



Shareholders

Paul R. Cockrel
Evan D. Ela
Linda M. Glesne
David A. Greher
Matthew P. Ruhland

Associates

Joseph W. Norris
Harley G. Gifford
Madison D. Phillips

Paralegals

Micki Mills
Sarah Luetjen

August 1, 2023

VIA E-MAIL

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

**Re: The Aurora Highlands Metropolitan District No. 2,
f/k/a Green Valley Ranch East Metropolitan District No. 3
Annual Report for the Calendar Year 2022**

Dear Clerk:

The following information and documents (attached as exhibits) are provided for calendar year 2022 pursuant to Section VIII of the District's Consolidated Second Amended and Restated Service Plan (the "**Service Plan**") of The Aurora Highlands Metropolitan District No. 2, f/k/a Green Valley Ranch East Metropolitan District No. 3 (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, 2022.

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

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. 1 ("**District No. 1**"), The Aurora Highlands Metropolitan District No. 3 ("**District No. 3**," along with the District and District No. 1, "the **Districts**"), Aerotropolis Area Coordinating Metropolitan District ("**AACMD**"), First Creek Ranch

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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 Second 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.

- *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.

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, 2022. 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.

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 2022, however, the District is a party to certain agreements pursuant to which it is responsible, together with District No. 1, 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, in its capacity as the Program Manager for ARTA and as the coordinator of construction projects for the CAB, of which the CAB Districts are members:



- 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:

The District did not directly construct any Public Improvements in 2022, however, the District is a party to certain agreements pursuant to which it is responsible, together with District No. 1 &, District No. 3 and the ATEC Districts, for the funding of certain improvements constructed by AACMD. All or portions of the following roadways (constructed by AACMD and located within the boundaries of the District) were dedicated to the City during 2021: Main Street, 42nd Avenue, Reserve Loop, 38th Parkway, The Aurora Highlands Parkway and Denali Boulevard. Portions of the foregoing roadways have been initially accepted by the City to date.

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

The current assessed valuation of the District is \$40. A copy of the 2022 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:

Copies of the 2022 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 2022 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, 2022. A copy of the District's 2022 Application for Exemption from Audit is attached hereto as Exhibit E. The CAB's 2022 Audit will be filed with the City Clerk upon completion.

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,

A handwritten signature in blue ink, appearing to read 'Matt Ruhland', written in a cursive style.

Matthew P. Ruhland

cc: State Auditor
Division of Local Government

EXHIBIT A
Assessed Valuation

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **239 - AURORA HIGHLANDS METRO DISTRICT NO 2**

IN ADAMS COUNTY ON 11/30/2021

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

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 2021 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$40
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$40
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$40
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.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

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 2021 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2021

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$155
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:	\$0
(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.)	
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
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2021

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.	

EXHIBIT B
District's 2022 Budget

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2022

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/4/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	3	3
Other revenue	-	100	100
Total revenues	<u>-</u>	<u>103</u>	<u>103</u>
Total funds available	<u>-</u>	<u>103</u>	<u>103</u>
EXPENDITURES			
General and administrative			
Intergovernmental transfer - CAB	-	3	3
Contingency	-	100	100
Total expenditures	<u>-</u>	<u>103</u>	<u>103</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/4/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Agricultural	\$ 40	\$ 40	\$ 40
Certified Assessed Value	<u>\$ 40</u>	<u>\$ 40</u>	<u>\$ 40</u>
MILL LEVY			
General	0.000	77.930	77.930
ARI	0.000	0.000	0.556
Total mill levy	<u>0.000</u>	<u>77.930</u>	<u>78.486</u>
PROPERTY TAXES			
General	\$ -	\$ 3	\$ 3
ARI	-	-	-
Levied property taxes	<u>-</u>	<u>3</u>	<u>3</u>
Budgeted property taxes	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>
BUDGETED PROPERTY TAXES			
General	\$ -	\$ 3	\$ 3
ARI	-	-	-
	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District (formerly known as Green Valley Ranch East Metropolitan District No. 3) 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. 1 and 3 ("TAH Nos. 1 and 3") (formerly known as Green Valley Ranch East Metropolitan District Nos. 2 and 4), Green Valley 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. 2 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 \$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.

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 results 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.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 ARI Mill Levy revenues with AACMD to be spent only pursuant to a Regional Intergovernmental Improvements Agreement.

On November 21, 2019, the District, AACMD, TAH Nos. 1 and 3, and ATEC Metropolitan District Nos. 1 and 2 (“ATEC Nos. 1 and 2”, and collectively with the District, AACMD and TAH Nos. 1 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.

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 0.556 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.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative Expenditures

The District is a member of the CAB. 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.

Intergovernmental Transfer CAB

On June 30, 2020, the CAB and the CAB Districts entered into the Mill Levy Policy Agreement. Pursuant to the Mill Levy 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 Residential Capital Pledged Agreement (described below).

On June 30, 2020, the District entered into the Residential Capital Pledge Agreements (the RCPA) with the CAB and Zions Bancorporation, National Association, in its capacity as trustee under the 2020A and 2020B Bonds Indentures ("the Indentures"). On October 28, 2021, the RCPA was terminated as a part of the 2021 Series A and 2021 Series B Bond issuances, and the Revenue Pledge Agreement was approved (the "RPA"). Per the RPA, 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 RPA and the Amended Mill Levy 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 the District has no TABOR eligible revenues, no Emergency Reserve has been provided.

This information is an integral part of the accompanying budget.

EXHIBIT C
CAB's 2022 Budget

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ 325,098	\$ 353,694,397
REVENUES			
Interest income	-	-	169,000
Homeowner maintenance fees	148	37,500	402,000
Park/open space fees	-	-	23,149
Special assessments	-	-	3,930
Intergovernmental transfer	-	10,899	623,460
System development fees	105,000	322,500	540,000
Other revenue	-	-	-
Intergovernmental revenue - AACMD	1,553,146	-	-
Developer advance	658,183	1,277,900	950,000
2020A Bond draws	63,972,452	28,000,000	-
2020B Bond draws	6,068,118	5,200,000	-
Bond Proceeds Series 2021A	-	375,000,000	-
Bond Proceeds Series 2021B	-	140,000,000	-
Total revenues	<u>72,357,047</u>	<u>549,848,799</u>	<u>2,711,539</u>
TRANSFERS IN			
	<u>-</u>	<u>350,965,000</u>	<u>85,000</u>
Total funds available	<u>72,357,047</u>	<u>901,138,897</u>	<u>356,490,936</u>
EXPENDITURES			
General Fund	370,054	652,000	1,640,000
Debt Service Fund	85,000	139,542,500	546,000
Capital Projects Fund	71,576,895	56,285,000	329,150,904
Total expenditures	<u>72,031,949</u>	<u>196,479,500</u>	<u>331,336,904</u>
TRANSFERS OUT			
	<u>-</u>	<u>350,965,000</u>	<u>85,000</u>
Total expenditures and transfers out requiring appropriation	<u>72,031,949</u>	<u>547,444,500</u>	<u>331,421,904</u>
ENDING FUND BALANCES	<u>\$ 325,098</u>	<u>\$ 353,694,397</u>	<u>\$ 25,069,032</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 31,600</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 31,600</u>

No assurance provided. See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 94	\$ 2,493
REVENUES			
Homeowner maintenance fees	148	37,500	402,000
Park/open space fees	-	-	23,149
Special assessments	-	-	3,930
Intergovernmental transfer	-	10,899	623,460
Developer advance	370,000	441,000	550,000
Total revenues	<u>370,148</u>	<u>489,399</u>	<u>1,602,539</u>
TRANSFERS IN			
Transfer from other funds	-	165,000	85,000
Total funds available	<u>370,148</u>	<u>654,493</u>	<u>1,690,032</u>
EXPENDITURES			
Management/Administrative			
Accounting	-	55,000	185,000
Audit	-	10,000	18,000
Community relations	-	6,300	12,000
Billing & fee collection	-	20,000	22,000
Community management	-	32,000	33,800
District management	-	33,000	145,000
Covenant enforcement	-	25,000	30,800
Dues and licenses	-	2,401	4,300
Election expense	-	-	15,000
Legal	-	160,100	186,000
Miscellaneous	54	200	1,200
Insurance	-	25,000	71,300
Reimbursement to Richmond	-	19,200	-
Website maintenance	-	1,000	7,000
Intergovernmental expenditure - AACMD	370,000	172,000	-
Contingency	-	19,699	100,083
Landscaping			
Landscape maintenance	-	20,000	411,435
Snow removal	-	35,000	133,589
Parks & trails	-	-	13,000
Detention pond maintenance	-	-	10,000
Parks & open space	-	-	132,750
Utilities			
Irrigation/water	-	-	81,218
Electricity	-	10,000	10,000
Trash and recycling	-	2,100	5,025
Mailbox maintenance	-	-	1,500
Winter watering	-	4,000	10,000
Total expenditures	<u>370,054</u>	<u>652,000</u>	<u>1,640,000</u>
Total expenditures and transfers out requiring appropriation	<u>370,054</u>	<u>652,000</u>	<u>1,640,000</u>
ENDING FUND BALANCE	<u>\$ 94</u>	<u>\$ 2,493</u>	<u>\$ 50,032</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 31,600</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 31,600</u>

No assurance provided. See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 20,000	\$ 25,000,000
REVENUES			
System development fees	105,000	322,500	540,000
Interest income	-	-	25,000
Bond Proceeds Series 2021A	-	375,000,000	-
Bond Proceeds Series 2021B	-	140,000,000	-
Total revenues	<u>105,000</u>	<u>515,322,500</u>	<u>565,000</u>
TRANSFERS IN			
Transfer from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>105,000</u>	<u>515,342,500</u>	<u>25,565,000</u>
EXPENDITURES			
General and administrative			
Debt Service			
Payment on 2020A Bonds	85,000	-	-
Series 2021A Bonds interest	-	-	536,000
Payment to refunding agent	-	111,666,072	-
Cost of issuance	-	23,000,000	-
Paying agent fees	-	5,000	10,000
Contingency	-	4,871,428	-
Total expenditures	<u>85,000</u>	<u>139,542,500</u>	<u>546,000</u>
TRANSFERS OUT			
Transfer to other funds	<u>-</u>	<u>350,800,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>85,000</u>	<u>490,342,500</u>	<u>546,000</u>
ENDING FUND BALANCE	<u>\$ 20,000</u>	<u>\$ 25,000,000</u>	<u>\$ 25,019,000</u>

No assurance provided. See summary of significant assumptions.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 305,004	\$ 328,691,904
REVENUES			
Interest income	-	-	144,000
Other revenue	-	-	-
Developer advance	288,183	836,900	400,000
Intergovernmental revenue - AACMD	1,553,146	-	-
2020A Bond draws	63,972,452	28,000,000	-
2020B Bond draws	6,068,118	5,200,000	-
Total revenues	71,881,899	34,036,900	544,000
TRANSFERS IN			
Transfer from other funds	-	350,800,000	-
Total funds available	71,881,899	385,141,904	329,235,904
EXPENDITURES			
Capital Projects			
Intergovernmental expense- AACMD	26,887,738	50,200,000	328,350,900
Accounting	-	5,000	10,000
Legal	-	258,000	275,000
Cost of issuance	2,617,798	650,000	-
Capital outlay	5,459,544	-	-
Repay developer advance	36,611,815	3,700,000	400,000
Repay developer advance interest	-	1,400,000	32,000
Contingency	-	72,000	83,004
Total expenditures	71,576,895	56,285,000	329,150,904
TRANSFERS OUT			
Transfer to other funds	-	165,000	85,000
Total expenditures and transfers out requiring appropriation	71,576,895	56,450,000	329,235,904
ENDING FUND BALANCE	\$ 305,004	\$ 328,691,904	\$ -

No assurance provided. See summary of significant assumptions.

**THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
2022 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), which is located within the City of Aurora (City), in Adams County, Colorado, pursuant to a Community Authority Board Establishment Agreement (CABEA) entered into by the Aerotropolis Area Coordinating Metropolitan District (AACMD), The Aurora Highlands Metropolitan District Nos. 1-3, 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 will collect monthly fees 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.

System Development Fees

It is anticipated that the CAB will impose system development fees on commercial property and residential lots within TAH upon the issuance of building permits at a rate to be determined in the future. It is anticipated that the System Development Fees will be pledged toward the payment of the CAB's 2021 Bonds.

Developer Advance

Developer advances are expected to fund a portion of general fund expenditures and capital administrative costs. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment.

**THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

General, Administrative, Operations, and Maintenance Expenses

The CAB's 2022 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 costs 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 2022 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

On June 30, 2020, the CAB issued Special Tax Revenue Draw-Down Bonds Series 2020A (Series 2020A Bonds) with an estimated par amount of \$165,159,327 and a final maturity of December 15, 2059. The 2020A Bonds bear interest at the rate of 8% per annum which is payable from available pledged revenues on each December 15, beginning on December 15, 2020. The principal on the 2020A Bonds is payable at final maturity or upon optional redemption.

Simultaneously with the issuance of the 2020A Bonds, the CAB issued Subordinate Special Tax Revenue Draw-Down Bonds Series 2020B (Series 2020B Bonds) with an estimated par amount of \$32,338,830 and a final maturity of December 15, 2059. The 2020B Bonds bear interest at the rate of 9% per annum which is payable on December 15, beginning on December 15, 2020, to the extent that pledged revenue is available after payments due on the 2020A Bonds have been satisfied.

In 2021, the CAB anticipates issuing Special Tax Revenue Refunding and Improvement Bonds, Series 2021A in the aggregate amount of \$309,800,000 at an anticipated interest rate of 5.50% for the purposes of refunding the Series 2020A and 2020B Bonds, paying or reimbursing project costs, and paying certain costs incurred in connection with the issuance of the Series 2021A Bonds.

**THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

The Bonds are structured as “cash flow” bonds, meaning that the Indenture contains no scheduled payments of principal of the Bonds other than at maturity. Instead, principal is payable on December 1 from the available Pledged Revenue, if any, pursuant to a mandatory redemption. It is anticipated that the first payment of principal of the Bonds is not forecasted to be made until 2042. Any amount of unpaid principal of or interest on the Bonds shall be deemed discharged on December 2 of the year that is the fiftieth (50th) year after the year in which the Last Residential District (as defined in the Indenture) first imposed its debt service mill levy.

The CAB has also anticipated issuing Subordinate Special Tax Revenue Draw-Down Bonds, Series 2021B, to finance additional costs of the design, planning, acquisition, construction, installation, relocation, redevelopment and completion of public improvements with respect to TAH including paying principal and interest amounts due or to become due to the Aurora Highlands Development LLC (the Developer) under the Facilities Funding Agreement and the Homebuilder Capital Funding Agreements.

The 2021 estimates and 2022 projections for the long-term debt service activities are summarized in the tables below.

**THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

	Balance - December 31, 2020	Additions*	Retirements*	Balance - December 31, 2021*
<u>Governmental Activities</u>				
Bonds from Direct Borrowings				
Special Tax Revenue				
Draw- Down Bonds:				
Series 2020A	\$ 63,972,452	\$ 28,000,000	\$ 91,972,452	\$ -
Series 2020B	6,068,118	5,200,000	11,268,118	-
Special Tax Revenue				
Refunding Bonds				
Series 2021A	-	309,800,000	-	309,800,000
Series 2021B	-	23,000,000	-	23,000,000
Accrued Interest on:				
Series 2020A	1,757,026	6,040,876	7,797,902	-
Series 2020B	38,195	589,405	627,600	-
Subtotal of Bonds from Direct Borrowings	71,835,791	372,630,281	111,666,072	332,800,000
Other Debts				
Developer Advances:				
Operations	1,088,670	441,000	-	1,529,670
Capital	2,863,100	836,900	3,700,000	-
Accrued Interest on:				
Developer Advances - Operations	82,631	98,300	-	180,931
Developer Advances - Capital	230,577	1,169,423	1,400,000	-
Subtotal - Other Debts	4,264,978	2,545,623	5,100,000	1,710,601
Total Long- Term Obligations	\$ 76,100,769	\$ 375,175,904	\$ 116,766,072	\$ 334,510,601

**THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

	Balance - December 31, 2021*	Additions*	Retirements*	Balance - December 31, 2022*
<u>Governmental Activities</u>				
Bonds from Direct Borrowings				
Special Tax Revenue				
Refunding Bonds				
Series 2021A	\$309,800,000	\$ -	\$ -	\$ 309,800,000
Series 2021B	23,000,000	-	-	23,000,000
Accrued Interest on:				
Series 2021A	-	16,376,372	536,000	15,840,372
Series 2021B	-	1,610,000	-	1,610,000
Subtotal of Bonds from Direct Borrowings	332,800,000	17,986,372	536,000	350,250,372
Other Debts				
Developer Advances:				
Operations	1,529,670	550,000	-	2,079,670
Accrued Interest on:				
Developer Advances - Operations	180,931	144,374	-	325,305
Subtotal - Other Debts	1,710,601	694,374	-	2,404,975
Total Long- Term Obligations	\$ 334,510,601	\$ 18,680,746	\$ 536,000	\$ 352,655,347
*Estimated amounts				

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 2022, as defined under TABOR.

This information is an integral part of the accompanying budget.

EXHIBIT D
Application for 2022 Audit Exemption

APPLICATION FOR EXEMPTION FROM AUDIT**SHORT FORM**NAME OF GOVERNMENT
ADDRESS**The Aurora Highlands Metropolitan District No. 2****8390 E Crescent Parkway****Suite 300****Greenwood Village, CO 80111**CONTACT PERSON
PHONE
EMAIL**Jason Carroll****303-779-5710**Jason.Carroll@claconnect.comFor the Year Ended
12/31/22
or fiscal year ended:**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**Jason Carroll****Accountant for the District****CliftonLarsonAllen LLP****8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111****303-779-5710****2/24/2023****PREPARER** (SIGNATURE REQUIRED)

SEE ACCOUNTANT'S COMPILATION REPORT

Please indicate whether the following financial information is recorded
using Governmental or Proprietary fund types**GOVERNMENTAL**
(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	
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 3	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ -	
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	\$ 3	

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	
3-1	Administrative	\$ -	Please use this space to provide any necessary explanations
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	\$ 3	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 3	

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? 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: <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: <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: (please only include principal amounts)(enter all amount as positive numbers)		
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ -	\$ -

*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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:		
	\$ 54,405,000,000 11/2/04 and 11/08/16		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?		
	\$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?		
	\$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased? What is the original date of the lease? Number of years of lease?		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments?		
	\$ -		

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	\$ -	
Total Cash Deposits			\$ -
	Investments (if investment is a mutual fund, please list underlying investments):		
		\$ -	
		\$ -	
5-3		\$ -	
		\$ -	
Total Investments			\$ -
Total Cash and Investments			\$ -

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 AND RIGHT-TO-USE 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 & right-to-use 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)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

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" firefighters' pension plan? Yes No
- 7-2 Does the entity have a volunteer firefighters' 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.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

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:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 103

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?

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:**

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	-
General/Other mills	78.486
Total mills	78.486

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, and traffic and safety control.

10-4: IGA regarding sharing of tax revenue with The Aurora Highlands Community Authority Board. The District was formed in conjunction with The Aurora Highlands Metropolitan District Nos. 1 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. On April 27, 2022, the CAB Districts approved the addition of the Aurora Highlands Metropolitan District Nos. 4-6 to the CAB.

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

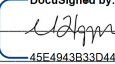

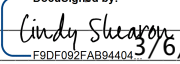
Policy - Requirements

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 <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.
Board Member 1	Print Board Member's Name 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. Signed <u></u> Date: <u>3/8/2023</u> My term Expires: <u>May 2025</u>
Board Member 2	Print Board Member's Name 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. Signed _____ Date: _____ My term Expires: <u>May 2025</u>
Board Member 3	Print Board Member's Name 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. Signed <u></u> Date: <u>3/6/2023</u> My term Expires: <u>May 2023</u>
Board Member 4	Print Board Member's Name 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. Signed <u></u> Date: <u>3/6/2023</u> My term Expires: <u>May 2023</u>
Board Member 5	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

Certificate Of Completion

Envelope Id: B8DF9E9933AF4420AEFB009F17DC039B	Status: Completed
Subject: Complete with DocuSign: The Aurora Highlands MD No. 2 - 2022 Audit Exemption.pdf	
Client Name: The Aurora Highlands Metropolitan District No. 2	
Client Number: A510432	
Source Envelope:	
Document Pages: 8	Signatures: 3
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	CJ Cook
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 S 6th St Ste 300
	Minneapolis, MN 55402-1418
	cj.cook@claconnect.com
	IP Address: 50.169.146.162

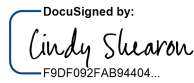
Record Tracking

Status: Original	Holder: CJ Cook	Location: DocuSign
3/6/2023 11:48:26 AM	cj.cook@claconnect.com	

Signer Events

Cindy Shearon
 cindy@theaurorahighlands.com
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 F9DF092FAB94404...

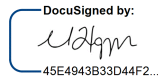
Timestamp

Sent: 3/6/2023 11:54:59 AM
 Viewed: 3/6/2023 12:30:15 PM
 Signed: 3/6/2023 12:34:20 PM

Signature Adoption: Pre-selected Style
 Using IP Address: 66.250.120.246

Electronic Record and Signature Disclosure:
 Accepted: 3/6/2023 12:30:15 PM
 ID: ce371c7b-922d-4d0e-99f5-c1aa7092cfbb

Matt Hopper
 matt@summit-strategies.net
 President
 Security Level: Email, Account Authentication (None)

DocuSigned by:

 45E4943B33D44F2...

Sent: 3/6/2023 11:54:58 AM
 Viewed: 3/8/2023 7:20:29 AM
 Signed: 3/8/2023 7:21:00 AM

Signature Adoption: Uploaded Signature Image
 Using IP Address: 73.14.92.182
 Signed using mobile

Electronic Record and Signature Disclosure:
 Accepted: 4/20/2022 11:28:42 AM
 ID: b5feb2d2-d659-4800-b1d6-2e6c960207cd

Michael Sheldon
 michael@msheldonlaw.com
 owner
 Security Level: Email, Account Authentication (None)

DocuSigned by:

 F72561320D7A4CB...

Sent: 3/6/2023 11:54:58 AM
 Viewed: 3/6/2023 12:07:03 PM
 Signed: 3/6/2023 12:07:14 PM

Signature Adoption: Pre-selected Style
 Using IP Address: 71.205.121.40

Electronic Record and Signature Disclosure:
 Accepted: 3/6/2023 12:07:03 PM
 ID: 0a9f3209-296d-4112-8770-b5d53684d374

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	3/6/2023 11:54:59 AM
Envelope Updated	Security Checked	3/8/2023 9:45:24 AM
Certified Delivered	Security Checked	3/6/2023 12:07:03 PM
Signing Complete	Security Checked	3/6/2023 12:07:14 PM
Completed	Security Checked	3/8/2023 9:45:25 AM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
