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August 5, 2021

VIA E-MAIL

City Clerk  
City of Aurora  
15151 E. Alameda Parkway  
Aurora, CO 80012

**Re: The Aurora Highlands Metropolitan District No. 1,  
f/k/a Green Valley Ranch East Metropolitan District No. 2  
Annual Report for the Calendar Year 2020**

Dear Clerk:

The following information and documents (attached as exhibits) are provided for calendar year 2020 pursuant to Section VIII of the District's Consolidated First Amended and Restated Service Plan (the "Service Plan") of The Aurora Highlands Metropolitan District No. 1, f/k/a Green Valley Ranch East Metropolitan District No. 2 (the "District") approved by the City Council of the City of Aurora ("City") and filed with the District Court:

**a. Boundary changes made or proposed to the District's boundary, as of December 31 of the prior year.**

There were no boundary changes made or proposed to the District's boundary, as of December 31, 2020.

**b. Intergovernmental Agreements with other governmental entities entered into or proposed, as of December 31 of the prior year.**

The Aurora Highlands Community Authority Board Establish Agreement by and between Aerotropolis Area Coordinating Metropolitan District ("AACMD"), the District, The Aurora Highlands Metropolitan District No. 2, The Aurora Highlands Metropolitan District No. 3, ATEC Metropolitan District No. 1 and ATEC Metropolitan District No. 2, dated as of November 21, 2019, as supplemented and amended by the First Amended and Restated Aurora Highlands Community Authority Board Establishment Agreement, dated as of April 16, 2020.



- District No. 1 Residential Capital Pledge Agreement by and among the Aurora Highlands Community Authority Board, the District and Zions Bancorporation, National Association, dated June 30, 2020.

**c. Copies of the District’s rules and regulations, if any as of December 31 of the prior year:**

No rules and regulations have been established as of December 31, 2020.

**d. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year:**

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

**e. Status of the District’s construction of the Public Improvements as of December 31 of the prior year:**

The District did not directly construct any Public Improvements in 2020, however, the District is a party to certain agreements pursuant to which it is responsible, together with The Aurora Highlands Metropolitan District No. 2, The Aurora Highlands Metropolitan District No. 3, ATEC Metropolitan District No. 1 and ATEC Metropolitan District No. 2, for the funding of certain improvements constructed by AACMD. The following Public Improvements were constructed by AACMD within the District boundaries in 2020:

- i. Grading/Stormwater Management; and
- ii. Site Utilities (Water, Sanitary Sewer, Storm Drainage Facilities); and
- iii. Project Monumentation.

**f. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year:**

No facilities or improvements were dedicated to or accepted by the City during the reporting period.

**g. The assessed valuation of the District for the current year:**

The current assessed valuation of the District is \$55,340. A copy of the 2020 certification of assessed valuation from Adams County is attached hereto as Exhibit A.

**h. Current year budget including a description of the Public Improvements to be constructed in such year:**

A copy of the 2021 budget is attached hereto as Exhibit B. Public Improvements anticipated to be constructed by AACMD within the District boundaries during 2021 include the following:



- i. Grading/Stormwater Management;
- ii. Site Utilities (Water, Sanitary Sewer, Storm Drainage Facilities);
- iii. Roadway Lighting/Traffic Control;
- iv. Curb, Gutter, Walks/Trails;
- v. Asphalt Paving;
- vi. Street and Hardscape;
- vii. Landscape and Irrigation; and
- viii. Project Monumentation.

**i. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable:**

The District was exempt from an audit for the year ending December 31, 2020. A copy of the District's 2020 Application for Exemption from Audit is attached hereto as Exhibit C.

**j. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument:**

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

**k. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period:**

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

Please feel free to contact me if you have any questions. Thank you.

Sincerely,



Matthew P. Ruhland

MPR/sl

cc: State Auditor  
Division of Local Government

**EXHIBIT A**  
**Assessed Valuation**

# CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **238 - AURORA HIGHLANDS METRO DISTRICT NO 1**

IN ADAMS COUNTY ON 11/29/2020

New Entity: No

|  |
|--|
| <b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY</b> |
|--|

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2020 IN ADAMS COUNTY, COLORADO

|  |           |
|--|-----------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:   | \$108,650 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *  | \$55,340  |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY:  | \$0       |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:  | \$55,340  |
| 5. NEW CONSTRUCTION: **  | \$0       |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: #  | \$0       |
| 7. ANNEXATIONS/INCLUSIONS:   | \$0       |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #   | \$0       |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND ( 29-1-301(1)(b) C.R.S.): ## | \$0       |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):                           | \$0.00    |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):             | \$0.00    |

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

|   |
|---|
| <b>USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY</b> |
|---|

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2020 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2020

|  |           |
|--|-----------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @   | \$190,814 |
| ADDITIONS TO TAXABLE REAL PROPERTY:  |           |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !   | \$0       |
| 3. ANNEXATIONS/INCLUSIONS:   | \$0       |
| 4. INCREASED MINING PRODUCTION: %  | \$0       |
| 5. PREVIOUSLY EXEMPT PROPERTY:   | \$0       |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL:  | \$0       |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:<br>(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.) | \$0       |
| DELETIONS FROM TAXABLE REAL PROPERTY:  |           |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:  | \$0       |
| 9. DISCONNECTIONS/EXCLUSION:   | \$0       |
| 10. PREVIOUSLY TAXABLE PROPERTY:   | \$0       |

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->

\$0

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2020

Data Date: 11/29/2020

**EXHIBIT B**  
**2021 Budget**

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1  
ANNUAL BUDGET  
FOR YEAR ENDING DECEMBER 31, 2021

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2021 BUDGET**  
**WITH 2019 ACTUAL AND 2020 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/4/21

|                               | ACTUAL<br>2019 | ESTIMATED<br>2020 | BUDGET<br>2021 |
|-------------------------------|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE        | \$ -           | \$ -              | \$ 9,765       |
| REVENUES                      |                |                   |                |
| Property Tax                  | -              | 8,179             | 4,166          |
| Property Tax - ARTA           | -              | 60                | 31             |
| Specific Ownership Tax        | -              | 650               | 290            |
| Other Revenue                 | -              | 1,000             | 1,000          |
| Total revenues                | -              | 9,889             | 5,487          |
| Total funds available         | -              | 9,889             | 15,252         |
| EXPENDITURES                  |                |                   |                |
| County Treasurer's Fee        | -              | 123               | 123            |
| County Treasurer's Fee - ARTA | -              | 1                 | 1              |
| Transfer to ARTA              | -              | -                 | 89             |
| Transfer to CAB               | -              | -                 | 14,039         |
| Contingency                   | -              | -                 | 1,000          |
| Total expenditures            | -              | 124               | 15,252         |
| ENDING FUND BALANCE           | \$ -           | \$ 9,765          | \$ -           |

No assurance provided. See summary of significant assumptions.



**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2021 BUDGET**  
**WITH 2019 ACTUAL AND 2020 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/4/21

|                                | ACTUAL<br>2019 | ESTIMATED<br>2020 | BUDGET<br>2021   |
|--------------------------------|----------------|-------------------|------------------|
| <b>ASSESSED VALUATION</b>      |                |                   |                  |
| Vacant                         | -              | 37,750            | 53,030           |
| Residential                    | -              | 65,560            | -                |
| Agricultural                   | \$ 10          | \$ 5,340          | \$ 2,310         |
| Certified Assessed Value       | <u>\$ 10</u>   | <u>\$ 108,650</u> | <u>\$ 55,340</u> |
| <b>MILL LEVY</b>               |                |                   |                  |
| General                        | 0.000          | 75.277            | 75.277           |
| ARTA (GA)                      | 0.000          | 0.556             | 0.556            |
| Total mill levy                | <u>0.000</u>   | <u>75.833</u>     | <u>75.833</u>    |
| <b>PROPERTY TAXES</b>          |                |                   |                  |
| General                        | \$ -           | \$ 8,179          | \$ 4,166         |
| ARTA (GA)                      | -              | 60                | 31               |
| Levied property taxes          | -              | 8,239             | 4,197            |
| Budgeted property taxes        | <u>\$ -</u>    | <u>\$ 8,239</u>   | <u>\$ 4,197</u>  |
| <b>BUDGETED PROPERTY TAXES</b> |                |                   |                  |
| General                        | \$ -           | \$ 8,179          | \$ 4,166         |
| ARTA (GA)                      | -              | 60                | 31               |
|                                | <u>\$ -</u>    | <u>\$ 8,239</u>   | <u>\$ 4,197</u>  |

No assurance provided. See summary of significant assumptions.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The 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 \$40,000,000,000. The District's current service plan limits the total debt issuance to \$200,000,000, 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.

AACMD, the City of Aurora and Adams County have established the Aerotropolis Regional Transportation Authority ("ARTA"), pursuant to an intergovernmental agreement entered into 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.

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

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided (Continued)**

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.

On November 21, 2019, the District, AACMD, TAH Nos. 2 and 3, and ATEC Metropolitan District Nos. 1 and 2 (“ATEC Nos. 1 and 2”, and collectively with the District, AACMD and TAH Nos. 2 and 3, 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. It is anticipated that one or more of the CAB Districts may enter into additional intergovernmental agreements concerning the financing, construction, and operation 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 page 3 of the budget at the mill levy adopted by the District, which includes the ARTA mill levy (see below).

**Aurora Regional Transportation Authority Mill Levy**

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 0.556 mills due to a change in calculating the residential assessed valuation.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**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 7% 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 of 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

**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**  
**Application for 2020 Audit Exemption**

**APPLICATION FOR EXEMPTION FROM AUDIT****SHORT FORM**NAME OF GOVERNMENT  
ADDRESS

|   |
|---|
| <b>The Aurora Highlands Metropolitan District No. 1</b> |
| <b>8390 E. Crescent Parkway</b>                         |
| <b>Suite 300</b>  |
| <b>Greenwood Village, CO 80111</b>                      |
| <b>Debra Sedgeley</b>                                   |
| <b>303-779-5710</b>                                     |
| <b>Debra.Sedgeley@claconnect.com</b>                    |
| <b>303-779-0348</b>                                     |

For the Year Ended  
12/31/20  
or fiscal year ended:CONTACT PERSON  
PHONE  
EMAIL  
FAX**PART 1 - CERTIFICATION OF PREPARER**

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:  
TITLE  
FIRM NAME (if applicable)  
ADDRESS  
PHONE  
DATE PREPARED

|   |
|---|
| <b>Debra Sedgeley</b>   |
| <b>Accountant for the District</b>                                      |
| <b>CliftonLarsonAllen LLP</b>   |
| <b>8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111</b> |
| <b>303-779-5710</b>   |
| <b>March 7, 2021</b>  |

**PREPARER** (SIGNATURE REQUIRED)**SEE ATTACHED ACCOUNTANTS COMPILATION REPORT**Please indicate whether the following financial information is recorded  
using Governmental or Proprietary fund typesGOVERNMENTAL  
(MODIFIED ACCRUAL BASIS)PROPRIETARY  
(CASH OR BUDGETARY BASIS)

## PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

| Line# | Description  | Round to nearest Dollar | Please use this space to provide any necessary explanations |
|-------|--|-------------------------|---|
| 2-1   | Taxes: Property (report mills levied in Question 10-6)   | \$ 8,365                |   |
| 2-2   | Specific ownership                                       | \$ 605                  |   |
| 2-3   | Sales and use  | \$ -                    |   |
| 2-4   | Other (specify):   | \$ -                    |   |
| 2-5   | Licenses and permits                                     | \$ -                    |   |
| 2-6   | Intergovernmental: Grants                                | \$ -                    |   |
| 2-7   | Conservation Trust Funds (Lottery)                       | \$ -                    |   |
| 2-8   | Highway Users Tax Funds (HUTF)                           | \$ -                    |   |
| 2-9   | Other (specify):   | \$ -                    |   |
| 2-10  | Charges for services                                     | \$ -                    |   |
| 2-11  | Fines and forfeits                                       | \$ -                    |   |
| 2-12  | Special assessments                                      | \$ -                    |   |
| 2-13  | Investment income  | \$ -                    |   |
| 2-14  | Charges for utility services                             | \$ -                    |   |
| 2-15  | Debt proceeds (should agree with line 4-4, column 2)     | \$ -                    |   |
| 2-16  | Lease proceeds   | \$ -                    |   |
| 2-17  | Developer Advances received (should agree with line 4-4) | \$ -                    |   |
| 2-18  | Proceeds from sale of capital assets                     | \$ -                    |   |
| 2-19  | Fire and police pension                                  | \$ -                    |   |
| 2-20  | Donations  | \$ -                    |   |
| 2-21  | Other (specify):   | \$ -                    |   |
| 2-22  |  | \$ -                    |   |
| 2-23  |  | \$ -                    |   |
| 2-24  | (add lines 2-1 through 2-23) TOTAL REVENUE               | \$ 8,970                |   |

## PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

| Line# | Description   | Round to nearest Dollar | Please use this space to provide any necessary explanations |
|-------|---|-------------------------|---|
| 3-1   | Administrative  | \$ 125                  |   |
| 3-2   | Salaries  | \$ -                    |   |
| 3-3   | Payroll taxes   | \$ -                    |   |
| 3-4   | Contract services   | \$ -                    |   |
| 3-5   | Employee benefits   | \$ -                    |   |
| 3-6   | Insurance   | \$ -                    |   |
| 3-7   | Accounting and legal fees   | \$ -                    |   |
| 3-8   | Repair and maintenance  | \$ -                    |   |
| 3-9   | Supplies  | \$ -                    |   |
| 3-10  | Utilities and telephone   | \$ -                    |   |
| 3-11  | Fire/Police   | \$ -                    |   |
| 3-12  | Streets and highways  | \$ -                    |   |
| 3-13  | Public health   | \$ -                    |   |
| 3-14  | Capital outlay  | \$ -                    |   |
| 3-15  | Utility operations  | \$ -                    |   |
| 3-16  | Culture and recreation  | \$ -                    |   |
| 3-17  | Debt service principal (should agree with Part 4)                       | \$ -                    |   |
| 3-18  | Debt service interest   | \$ -                    |   |
| 3-19  | Repayment of Developer Advance Principal (should agree with line 4-4)   | \$ -                    |   |
| 3-20  | Repayment of Developer Advance Interest                                 | \$ -                    |   |
| 3-21  | Contribution to pension plan (should agree to line 7-2)                 | \$ -                    |   |
| 3-22  | Contribution to Fire & Police Pension Assoc. (should agree to line 7-2) | \$ -                    |   |
| 3-23  | Other (specify): Intergovernmental transfers                            | \$ 8,845                |   |
| 3-24  |   | \$ -                    |   |
| 3-25  |   | \$ -                    |   |
| 3-26  | (add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES                | \$ 8,970                |   |

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

|  | Yes                      | No                                  |             |             |
|--|--------------------------|-------------------------------------|-------------|-------------|
| 4-1 Does the entity have outstanding debt?<br>If Yes, please attach a copy of the entity's Debt Repayment Schedule.  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |             |             |
| 4-2 Is the debt repayment schedule attached? If no, MUST explain:<br><div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>            | <input type="checkbox"/> | <input type="checkbox"/>            |             |             |
| 4-3 Is the entity current in its debt service payments? If no, MUST explain:<br><div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div> | <input type="checkbox"/> | <input type="checkbox"/>            |             |             |
| 4-4 Please complete the following debt schedule, if applicable:<br>(please only include principal amounts)(enter all amount as positive numbers)               |                          |                                     |             |             |
| General obligation bonds   | \$ -                     | \$ -                                | \$ -        | \$ -        |
| Revenue bonds  | \$ -                     | \$ -                                | \$ -        | \$ -        |
| Notes/Loans  | \$ -                     | \$ -                                | \$ -        | \$ -        |
| Leases   | \$ -                     | \$ -                                | \$ -        | \$ -        |
| Developer Advances   | \$ -                     | \$ -                                | \$ -        | \$ -        |
| Other (specify):   | \$ -                     | \$ -                                | \$ -        | \$ -        |
| <b>TOTAL</b>   | <b>\$ -</b>              | <b>\$ -</b>                         | <b>\$ -</b> | <b>\$ -</b> |

\*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

|   | Yes   | No                                  |
|---|---|-------------------------------------|
| 4-5 Does the entity have any authorized, but unissued, debt?<br>If yes: How much?   | <input checked="" type="checkbox"/>   | <input type="checkbox"/>            |
| Date the debt was authorized:   | <div style="border: 1px solid black; padding: 2px; display: inline-block;">\$ 54,405,000,000<br/>11/2/04 and 11/18/16</div> |                                     |
| 4-6 Does the entity intend to issue debt within the next calendar year?<br>If yes: How much?  | <input type="checkbox"/>  | <input checked="" type="checkbox"/> |
| 4-7 Does the entity have debt that has been refinanced that it is still responsible for?<br>If yes: What is the amount outstanding?   | <input type="checkbox"/>  | <input checked="" type="checkbox"/> |
| 4-8 Does the entity have any lease agreements?<br>If yes: What is being leased?<br>What is the original date of the lease?<br>Number of years of lease?<br>Is the lease subject to annual appropriation?<br>What are the annual lease payments? | <input type="checkbox"/>  | <input checked="" type="checkbox"/> |
| <div style="border: 1px solid black; padding: 2px; display: inline-block;">\$ -</div>   |   |                                     |

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

|   | Amount | Total |
|---|--------|-------|
| 5-1 YEAR-END Total of ALL Checking and Savings Accounts                           | \$ -   |       |
| 5-2 Certificates of deposit   | \$ -   |       |
| <b>Total Cash Deposits</b>  |        | \$ -  |
| Investments (if investment is a mutual fund, please list underlying investments): |        |       |
|   | \$ -   |       |
|   | \$ -   |       |
| 5-3   | \$ -   |       |
|   | \$ -   |       |
| <b>Total Investments</b>  |        | \$ -  |
| <b>Total Cash and Investments</b>   |        | \$ -  |

Please answer the following questions by marking in the appropriate boxes

|   | Yes                      | No                       | N/A                                 |
|---|--------------------------|--------------------------|-------------------------------------|
| 5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If no, MUST use this space to provide any explanations:



## PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 6-1 Does the entity have capital assets?  Yes       No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain:  Yes       No

N/A

| Complete the following capital assets table: | Balance - beginning of the year* | Additions (Must be included in Part 3) | Deletions   | Year-End Balance |
|--|----------------------------------|--|-------------|------------------|
| Land   | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| Buildings                                    | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| Machinery and equipment                      | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| Furniture and fixtures                       | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| Infrastructure                               | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| Construction In Progress (CIP)               | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| Other (explain):                             | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| Accumulated Depreciation                     | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| <b>TOTAL</b>                                 | <b>\$ -</b>                      | <b>\$ -</b>                            | <b>\$ -</b> | <b>\$ -</b>      |

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 7-1 Does the entity have an "old hire" firemen's pension plan?  Yes       No
- 7-2 Does the entity have a volunteer firemen's pension plan?  Yes       No

If yes: Who administers the plan?

Indicate the contributions from:

|                                  |             |
|----------------------------------|-------------|
| Tax (property, SO, sales, etc.): | \$ -        |
| State contribution amount:       | \$ -        |
| Other (gifts, donations, etc.):  | \$ -        |
| <b>TOTAL</b>                     | <b>\$ -</b> |

What is the monthly benefit paid for 20 years of service per retiree as of Jan  \$ -

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No                      N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?  Yes       No       N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:  Yes       No       N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

| Fund Name    | Budgeted Expenditures/Expenses |
|--------------|--------------------------------|
| General Fund | \$9,830                        |
|              |                                |
|              |                                |
|              |                                |

## PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

**9-1** Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?



Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

**If no, MUST explain:**

## PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

**10-1** Is this application for a newly formed governmental entity?



**10-1**

If yes: Date of formation:

**10-2** Has the entity changed its name in the past or current year?



If yes: Please list the NEW name & PRIOR name:

**10-3** Is the entity a metropolitan district?



Please indicate what services the entity provides:

See below

**10-4** Does the entity have an agreement with another government to provide services?



If yes: List the name of the other governmental entity and the services provided:

See below

**10-5** Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during



If yes: Date Filed:

**10-6** Does the entity have a certified Mill Levy?



If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

|                       |        |
|-----------------------|--------|
| Bond Redemption mills | 0.000  |
| General/Other mills   | 75.833 |
| Total mills           | 75.833 |

Please use this space to provide any explanations or comments:

10-3: Street improvements, water, sanitary and storm sewer, park and recreation, mosquito control, public transportation, an+A301d traffic and safety control.

10-4: The District was formed in conjunction with The Aurora Highlands Metropolitan District Nos. 2 and 3 (TAH Districts). TAH Districts, together with the Aerotropolis Area Coordinating Metropolitan District and the ATEC Metropolitan District Nos. 1-2 formed The Aurora Highlands Community Authority Board (CAB) pursuant to an 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 areas.

## PART 11 - GOVERNING BODY APPROVAL

| Please answer the following question by marking in the appropriate box |  | YES                                 | NO                       |
|--|--|-------------------------------------|--------------------------|
| 12-1   | If you plan to submit this form electronically, have you read the new Electronic Signature Policy? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

### Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure



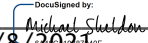
#### Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

**The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:**

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
  - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
  - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

| Print the names of ALL members of current governing body below. |                 | A MAJORITY of the members of the governing body must complete and sign in the column below.   |
|---|-----------------|---|
| Board Member 1  | Matthew Hopper  | I, Matthew Hopper, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.<br>Signed <u></u><br>Date: <u>3/8/2021</u><br>My term Expires: May 2022  |
| Board Member 2  | Carla Ferreira  | I, Carla Ferreira, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.<br>Signed <u></u><br>Date: <u>3/9/2021</u><br>My term Expires: May 2022  |
| Board Member 3  | Michael Sheldon | I, Michael Sheldon, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.<br>Signed <u></u><br>Date: <u>3/8/2021</u><br>My term Expires: May 2023 |
| Board Member 4  | Cindy Shearon   | I, Cindy Shearon, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.<br>Signed _____<br>Date: _____<br>My term Expires: May 2023  |
| Board Member 5  |                 |   |
| Board Member 6  |                 |   |
| Board Member 7  |                 |   |



CliftonLarsonAllen LLP

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## Accountant's Compilation Report

Board of Directors  
The Aurora Highlands Metropolitan District No. 1  
Adams County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of The Aurora Highlands Metropolitan District No. 1 as of and for the year ended December 31, 2020, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to The Aurora Highlands Metropolitan District No. 1.

A handwritten signature in blue ink that reads 'CliftonLarsonAllen LLP'.

Greenwood Village, Colorado  
March 7, 2021