at 7% per annum until reimbursed by the District. As of December 31, 2022, \$1,004,930 of construction-related costs were accepted by the District and reflected as developer advances. During 2022, the District repaid advances of \$321,678 of principal and \$9,420 of accrued interest under this agreement. At December 31, 2022, outstanding obligations were \$700,004 representing \$683,252 of principal and \$16,752 of accrued interest.

The District's general obligation bonds will mature as follows.

Year Ending December 31,	Principal	Interest	Total
2023	\$ 1,125,000	\$ 203,162	\$ 1,328,162
2024	1,155,000	171,550	1,326,550
2025	1,185,000	139,096	1,324,096
2026	1,220,000	105,796	1,325,796
2027	1,255,000	71,514	1,326,514
2028	1,290,000	36,250	1,326,250
	<u>\$ 7,230,000</u>	<u>\$ 727,368</u>	<u>\$ 7,957,368</u>

NOTE 6 – DEBT AUTHORIZATION

As of December 31, 2022, the District has \$1,014,000 of authorized but unissued general obligation indebtedness to be used for authorized improvement purposes and \$2,181,000 of authorized but unissued general obligation indebtedness to be used for refunding purposes. In the future, the District intends to 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 these financial statements, the amount and timing of any debt issuances is not determinable.

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 – FUND EQUITY

At December 31, 2022, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of \$5,962 is comprised of prepaid amounts which are not in spendable form.

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of \$16,100 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 11). The restricted fund balance in the Debt Service Fund in the amount of \$706,312 is to be used exclusively for debt service requirements (see Note 5).

NOTE 8 - NET POSITION

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

Net investment in 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 are reported by the District. As of December 31, 2022, net investment in capital assets was \$308,788.

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's restricted net position at December 31, 2022 is as follows:

Restricted net position:	
Emergency reserves (see Note 11)	\$ 16,100
Debt Service	<u>689,382</u>
	<u><u>\$ 705,482</u></u>

The District's unrestricted net position at December 31, 2022 totaled a deficit of \$(5,941,390). This deficit amount was a result of the District being responsible for repayment of bonds issued for public improvements conveyed to other governmental entities.

NOTE 9 – RELATED PARTIES

The certain members of the Board of Directors of the District have ownership interests in Evergreen-Airport & Alameda, LLC, a major property owner within the boundaries of the District, which owns approximately 27 acres of undeveloped land within the District.

**AURORA CENTRETECH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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, 2022. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations 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, 1998, the District's electors authorized the District to increase taxes \$400,000 annually or by a lesser annual amount as may be necessary to pay the District's operations and maintenance and other expenses without limitation of rate. Further the District's electors authorized the District to collect, keep and expend all District revenues received in 1998 and each year thereafter, of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

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

DRAFT 05/25/2023

**AURORA CENTRETECH METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2022**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Property taxes	\$ 1,231,443	\$ 1,220,736	\$ (10,707)
Net investment income	3,000	26,344	23,344
Total Revenues	<u>1,234,443</u>	<u>1,247,080</u>	<u>12,637</u>
EXPENDITURES			
Bond principal	1,090,000	1,090,000	-
Interest on 1998 bonds	233,792	233,792	-
Paying agent and other fees	10,500	7,000	3,500
County treasurer's fees	18,472	18,290	182
Total Expenditures	<u>1,352,764</u>	<u>1,349,082</u>	<u>3,682</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(118,321)</u>	<u>(102,002)</u>	<u>16,319</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	30,000	30,000
Total other financing sources (uses)	<u>-</u>	<u>30,000</u>	<u>30,000</u>
NET CHANGE IN FUND BALANCE	(118,321)	(72,002)	46,319
FUND BALANCE - BEGINNING OF YEAR	<u>1,094,134</u>	<u>778,314</u>	<u>(315,820)</u>
FUND BALANCE - END OF YEAR	<u>\$ 975,813</u>	<u>\$ 706,312</u>	<u>\$ (269,501)</u>

OTHER INFORMATION

DRAFT 05/25/2023

**AURORA CENTRETECH METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED
Year Ended December 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied				Property Taxes		Percentage Collected to Levied
		General	Debt	Refunds/ Abatements	Total	Levied	Collected	
2009	\$ 33,657,230	1.190	36.000	0.000	37.190	\$ 1,251,712	\$ 1,241,100	99.2%
2010	\$ 34,781,630	1.190	36.000	0.000	37.190	\$ 1,293,529	\$ 1,141,059	88.2%
2011	\$ 37,158,490	1.190	36.000	0.000	37.190	\$ 1,381,925	\$ 1,353,447	97.9%
2012	\$ 34,502,650	1.190	41.000	0.000	42.190	\$ 1,455,667	\$ 1,426,068	98.0%
2013	\$ 33,840,710	1.190	41.000	0.000	42.190	\$ 1,427,739	\$ 1,386,806	97.1%
2014	\$ 33,519,750	1.000	41.000	0.000	42.000	\$ 1,407,920	\$ 1,358,678	96.5%
2015	\$ 32,004,910	1.000	38.000	0.000	39.000	\$ 1,248,192	\$ 1,254,618	100.5%
2016	\$ 34,507,598	1.000	38.000	0.000	39.000	\$ 1,345,797	\$ 1,342,262	99.7%
2017	\$ 34,374,585	2.000	38.000	0.173	40.173	\$ 1,380,930	\$ 1,366,433	99.0%
2018	\$ 40,195,017	6.750	34.250	0.284	41.284	\$ 1,659,410	\$ 1,590,276	95.8%
2019	\$ 38,731,516	6.750	34.250	1.395	42.395	\$ 1,642,022	\$ 1,639,343	99.8%
2020	\$ 44,165,958	2.750	34.250	0.547	37.547	\$ 1,658,299	\$ 1,647,996	99.4%
2021	\$ 43,010,557	9.300	27.700	0.266	37.266	\$ 1,602,241	\$ 1,593,864	99.5%
2022	\$ 44,456,411	9.300	27.700	0.064	37.064	\$ 1,647,733	\$ 1,630,586	99.0%
Estimated for year ending December 31, 2023	\$ 44,009,046	9.568	28.497	0.734	38.799	\$ 1,707,508		

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.

**AURORA CENTRETECH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2022**

Year Ending December 31,	\$3,585,000 General Obligation Refunding and Improvement Bonds, Series 1998A Fixed Rate Mode at 2.810% Principal Due December 1 Interest Due June 1 and December 1			\$12,680,000 General Obligation Refunding Bonds, Series 1998C Fixed Rate Mode at 2.810% Principal Due December 1 Interest Due June 1 and December 1			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2023	\$ 170,000	\$ 30,628	\$ 200,628	\$ 955,000	\$ 172,534	\$ 1,127,534	\$ 1,125,000	\$ 203,162
2024	170,000	25,852	195,852	985,000	145,698	1,130,698	1,155,000	171,550	1,326,550
2025	180,000	21,076	201,076	1,005,000	118,020	1,123,020	1,185,000	139,096	1,324,096
2026	185,000	16,016	201,016	1,035,000	89,780	1,124,780	1,220,000	105,796	1,325,796
2027	135,000	10,818	145,818	1,120,000	60,696	1,180,696	1,255,000	71,514	1,326,514
2028	250,000	7,026	257,026	1,040,000	29,224	1,069,224	1,290,000	36,250	1,326,250
	<u>\$ 1,090,000</u>	<u>\$ 111,416</u>	<u>\$ 1,201,416</u>	<u>\$ 6,140,000</u>	<u>\$ 615,952</u>	<u>\$ 6,755,952</u>	<u>\$ 7,230,000</u>	<u>\$ 727,368</u>	<u>\$ 7,957,368</u>

DRAFT 05/25/2023

**AURORA CENTRETECH METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED AND ACTUAL VALUATION
OF CLASSES OF PROPERTY IN THE DISTRICT
December 31, 2022**

<u>CLASS</u>	<u>ASSESSED VALUATION</u>	<u>PERCENT OF ASSESSED VALUATION</u>	<u>ACTUAL VALUATION</u>	<u>PERCENT OF ACTUAL VALUATION</u>
Commercial	\$ 38,939,807	88.48%	\$ 134,275,944	70.93%
Vacant	1,340,439	3.05%	4,622,201	2.44%
Residential - Multi-Family	3,336,080	7.58%	49,060,000	25.91%
State Assessed	392,720	0.89%	1,354,206	0.72%
Total	<u>\$ 44,009,046</u>	<u>100.00%</u>	<u>\$ 189,312,351</u>	<u>100.00%</u>

Source: Arapahoe County Assessor's Office - Final 2022 values

DRAFT 05/25/2023



MEMORANDUM

To: Board of Directors
Aurora CentreTech Metropolitan District

From: McGeady Becher P.C.

Date: January 3, 2023

Re: Covenant Enforcement

INTRODUCTION:

This memorandum will discuss several issues related to the obligations of the Aurora CentreTech Metropolitan District (the “**District**”) to provide covenant enforcement services to the Aurora CentreTech Park Association (the “**Association**”), and our Firm’s recommendation regarding how to address such obligations.

STATUTORY PROVISION:

Section 32-1-1004(8), C.R.S. authorizes metropolitan districts to furnish covenant enforcement and design review services within the district if the declaration, rules and regulations, or similar document containing the covenants to be enforced for the area within the metropolitan district name the district as the enforcement or design review entity.

DECLARATION OF PROTECTIVE COVENANTS:

The Declaration of Protective Covenants of Aurora Centretech Park dated March 8, 1984 (the “**Declaration**”), was recorded against certain property within the District (the “**Property**”) on April 12, 1984, in Book 4132 at Page 530 of the real property records of Arapahoe County, Colorado (“**Arapahoe Property Records**”), as amended to add additional land by that certain Annexation to Aurora Centretech Park and Amendment to Protective Covenants of Aurora Centretech Park, dated August 13, 1985, and recorded on September 24, 1985 in Book 4553, Page 190 in the Arapahoe Property Records, and as further amended to restrict uses on specific lots by that certain Second Amendment to Declaration of Protective Covenants of Aurora CentreTech Park, dated November 13, 2003 at Reception No. B3245790 in the Arapahoe Property Records. A copy of the Declaration and each amendment thereto is attached hereto as **Exhibit A**. Under the Covenants, every Owner of Property must be a member of the Association, but tenants of Owners shall not be members.

The original Declarant under the Declaration was Dueck Developments, Inc. Through a series of assignments and assumptions, the Declarant’s rights were passed from Dueck Developments, Inc. to Dueck Industries Ltd. on December 28, 1984, to Centretech Land Investors LLC on June 25, 1998, and finally to Aurora CentreTech, LLC on October 16, 2002.

The Declaration establishes a Design Review Committee, which is a separate entity from the Board of Directors of the Association. The Design Review Committee is to consist of five (5) members to be appointed by the Declarant. The Design Review Committee is to promulgate and publish, as well as enforce, the rules and regulations of the Association (the “**Design Guidelines**”). Additionally, all landscaping is to be approved by the Design Review Committee.

COVENANT ENFORCEMENT AGREEMENT:

The Association engaged the District to provide covenant enforcement and design review services (the “**Services**”) for the Association under that certain Agreement Regarding Covenant Enforcement and Design Review entered into between the District and the Association, dated June 25, 2008 (the “**Covenant Enforcement Agreement**”), a copy of which is attached hereto as **Exhibit B**. The District’s duties under the Covenant Enforcement Agreement are laid out in Section 2(b) therein, and include the following:

- To enforce assessments imposed under Section 5.5 of the Declaration by any legal means, such enforcement to specifically include the power to determine, assess and collect reasonable late charges;
- To serve as the Design Review Committee under Article VI of the Declaration with the attendant powers to determine other permitted uses under Section 4.1 of the Declaration, to establish the District’s own procedures and/or committees for the performance of such service, to perform all functions of the Design Review Committee as described and/or defined in the Declaration, to promulgate, revise and enforce design guidelines as defined and/or described in the Declaration; and
- To enforce any and all other covenants set forth in the Declaration which the Association has the obligation and/or authority to enforce.

We also note the following:

Since the District’s performance of the Services under the Covenant Enforcement Agreement is a governmental function expressly authorized by Colorado statutes, the Association is not obligated to pay or reimburse the District for its performance of the Services.

The Covenant Enforcement Agreement automatically renews for successive one-year terms every January 1st.

Currently, it is our understanding that the only member of the Board of Directors for the Association (the “**Association Board**”) is John Richert. As far as we know, he never resigned or stepped down from the Board.

RETENTION OF COVENANT ENFORCEMENT COUNSEL:

Our office does not represent the Association, but Special District Management Services (“SDMS”), which is also the District Manager, contracted with the Association to provide management services and is its Registered Agent. In July 2021, the Board of Directors of the District (the “Board”) authorized the retention of Altitude Community Law (“Altitude”) to provide covenant enforcement services for the Association (see Minutes dated July 21, 2021, attached hereto as **Exhibit C**) with the District to pay all related costs. It was discussed that Altitude was going to bring the Association into compliance, get a new member appointed to the Association Board, and get the Declarant transferred to a new entity (since Aurora CentreTech LLC, the current Declarant, sold all of its property within the Association).

We were informed on November 7, 2022, that SDMS had not retained Altitude as directed by the Board. It is unclear why Altitude was not retained. However, this means that Aurora CentreTech, LLC, the entity that no longer owns any land in the Association, is still the Declarant, even after its land was sold. Additionally, John Richert is still the sole member of the Association Board.

RECOMMENDATION:

Our Firm suggests SDMS proceed with retaining Altitude as directed and work with David Firmin and his office to finalize retention of their services. David Solin reported that he had a lead on a new member for the Association Board, but we are not sure who that was. We also suggest that SDMS be directed to review their files to identify that potential Association Board member and find out if he/she was ever appointed. If not, SDMS should be directed to contact entities within the Association to recruit another Association Board member.

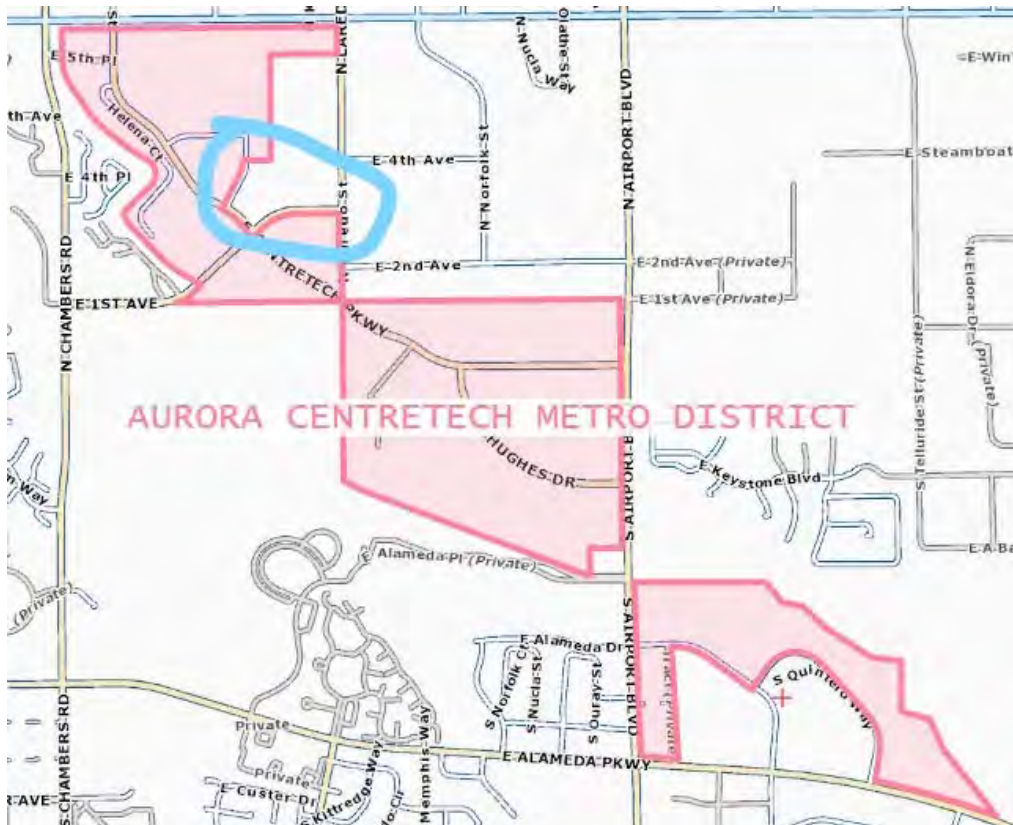
Shawna Stevens

From: Alexandria "Zander" Myers <amyers@specialdistrictlaw.com>
Sent: Monday, February 6, 2023 4:52 PM
To: Jarrod Adams; Shawna Stevens; Kurtis Williams
Cc: Erica Montague; MaryAnn M. McGeady
Subject: RE: Aurora CentreTech

Hi Jarrod,

MaryAnn and Erica, the Shareholder and Associate (included on the email) for the District, have reviewed the maps and their thought is that the GIS and tax information data is incorrect and will need to be updated based on your determination of the boundary map. Based on the records that we have of the district, that section you pointed out has never been excluded from the District but somehow became that way at some point.

MaryAnn and Erica would like us to work with the County Assessor's Office to have the GIS and tax information corrected – please let me know what you need from me regarding that.



Shawna – MaryAnn and Erica would also like to discuss any possible back taxes that may come due as a result of the GIS adjustment with the Board at the next meeting. I know the next meeting isn't for a while, but I wanted to mention it so we could make sure that it's included on the next agenda.

Please let us know if any of you have any questions!

Thank you,

Alexandria Myers

Paralegal

McGeady Becher P.C.

450 E. 17th Avenue, Suite 400

Denver, CO 80203-1254

Phone: 303.592.4380

Fax: 303.592.4385

Email: amyers@specialdistrictlaw.com



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From: Jarrod Adams <jadams@jrengineering.com>

Sent: Tuesday, January 31, 2023 4:17 PM

To: Alexandria "Zander" Myers <amyers@specialdistrictlaw.com>; Shawna Stevens <[sstevens@sdmsi.com](mailto:ssstevens@sdmsi.com)>; Kurtis Williams <kwilliams@jrengineering.com>

Subject: RE: Aurora CentreTech

There's a portion that doesn't match the City GIS, was this portion excluded?

From: Alexandria "Zander" Myers <amyers@specialdistrictlaw.com>

Sent: Tuesday, January 31, 2023 3:56 PM

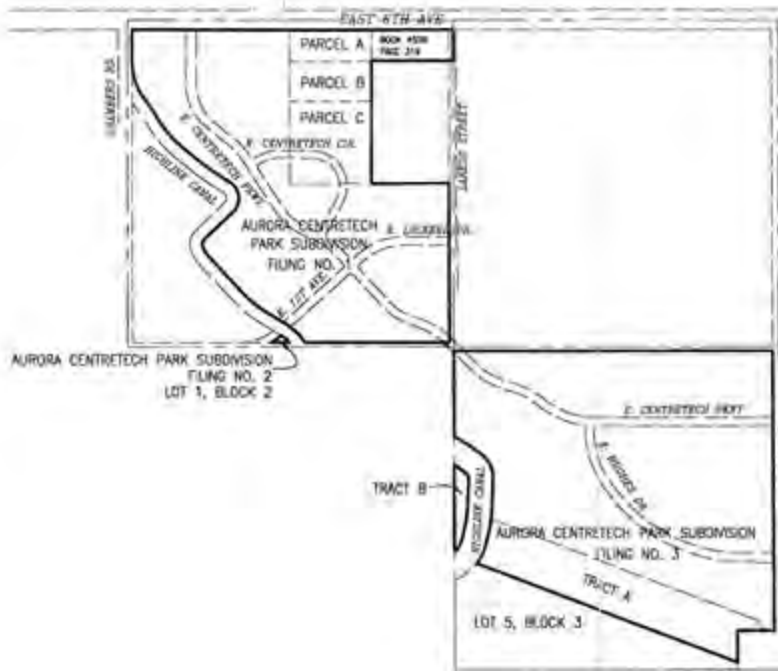
To: Jarrod Adams <jadams@jrengineering.com>; Shawna Stevens <[sstevens@sdmsi.com](mailto:ssstevens@sdmsi.com)>; Kurtis Williams <kwilliams@jrengineering.com>

Subject: RE: Aurora CentreTech

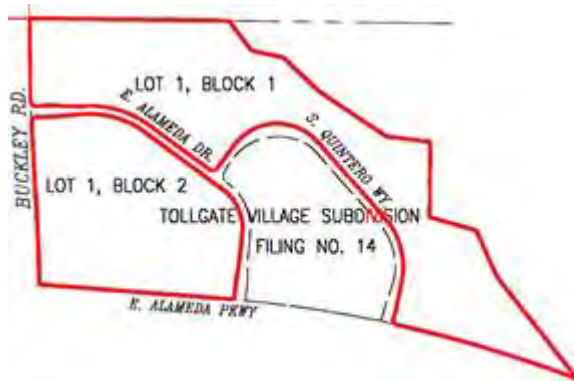
Hi Jarrod,

Sorry for taking so long to get back to you. I've looked through our physical and digital records and I think I've pieced together how the boundaries have changed throughout the life of this district. Since it's such an old district, we don't always have every document but, based on information from various documents, I believe that I can provide some clarity. Rather than send over a bunch of random stuff, I've put together a summary.

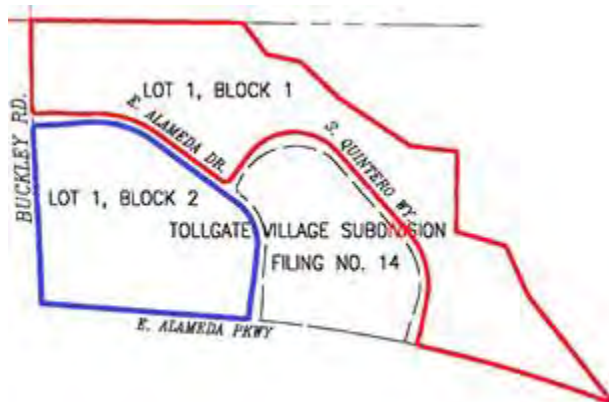
- The initial boundaries



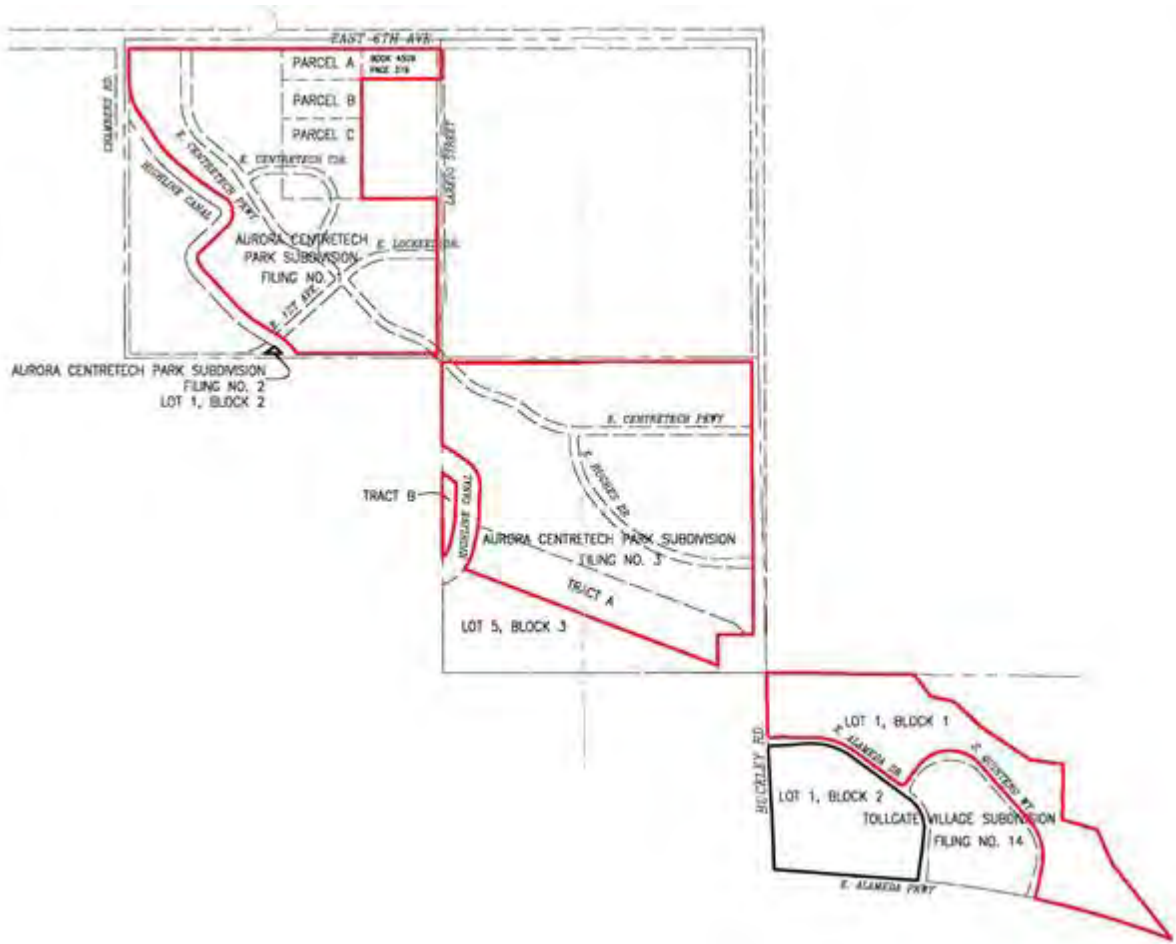
- In January 1987, the below (red) was included in the boundaries of the district, which is what you referenced below



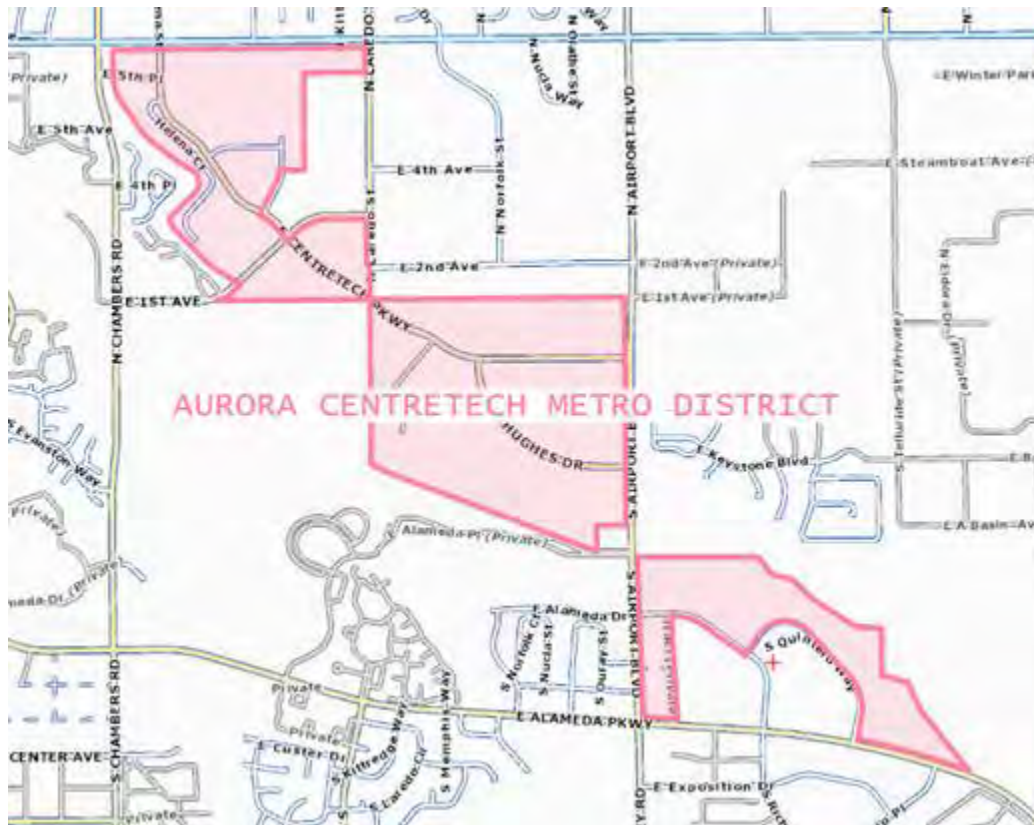
- In June 2022, the below (blue) was excluded from the boundaries of the district and is now Buckley Yard MD No. 1



- So now, post-exclusion to Buckley Yard MD No. 1, the boundaries of the district are:



- This also matches up with the county GIS data:



Hopefully all of this makes sense! Let me know if you have any more questions!

Thank you,

Alexandria Myers

Paralegal

McGeady Becher P.C.

450 E. 17th Avenue, Suite 400

Denver, CO 80203-1254

Phone: 303.592.4380

Fax: 303.592.4385

Email: amyers@specialdistrictlaw.com



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From: Jarrod Adams <jadams@jrengineering.com>

Sent: Thursday, January 5, 2023 3:32 PM

To: Alexandria "Zander" Myers <amyers@specialdistrictlaw.com>; Shawna Stevens <sstevens@sdmsi.com>; Kurtis Williams <kwilliams@jrengineering.com>

Subject: RE: Aurora CentreTech

If you could keep looking it would be greatly appreciated. All of these maps have differences and I'm not sure I'll be able to make heads or tails of it unless I recreate the full district from inception to date.

Thanks!

From: Alexandria "Zander" Myers <amyers@specialdistrictlaw.com>
Sent: Thursday, January 5, 2023 3:10 PM
To: Jarrod Adams <jadams@jrengineering.com>; Shawna Stevens <sstevens@sdmsi.com>; Kurtis Williams <kwilliams@jrengineering.com>
Subject: RE: Aurora CentreTech

Hi Jarrod,

This is the last boundary map that was filed for the district and I have another map that indicates a section that was not included in that filed boundary map. Hopefully this will help and I can keep looking if this doesn't clear anything up!

Thank you,

Alexandria Myers
Paralegal
McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203-1254
Phone: 303.592.4380
Fax: 303.592.4385
Email: amyers@specialdistrictlaw.com



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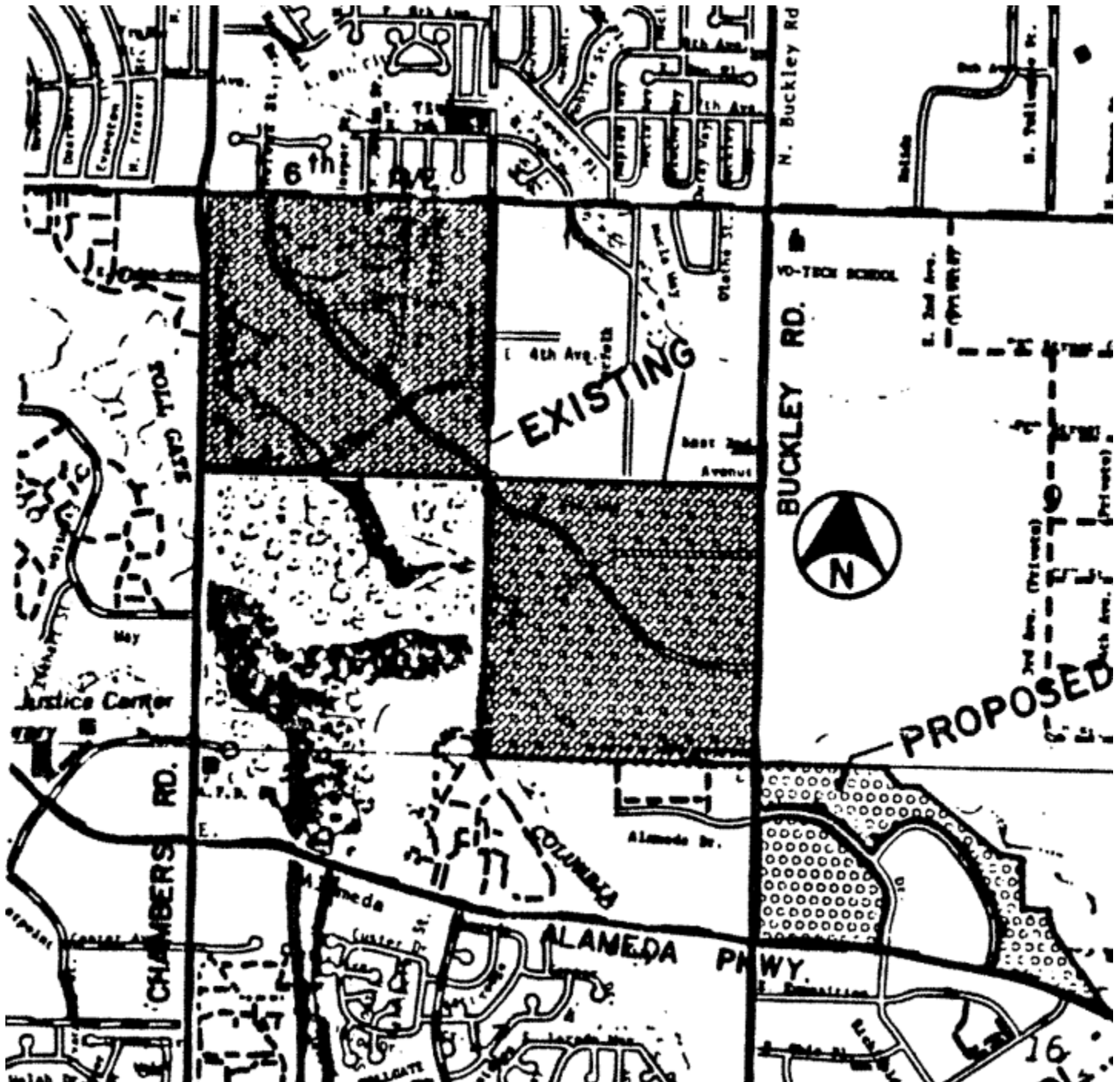
From: Jarrod Adams <jadams@jrengineering.com>
Sent: Thursday, January 5, 2023 2:42 PM
To: Shawna Stevens <sstevens@sdmsi.com>; Kurtis Williams <kwilliams@jrengineering.com>
Cc: Alexandria "Zander" Myers <amyers@specialdistrictlaw.com>
Subject: RE: Aurora CentreTech

All,

I'm not going to be able to figure this out from the documentation provided. The 1987 inclusion shows the current and proposed district as shown here. The city GIS system is showing the district as shown farther below in my first e-mail. Usually when creating these maps I'm provided with the creation document of the district then each inclusion/exclusion from inception to date. As it stands today I understand the Buckley Yard portion has been removed, but I'm not sure if the district is as shown below on the City GIS or the 1987 document which is two quarter sections. Are there more documents you can provide so I can map the district accurately, or even a previous map of the most current district that I can base mine on? While these are not super accurate maps, right now I have some pretty wide ranges as to what is in and out of the district.

Let me know if there's more information you can provide.

Thanks!



From: Shawna Stevens <sstevens@sdmsi.com>

Sent: Tuesday, January 3, 2023 8:22 AM

To: Jarrod Adams <jadams@jrengineering.com>; Kurtis Williams <kwilliams@jrengineering.com>

Cc: Alexandria "Zander" Myers <amyers@specialdistrictlaw.com>

Subject: RE: Aurora CentreTech

Hi Jarrod,

Here is what I have. I have also cc'd the paralegal in case they have something I don't.

Thank you!

Shawna Stevens

Administrative Assistant



141 Union Boulevard, Suite 150

Lakewood, CO 80228

sstevens@sdmsi.com

P: 303-987-0835

F: 303-987-2032

The information contained in this electronic communication and any document attached hereto or transmitted herewith is confidential and intended for the exclusive use of the individual or entity named above. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any examination, use, dissemination, distribution or copying of this communication or any part thereof is strictly prohibited. If you have received this communication in error, please immediately notify the sender by reply e-mail and destroy this communication. Thank you.

From: Jarrod Adams <jadams@jengineering.com>

Sent: Friday, December 30, 2022 2:49 PM

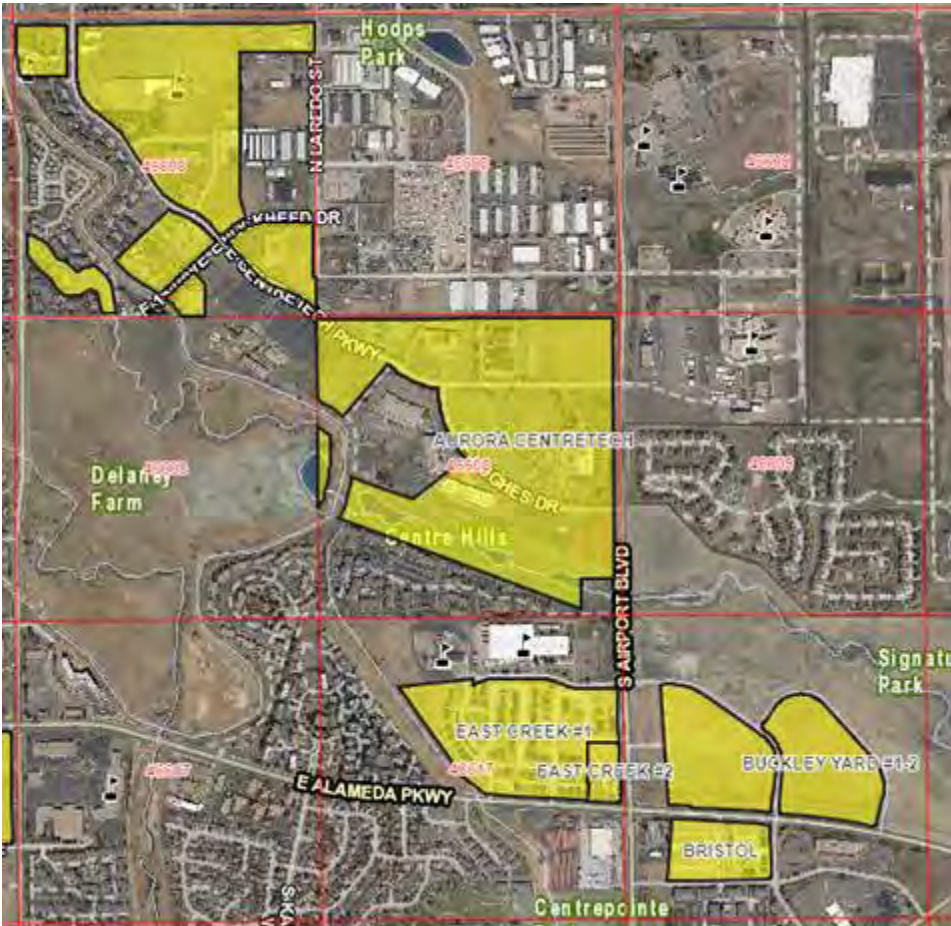
To: Kurtis Williams <kwilliams@jengineering.com>; Shawna Stevens <sstevens@sdmsi.com>

Subject: RE: Aurora CentreTech

Shawna,

It looks like the district encompasses more area than simply the Buckley Yards. I'll need the inclusion/exclusion docs for the whole of the district to make sure the map accurately depicts its current boundaries.

Thanks!



From: Kurtis Williams <kwilliams@jrengineering.com>
Sent: Wednesday, December 28, 2022 10:31 AM
To: Shawna Stevens <sstevens@sdmsi.com>
Cc: Jarrod Adams <jadams@jrengineering.com>
Subject: RE: Aurora CentreTech

Thanks. Jarrod Adams will be working on this and might reach out with additional questions.

Kurtis W. Williams, PE, LEED® AP
Vice President and Client Manager
JR Engineering, LLC

7200 S. Alton Way, Suite C400 | Centennial, CO 80112
Phone: (303) 740-9393 | Direct: (303)267-6190 | Cell: (303) 358-7013 | Fax: (303) 721-9019
kwilliams@jrengineering.com | www.jrengineering.com | [LinkedIn.com/in/kurtiswilliams](https://www.linkedin.com/in/kurtiswilliams)

Please consider the environment before printing this email.

From: Shawna Stevens <sstevens@sdmsi.com>
Sent: Wednesday, December 28, 2022 10:29 AM
To: Kurtis Williams <kwilliams@jrengineering.com>
Subject: Aurora CentreTech

Good Morning,

Attached please find the inclusion for the above referenced District per our conversation this morning. I have also attached the exclusion from this year for your convenience.

Shawna Stevens

Administrative Assistant



141 Union Boulevard, Suite 150

Lakewood, CO 80228

sstevens@sdmsi.com

P: 303-987-0835

F: 303-987-2032

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CHANGE ORDER

Change Order No: 1	Date Issued: May 26, 2023
Name of Agreement: Service Agreement for Landscape Maintenance Services	
Date of Agreement: March 21, 2022	District(s): Aurora CentreTech Metropolitan District
Other Party/Parties: CDI Environmental Contractor Inc.	

CHANGE IN SCOPE OF SERVICES (describe):

2023 Landsape Maintenance Services per attached proposal dated February 15, 2023 in the amount of \$26,310.40, and 2023 Annual Flowers planting per attached proposal dated February 19, 2023 in the amount of \$4,100.

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$ 25,787.60	Original Term: Expires _____, 20____
Increase of this Change Order: \$30,410.40	New Term: Expires _____, 20____
Price with all Approved Change Orders: \$66,198.00	Agreement Time with all Approved Change Orders:

APPROVED:	
By:	
	District

APPROVED:	
By:	
	Consultant



303-471-1522
naturesworkforce.com

To: SDMS	Contact: David Solin
Address: 141 Union Boulevard, Suite 150 Lakewood, CO 80228	Phone: 303-987-0835 Fax: 303-987-2032
Project Name: Aurora Centretech - Apr '23 - Mar '24	Bid Number:
Project Location: Aurora, CO	Bid Date: 2/15/2023
Addendum #: N/a	

Item Description	Estimated Quantity	Unit	Unit Price	Total Price
Summer Weekly Services: Mow, Trim, Blow, Bed Weeding, Trash Pick Up, Edging 13 Times, Spray Tree Rings 3 Times	26.00	EACH	\$552.00	\$14,352.00
Pruning Shrubs And Trees: Shrub Pruning 2x Tree Pruning Up To 12' 1x	2.00	EACH	\$399.50	\$799.00
Pre-emergent Herbicide: Application To Landscape Beds:	1.00	EACH	\$238.00	\$238.00
Spring Clean Up: Cut Ornamental Grasses Back, Remove Pine Needles, And Blow Debris Out Of Beds	1.00	EACH	\$592.00	\$592.00
Fall Clean Up: Leaf Removal From All Landscape Areas, Cut Back Herbaceous Perennials	2.00	EACH	\$658.00	\$1,316.00
Aeration Of All Turf Areas:	2.00	EACH	\$485.00	\$970.00
Turf Fertilization And Broadleaf Herbicide: (Traditional) 3 Application Of 24-4-10 Fertilizer And One Pre-emergent 3 Applications Of Post Emergent Broadleaf Weed Control	6.00	EACH	\$278.00	\$1,668.00
Shrub Bed Fertilization Slow Release Granular Application	1.00	EACH	\$193.00	\$193.00
Winter Trash Removal: Police Property For Trash, Excludes Pick Up Of Hazardous Materials Or Dead Animals	26.00	EACH	\$91.15	\$2,369.90
Irrigation Checks: Weekly Irrigation Checks	24.00	EACH	\$125.00	\$3,000.00
Irrigation System Spring Start Up:	1.00	EACH	\$370.00	\$370.00
Irrigation System Winterization:	1.00	EACH	\$442.50	\$442.50
Total Bid Price:				\$26,310.40

Notes:

- Irrigation rates will be \$ 80.00 per hour for a irrigation technician and any necessary materials will be additional.
- **This proposal is good for 60 days following the date given on the proposal.**
- **Nature's Workforce**, a Consolidated Divisions, Inc. company.

An Equal Opportunity Employer

Payment Terms:

Payment due 30 days from invoice.



303-471-1522
naturesworkforce.com

To: SDMS	Contact: David Solin
Address: 141 Union Boulevard, Suite 150 Lakewood, CO 80228	Phone: 303-987-0835 Fax: 303-987-2032
Project Name: Aurora Centretech - Apr '23 - Mar '24	Bid Number:
Project Location: Aurora, CO	Bid Date: 2/15/2023
Addendum #: N/a	

<p>ACCEPTED: The above prices, specifications and conditions are satisfactory and hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED: Nature's Workforce</p> <p>Authorized Signature: _____</p> <p>Estimator: Cory France 303-501-5697 coryf@cdi-services.com</p>
--	---



303-471-1522
 naturesworkforce.com

To: SDMS	Contact: David Solin
Address: 141 Union Boulevard, Suite 150 Lakewood, CO 80228	Phone: 303-987-0835 Fax: 303-987-2032
Project Name: Aurora Centretech - 2023 Annual Flowers	Bid Number:
Project Location: Aurora, CO	Bid Date: 2/19/2023
Addendum #: N/a	

Item Description	Estimated Quantity	Unit	Unit Price	Total Price
Annual Flower Installation - Summer Includes Summer Flowers, Soil Prep, Install, Layout, Initial Fertilization, Summer Maintenance, And Removal	1.00	EACH	\$4,100.00	\$4,100.00

Total Bid Price: \$4,100.00

Notes:

- **This proposal will be subject to a change order for material price increases, if material market pricing escalates at the time of installation, from the date of proposal.**
- Warranty does not include vandalism or acts of God
- Irrigation rates will be \$ 80.00 per hour for a irrigation technician and any necessary materials will be additional.
- This proposal is based on industry standards of 8" spacing between plants
- **This proposal is good for 30 days following the date given on the proposal.**
- **Consolidated Divisions, Inc. dba CDI | ENVIRONMENTAL CONTRACTOR**
An Equal Opportunity Employer

Payment Terms:

Payment due 30 days from invoice.

<p>ACCEPTED: The above prices, specifications and conditions are satisfactory and hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED: Nature's Workforce</p> <p>Authorized Signature: _____</p> <p>Estimator: Cory France 303-501-5697 coryf@cdi-services.com</p>
---	---

SERVICE AGREEMENT FOR SNOW REMOVAL

THIS SERVICE AGREEMENT FOR SNOW REMOVAL (“**Agreement**”), effective as of the 17th day of November, 2022, by and between **AURORA CENTRETECH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **CONSOLIDATED DIVISIONS INC. d/b/a CDI ENVIRONMENTAL CONTRACTOR**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan (the “**Improvements**”).

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District.

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the “**Services**”), and is willing to provide such Services to the District for reasonable consideration.

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.

(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District's consultants to assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Work Product. **"Work Product"** shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the District's use and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the District. If requested by the District, Consultant shall execute and

deliver such documents as shall be necessary in the District's sole discretion, to assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.5, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.5. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto on a time and materials basis, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit C** ("Change Order").

2.2 Monthly Invoices and Payments. The Consultant shall submit to the District a monthly invoice, in a form acceptable to the District. Invoices shall be submitted and paid no more frequently than once a month.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit B**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on May 31, 2023. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination. The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the “**Indemnitees**”), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys’ fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least “A:XIII” by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant’s cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers’ Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers’ Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers’ Compensation Insurance. A Workers’ Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer’s Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers’ Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District. Consultant is required to carry Workers’ Compensation Insurance under this Agreement only if required to do so under Colorado law. Consultant is currently exempt from coverage.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or

available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and nonowned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

5.2 Modification: Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Consultant unless the same is in writing and duly executed by the Parties.

5.3 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.4 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.5 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for Arapahoe County, Colorado.

5.6 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Consultant any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Consultant shall be for the sole and exclusive benefit of the District and the Consultant.

5.8 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Aurora CentreTech Metropolitan District
Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
Attention: Steve Beck
Phone: 303-987-0835
Email: sbeck@sdmsi.com

With a Copy To: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
Phone: (303) 592-4380
Email: legalnotices@specialdistrictlaw.com

To Consultant: Consolidated Divisions Inc. d/b/a CDI Environmental
Contractor
5585 Airport Road
Sedalia, CO 80135
Phone: (303) 241-1853
Email: Nick Moncada
Attn: nickm@cdi-services.com

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service, upon electronic confirmation of facsimile transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

5.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT FOR SNOW REMOVAL]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Consultant:
**CONSOLIDATED DIVISIONS INC. d/b/a
CDI ENVIRONMENTAL CONTRACTOR**
By: _____
Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____ of Consolidated Divisions Inc. d/b/a CDI Environmental Contractor.

Witness my hand and official seal.

My commission expires: _____

Notary Public

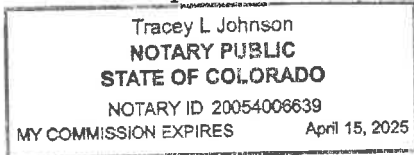
District:
**AURORA CENTRETECH
METROPOLITAN DISTRICT**
By: [Signature]
President

STATE OF COLORADO)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 3rd day of January, 2023 by Tyler Carlson, as President of Aurora CentreTech Metropolitan District.

Witness my hand and official seal.

My commission expires: 4/15/2025



[Signature]
Notary Public

EXHIBIT A/B
SCOPE OF SERVICES/COMPENSATION

Service:	Scope:	Ice Mitigation:
Parking Area/Drive Lanes	4"	Declined
Private Sidewalks	4"	Required

Item Description	Estimated Quantity Unit	Unit Price
4x4 Pickup With Plow	1.00 HR	\$135.00
Sand Truck	1.00 HR	\$135.00
ATV With Plow	1.00 HR	\$110.00
Zero-Turn With Plow	1.00 HR	\$110.00
Skidster With Plow	1.00 HR	\$155.00
Loader With Box or Bucket	1.00 HR	\$295.00
Snow Blower	1.00 HR	\$95.00
Dump Truck	1.00 HR	\$160.00
Tractor With Plow	1.00 HR	\$295.00
Laborer	1.00 HR	\$68.00
Snow Captain Site Supervision	1.00 HR	\$78.00
Ice Slicer (Granular)	1.00 TON	\$275.00
Ice Melt	1.00 BAG	\$48.00

Fuel Surcharge: If fuel prices exceed \$4.00 per gallon for gasoline or \$4.50 per gallon for diesel, a surcharge of 8% will be charged on top of the above rates. Additionally, if material costs exceed more than 20% of quoted vendor price and/or cost at the beginning of the season, material prices will be adjusted to reflect such increases and District agrees to pay the increase.

In the event Consultant mobilizes on a Holiday, as defined below, all rates are doubled.
“Holidays” shall consist of the following days/time:

Thanksgiving Day 12:01 am – 11:59 pm
Christmas Day 12:01 am – 11:59 pm
New Years’ Day 12:01 am – 11:59 pm

**EXHIBIT C
FORM OF CHANGE ORDER**

Change Order No:	Date Issued:
Name of Agreement:	
Date of Agreement:	District(s):
Other Party/Parties:	

CHANGE IN SCOPE OF SERVICES (describe):

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$ _____	Original Term: Expires _____, 20____
Increase of this Change Order: \$ _____	New Term: Expires _____, 20____
Price with all Approved Change Orders: \$ _____	Agreement Time with all Approved Change Orders: _____

APPROVED:

By: _____

_____ **District**

APPROVED:

By: _____

_____ **Consultant**

