THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1,
F/K/A GREEN VALLEY RANCH EAST METROPOLITAN DISTRICT NO. 2
CITY OF AURORA, COLORADO
2025 ANNUAL REPORT

Manager, Office of Development Assistance
City of Aurora, Colorado
via Email

County Clerk and Recorder,
Adams County, Colorado
via Email

Office of the State Auditor,
via E-Filing Portal

Division of Local Government,
via E-Filing Portal

Pursuant to Section VIII of the Service Plan for The Aurora Highlands Metropolitan District No. 1, f/k/a Green Valley Ranch East Metropolitan District No. 2 (the "**District**"), the District is required to submit an annual report (the "**Report**") for the preceding calendar year no later than August 1 each year to the City of Aurora, Colorado (the "**City**"). Pursuant to 32-1-207(3)(c)(I), C.R.S., the District is also required to submit this Report to the Colorado Division of Local Government, the Colorado State Auditor, and the Adams County Clerk and Recorder; the Report must also be posted on the District's website.

For the year ending December 31, 2025, the District makes the following report:

1. **Boundary changes made**:

The District held an inclusion hearing on January 16, 2025. The Order for Inclusion is attached hereto as Exhibit A.

2. **Intergovernmental agreements entered into, proposed or terminated**:

Relationship to The Aurora Highlands Community Authority Board. As of November 21, 2019, and pursuant to The Aurora Highlands Community Authority Board Third Amended and Restated Establishment Agreement, dated December 15, 2022 (the "**CAB**" and the "**Third A/R CABEA**," respectively), the CAB has been organized to, inter alia, (a) facilitate the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and operation and maintenance of the Public Improvements; and (b) provide certain services contemplated by the Service Plans of the District, The Aurora Highlands Metropolitan District No. 2 ("**District No. 2**"), The Aurora Highlands Metropolitan District No. 3 ("**District No. 3**," along with the District and District No. 2, "the **Districts**"), Aerotropolis Area Coordinating Metropolitan District ("**AACMD**"), First Creek Ranch Metropolitan District, now known as The Aurora Highlands Metropolitan District No. 6 ("**TAH No. 6**"), and ATEC Metropolitan District Nos. 1 & 2 (collectively the "**ATEC Districts**", and together with the Districts, AACMD and TAH No. 6, the "**CAB Districts**") on behalf of the CAB Districts, including covenant enforcement and design review services. Pursuant to the Third A/R CABEA, the CAB has (i) entered into intergovernmental agreements with other governmental entities, (ii) adopted rules and regulations, (iii) conducted an audit, and (iv) issued debt to facilitate the construction of Public Improvements.

(a) Amended and Restated Intergovernmental Agreement between the City of Aurora and The Aurora Highlands Metropolitan District Nos. 1, 2 and 3. On April 27, 2022, the Districts and the City of Aurora entered into an Intergovernmental Agreement to set forth the parties' understanding regarding the operations and maintenance of the public improvements.

3. **Access information to obtain a copy of the Rules and Regulations**:

No rules and regulations have been established as of December 31, 2025. Pursuant to the Third A/R CABEA, the District has authorized the CAB to undertake covenant enforcement and design review services required under the Master Declaration of Covenants, Conditions, and Restrictions for The Aurora Highlands and other rules and regulations that may be adopted from time to time within the District's boundaries. As of August 2020 (revised June 2022) the CAB has adopted The Aurora Highlands Homeowner Handbook, Design Guidelines, Rules and Regulations, a copy of which was included in the District's 2021 annual report. The CAB's Rules and Regulations may be accessed at the offices of CliftonLarsonAllen LLP, 2001 16th Street, Suite 1700, Denver CO 80202, or on the CAB / District's website: https://theaurorahighlands.specialdistrict.net.

4. **A summary of any litigation involving public improvements by the District**:

There was no litigation, pending or threatened, against the District of which we are aware.

5. **Status of the construction of public improvements by the District**:

The District did not directly construct any Public Improvements in 2025, however, the District is a party to certain agreements pursuant to which it is responsible, together with District No. 2, District No. 3, District No. 4, District No. 5, ATEC Metropolitan District No. 1 and ATEC Metropolitan District No. 2, for the funding of certain improvements constructed by AACMD. Public improvements constructed by AACMD during the reporting period should be detailed as part of AACMD's 2025 annual report.

6. **List of facilities or improvements constructed by the District that were conveyed to the City**:

The District did not directly construct any Public Improvements in 2025, however, the District is a party to certain agreements pursuant to which it is responsible, together with District No. 2 and District No. 3 and the ATEC Districts, for the funding of certain improvements constructed by AACMD. Public improvements constructed by AACMD and conveyed to the City during the reporting period should be detailed as part of AACMD's 2025 annual report.

7. **Final Assessed Value of Taxable Property within the District's boundaries as of December 31, 2025**:

The 2025 total assessed value of taxable property within the boundaries of the District is $56,478,320.

8. **Current annual budget of the District**:

Copies of the 2026 Budgets for the District and the CAB are attached hereto as Exhibit B and C, respectively. Public Improvements anticipated to be constructed by AACMD within the District boundaries during 2026 include the following:

(a) Grading/Stormwater Management;

(b) Site Utilities (Water, Sanitary Sewer, Storm Drainage Facilities);

(c) Roadway Lighting/Traffic Control;

(d) Curb, Gutter, Walks/Trails;

(e) Asphalt Paving;

(f) Street and Hardscape;

(g) Landscape and Irrigation; and

(h) Project Monumentation.

9. **Most recently filed audited financial statements of the District. To the extent audited financial statements are required by state law or most recently filed audit exemption**:

A copy of the District's 2025 Audit will be filed with the City Clerk upon completion. The CAB's 2025 Audit will be filed with the City Clerk upon completion.

10. **Notice of any uncured defaults**:

There were no uncured events of default by the District during the reporting period.

11. **The District's inability to pay any financial obligations as they come due under any obligation which continues beyond a ninety-day period**:

There were no instances of the District's inability to pay its obligation during the reporting period.

EXHIBIT A

Order for Inclusion

Electronically Recorded RECEPTION#: 2025000007712,
2/12/2025 at 2:55 PM, 1 OF 5,
REC: $33.00
TD Pgs: 0 Josh Zygielbaum, Adams County, CO.

DISTRICT COURT, ADAMS COUNTY, STATE OF COLORADO Address: 1100 Judicial Center Drive Brighton, Colorado 80601 Phone Number: 303-659-1161	Combined Court, Adams County, CO CERTIFIED to be a full, true & correct copy of the original in my custody JAN 30 2025 SEAL DATED BY Mary Ann Holland Deputy
IN RE THE MATTER OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1	▲ **COURT USE ONLY** ▲ Case No.: 2004CV3123 Div.: Ctrm.:

ORDER OF INCLUSION

THIS MATTER comes before the Court upon the filing of The Aurora Highlands Metropolitan District No. 1's (the "District") Motion for Inclusion.

THE COURT FINDS that:

1. Aurora Highlands, LLC, a Nevada limited liability company, fee owner of property described on Exhibit A attached hereto (the "Property") filed with the Board of Directors of the District (the "Board") a proper Petition for Inclusion (the "Petition"), a copy of which has been filed with this Court, praying that the Property be included within the District; and

2. The Board published notice of the filing of the Petition and of the date, place and time of a hearing on the Petition, and of the name of the Petitioner in the *Denver Post*, a newspaper of general circulation within the District, the proof of publication of which has been filed with this Court; and

3. Following the public hearing on the Petition held via Zoom at: https://us02web.zoom.us/j/86786188843?pwd=tYAMn2DMIOCNXzZ8iQ4zJrRlrbnCqJ.1; 867 8618 8843, Passcode: 660408, on January 16, 2025, at the hour of 1:00 p.m., the Board determined that the Property is capable of being served by the District, and by Order, a copy of which has been filed with this Court, granted the Petition in whole.

IT IS THEREFORE ORDERED that the Property be included within The Aurora Highlands Metropolitan District No. 1.

EXHIBIT A
The Property

TWO PARCELS OF LAND BEING A PORTION OF TRACT E AS DEPICTED ON THE AURORA HIGHLANDS SUBDIVISION FILING NO. 1 RECORDED AT RECEPTION NO. 2019000089309 IN THE OFFICIAL RECORDS OF THE CLERK AND RECORDER, COUNTY OF ADAMS, STATE OF COLORADO, SITUATED IN THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, SAID COUNTY AND STATE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL A

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 29, WHENCE THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 29 BEARS NORTH 00°08'27" WEST, A DISTANCE OF 2,666.98 FEET, WITH ALL BEARINGS REFERENCED HEREIN RELATIVE THERETO;

THENCE ALONG SAID WEST LINE, NORTH 00°08'27" WEST, A DISTANCE OF 208.00 FEET TO THE **POINT OF BEGINNING**;

THENCE CONTINUING ALONG SAID WEST LINE, NORTH 00°08'27" WEST, A DISTANCE OF 2,131.61 FEET TO THE SOUTHWESTERLY BOUNDARY OF TRACT N AS DEPICTED ON THE AURORA HIGHLANDS SUBDIVISION FILING NO. 9 RECORDED AT RECEPTION NO. 2023000042190, IN SAID OFFICIAL RECORDS;

THENCE ALONG SAID SOUTHWESTERLY BOUNDARY, SOUTH 60°11'11" EAST, A DISTANCE OF 79.02 FEET TO THE WESTERLY BOUNDARY OF "PARCEL C" AS DESCRIBED IN ORDER FOR INCLUSION RECORDED AT RECEPTION NO. 2022000095496, IN SAID OFFICIAL RECORDS.;

THENCE DEPARTING SAID SOUTHWESTERLY BOUNDARY ALONG SAID WESTERLY BOUNDARY, SOUTH 00°10'38" EAST, A DISTANCE OF 2,091.83 FEET;

THENCE DEPARTING SAID WESTERLY BOUNDARY, SOUTH 89°35'42" WEST, A DISTANCE OF 69.79 FEET TO THE **POINT OF BEGINNING.**

CONTAINING AN AREA OF 3.351 ACRES, (145,970 SQUARE FEET), MORE OR LESS.

TOGETHER WITH

PARCEL B

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 29, WHENCE THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 29 BEARS NORTH 00°08'27" WEST, A DISTANCE OF 2,666.98 FEET, WITH ALL BEARINGS REFERENCED HEREIN RELATIVE THERETO;

THENCE NORTH 47°54'05" EAST, A DISTANCE OF 3,083.61 FEET TO THE NORTHERLY BOUNDARY OF "PARCEL C" AS DESCRIBED IN ORDER FOR INCLUSION RECORDED AT RECEPTION NO. 2022000095496, IN SAID OFFICIAL RECORDS, AND THE **POINT OF BEGINNING**;

THENCE ALONG THE NORTHERLY BOUNDARY OF SAID "PARCEL C" THE FOLLOWING TWO (2) COURSES:

1. SOUTH 60°54'58" WEST, A DISTANCE OF 242.10 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 1,444.50 FEET;

**Electronically Recorded RECEPTION#: 2025000007712,
2/12/2025 at 2:55 PM, 4 OF 5,
TD Pgs: 0 Josh Zygielbaum, Adams County, CO.**

2. WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49°02'56", AN ARC LENGTH OF 1,236.58 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 1,635.00 FEET, THE RADIUS POINT OF SAID CURVE BEARS NORTH 16°18'17" EAST;

THENCE DEPARTING SAID NORTHERLY BOUNDARY, EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 45°22'13", AN ARC LENGTH OF 1,294.69 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 60°56'05" EAST, A DISTANCE OF 149.01 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 25.00 FEET;

THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 55°47'33", AN ARC LENGTH OF 24.34 FEET TO THE **POINT OF BEGINNING.**

CONTAINING AN AREA OF 0.555 ACRES, (24,182 SQUARE FEET), MORE OR LESS.

CONTAINING A COMBINED AREA OF 3.906 ACRES, (170,152 SQUARE FEET), MORE OR LESS.

ILLUSTRATION ATTACHED AND MADE A PART HEREOF.

Electronically Recorded RECEPTION#: 2025000007712,
2/12/2025 at 2:55 PM, 5 OF 5,
TD Pgs: 0 Josh Zygielbaum, Adams County, CO.

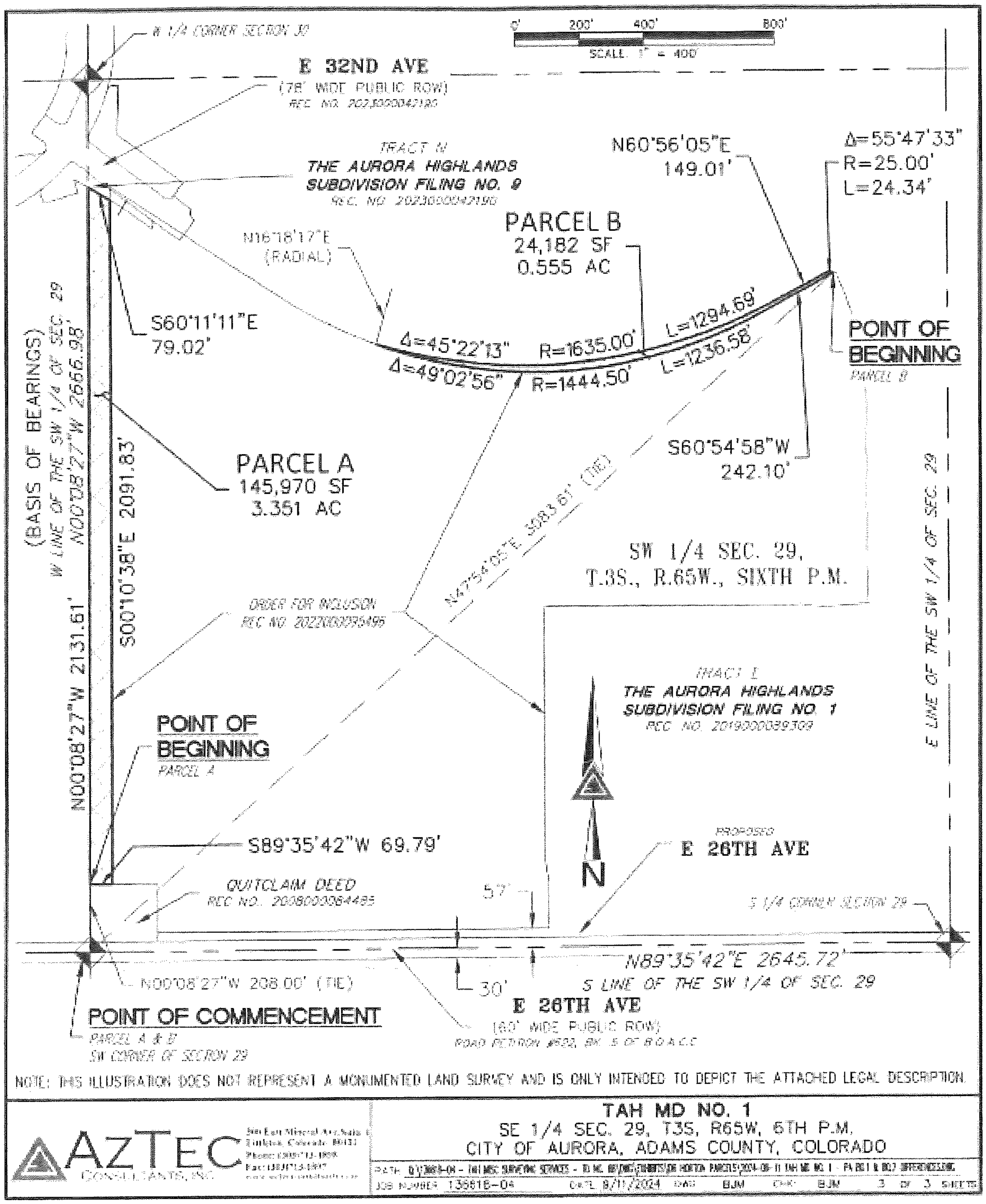

EXHIBIT B

The Aurora Highlands MD No. 1 - 2026 Budget

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR YEAR ENDING DECEMBER 31, 2026

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	1,673,145	4,012,692	4,751,916
Specific ownership taxes	78,368	185,000	263,727
Property Taxes From ARI Mill Levy	13,144	42,396	56,987
Interest Income	909	9,000	1,000
Other Revenue	-	-	10,000
Total revenues	1,765,566	4,249,088	5,083,630
Total funds available	1,765,566	4,249,088	5,083,630
EXPENDITURES			
General Fund	1,765,566	1,251,852	1,498,251
Debt Service Fund	-	2,997,236	3,585,379
Total expenditures	1,765,566	4,249,088	5,083,630
Total expenditures and transfers out requiring appropriation	1,765,566	4,249,088	5,083,630
ENDING FUND BALANCES	$ -	$ -	$ -

No assurance provided. See summary of significant assumptions.

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential	$ 11,700,950	$ 23,817,240	$ 36,200,610
Commercial	-	-	297,410
Agricultural	12,720	40	50
State assessed	2,780	3,580	7,980
Vacant land	8,597,960	24,268,690	19,133,980
Personal property	309,030	824,680	838,290
Certified Assessed Value	$ 20,623,440	$ 48,914,230	$ 56,478,320
MILL LEVY			
General	78.665	23.472	24.039
Debt Service	0.000	58.682	60.098
ARI	0.618	0.868	1.009
Total mill levy	79.283	83.022	85.146
PROPERTY TAXES			
General	$ 1,622,343	$ 1,148,115	$ 1,357,682
Debt Service	-	2,870,385	3,394,234
ARI	12,745	42,458	56,987
Levied property taxes	1,635,088	4,060,958	4,808,903
Adjustments to actual/rounding	51,201	-	-
Refunds and abatements	-	(5,869)	-
Budgeted property taxes	$ 1,686,289	$ 4,055,089	$ 4,808,903
BUDGETED PROPERTY TAXES			
General	**$ 1,673,145**	**$ 1,146,456**	**$ 1,357,682**
Debt Service	**-**	**2,866,237**	**3,394,234**
ARI	**13,144**	**42,396**	**56,987**
	$ 1,686,289	**$ 4,055,089**	**$ 4,808,903**

No assurance provided. See summary of significant assumptions.

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	1,673,145	1,146,456	1,357,682
Property Taxes From ARI Mill Levy	13,144	42,396	56,987
Specific ownership taxes	78,368	55,000	77,582
Interest Income	909	8,000	1,000
Other Revenue	-	-	5,000
Total revenues	1,765,566	1,251,852	1,498,251
Total funds available	1,765,566	1,251,852	1,498,251
EXPENDITURES			
General and administrative			
County Treasurer's Fee	25,101	17,100	20,365
County Treasurer's Fee - ARTA	197	637	855
Contingency	-		5,000
Intergovernmental Transfer - ARTA	12,950	41,759	56,132
Intergovernmental Transfer - CAB	1,727,318	1,192,356	1,415,899
Operations and maintenance			
Total expenditures	1,765,566	1,251,852	1,498,251
TRANSFERS OUT			
Transfers to other fund	-	-	-
Total expenditures and transfers out requiring appropriation	1,765,566	1,251,852	1,498,251
ENDING FUND BALANCES	$ -	$ -	$ -

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	-	2,866,236	3,394,234
Specific ownership taxes	-	130,000	186,145
Interest Income	-	1,000	-
Other Revenue	-	-	5,000
Total revenues	-	2,997,236	3,585,379
TRANSFERS IN			
Transfers from other funds	-	-	-
Total funds available	-	2,997,236	3,585,379
EXPENDITURES			
General and administrative			
County Treasurer's Fee	-	42,900	50,914
Intergovernmental Transfer - CAB	-	2,954,336	3,529,465
Contingency	-	-	5,000
Debt Service			
Total expenditures	-	2,997,236	3,585,379
Total expenditures and transfers out requiring appropriation	-	2,997,236	3,585,379
ENDING FUND BALANCES	$ -	$ -	$ -

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The Aurora Highlands Metropolitan District No. 1 ("District") (formerly known as Green Valley Ranch East Metropolitan District No. 2) was organized by Court Order dated November 15, 2004, to provide financing for the construction and installation of public improvements, including streets, traffic safety, water, sanitary sewer, park and recreation, public transportation, mosquito control, fire protection, and television relay improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The District's service plan does not authorize the District to provide fire protection or television relay services unless the District enters into an intergovernmental agreement with the City of Aurora (City). The District was formed in conjunction with seven other metropolitan districts: Aerotropolis Area Coordinating Metropolitan District ("AACMD") (formerly known as Green Valley Ranch East Metropolitan District No. 1), The Aurora Highlands Metropolitan District Nos. 2-3 ("TAH Nos. 2-3") (formerly known as Green Valley Ranch East Metropolitan District Nos. 3-4), Green Valley Ranch Aurora Metropolitan District No. 1 ("GVA No. 1") (formerly known as Green Valley Ranch East Metropolitan District No. 5), and Green Valley Ranch East Metropolitan District Nos. 6-8 (collectively the "Districts"). The District's service area is located in Adams County, Colorado, entirely within the City. The Court Order granting the District's name change to The Aurora Highlands Metropolitan District No. 1 was recorded on August 16, 2017.

On November 2, 2004, the District voters approved a mill levy increase to generate property taxes of up to $5,000,000 annually to pay, in part, the District's general cost of operations and maintenance. The mill levy is on all taxable property within the District for collection in 2005 and each year thereafter. Furthermore, the voters authorized the District to collect and expend levied taxes and any other income of the District without regard to any limitations imposed by TABOR. The total debt authorized in 2004 for all services and improvements was $2,405,000,000. On November 8, 2016, the District voters approved a mill levy increase of up to $4,000,000,000 annually to pay, in part, the District's general costs of operations and maintenance. The total debt authorized in 2016 for all services and improvements was $52,000,000,000. The District's current service plan limits the total debt issuance to $4,000,000,000, with a maximum debt mill levy of 50.000 mills.

The District has entered into an intergovernmental agreement with the City detailing the covenants and mutual agreements the District will follow as regards to the financing and construction of the public improvements, and the repayment of the associated debt.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Section 29-1-105, C.R.S., using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual result because events and circumstances frequently do not occur as expected, and those differences may be material.

The budgets are in accordance with the TABOR Amendment limitation. Emergency reserves required under TABOR have been provided.

Services Provided (Continued)

AACMD, the City of Aurora and Adams County have established the Aerotropolis Regional Transportation Authority ("ARTA"), pursuant to an intergovernmental agreement entered on February 27, 2018, under the authority of the Regional Transportation Authority Law, Section 43-4-601, *et seq*., C.R.S., in order to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and funding of regional transportation improvements. Beginning in 2019, ARTA will impose an ARTA Mill Levy on the District. The District will deposit revenues from the ARTA Mill Levy with AACMD to provide for financing of the regional improvements through ARTA. If the ARTA Mill Levy in any given year is less than 5 mills, the District will impose an Aurora Regional Improvements ("ARI") Mill Levy and will deposit the ARI Mill Levy revenues with AACMD to be spent only pursuant to a Regional Intergovernmental Improvements Agreement.

On November 21, 2019, the ATEC Districts, AACMD and The Aurora Highlands Metropolitan District Nos. 1-3 (collectively, the "CAB Districts") formed The Aurora Highlands Community Authority Board ("CAB") pursuant to intergovernmental agreement to govern the relationships between and among the CAB Districts with respect to the financing, construction, and operation of public improvements within their combined service area. On April 27, 2022, the CAB Districts approved the addition of The Aurora Highlands Metropolitan District Nos. 4-6 to the CAB. It is anticipated that one or more of the CAB Districts may enter into additional intergovernmental agreements concerning the financing, construction, and operations of public improvements benefiting the CAB Districts and their residents and owners.

Revenues

Property Taxes

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

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Revenues (Continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	27.00%		State Assessed	27.00%
			Oil & Gas Production	87.50%

Property Taxes ARI

ARTA imposes a mill levy of 5.000 mills for payment of the planning, design, acquisition, construction, installation, relocation and/or redevelopment and funding of regional transportation improvements as contemplated by ARTA (see “Services Provided” above). The District has agreed to levy an additional 0.567 mills due to a change in calculating the residential assessed valuation.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget at the mill levy adopted by the District, which includes the ARI mill levy.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District’s share will be equal to approximately 5.50% of the property taxes collected.

Expenditures

Administrative Expenditures

The District is a member of the CAB. The District will transfer its net General Fund revenues to the CAB. In return, the CAB will provide all the administrative and operating expenditures, which include the services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance, banking, and meeting expenses.

County Treasurer’s Fees

County Treasurer’s fees have been computed at 1.5% of property tax collections, including the property taxes collected for ARTA.

Intergovernmental Transfer CAB

On June 30, 2020, the CAB and the CAB Districts entered into the Mill Levy Policy Agreement, which was amended on December 22, 2021. Pursuant to the Amended and Restated Mill Levy Allocation Policy Agreement, the District agrees to ensure that the mill levies determined by the CAB each year are imposed and transferred to the CAB in accordance with the Revenue Pledged Agreement (described below).

On December 22, 2021, the District entered into the Revenue Pledge Agreement (Pledged Agreement) with the CAB as a part of the 2021 Series A and 2021 Series B Bond issuances. Per the Pledge Agreement, the District agrees to pay such portion of their operations and financing costs as may be funded with the District's Pledged Revenue and Subordinate Pledged Revenue to the extent available to the Districts pursuant to the provisions of the Pledged Agreement and the Amended and Restated Mill Levy Allocation Policy Agreement.

Intergovernmental Transfer ARTA

Per the Intergovernmental Agreement Regarding Imposition, Collection and Transfer of ARI Mill Levy, AACMD requires that the District transfer all revenues derived from ARI Mill Levy to ARTA within sixty (60) days of the District's receipt.

Debt and Leases

The District has no outstanding debt. Additionally, the District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all TABOR eligible funds received by the District are transferred to the CAB, which pays for the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's budget. It is reflected in the Emergency Reserve of the CAB.

This information is an integral part of the accompanying budget.

EXHIBIT C

The Aurora Highlands Community Authority Board - 2026 Budget

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 60,226,072	$ (18,302,201)	$ 9,542,897
REVENUES			
Operations Funding	-	4,569	5,000
Plan and Design Review Fees	20,361	48,956	38,100
Other Revenue	39,797	-	15,000
Intergovernmental revenues	2,074,665	4,610,537	6,255,302
Homeowner fees	647,645	1,111,810	3,375,975
Lot fees	-	100,000	50,000
System Development Fees	439,000	474,020	315,000
Net Investment Income	2,521,048	59,424	150,000
Intergovernmental Revenue - AACMD	540,476	-	-
Developer Reimbursements	218,859	50,000	100,000
Repayment from ARTA	-	30,000,000	50,000,000
Bond issuance proceeds	-	-	229,780,054
Bond anticipatation note proceeds	-	25,000,000	
Developer advance	16,939,434	17,881,757	415,000
Total revenues	23,441,285	79,341,073	290,499,431
TRANSFERS IN	-	75,429,000	167,000,000
Total funds available	83,667,357	136,467,872	467,042,328
EXPENDITURES			
General Fund	2,986,068	4,769,405	5,815,000
Debt Service Fund	658,724	3,880,019	4,017,912
Debt Service Fund 21	-	179,000	62,788,839
Capital Projects Fund	98,324,766	92,667,551	226,300,000
Total expenditures	101,969,558	101,495,975	298,921,751
TRANSFERS OUT	-	25,429,000	167,650,000
Total expenditures and transfers out requiring appropriation	101,969,558	126,924,975	466,571,751
ENDING FUND BALANCES	$ (18,302,201)	$ 9,542,897	$ 470,577
EMERGENCY RESERVE	$ 83,200	$ 87,100	$ 184,300
AVAILABLE FOR OPERATIONS	(55,444)	10,148	3,172
TOTAL RESERVE	$ 27,756	$ 97,248	$ 187,472

See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 68,856	$ 27,756	$ 97,248
REVENUES			
Operations Funding	-	4,569	5,000
Plan and Design Review Fees	20,361	48,956	38,100
Lot fees	-	100,000	50,000
Other Revenue	29,297	-	5,000
Intergovernmental revenues	2,074,665	1,637,562	2,666,149
Homeowner fees	647,645	1,111,810	3,375,975
Developer advance	173,000	2,365,000	415,000
Total revenues	2,944,968	5,267,897	6,555,224
Total funds available	3,013,824	5,295,653	6,652,472
EXPENDITURES			
General and administrative			
Accounting	245,406	340,000	380,000
Auditing	22,100	22,800	25,000
Dues and Membership	3,454	4,402	5,000
Insurance	133,104	90,703	100,000
District management	215,602	260,000	300,000
Billing	35,654	105,000	150,000
Covenant enforcement	34,836	145,000	150,000
Legal	610,426	620,000	500,000
Miscellaneous	4,542	20,000	20,000
Election	194	20,000	-
Intergovernmental expenditures	50,000	-	-
Community Relations	33,419	7,000	15,000
Community Management	462,516	330,000	350,000
Website	4,365	29,000	25,000
Operation and Maintenance			
Landscape Maintenance	236,746	1,200,000	2,000,000
Detention Pond Maintenance	-	-	10,000
Pest control	-	500	5,000
Snow removal	23,173	80,000	100,000
Trash and Recycling	118,694	175,000	270,000
Water	709,191	1,250,000	1,300,000
Winter Watering	-	-	20,000
Electricity	42,646	70,000	80,000
Mailbox Maintenance	-	-	3,000
Contingency	-	-	7,000
Total expenditures	2,986,068	4,769,405	5,815,000
TRANSFERS OUT			
Transfers to other fund	-	429,000	650,000
Total expenditures and transfers out requiring appropriation	2,986,068	5,198,405	6,465,000
ENDING FUND BALANCES	$ 27,756	$ 97,248	$ 187,472
EMERGENCY RESERVE	$ 83,200	$ 87,100	$ 184,300
AVAILABLE FOR OPERATIONS	(55,444)	10,148	3,172
TOTAL RESERVE	$ 27,756	$ 97,248	$ 187,472

See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
BEACH CLUB
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Annual/Day passes	-	-	-
Total revenues	-	-	-
TRANSFERS IN			
Transfers from other funds	-	-	650,000
Total funds available	-	-	650,000
EXPENDITURES			
General and administrative			
Billing	-	-	33,000
Contingency	-	-	106,600
Clubhouse Operations			
Facilities management	-	-	137,500
Operations and maintenance	-	-	33,000
General repairs	-	-	2,750
Grounds repairs	-	-	1,650
Events	-	-	5,500
Landscape Maintenance	-	-	8,250
Snow removal	-	-	8,250
Utilities	-	-	22,000
Furniture and equipment	-	-	22,000
Security systems and monitoring	-	-	38,500
Cleaning	-	-	33,000
Access control	-	-	13,200
Lifeguards	-	-	82,500
Operations and maintenance	-	-	38,500
Chemicals	-	-	14,300
Cleaning	-	-	11,000
Repairs	-	-	5,500
Utilities	-	-	22,000
Equipment and supplies	-	-	11,000
Total expenditures	-	-	650,000
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	-	-	650,000
ENDING FUND BALANCES	$ -	$ -	$ -
EMERGENCY RESERVE	$ -	$ -	$ -
AVAILABLE FOR OPERATIONS	-	-	-
TOTAL RESERVE	$ -	$ -	$ -

See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
DEBT SERVICE FUND SERIES 2021A
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 287,223	$ 501,144	$ 110,544
REVENUES			
System Development Fees	439,000	474,020	315,000
Net Investment Income	828	49,424	-
Other Revenue	10,500	-	10,000
Intergovernmental Revenue - AACMD	422,317	-	-
Intergovernmental revenues	-	2,965,975	3,582,368
Total revenues	872,645	3,489,419	3,907,368
Total funds available	1,159,868	3,990,563	4,017,912
EXPENDITURES			
General and administrative			
Legal	41,825	-	-
Paying agent fees	14,500	19,000	15,000
Contingency	-	-	10,000
Debt Service		-	-
2021A Bonds Interest	487,399	3,861,019	3,992,912
Bond issue costs	115,000	-	-
Total expenditures	658,724	3,880,019	4,017,912
Total expenditures and transfers out requiring appropriation	658,724	3,880,019	4,017,912
ENDING FUND BALANCES	$ 501,144	$ 110,544	$ -

See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
DEBT SERVICE FUND SERIES 2022B/2023A/2025 BONDS
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ 2,000
REVENUES			
Intergovernmental revenues	-	7,000	6,785
Bond issuance proceeds	-	-	229,780,054
Bond anticipatation note proceeds	-	25,000,000	-
Total revenues	-	25,007,000	229,786,839
TRANSFERS IN			
Transfers from other funds	-	174,000	-
Total funds available	-	25,181,000	229,788,839
EXPENDITURES			
General and administrative			
Paying agent fees	-	5,000	5,000
Contingency	-	-	395,259
Debt Service			
Bond Refunding - 2023A	-	-	31,592,979
Repayment of Bond Anticipated Note	-	-	26,200,000
Bond issue costs	-	-	4,595,601
Bond anticipated note issue costs	-	174,000	-
Total expenditures	-	179,000	62,788,839
TRANSFERS OUT			
Transfers to other fund	-	25,000,000	167,000,000
Total expenditures and transfers out requiring appropriation	-	25,179,000	229,788,839
ENDING FUND BALANCES	$ -	$ 2,000	$ -
TOTAL RESERVE	$ -	$ -	$ -

See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 59,869,993	$ (18,831,101)	$ 9,333,105
REVENUES			
Net Investment Income	2,520,220	10,000	150,000
Developer Reimbursements	218,859	50,000	100,000
Repayment from ARTA	-	30,000,000	50,000,000
Intergovernmental Revenue - AACMD	118,159	-	-
Developer advance	16,766,434	15,516,757	-
Total revenues	19,623,672	45,576,757	50,250,000
TRANSFERS IN			
Transfers from other funds	-	75,255,000	167,000,000
Total funds available	79,493,665	102,000,656	226,583,105
EXPENDITURES			
General and Administrative			
Accounting	-	10,000	200,000
District management	-	4,000	100,000
Legal	-	300,000	300,000
Capital Projects			
Repay developer advance	15,194,306	1,303,551	-
Capital outlay	16,766,434	1,000,000	1,000,000
Intergovernmental Expense - AACMD Construction	51,962,531	58,000,000	147,100,000
Intergovernmental Expense - AACMD ARTA	9,234,267	30,000,000	50,000,000
Intergovernmental Expense - AACMD AF ATEC Spine	4,948,805	2,000,000	27,500,000
Intergovernmental Expense - AACMD Dev. Reimbursement	218,423	50,000	100,000
Total expenditures	98,324,766	92,667,551	226,300,000
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	98,324,766	92,667,551	226,300,000
ENDING FUND BALANCES	$ (18,831,101)	$ 9,333,105	$ 283,105

See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The Aurora Highlands Community Authority Board (CAB), a political subdivision and public corporation of the State of Colorado, was established on November 21, 2019, to own, operate, and maintain certain public improvements within the boundaries of The Aurora Highlands Development (TAH) and Aurora Tech Center Development (ATEC), which is located within the City of Aurora (City), in Adams County, Colorado, pursuant to a The Aurora Highlands Community Authority Board Establishment Agreement, as amended and restated (CABEA) among the Aerotropolis Area Coordinating Metropolitan District (AACMD), The Aurora Highlands Metropolitan District Nos. 1-6, and ATEC Metropolitan District Nos. 1-2 (collectively, the Districts).

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

The CAB prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Section 29-1-105, C.R.S., using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the CAB believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The budget is in accordance with the TABOR Amendment limitation. Emergency reserves required under TABOR have been provided.

Revenues

Homeowner Maintenance Fees

The CAB collects monthly fees in the amount of $100 through 3/31/2026, and $275 beginning 4/1/2026 from homeowners within TAH to pay for the costs of trash removal, maintenance of parks and future recreation facilities, snow removal, utilities, and administrative costs, such as accounting, legal, insurance, and management.

Intergovernmental Transfers

Pursuant to certain agreements entered into between the CAB and the Districts, the Districts will impose an operations mill levy and debt service mill levy and will transfer tax revenues, net of collection fees, to the CAB to pay for the operations and maintenance costs and the repayment of 2021 Bonds of the CAB.

Capital Facility Fees

The CAB imposes capital facility fees on commercial property and residential lots within TAH upon the issuance of building permits at a rate of $2,500 per single-family unit; $1,500 per multi-family unit, and $1 per square foot of commercial property. The Capital Facility Fees are pledged toward the payment of the CAB's 2021 Bonds.

Developer Advance

Developer advances represent administrative costs and capital In-Tract builder costs funded by the Developer. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment.

Expenditures

General, Administrative, Operations, and Maintenance Expenses

The CAB's 2026 budget includes office costs, fees for outsourced services (legal, accounting, management, etc.), insurance, dues, and other administrative expenditures. The budget also includes operations and maintenance costs for parks, streets, snow removal, trash removal, utilities, and other related expenditures. The CAB will provide all the administrative services for the other districts that are CAB members.

Debt Service

The Series 2021 Bonds are paid based on available funds, as such a debt amortization schedule has not been included. It is anticipated that all system development fees collected in 2026 will be used to pay debt service on the CAB's 2021 Bonds.

Capital Outlay

The CAB has entered into that certain Project Management Intergovernmental Agreement with AACMD, dated April 10, 2020, pursuant to which AACMD will manage and construct the public infrastructure within TAH, and the CAB will transfer bond proceeds to AACMD for payment of the costs thereof.

Debt and Leases

The CAB issued the 2020 Bonds on June 30, 2020, with an estimated par amount of $165,159,327 for the 2020A Bonds and $32,338,830 for the 2020B Bonds. The 2020 Bonds were issued on a "draw-down" basis. All amounts drawn on the 2020 Bonds were refunded in the issuance of the 2021 Bonds.

On December 22, 2021, the CAB issued Special Tax Revenue Refunding and Improvement Bonds, Series 2021A in the aggregate amount of $297,464,000 interest rate of 5.75% for the purposes of (i) refunding the Series 2020A and 2020B Bonds, (ii) paying or reimbursing project costs, (iii) and paying certain costs incurred in connection with the issuance of the Series 2021A Bonds.

Concurrently with the issuance of the 2021A Bonds, the CAB also issued its 2021B Bonds. The purposes of the 2021B Bonds are to (i) pay or reimburse Project Costs, (ii) pay Draw Fees, and (iii) pay Working Capital Costs (Bond Purposes).

The 2021B Bonds constitute draw down obligations of the CAB, and the principal amount thereof at issuance was zero. Draws on the 2021B Bonds shall bear interest at a variable rate reset annually on each anniversary of the initial draw date. The interest rate is the Municipal Market Data (MMD) BBB, 30-year index on the Annual Interest Reset Date plus 5.0%, with a maximum interest rate of 9.0% per annum. The 2021B Bonds are payable to the extent of Subordinate Pledged Revenue available on December 15 of each year, commencing on December 15 of the first year in which no Series 2021A Senior Bond is outstanding, and mature on December 15, 2061.

Debt and Leases (Continued)

In December of 2022, the CAB issued Subordinate Special Tax Revenue Bonds, Series 2022B in the amount of 63,000,000 (2022B Bonds). The 2022B Bonds are structured as cash flow bonds that pay each year on December 15. The interest rate is to be determined. Any 2022A Bonds Pledged Revenue available to the 2022B Bonds are to be used to pay current interest, accrued interest, and then principal.

In August of 2023, the CAB issued its Special Tax Revenue Convertible Capital Appreciation Bonds, Series 2023A in the estimated amount of $25,740,291.25 (original principal amount), $35,575,000.00 (accredited value at current interest conversion date) (2023A Bonds) and estimated interest rate of 7.75%. The 2023A Bonds are to be structured as capital appreciation bonds, with Pledged Revenues collected prior to the maturity date to be applied to principal annually on December 1 and at no penalty. The 2023A Bonds are to accrete on June 1 and December 1 through maturity. No scheduled principal and interest payments are required until December 1, 2028.

The CAB anticipates issuing bonds in 2025 and 2026.

The 2025 estimates and 2026 projections for the long-term debt service activities are summarized in the tables below.

Debt and Leases (Continued)

	Balance - December 31, 2024	Additions	Retirements	Balance - December 31, 2025	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Special Tax Revenue Refunding and Improvement Bonds:					
Series 2021A	$ 297,464,000	$ -	$ -	$ 297,464,000	$ -
Special Revenue Bonds:					
Series 2023A	28,318,767	1,592,338	-	29,911,105	-
Accrued Interest on:					
Series 2021A	53,538,361	20,182,636	3,861,019	69,859,978	-
Subtotal of Bonds Payable	379,321,128	21,774,974	3,861,019	397,235,083	-
Bonds from Direct Borrowings:					
Special Tax Revenue:					
Draw-Down Bonds:					
Series 2022B	63,000,000	-	-	63,000,000	-
Accrued Interest on:					
Series 2022B	14,103,142	8,064,289	2,830	22,164,601	-
Subtotal of Bonds from Direct Borrowings	77,103,142	8,064,289	2,830	85,164,601	-
Notes Payable:					
Note 2025	-	25,000,000	-	25,000,000	-
Accrued Interest on:					
Note 2025	-	1,200,000	-	1,200,000	-
Subtotal of Notes Payable	-	26,200,000	5,660	26,200,000	-
Other Debts:					
Developer Advances:					
Operations	173,000	2,006,663	-	2,179,663	-
Capital	1,572,128	26,658,387	1,303,551	26,926,964	-
Accrued Interest on:					
Developer Advances - Operations	13,099	37,285	-	50,384	-
Developer Advances - Capital	311,785	566,505	-	878,290	-
Subtotal - Other Debts	2,070,012	29,268,840	1,303,551	30,035,301	-
Total Long-Term Obligations	$ 458,494,282	$ 59,108,103	$ 5,167,400	$ 512,434,985	$ -

Debt and Leases (Continued)

	Balance - December 31, 2025	Additions	Retirements	Balance - December 31, 2026	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Special Tax Revenue Refunding and Improvement Bonds:					
Series 2021A	$ 297,464,000	$ -	$ -	$ 297,464,000	$ -
Series 2026A	-	229,780,054	-	229,780,054	-
Special Revenue Bonds:					
Series 2023A	29,911,105	1,681,874	31,592,979	-	-
Accrued Interest on:					
Series 2021A	69,859,978	21,121,129	3,992,912	86,988,194	-
Subtotal of Bonds Payable	397,235,083	252,583,056	35,585,891	614,232,248	-
Bonds from Direct Borrowings:					
Special Tax Revenue:					
Draw-Down Bonds:					
Series 2022B	63,000,000	-	-	63,000,000	-
Accrued Interest on:					
Series 2022B	22,164,601	8,911,039	-	31,075,640	-
Subtotal of Bonds from Direct Borrowings	85,164,601	8,911,039	-	94,075,640	-
Notes Payable:					
Note 2025	25,000,000	-	25,000,000	-	-
Accrued Interest on:					
Note 2025	1,200,000	-	1,200,000	-	-
Subtotal of Notes Payable	26,200,000	-	26,200,000	-	-
Other Debts:					
Developer Advances:					
Operations	2,179,663	415,000	-	2,594,663	-
Capital	26,926,964	-	-	26,926,964	-
Accrued Interest on:		-			
Developer Advances - Operations	50,384	193,747	-	244,131	-
Developer Advances - Capital	878,290	2,073,703	-	2,951,993	-
Subtotal - Other Debts	30,035,301	2,682,450	-	32,717,751	-
Total Long-Term Obligations	$ 512,434,985	$ 264,176,545	$ 35,585,891	$ 741,025,639	$ -

The CAB has no operating or capital leases.

Reserves

Emergency Reserve

The CAB has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2026, as defined under TABOR.

This information is an integral part of the accompanying budget.