

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
(THE “DISTRICT”)**

8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Phone: 303-779-5710

NOTICE OF A SPECIAL MEETING/BUDGET HEARING AND AGENDA

<u>Boards of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Michael Sheldon		May 2027
Carla Ferreira		May 2027
William C. Westmoreland		May 2025
Nicholas English		May 2025
James K. Birkenfeld		May 2027
Denise Denslow	Recording Secretary	N/A

DATE: November 17, 2023
TIME: 10:00 A.M.
PLACE: Virtually via Teams.

1. To attend via Teams Videoconference use the below link:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_NGI0NjE0NWUtMDJlZS00M2VmLWJjZGQtMTdhYTU2MGNkNGQ4%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%2278e91a46-bdcc-4fe5-980c-8ff3dcc70755%22%7d

Or call in (audio only)

[+1 720-547-5281,327883960#](tel:+17205475281,327883960#) United States, Denver

Phone Conference ID: 327 883 960#

I. ADMINISTRATIVE MATTERS

- A. Present disclosures of potential conflicts of interest and confirm quorum.
- B. Approve Agenda, confirm location of the meeting and posting of meeting notices.
- C. Public Comment.

Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three

(3) minutes per person.

D. Discuss results of the May 2, 2023 Regular Election.

E. Consider election of officers.

President: _____

Vice President: _____

Treasurer: _____

Secretary: _____

Assistant Secretary: _____

F. Review and consider approval of the 2024 Annual Administrative Matters Resolution (enclosure).

G. Resolution Designating Posting Location (enclosure).

H. Discuss requirements of Section 32-1-809, C.R.S. and direct staff regarding compliance for 2024 (District Transparency Notice).

I. Discuss and consider approval of 2024 insurance renewal. Consider adoption of documents needed to obtain or maintain insurance coverage through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and authorize membership in the Special District Association (enclosure).

II. CONSENT AGENDA

Consent Agenda – These items are considered to be routine and will be ratified by one motion. There will be no separate discussion of these items unless a board member so requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- Review and consider approval of the November 22, 2022 special meeting minutes (enclosure).

III. FINANCIAL MATTERS

A. Review and consider acceptance of the September 30, 2023 Unaudited Financial Statements and Cash Position Schedule (enclosure).

B. Conduct Public Hearing to consider amendment of the 2023 Budget. If necessary, consider adoption of Resolution to Amend the 2023 Budget.

- C. Conduct Public Hearing on the proposed 2024 Budget and consider adoption of Resolutions to Adopt the 2024 Budget and Appropriate Sums of Money and Resolutions to Set Mill Levies (enclosures – draft budgets and resolutions).
- D. Authorize District Accountant to prepare the DLG-70 Certification of Tax Levies form for certification to the Board of County Commissioners and other interested parties.
- E. Discuss Execution of the DLG-70 Certification of Tax Levies.
- F. Consider appointment of District Accountant to prepare 2025 Budget.
- G. Discuss statutory requirements for an audit. Consider appointment of District Accountant or engagement of outside accountant to prepare Application for Exemption from Audit for 2023 or engagement with auditor to prepare the 2023 Audit.

IV. LEGAL MATTERS

V. MANAGER MATTERS

- A. Consider approval of CliftonLarsonAllen LLP Master Service Agreement and Statements of Work for 2024 (enclosures).

VI. CONSTRUCTION MATTERS

VII. OTHER BUSINESS

VIII. ADJOURNMENT

There are no regular meetings scheduled for the remainder of 2023.

CERTIFIED COPY OF ANNUAL ADMINISTRATIVE RESOLUTION OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1 (2024)

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

At a special meeting of the Board of Directors (the “**Board**”) of The Aurora Highlands Metropolitan District No. 1 (the “**District**”), Adams County, Colorado, held at 10:00 a.m., on November 17, 2023, via Microsoft Teams: https://teams.microsoft.com/l/meetup-join/19%3ameeting_NGI0NjE0NWUtMDJlZS00M2VmLWJjZGQtMTdhYTU2MGNkNGQ4%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%2278e91a46-bdcc-4fe5-980c-8ff3dcc70755%22%7d, there were present:

- Michael Sheldon
- Carla Ferreira
- William C. Westmoreland
- Nicholas English
- James K. Birkenfeld

Absent: None.

Also present were: Matthew P. Ruhland, Cockrel Ela Glesne Greher & Ruhland, P.C.; and Denise Denslow and Rachel Alles; CliftonLarsonAllen LLP.

When the following proceedings were had and done, to wit:

It was moved by Director _____ to adopt the following Resolution and ratify actions taken in connection herewith:

WHEREAS, the District was organized as a special district pursuant to an Order of the District Court in and for Adams County (the “**County**”), Colorado, and is located entirely within said County and within the City of Aurora (the “**City**”); and

WHEREAS, the Board has a duty to perform certain obligations in order to assure the efficient operation of the District; and

WHEREAS, the Directors may receive compensation for their services subject to the limitations imposed by § 32-1-902(3)(a) (II), C.R.S.; and

WHEREAS, § 32-1-101, *et seq.* C.R.S., requires the Board to publish certain legal notices in a newspaper of general circulation in the District; and

WHEREAS, § 32-1-903(1), C.R.S., requires that the Board shall meet regularly at a time and in a place to be designated by the Board; and

WHEREAS, in accordance with the Colorado Governmental Immunity Act, the Board is given authority to obtain insurance against liability for injuries for which the District may be liable under the Governmental Immunity Act, pursuant to § 24-10-115, C.R.S.; and

WHEREAS, §§ 32-1-901(2) and 32-1-902(2), C.R.S., require the District to obtain an individual, schedule or blanket surety bond in an amount of no less than \$1,000 per director and \$5,000 for the Board Treasurer, and to file such bond with the District Court and the Division of Local Government (the “**Division**”); and

WHEREAS, in accordance with § 24-10-115, C.R.S., the Board is given the authority to obtain insurance to insure the District against all or any part of the District’s liability; and

WHEREAS, § 32-1-306, C.R.S. requires the District to maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the County Assessor, County Clerk and Recorder and the Division on or before January 1st of each year; and

WHEREAS, § 32-1-809, C.R.S., requires that the District, between November 16th and January 15th of the subsequent year, provide notice to the eligible electors of the District (the “**Transparency Notice**”), which notice shall contain the following information:

- The address and telephone number of the principal business office;
- The name and business telephone number of the manager or other primary contact person;
- The names of and contact information for members of the board, the name of the board chair, and the name of each member whose office will be on the ballot at the next regular special district election;
- The times and places designated for regularly scheduled meetings of the board during the year, and the place where notice of board meetings is posted pursuant to § 24-6-402(2)(c) C.R.S.;
- The current mill levy, and total ad valorem tax revenue received during the last year;
- The date of the next regular special district election of board members;
- The procedure and time to submit a self-nomination form for election to the board;
- Information on the procedures to request permanent absentee voter status; and
- The address of any web site on which the special district’s election results will be posted.

The Transparency Notice shall be filed with the Division, Board of County Commissioners, County Assessor, County Treasurer and County Clerk and Recorder of each county in which the special district is located, and with the governing body of any municipality in which the special district is located, and shall be provided to electors in one or more of the following ways:

- Mailing the notice separately to each household where one or more eligible electors of the special district resides;
- Including the notice as a prominent part of a newsletter, annual report, billing statement, letter, voter information card or other notice sent by the special district to the eligible electors;
- Posting the information on the official web site of the special district if there is a link to the district's web site on the official web site of the Division;
- For any district that is a member of the Special District Association, by mailing or electronically transmitting the notice to the Special District Association, which shall post the notice on its website.

WHEREAS, § 29-1-205, C.R.S. requires that within 30 days after receiving a written request from the Division, the District shall provide the Division with a current list of all contracts in effect with other political subdivisions; and

WHEREAS, the Local Government Budget Law of Colorado, §§ 29-1-101, *et seq.*, C.R.S., requires the Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets, and to file copies of the budgets and amendments thereto; and

WHEREAS, in accordance with § 39-5-128(1), C.R.S. the District shall certify its mill levy with the Board of County Commissioners on or before December 15th; and

WHEREAS, in accordance with § 32-1-207(3)(c), C.R.S., the District shall electronically file an annual report for the preceding calendar year with the City, County Clerk and Recorder, State Auditor and the Division of Local Government on or before October 1st; unless the requirement is otherwise requested by an earlier date by the Town and ; and

WHEREAS, in accordance with § 32-1-903(6)(a), C.R.S., any metropolitan district that was organized after January 1, 2000, that has residential units within its boundaries, shall conduct an annual meeting in addition to any other Board meetings held, at which annual meeting the Board shall not take any official action and shall include (i) a presentation regarding the status of the public infrastructure projects within the District and outstanding bonds, if any; (ii) a review of unaudited financial statements; and (iii) an opportunity for members of the public to ask questions of the District; and

WHEREAS, in accordance with the Public Securities Information Reporting Act, §§ 11-58-101, *et seq.*, C.R.S., issuers of non-rated public securities issued to the public must file an annual report with the Department of Local Affairs; and

WHEREAS, § 32-1-104.8, C.R.S., requires the District to record a Special District Disclosure Document and a map of the boundaries of the District with the County Clerk and Recorder at the time of recording any decree or order organizing a special district or including additional property in a special district; and

WHEREAS, in accordance with § 29-1-604(1), C.R.S., if expenditures and revenues of the District are not in excess of \$100,000, the District may file an application for exemption from audit with the State Auditor; or, in accordance with § 29-1-604(2), C.R.S., if expenditures and revenues of the District are at least \$100,000 but not more than \$750,000 the District may file an application for exemption from audit with the State Auditor, or in accordance with § 29-1-603, C.R.S., the governing body of the District shall cause to be made an annual audit of the financial statements for each fiscal year; and

WHEREAS, the Unclaimed Property Act, §§ 38-13-101, *et seq.*, C.R.S., requires that governmental subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer by November 1st; and

WHEREAS, in accordance with § 24-12-103, C.R.S., a person designated by the District shall have the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion; and

WHEREAS, in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S., either the Board of County Commissioners of each county in which the District is located, or the governing body of the municipality that has adopted a resolution of approval of the District, may require the District to file an application for quinquennial finding of reasonable diligence; and

WHEREAS, special district directors are governed by § 32-1-902(3), C.R.S., which requires such directors to disqualify himself/herself from voting on an issue in which he or she has a conflict of interest unless the director has properly disclosed such conflict in compliance with law; and

WHEREAS, § 32-1-902, C.R.S., requires the Board to elect officers, including a Chair of the Board and President of the District, a Treasurer of the Board and District, and a Secretary, who may be a member of the Board; and

WHEREAS, in accordance with the Workers' Compensation Act of Colorado, §§ 8-40-101 – 8-47-101, *et seq.*, C.R.S., the District is required to carry workers'

compensation coverage for its employees, but the Board members may opt out of such coverage by the methods prescribed in the Workers' Compensation Act of Colorado; and

WHEREAS, the Board desires to continue engagement of general counsel for the District to assist with providing legal services and to assist with the operation of the District; and

WHEREAS, the Board desires to continue engagement of an accountant and management for the District to assist with providing financial services and to assist with the financial operations and to manage the affairs of the District, and who shall also be designated as the budget officer required to prepare and submit to the Board a proposed District budget by October 15, pursuant to §§ 29-1-104 and 29-1-105(3)(d), C.R.S.; and

WHEREAS, concerning the public records of the District, § 24-72-202(2), C.R.S. defines "Official Custodian" to mean and include any officer or employee of any political subdivision of the state who is responsible for the maintenance, care, and keeping of public records, regardless of whether the records are in his or her actual personal custody and control. The maintenance, care and keeping of public records shall be in accordance with the Colorado Special District Records Management Manual; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1, ADAMS COUNTY, COLORADO AS FOLLOWS:

1. The Board determines that each director shall not receive compensation for services as directors.
2. The Board designates the *Aurora Sentinel* as the newspaper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in accordance with applicable statutes.
3. The Board determines not to hold regular meetings at this time. Instead, the Board will call Special Meetings on an as needed basis for District business matters.
4. The Board directs the District's management to obtain proposals and/or renewals for insurance, as applicable, to insure the Directors acting within the scope of employment by the Board against all or any part of such liability for an injury; to insure against the expense of defending a claim for injury against the District or its Board. Additionally, the Board directs the District's management to obtain bonds or equivalent insurance coverage as required by §§ 32-1-901(2) and 32-1-902(2), C.R.S., in an amount of no less than \$1,000 per director and \$5,000 for the Board Treasurer, and to file the bond or certificate of insurance with the District Court and the Division.

5. The Board directs the District's management to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District's liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District's accountant to cause to be paid the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner.

6. The Board directs the District's management to maintain a current, accurate boundary map and shall provide for such map to be on file with the Division, with the County Assessor and with the County Clerk and Recorder on or before January 1st.

7. The Board directs the District's management to provide the Transparency Notice to the eligible electors of the District, the Board of County Commissioners of the County, County Assessor, County Treasurer, County Clerk and Recorder, the Division, City and the Special District Association between November 16th and January 15th of the subsequent year.

8. The Board directs the District's management to prepare and file with the Division, within 30 days after receiving a written request from the Division, a current list of all contracts in effect with other political subdivisions.

9. The Board designates the District's accountant to serve as the budget officer, and to submit a proposed budget to the Board by October 15th for the following year, and, in cooperation with management, to schedule a public hearing on the proposed budget; to prepare a final budget, budget resolutions and amendments to the budget, if necessary; to certify the mill levies on or before December 15th; and to file the approved budgets and amendments thereto with the proper governmental entities in accordance with the Local Government Budget Law of Colorado.

10. The Board directs the District's general counsel to prepare and electronically file the annual report with the City, the County Clerk and Recorder, State Auditor and Division on or before October 1st or earlier if required by the City.

11. The Board directs the District's management to arrange for the conduct of the annual meeting to be held immediately prior to the meeting at which the annual budget hearing will be conducted, and to arrange for the posting of the agenda notice. If such meeting is not to be held virtually, but solely in person, such meeting shall be held at a physical location that does not exceed five (5) miles from the boundaries of the District.

12. The Board directs the District's [accountant/management /general counsel] to prepare and file the annual public securities report for nonrated public securities issued by the District, with the Department of Local Affairs on or before March 1st, if applicable.

13. The Board directs the District's management to provide the Special District Disclosure Document and a map of the District's boundaries to the County Clerk and Recorder, for recording, at the same time an inclusion order is recorded.

14. The Board directs the District's accountant to: (i) obtain proposals for auditors to be presented to the Board, (ii) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and (iii) to cause the audit to be filed with the State Auditor by July 31st, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District's accountant to engage an accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31st in accordance with § 29-1-604, C.R.S.

15. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's accountant to file the mill levy certification form with the Board of County Commissioners on or before December 15th.

16. The Board directs the District's management to prepare the Unclaimed Property Act report and forward the report to the State Treasurer by November 1st, if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with §§ 38-13-110, C.R.S.

17. The Board hereby designates, in addition to any officer of the District, Sarah H. Luetjen as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

18. The Board directs the District's general counsel to prepare and file with the City Council of the City, if requested, the quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

19. The District hereby elects the following officers for the District:

President/Chair of the Board
 Secretary/Treasurer –
 Assistant Secretary –
 Assistant Secretary –
 Assistant Secretary –

20. The Board directs the District's general counsel to file conflict of interest disclosure forms provided by Board members with the Secretary of State annually. At the discretion of general counsel, transactional conflict of interest disclosures shall be filed 72 hours prior to regular and special meetings of the Board, when applicable, or at a

Board member's request. In addition, written disclosures required to be filed with the governing body in accordance with § 18-8-308, C.R.S., shall be deemed filed with the Board when filed with the Secretary of State.

21. The Board extends the current indemnification resolution to allow the resolution to continue in effect as written.

22. In accordance with § 8-40-202(1)(a)(I)(B), C.R.S., the Board hereby waives workers' compensation coverage for individual Board members by opting that the individual Board members not be deemed employees as that term is defined in the Workers' Compensation Act of Colorado, and directs legal counsel to file a statement with the Division of Workers' Compensation in the Department of Labor and Employment for the State of Colorado at least forty-five (45) days before the start of the policy year in order to effect such waiver of coverage.

23. The Board continues the engagement of Cockrel Ela Glesne Greher & Ruhland, P.C., as general counsel for the District.

24. The Board continues the engagement of CliftonLarsonAllen to provide accounting and management services for the District.

25. The Board designates the District's management to serve as the official custodian of public records and to follow the Colorado Special District Records Retention Schedule, as adopted by the District.

WHEREUPON, the motion was seconded by Director _____ and upon vote, unanimously carried. The Chair declared the motion carried and so ordered.

ADOPTED AND APPROVED THIS 17TH DAY OF NOVEMBER, 2023.

THE AURORA HIGHLANDS
METROPOLITAN DISTRICT NO. 1

By: _____
Chair

Attest:

Secretary

CERTIFICATION

I, _____, Secretary of the Board of Directors of The Aurora Highlands Metropolitan District No. 1, Adams County, Colorado do hereby certify that the attached and foregoing Resolution is a true copy from the records of the proceedings of the Board of Directors of The Aurora Highlands Metropolitan District No. 1.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, at Adams County, Colorado, this 17th day of November, 2023.

Secretary

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
RESOLUTION DESIGNATING LOCATION TO POST NOTICE

WHEREAS, pursuant to Sections 24-6-402(2)(c) and 32-1-903(2), C.R.S., notice and, where possible, the agenda of The Aurora Highlands Metropolitan District No. 1 (the “**District**”) Board of Directors (the “**Board**”) meetings at which the adoption of any formal action is to occur or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be posted within the boundaries of the respective Districts at least 24 hours prior to each meeting at a location designated at the first regular meeting of each year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Aurora Highlands Metropolitan District No. 1 as follows:

Notices of meetings (regular, special and work/study session) of the Board required pursuant to §24-6-401, et seq., C.R.S., shall be posted at least 24 hours prior to each meeting at:

<https://theaurorahighlands.specialdistrict.net/faqs/>

In the event of an exigent or emergency circumstance such as a power outage or an interruption in internet service, the District will post notice of public meetings at least 24 hours prior to the meeting at the following location:

Northwest corner of the intersection of Powhaton Road and
26th Avenue, Aurora CO.

ADOPTED this 17th day of November, 2023.

THE AURORA HIGHLANDS
METROPOLITAN DISTRICT NO. 1

By: _____
Chair

ATTEST:

Secretary

Renewal Documents and Invoice 1/1/2024 to EOD 12/31/2024

Acceptance of this coverage is evidenced only by payment of the enclosed invoice by January 1, 2024.

The following renewal documents are attached where applicable:

1. Invoice: Payment is due upon receipt. Please return a copy of the invoice with your payment to ensure that it is applied correctly. We have attached a Coverage Contribution instructions sheet which provides details about your payment.
2. Comparison of Annual Contributions.
3. Deductible Options:
 - Provides the difference in cost by coverage line if you were to increase or decrease the deductible for that specific coverage.
4. Quote for Excess Liability limits for your consideration:
 - Limits of up to \$8 million, in excess of the primary \$2 million Liability limit, are available. Although the primary \$2 million Liability limit is sufficient to cover the CGIA tort cap, we do recommend you consider purchasing higher limits primarily due to special districts' unlimited liability to federal civil rights, discrimination, harassment, whistle blowing, and other employment-related practices claims.
5. Coverage Declaration Pages: Informational page summarizing the key points about the coverage provided including limits and deductible descriptions for all coverage provided. Full coverage forms will be available at csdpool.org/documents by January 1, 2024.
6. Schedules: Lists of exposures and values.
7. Certificates of coverage: Originals are mailed directly to the Certificate Holders.
8. Automobile identification cards: Hard copies will be mailed.



Property and Liability Coverage Invoice

Named Member:

The Aurora Highlands Metropolitan District No. 1
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Broker of Record:

Highstreet TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Coverage No.	Entity ID	Effective Date	Expiration Date	Invoice Date
24PL-61772-1735	61772	1/1/2024	EOD 12/31/2024	9/5/2023

Coverage	Contribution
General Liability	\$ 546.00
Crime	\$ 160.00
Non-Owned Auto Liability	\$ 132.00
Hired Auto Physical Damage	\$ 65.00
No-Fault Water Intrusion & Sewer Backup	\$ 35.00
Public Officials Liability	\$1,163.00
Pollution	\$ 0.00

Total Contribution	\$2,101
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Please note: where included above, Hired Auto Physical Damage, Non-Owned Auto Liability, and No-Fault Water Intrusion & Sewer Backup are mandatory coverages and may not be removed.

The following discounts are applied (Not applicable to minimum contributions):

10% Direct Discount

8% Multi Program Discount for WC Program Participation

Payment Due Upon Receipt

Payment evidences "acceptance" of this coverage. The terms of the Intergovernmental Agreement (IGA) require timely payment to prevent automatic cancellation of coverage. Please return this invoice and reference the coverage number on your check to help us apply your payment correctly. Only prior notice to the board of directors of the Colorado Special Districts Property and Liability Pool and subsequent approval may extend cancellation provision.

Remit checks to: Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, LLC
PO Box 1539
Portland, OR 97207-1539

We accept online payments at [E-Bill Express](#)
Refer to Payment Instructions page for additional options
billing@csdpool.org
800-318-8870 ext. 3



Payment Instructions

The annual contribution for coverage with the Pool is due upon receipt of this invoice.

We accept the following payment methods:

1. Online using **E-Bill Express** (www.e-billexpress.com/ebpp/CSDPool). For detailed instructions, please click [here](#) or go to csdpool.org/documents. You can also find an FAQ [here](#) or go to the E-Bill Express logon screen.
2. Mail your check to:

Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, Inc.
PO Box 1539
Portland, OR 97207

For express or overnight mail services, please use the address below:

Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, Inc.
1800 SW 1st Ave, Suite 400
Portland, OR 97201

To ensure that your payment is accurately applied, please always include a copy of the invoice.

3. Wire or ACH transfer from your own bank account. Please let us know if you wish to use this method and we will be happy to provide you with these instructions.

Please be advised that in accordance with the Intergovernmental Agreement (IGA), automatic expulsion will occur on the 60th day should your account not be current. If you wish to reinstate your district's coverage after cancellation has occurred, a \$100 reinstatement fee will apply.

If your district requires a payment extension, please submit a written request within ten (10) business days from the date of the invoice, for consideration by the CSD Pool Board of Directors.

Finally, all members of the Pool must be members in good standing with the Special District Association of Colorado (SDA). Please visit the SDA website at sdaco.org for member information.

Please contact us at billing@csdpool.org or 800-318-8870 ext. 3 for billing questions.

Annual Comparison of 2024 and 2023 contributions.
Loss Ratios based on participation years from 2016 to 2023

The Aurora Highlands Metropolitan District No. 1

Year	Contribution
2024	\$2,101.00
2023	\$2,099.00
Difference	\$2.00
% Difference	0.10%

General Liability	Contribution	TOE
Yr. 2024	\$546.00	\$15,000.00
Yr. 2023	\$546.00	\$15,000.00
Difference		NaN
% Difference		0.00%
Loss Ratio	0.00%	

Equipment Breakdown	Contribution
Yr. 2024	\$0.00
Yr. 2023	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Auto Liability	Contribution	Auto Count
Yr. 2024	\$132.00	0
Yr. 2023	\$132.00	0
Difference		0
% Difference	NaN	0.00%
Loss Ratio	0.00%	

Crime	Contribution
Yr. 2024	\$160.00
Yr. 2023	\$158.00
Difference	\$2.00
% Difference	1.27%
Loss Ratio	0.00%

Auto Physical Damage	Contribution	TIV
Yr. 2024	\$65.00	\$0.00
Yr. 2023	\$65.00	\$0.00
Difference		\$0.00
% Difference	NaN	0.00%
Loss Ratio	0.00%	

Public Officials Liability	Contribution	EE Count
Yr. 2024	\$1,163.00	0
Yr. 2023	\$1,163.00	0
Difference	\$0.00	0
% Difference	0.00%	0.00%
Loss Ratio	0.00%	

Property/Inland Marine	Contribution	TIV
Yr. 2024	\$0.00	\$0.00
Yr. 2023	\$0.00	\$0.00
Difference	\$0.00	\$0.00
% Difference	0.00%	0.00%
Loss Ratio	0.00%	

Excess Liability	Contribution
Yr. 2024	\$0.00
Yr. 2023	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Earthquake	Contribution
Yr. 2024	\$0.00
Yr. 2023	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Flood	Contribution
Yr. 2024	\$0.00
Yr. 2023	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

No Fault	Contribution
Yr. 2024	\$35.00
Yr. 2023	\$35.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%



2024 Excess Liability Options Proposal

This Proposal Does Not Bind Coverage

This report demonstrates what it would cost your district to increase coverage from your current limit of liability to a higher limit.

Named Member: The Aurora Highlands Metropolitan District No. 1

Certificate Number: 24PL-61772-1735

<u>Excess Limit</u>	<u>Annual Excess Contribution</u>	<u>Change in Contribution</u>
\$1,000,000	\$330	\$330
\$2,000,000	\$570	\$570
\$3,000,000	\$810	\$810
\$4,000,000	\$1,020	\$1,020
\$5,000,000	\$1,250	\$1,250
\$6,000,000	\$1,500	\$1,500
\$7,000,000	\$1,750	\$1,750
\$8,000,000	\$2,000	\$2,000

Note: This is not your Coverage Document. It was created solely for informational purposes.

9/5/2023



Public Entity Liability and Auto Physical Damage Certificate Holder Declaration

Master Coverage Document Number: CSD Pool CTC 01 01 24 and CSD Pool PEL 01 01 24

Certificate Number: 24PL-61772-1735

Named Member:

The Aurora Highlands Metropolitan District No.
1

c/o CliftonLarsonAllen LLP

8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Coverage Period: 1/1/2024 to EOD 12/31/2024

Broker of Record:

Highstreet TCW Risk Management

384 Inverness Parkway

Suite 170

Englewood, CO 80112

Coverage is provided only for those coverages indicated below for which a contribution is shown.

Coverage	Per Occurrence Limit	Annual Aggregate Limit	Deductible	Contribution
Public Entity Liability Coverage including:	\$2,000,000	None		
General Liability	Included	None	None	\$546
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Liability	Included	None	None	Included
Public Officials Liability	Included	None	\$1,000	\$1,163
Employment Practices Liability	Included	None	*\$100,000	Included
Pre Loss Legal Assistance	\$3,500	\$7,000	None	Included
No-Fault Water Intrusion & Sewer Backup	\$200,000 limited to \$10,000 Any One Premises	***\$1,000,000	\$500	\$35
Cyber	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liability - Coverage agreements	No Coverage	No Coverage	N/A	No
Auto Liability	No Coverage	No Coverage	N/A	No
Medical Payments – Auto	No Coverage	No Coverage	N/A	No
Non-Owned and Hired Auto Liability	Included	None	None	\$132
Uninsured/Underinsured Motorists Liability	No Coverage	No Coverage	N/A	No
Auto Physical Damage	No Coverage	No Coverage	N/A	No
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$65
Auto Physical Damage - Employee Deductible	\$2,500	N/A	None	Included

Total Contribution \$1,941

*Employment Practices Liability Deductible: 50% of loss including Indemnity and Legal Expenses subject to a maximum deductible of \$100,000 each occurrence.

**A \$5,000,000 All Member Annual Aggregate Limit shall apply to Cyber.

**A \$1,000,000 All Member Annual Aggregate Limit shall apply to Fiduciary Liability.

***No-Fault Water Intrusion & Sewer Backup has \$1,000,000 All Member Annual Aggregate Limit.

Additional Endorsements applicable to Member:

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Public Entity Liability Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.

Countersigned by: _____

Authorized Representative

Crime Certificate Holder Declaration

Master Coverage Document Number: J05931794
Certificate Number: 24PL-61772-1735

Insurer: Federal Insurance Company (Chubb)
Coverage Period: 1/1/2024 to EOD 12/31/2024

Named Member:

The Aurora Highlands Metropolitan District No. 1
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Broker of Record:

Highstreet TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Covered Designated Agent(s):

Coverages and Limits:

Employee Theft:	\$10,000
<ul style="list-style-type: none"> · Limit is maximum for each loss · Employee includes executives, full-time, part-time, seasonal, leased and temporary employee(s), interns or non-compensated volunteer. · Includes funds from a sponsored benefit plan. 	
Public Official Faithful Performance of Duty:	\$10,000
Client Theft:	\$10,000
Forgery or Alteration:	\$10,000
On Premises:	\$10,000
In Transit:	\$10,000
Computer System Fraud:	\$10,000
Funds Transfer Fraud:	\$10,000
Debit, Credit or Charge Card Fraud:	\$10,000
Money Orders and Counterfeit Paper Currency Fraud:	\$10,000
Social Engineering Fraud:	\$10,000

Deductible(s):

All Crime except Social Engineer Fraud:	\$250
Social Engineering Fraud:	20% of Social Engineering Fraud Limit

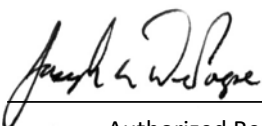
Contribution:

\$160

Policy Forms:

PF-52815 (04/20)	The Chubb Primary SM Commercial Crime Insurance
PF-52853 (04/20)	Governmental Entity (Colorado Special Districts Pool) Endorsement
PF-53127 (04/20)	Colorado Amendatory Endorsement
PF-52851 (04/20)	Add Corporate Credit Card Coverage

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Master Crime Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Policy Documents for actual coverage, terms, conditions, and exclusions.

Countersigned by:  _____
Authorized Representative



Identity Recovery Certificate Holder Declaration

Master Coverage Policy Number:

CSD 2009 CP IDR Form 01 01 21

Insurer:

The Hartford Steam Boiler Inspection and Insurance Company

Certificate Number: 24PL-61772-1735

Coverage Period: 1/1/2024 to EOD 12/31/2024

Named Member:

The Aurora Highlands Metropolitan District No. 1
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Broker of Record:

Highstreet TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Member:

All permanent employees and District Board members participating in the Colorado Special Districts Property and Liability Pool; Special District Association of Colorado staff and Board of Directors.

Coverage:

Reimbursement coverage for expenses arising from a defined "Identity Theft" event. Including: legal fees for answer of civil judgements and defense of criminal charges; phone, postage, shipping fees; notary and filing fees; credit bureau reports; lost wages; child/elder care and mental health counseling.

This coverage does not reimburse the member for monies stolen or fraudulently charged to the member, and excludes loss arising from the member's fraudulent, dishonest or criminal act.

Annual Aggregate Limit per Member: **\$35,000**

Case Management Service Expenses - does not reduce the limit available

Legal Costs - reduces the limit available

Sub Limits:

\$5,000	Lost Wages and Child/Elder Care
\$1,000	Mental Health Counseling
\$1,000	Miscellaneous Expenses

Coverage Trigger: Coverage is provided on a discovery basis with a 60-day reporting requirement

Claims: For Recovery Assistance and Counseling, please call 1-800-945-4617

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Identity Recovery Coverage Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage document for actual coverage, terms, conditions, and exclusions.

Countersigned by:

A handwritten signature in black ink, appearing to read "Joseph L. W. Page", is written over a horizontal line.

Authorized Representative



Environmental Legal Liability Certificate Holder Declaration

Master Policy Number: ER00A9V23

Certificate Number: 24PL-61772-1735

Named Member:

The Aurora Highlands Metropolitan District
No. 1
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Insurer: Aspen Specialty Insurance Company

Coverage Period: 1/1/2024 to EOD 12/31/2024

Broker of Record:

Highstreet TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Claims-Made Coverage:

1. **First Party Protection:** For coverages 1.a – 1.d, the pollution incident must be first discovered by the responsible insured and reported to the insurer during the policy period.
 - a. **Clean up:** Covers clean-up costs resulting from a pollution incident on, at, under, or migrating from or through an insured location.
 - b. **Emergency Response:** Covers emergency response cost resulting from a
 - c. **Pollution Incident:** (i) on, at, under or migrating from or through an insured location; (ii) caused by transportation; or (iii) caused by covered operations.
 - d. **Environmental Crisis:** Covers crisis cost resulting from a crisis event.
 - e. **Business Interruption:** Covers business interruption cost and extra expense incurred by the insured and solely and directly by a pollution incident on, at or under an insured location, provided the pollution incident results in clean-up cost covered by this policy.

2. **Legal Liability Protection:** For coverages 2.a – 2.d, the claim for damages because of such bodily injury or property damage, or a claim for such clean-up cost, is first made against an insured and reported to the insurer during the policy period.
 - a. **Insured Location:** Covers sums the insured becomes legally obligated to pay: (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident on, at under, or migrating from or through an insured location.
 - b. **Non-owned Site:** Covers sums the insured becomes legally obligated to pay (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident on, at under, or migrating from or through any non-owned site.
 - c. **Transportation:** Covers sums the insured becomes legally obligated to pay (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident caused by transportation.
 - d. **Covered Operations:** Covers sums the insured becomes legally obligated to pay (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident caused by covered operations or completed operations.

Limits of Liability: \$1,000,000 Each Pollution Incident
 \$5,000,000 Total Policy and Program Aggregate – Shared All Members
 Sublimits: \$500,000 Environmental Crisis Aggregate
 \$250,000 Business Interruption Aggregate
 \$100,000 Perfluorinated Compounds Aggregate

Member Deductible: \$1,000 Each Pollution Incident

Retroactive Date: January 1, 2009 (unless otherwise specified)
Defense Costs: Legal defense expenses and settlement shall erode the Limits of Liability

Partial List of Exclusions:

Asbestos, Contractual Liability, Criminal Fines and Criminal Penalties, Cross Liability (Insured vs. Insured), Damage to Insured's Product/Work, Divested Property, Employers Liability, Fraud or Misrepresentation, Intentional Non-Compliance, Internal Expenses, Known Conditions, Lead-Based Paint, Material Change in Risk, Non-Owned Disposal Sites, Underground Storage Tanks and Above Ground Storage Tanks excluded unless scheduled, Vehicle Damage, War or Terrorism, Workers Compensation, Lead at all gun or shooting ranges, Maintenance, Upgrades, Improvements or Installations where required by law, Microbial Matter with carveback for sudden and accidental water intrusion; 10-day discovery period/30 day reporting period, Prior Claims, Communicable Disease

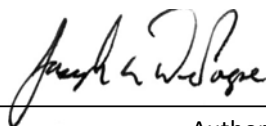
Policy Forms:

ASPENV110 06 17	Environmental Legal Liability Policy
ASPENV098 11 17	Cap on Losses from Certified Acts of Terrorism
ASPENV340 05 17	Insured Location(s) Schedule Endorsement
ASPENV310 05 17	Known Conditions Exclusion Endorsement
ASPENV316 05 17	Legal Expense Aggregate Limit of Liability Endorsement
ASPENV117 11 17	Self-Insured Retention Aggregate (Erosion by Underlying Policies)
ASPENV117 11 17	Sewage Back-up Deductible Amendatory Endorsement
ASPENV117 11 17	Perfluorinated Compounds, Sublimit and Retroactive Date Amendatory Endorsement
ASPENV117 11 17	Cancellation Amendatory Endorsement
ASPENV117 11 17	Microbial Matter Exclusion Endorsement
ASPENV117 11 17	Maintenance, Upgrade, Improvements or Installations Exclusion Endorsement
ASPENV117 11 17	Retroactive Date All Coverage Endorsement
ASPENV117 11 17	Microbial Matter Sudden and Accidental Coverage Limitation Amendatory Endorsement
ASPENV117 11 17	Insured Location/Acquired Property Endorsement
ASPENV117 11 17	Public Entity Amendatory Endorsement
ASPENV322 05 17	Minimum Earned Premium Endorsement
ASPENV341 05 17	Named Insured Schedule Endorsement
ASPENV118 11 17	Nuclear, Biological, Chemical, or Radiological Terrorism Exclusion
ASPENV003 05 17	Other Insurance Condition Amendatory Endorsement
ASPER334 01 14	Prior Claim Exclusion Endorsement
ASPENV338 04 19	Schedule of Crisis Management Firms Endorsement
ASPENV431 11 17	Aspen Environmental Emergency Response Hotline
SNCO 1021	Colorado Surplus Lines Notice
ASPENV117.EL.0920.X	Communicable Disease Exclusion

Additional Endorsements Applicable to Named Member:

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all coverage terms under the Pollution Liability Policy #EV00A9V23 issued by Aspen Specialty Insurance Company. This Certificate represents a brief summary of coverages. Please refer to the Master Coverage Document for all coverage terms, conditions and exclusions.

Countersigned by:



Authorized Representative

**General Liability Schedule
Metropolitan District**

Policy Number: 24PL-61772-1735
Named Member: The Aurora Highlands Metropolitan District No. 1

Coverage Period: 1/1/2024 – EOD 12/31/2024
Broker: Highstreet TCW Risk Management

Code	Description	Unit	Amount	Effective Date	Expiration Date
1	1-Number of Skate Board Parks	Total	0.00	1/1/2024	12/31/2024
2	2-Number of Diving Boards	Total	0.00	1/1/2024	12/31/2024
3	3-Number of Water Slides	Total	0.00	1/1/2024	12/31/2024
4	4-Maximum Bond Issued	Dollars	0.00	1/1/2024	12/31/2024
5	5-Number of Bonds Issued	Total	0.00	1/1/2024	12/31/2024
20	20-Day Care Operations - Total Annual Payroll	Dollars	0.00	1/1/2024	12/31/2024
30	30-Number of EMT Personnel	Total	0.00	1/1/2024	12/31/2024
32	32-Paid Firefighters - Non-EMT	Total	0.00	1/1/2024	12/31/2024
37	37-Pipe Line - Under Drain	Miles	0.00	1/1/2024	12/31/2024
39	39-Pipe Line	Miles	0.00	1/1/2024	12/31/2024
42	42-Pipe Line - Sewer	Miles	0.00	1/1/2024	12/31/2024
43	43-Pipe Line - Sewer / Storm Drainage Combined	Miles	0.00	1/1/2024	12/31/2024
50	50-Number of Teachers	Total	0.00	1/1/2024	12/31/2024
70	70-Number of Golf Courses	Total	0.00	1/1/2024	12/31/2024
80	80-Number of Go Cart Tracks	Total	0.00	1/1/2024	12/31/2024
98	98-Additional First Named Members	Total	0.00	1/1/2024	12/31/2024
105	105-Total Operating Expenses - Any other	Dollars	15,000.00	1/1/2024	12/31/2024
130	130-Total Operating Expenses - Park & Recreation	Dollars	0.00	1/1/2024	12/31/2024
131	131-Total Operating Expenses - Cemetery	Dollars	0.00	1/1/2024	12/31/2024

132	132-Total Operating Expenses - Soil & Water Conservation	Dollars	0.00	1/1/2024	12/31/2024
133	133-Total Operating Expenses - Pest Control	Dollars	0.00	1/1/2024	12/31/2024
134	134-Total Operating Expenses - Hospital / Health	Dollars	0.00	1/1/2024	12/31/2024
135	135-Total Operating Expenses - Drainage	Dollars	0.00	1/1/2024	12/31/2024
136	136-Total Operating Expenses - Library	Dollars	0.00	1/1/2024	12/31/2024
137	137-Total Operating Expenses - Water Control	Dollars	0.00	1/1/2024	12/31/2024
138	138-Total Operating Expenses - Fire / Ambulance	Dollars	0.00	1/1/2024	12/31/2024
139	139-Total Operating Expenses - Water	Dollars	0.00	1/1/2024	12/31/2024
140	140-Total Operating Expenses - Irrigation	Dollars	0.00	1/1/2024	12/31/2024
141	141-Total Operating Expenses - Sanitation	Dollars	0.00	1/1/2024	12/31/2024
142	142-Total Operating Expenses - Transit	Dollars	0.00	1/1/2024	12/31/2024
143	143-Total Operating Expenses - Improvement	Dollars	0.00	1/1/2024	12/31/2024
151	151-Total Operating Expenses - Sanitation MW Discounted	Dollars	0.00	1/1/2024	12/31/2024
215	215-Buildings & Premises Occupied by District	Sq. Ft.	0.00	1/1/2024	12/31/2024
250	250-Number of Homes – Covenant Enforcement/Design Review Services under District Authority	Total	0.00	1/1/2024	12/31/2024
270	270-Number of Aboveground Storage Tanks (excluding water tanks)	Total	0.00	1/1/2024	12/31/2024
331	331-Number of Paid Firefighters - Full-Time	Total	0.00	1/1/2024	12/31/2024
332	332-Number of Paid Firefighters - Part-Time	Total	0.00	1/1/2024	12/31/2024
333	333-Number of Volunteer Firefighters	Total	0.00	1/1/2024	12/31/2024
334	334-Number of Paid EMT - Full-Time	Total	0.00	1/1/2024	12/31/2024
335	335-Number of Paid EMT - Part-Time	Total	0.00	1/1/2024	12/31/2024
341	341-Time Spent by Club/Recreation/Camp Volunteers	Hours	0.00	1/1/2024	12/31/2024
342	342-Time Spent by Day Care Volunteers	Hours	0.00	1/1/2024	12/31/2024
344	344-Time Spent by Event Organizer Volunteers	Hours	0.00	1/1/2024	12/31/2024

345	345-Time Spent by General Volunteers	Hours	0.00	1/1/2024	12/31/2024
348	348-Number of Board Members	Total	5.00	1/1/2024	12/31/2024
350	350-Number of Permanent Employees - Full-Time	Total	0.00	1/1/2024	12/31/2024
351	351-Number of Permanent Employees - Part-Time	Total	0.00	1/1/2024	12/31/2024
366	366-Total Payroll	Dollars	0.00	1/1/2024	12/31/2024
400	400-Number of Boats - Under 26'	Total	0.00	1/1/2024	12/31/2024
411	411-Total Water Delivered Annually - Millions of Gallons (MGAL)	MGAL	0.00	1/1/2024	12/31/2024
414	414-Playground/parks (Area)	Acres	0.00	1/1/2024	12/31/2024
415	415-Number of Grandstands/Stadiums	Total	0.00	1/1/2024	12/31/2024
420	420-Vacant Land	Acres	0.00	1/1/2024	12/31/2024
450	450-Miles of Road Maintained	Miles	0.00	1/1/2024	12/31/2024
522	522-Number of Ponds, Lakes & Reservoirs	Total	0.00	1/1/2024	12/31/2024
550	550-Fire Department Area Served	Sq Miles	0.00	1/1/2024	12/31/2024
671	671-Number of Parks	Total	0.00	1/1/2024	12/31/2024
710	710-Dams - Class 1 - Low Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2024	12/31/2024
712	712-Dams - Class 1 - Low Hazard - Number of Dams	Count	0.00	1/1/2024	12/31/2024
720	720-Dams - Class 2 - Med Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2024	12/31/2024
722	722-Dams - Class 2 - Med Hazard - Number of Dams	Count	0.00	1/1/2024	12/31/2024
730	730-Dams - Class 3 - High Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2024	12/31/2024
732	732-Dams - Class 3 - High Hazard - Number of Dams	Count	0.00	1/1/2024	12/31/2024
811	811-Number of Spillways	Total	0.00	1/1/2024	12/31/2024
900	900-Services Contracted out to Others	Dollars	0.00	1/1/2024	12/31/2024
924	924-Revenue from use of Swimming Pools	Dollars	0.00	1/1/2024	12/31/2024
925	925-Number of Swimming Pools	Total	0.00	1/1/2024	12/31/2024

945	945-Number of Sewage Taps	Total	0.00	1/1/2024	12/31/2024
946	946-Number of Water Mains or Connections	Total	0.00	1/1/2024	12/31/2024
947	947-Sewer and/or Sanitation Line Maintenance (budget)	Dollars	0.00	1/1/2024	12/31/2024
948	948-Water Line Maintenance (budget)	Dollars	0.00	1/1/2024	12/31/2024
997	997-Number of district sponsored Events/Fundraisers - No Alcohol Served	Total	0.00	1/1/2024	12/31/2024
998	998-Number of District sponsored Events/Fundraisers – With Alcohol Served	Total	0.00	1/1/2024	12/31/2024
999	999-Prior Acts Coverage Under a Previous “Claims Made” Policy	Premium	0.00	1/1/2024	12/31/2024

If your district has exposures not listed on the General Liability schedule above, such as airplanes, security staff, bridges, drones, etc., please furnish details. Certain activities may be excluded or restricted.



CERTIFICATE OF COVERAGE

Certificate Number CERT-008849

ADMINISTRATOR Colorado Special Districts Property and Liability Pool c/o McGriff Insurance Services, LLC PO Box 1539 Portland, OR 97207-1539	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
NAMED MEMBER The Aurora Highlands Metropolitan District No. 1 c/o CliftonLarsonAllen LLP 8390 East Crescent Parkway, Suite 300 Greenwood Village, CO 80111-2814	COMPANIES AFFORDING COVERAGE COMPANY A: Colorado Special Districts Property and Liability Pool COMPANY B: COMPANY C: COMPANY D: COMPANY E:

COVERAGES

THIS IS TO CERTIFY THAT COVERAGE DOCUMENTS LISTED HEREIN HAVE BEEN ISSUED TO THE NAMED MEMBER HEREIN FOR THE COVERAGE PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE COVERAGE DOCUMENTS LISTED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH COVERAGE DOCUMENTS.

CO LTR	Type of Coverage	Coverage #	Effective Date	Expiration Date	LIMITS	
	General Liability	24PL-61772-1735	01/01/24	12/31/24	General Aggregate	Unlimited
A	<input checked="" type="checkbox"/> Commercial General Liability <input checked="" type="checkbox"/> Public Officials Liability <input checked="" type="checkbox"/> Employment Practices <input checked="" type="checkbox"/> Occurrence	*Except that for claims, occurrences or suits to which the monetary limits of the Colorado Immunity Act, C.R.S. & 24-10-101, et.seq., as amended, apply, there shall be a further sublimit of (a) \$387,000 for an injury to any one person in any single occurrence; and (b) \$1,093,000 for an injury to two or more persons in any single occurrence; but in the event of an injury to two or more persons in any single occurrence, the sublimit shall not exceed \$387,000 for each injured person.			Each Occurrence*	\$2,000,000
	Automobile Liability <input type="checkbox"/> Scheduled Autos <input type="checkbox"/> Hired Autos <input type="checkbox"/> Non-Owned Autos				Each Occurrence*	
	Auto Physical Damage <input type="checkbox"/> Scheduled Autos <input type="checkbox"/> Hired Autos					
	Excess Liability <input type="checkbox"/> Other Than Umbrella Form				General Aggregate	
					Each Occurrence*	
	Property <input type="checkbox"/>					

Description:
Evidence of coverage only.

CERTIFICATE HOLDER To Whom It May Concern	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED COVERAGES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE COVERAGE FORM PROVISIONS. AUTHORIZED REPRESENTATIVE: By: Joseph E. DePaepe
	Date: September 5, 2023

Attached are the district's **2024 Workers' Compensation Board Member Only (BMO)** renewal documents, which includes the renewal invoice, payment instructions, declarations page, and certificates if applicable.

The minimum stipend per board member continues to be \$1,200 a year for each board member (i.e.: the minimum total stipend for five (5) board members is \$6,000). The annual minimum contribution remains the same at \$450.

There are a couple of important dates to mark on your calendar:

- By **October 20, 2023**, let us know if you would like to make any changes to the renewal coverage.
- By **January 1, 2024**, renewal payment is due.
- By **January 30, 2024**, WC coverage is subject to cancellation for non-payment. If the CSD Pool does not receive payment by January 30, 2024, Workers Compensation coverage will cancel for non-payment.

As a reminder, BMO coverage is designed only for work-related injuries and illness for board members while in the course and scope of their duties as board members, which are strictly administrative functions. If any of the following scenarios apply to your district, you must report it to us for proper classification:

- Non-administrative functions performed by any board member, such as occasionally working at a water/sewer, or other plant operations, helping with landscaping or maintenance, meter reading, plowing snow, and so forth.
- Entering into a contract with a party, whether verbally or written, to perform work for your district, when the party does not provide proof of his/her own workers' compensation insurance coverage.
- Hiring district employee(s).

Not reporting accurately may also affect prior years' coverages as the NCCI administrative rules allow for Audits to be conducted and reconciled for corrected contribution payments for the prior three (3) years.

It is important to note that board members are considered employees under the current Colorado Revised Statute while in the course and scope of their board member administrative duties; therefore, coverage is required unless the district opts out by filing a statement with the Colorado Division of Workers' Compensation no less than 45 days before the start of the coverage year along with an annual resolution adopted and signed by each board member. If the district decides to opt out, please send us a copy of the statement and resolution so that we can properly update our file and non-renew the district's coverage. **Please also note that opting out or canceling BMO coverage will lead to the loss of the 8% Multi Program Discount associated with the district's Property & Liability coverage.**

Finally, the district may qualify for the CSD Pool's SDA Conference Scholarship Program. The CSD Pool sponsors board members who have never attended a Special District Association of Colorado (SDA) Annual Conference in September.

Thank you for renewing your Workers' Compensation Board Member Only coverage with us. If you have any questions regarding your renewal, please do not hesitate to contact us.

TCW Risk Management Renewal Team

On behalf of Nikki Rickord & Sebastian Arulraj

303.872.1930 • tcwinfo@tcwrm.com



If the recipient of this email is not the intended recipient or has otherwise received the email in error, please notify the sender immediately by return email and delete the original email (together with any copies of it) from the recipient computer system without retaining, using, or reproducing the email or its contents.

Workers' Compensation Coverage Invoice

District: The Aurora Highlands Metropolitan District No. 1
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111-2814

Broker: TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Coverage No.		Entity ID		Effective Date		Expiration Date		Invoice Date	
24WC-61772-0483		61772		1/1/2024		EOD 12/31/2024		8/14/2023	
Class Code	Description	No. of Employees		No. of Volunteers	2024 Rate	2024 Estimated Employee Payroll	2024 Estimated Volunteer Payroll	Estimated Manual Contribution	
		FT	PT						
8811	Board Member Coverage	0	0	5	0.75		\$6,000.00	\$45.00	

Manual Contribution:		\$45.00
Experience Modification:	×	1.00
Modified Contribution:	=	\$45.00
Minimum Contribution:		\$450.00
Contribution Volume Credit:	-	\$0.00
Designated Provider Discount:	-	\$0.00
Cost Containment Credit:	×	1.00
Manual Adjustment:	×	
Multi-Program Discount:	×	1.00
Estimated Annual Contribution:	=	\$450.00
Pro Rata Factor:	×	1.00
Total Estimated Contribution:	=	\$450.00
Total Amount Due:		\$450.00

Estimated payroll is subject to yearend audit.

Payment evidences "acceptance" of this coverage. The terms of the Intergovernmental Agreement (IGA) require timely payment to prevent automatic cancellation of coverage. Please return this invoice and reference the coverage number on your check to help us apply your payment correctly. Only prior notice to the board of directors of the Colorado Special Districts Property and Liability Pool and subsequent approval may extend cancellation provision.

Please remit to: Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, LLC
PO Box 1539
Portland, OR 97207-1539

We accept online payments at [E-Bill Express](#)
Refer to Payment Instructions page for additional options
billing@csdpool.org
800-318-8870 ext. 3



Workers' Compensation and Employer's Liability Declarations Page

Coverage Number: 24WC-61772-0483
Coverage Period: 1/1/2024 — EOD 12/31/2024

FEIN: 41-2164012
Entity ID: 61772

Named Member:
 The Aurora Highlands Metropolitan District
 No. 1
 c/o CliftonLarsonAllen LLP
 8390 East Crescent Parkway, Suite 300
 Greenwood Village, CO 80111-2814

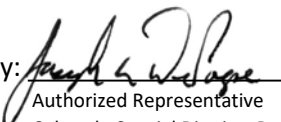
Broker of Record:
 TCW Risk Management
 384 Inverness Parkway
 Suite 170
 Englewood, CO 80112

Coverage is provided for only those coverages and classifications indicated below.

State: Colorado
Limits of Liability: Coverage A Workers' Compensation Statutory
 Coverage B Employer's Liability \$2,000,000
Annual Contribution: \$450.00

Class	Description	2024 Estimated Employee Payroll	2024 Estimated Volunteer Payroll
8811	Board Member Coverage		\$6,000.00

This Declarations page is made and is mutually accepted by the Pool and Named Member subject to all terms that are made a part of the Workers' Compensation Coverage Document. This Declarations page represents only a brief summary of coverages. Please refer to the Coverage Document at csdpool.org for actual coverages, terms, conditions, and exclusions. Named Member must be a member of the Special District Association of Colorado and must adopt the Pool's Intergovernmental Agreement.

Countersigned by: 
 Authorized Representative
 Colorado Special Districts Property and Liability Pool

Date: 8/14/2023



Payment Instructions

The contribution for coverage with the Pool is due upon receipt of this invoice.

We accept the following payment methods:

1. Online using **E-Bill Express** (www.e-billexpress.com/ebpp/CSDPool). For detailed instructions, please click [here](#) or go to csdpool.org/documents. You can also find an FAQ [here](#) or go to the E-Bill Express logon screen.
2. Mail your check to:

Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, LLC
PO Box 1539
Portland, OR 97207

For express or overnight mail services, please use the address below:

Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, LLC
1800 SW 1st Ave, Suite 400
Portland, OR 97201

To ensure that your payment is accurately applied, please always include a copy of the invoice.

3. Wire or ACH transfer from your own bank account. Please let us know if you wish to use this method and we will be happy to provide you with these instructions.

Please be advised that in accordance with the Intergovernmental Agreement (IGA), automatic expulsion will occur on the 60th day should your account not be current. If you wish to reinstate your district's coverage after cancellation has occurred, a \$100 reinstatement fee will apply.

If your district requires a payment extension, please submit a written request within ten (10) business days from the date of the invoice, for consideration by the CSD Pool Board of Directors.

Finally, all members of the Pool must be members in good standing with the Special District Association of Colorado (SDA). Please visit the SDA website at sdaco.org for member information.

Please contact us at billing@csdpool.org or 800-318-8870 ext. 3 for billing questions.



384 Inverness Parkway Suite 170
 Englewood, CO 80112
 (303) 368-5757
 tcwinfo@tcwrm.com

Invoice # 12809		Page 36 1 of 1
Account Number	Date	
GREEVAL-02	8/31/2023	
BALANCE DUE ON		
1/1/2024		
AMOUNT PAID	Amount Due	
	\$595.00	

The Aurora Highlands Metropolitan District No. 1 fka Green Valley Ranch East MD No. 2
c/o CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Commercial Package	PolicyNumber: .	Effective: 1/1/2024	to 1/1/2025
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Item #	Eff Date	Due Date	Type	Description	Amount
81291	1/1/2024	1/1/2024	FEEA	2024 Agency Fee	\$595.00
Total Invoice Balance:					\$595.00

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
HELD
NOVEMBER 22, 2022**

A special meeting of the Board of Directors of The Aurora Highlands Metropolitan District No. 1, County of Adams (referred to hereafter as the “Board”) was convened on Wednesday, November 22, 2022 at 9:06 a.m. at the Construction Trailer, 3900 E. 470 Beltway, Aurora, Colorado. The District Board meeting was also held and properly noticed to be held via video enabled web conference. The meeting was open to the public via videoconference.

Directors In Attendance Were:

Carla Ferreira
Cynthia (“Cindy”) Shearon
William C. Westmoreland

Also In Attendance Was:

MaryAnn McGeady, Esq. and Jon Hoistad, Esq.; McGeady Becher P.C.
Jason Carroll, Gina Karapetyan, Denise Denslow and Shauna D’Amato;
CliftonLarsonAllen LLP (“CLA”)
Matthew Ruhland, Esq.; Cockrel Ela Glesne Greher & Ruhland P.C.
Matt Hopper; Aerotropolis Area Coordinating Metropolitan District, The Aurora Highlands Community Authority Board, ATEC Metropolitan District Nos. 1 & 2, and The Aurora Highlands Metropolitan District Nos. 2, 3 & 6.

ADMINISTRATIVE MATTERS **Disclosure of Potential Conflicts of Interest/Quorum:** A quorum was confirmed, The absence of Director English and Sheldon were excused. Attorney McGeady discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted that the disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors as required by statute. No new conflicts were disclosed and a quorum was confirmed.

Agenda/Meeting Location and Posting Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the Board meeting. Following discussion, upon motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board determined to conduct this meeting at the above-stated location. The meeting was also accessible via video enabled web conference. The Board further noted that notice providing the time, date, location and video link information was duly posted and that no objections, or any requests that the meeting location be changed by any interested person have been received.

Upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Public Comment: None.

2023 Annual Administrative Matters Resolution: Ms. Denslow reviewed the Resolution with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board adopted the 2023 Annual Administrative Matters Resolution with the acceptance of the current slate of officers.

Section 32-1-809, C.R.S. and direct staff regarding compliance for 2023: Ms. Denslow reviewed the compliance requirements with the Board. Following discussion, the Board directed staff to update the Transparency Notice and file to meet the compliance for 2023

Website update requirements to meet the new legislation deadline of January 1, 2023: Following discussion, the Board acknowledge the website requirements and directed staff to work with legal counsel to reach compliance.

2023 Insurance Renewal: Ms. Denslow reviewed the insurance with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board approved the 2023 insurance renewal and adopted documents needed to obtain or maintain insurance coverage through the Colorado Special District Property and Liability Pool and T. Charles Wilson Risk Management, and authorized membership in the Special District Association.

CONSENT AGENDA The Board considered the approval of the following:

- **Minutes from September 30, 2022 Special Meeting;**

Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board approved the Consent Agenda.

FINANCIAL MATTERS

September 30, 2022 Unaudited Financial Statements and Cash Position Schedule: Ms. Karapetyan reviewed the Unaudited Financial Statements and Cash Position Schedule with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board accepted the September 30, 2022 Unaudited Financial Statements and Cash Position Schedule.

Public Hearing on Amendment to 2022 Budget: The Board opened the public hearing at 9:16 a.m. to consider an amendment to the 2022 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to

the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Karapetyan informed the Board that an amendment to the 2022 Budget was not necessary.

Public Hearing on 2023 Budget: The Board opened the public hearing at 9:17 a.m. to consider the proposed 2023 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Karapetyan reviewed the 2023 Budget with the Board. Following discussion, upon motion duly made by Director Westmoreland, seconded by Director Ferreira and, upon vote, unanimously carried, the Board approved the 2023 Budget, as discussed, and considered adoption of the Resolution to Adopt the 2023 Budget and Appropriate Sums of Money and the Resolution to Set Mill Levies (77.900 mills). Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Adams County not later than December 15, 2022. The District Accountant was directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2023.

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

Board member to sign the DLG-70 Certification of Tax Levies: Upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board appointed Director Westmoreland to sign the DLG-70 Certification of Tax Levies.

Preparation of 2024 Budget: Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget.

2022 Audit: Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board approved the engagement of Fiscal Focus Partners to prepare the 2022 audit and authorized the District Treasurer to review upon receipt.

LEGAL MATTERS **The Aurora Highlands Community Authority Board (“CAB”) Third Amended and Restated Establishment Agreement between and among Aerotropolis Area Coordinating Metropolitan District, The Aurora Highlands Metropolitan District No. 1, The Aurora Highlands Metropolitan District No. 2, The Aurora Highlands Metropolitan District No. 3, The Aurora Highlands Metropolitan District No. 4, The Aurora Highlands Metropolitan District No. 5, The Aurora Highlands Metropolitan District No. 6, ATEC Metropolitan District No. 1, ATEC Metropolitan District No. 2 and the CAB:** Attorney Ruhland reviewed the Third Amendment with the Board. Attorney McGeady confirmed that the CAB and the other districts have approved. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried the Board approved The Aurora Highlands Community Authority Board (“CAB”) Third Amended and Restated Establishment Agreement between and among Aerotropolis Area Coordinating Metropolitan District, The Aurora Highlands Metropolitan District No. 1, The Aurora Highlands Metropolitan District No. 2, The Aurora Highlands Metropolitan District No. 3, The Aurora Highlands Metropolitan District No. 4, The Aurora Highlands Metropolitan District No. 5, The Aurora Highlands Metropolitan District No. 6, ATEC Metropolitan District No. 1, ATEC Metropolitan District No. 2 and the CAB.

Resolution of the Board of Directors of the District Approving the Addition of The Aurora Highlands Metropolitan District No. 4 and The Aurora Highlands Metropolitan District No. 5 into the CAB and authorizing execution of the Third Amended and Restated Establishment Agreement between and among Aerotropolis Area Coordinating Metropolitan District, The Aurora Highlands Metropolitan District No. 1, The Aurora Highlands Metropolitan District No. 2, The Aurora Highlands Metropolitan District No. 3, The Aurora Highlands Metropolitan District No. 4, The Aurora Highlands Metropolitan District No. 5, The Aurora Highlands Metropolitan District No. 6, ATEC Metropolitan District No. 1, ATEC Metropolitan District No. 2 and the CAB: Attorney Ruhland reviewed with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board adopted the Resolution of the Board of Directors of the District Approving the Addition of The Aurora Highlands Metropolitan District No. 4 and The Aurora Highlands Metropolitan District No. 5 into the CAB and authorized execution of the Third Amended and Restated Establishment Agreement between and among Aerotropolis Area Coordinating Metropolitan District, The Aurora Highlands Metropolitan District No. 1, The Aurora Highlands Metropolitan District No. 2, The Aurora Highlands Metropolitan District No. 3, The Aurora Highlands Metropolitan District No. 4, The Aurora Highlands Metropolitan District No. 5, The Aurora Highlands Metropolitan District No. 6, ATEC Metropolitan District No. 1, ATEC Metropolitan District No. 2 and the CAB.

Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election: Attorney Ruhland reviewed the Resolution with the Board, noting that two seats are up for election in 2025 and three seats are up for election in 2023. Following

discussion, upon a motion duly made by Director Ferreira, seconded by Director Westmoreland and, upon vote, unanimously carried, the Board adopted the Resolution Calling a Regular Election for Directors on May 2, 2023, appointed the DEO and authorized the DEO to perform all tasks required for the conduct of a mail ballot election.

**MANAGER
MATTERS**

CliftonLarsonAllen LLP Statements of Work for 2023: Ms. Denslow reviewed the Statements of Work with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Westmoreland and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP Statements of Work for 2023.

**CONSTRUCTION
MATTERS**

None.

OTHER BUSINESS

Board Member to serve as a District Representation on The Aurora Highlands Community Authority Board: Discussion ensued. Following discussion, the Board determined to keep Director Sheldon as the Board Member to serve as a District Representation on The Aurora Highlands Community Authority Board.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

Aurora Highlands Metro District No. 1
Balance Sheet - Governmental Funds
September 30, 2023

	<u>General</u>	<u>Total</u>
Assets		
CSAFE	\$ 17.62	\$ 17.62
Receivable from County Treasurer	5,885.00	5,885.00
Total Assets	<u>\$ 5,902.62</u>	<u>\$ 5,902.62</u>
Liabilities		
Accounts Payable	\$ -	\$ -
Due to CAB	5,902.62	5,902.62
Total Liabilities	<u>5,902.62</u>	<u>5,902.62</u>
Liabilities and Fund Balances	<u>\$ 5,902.62</u>	<u>\$ 5,902.62</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Aurora Highlands Metro District No. 1
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 899,533.00	\$ 895,758.10	\$ 3,774.90
Property Taxes From ARI Mill Levy	8,398.00	8,363.17	34.83
Specific ownership taxes	63,555.00	43,849.47	19,705.53
Interest income	-	3,030.14	(3,030.14)
Other revenue	1,000.00	-	1,000.00
Total Revenue	<u>972,486.00</u>	<u>951,000.88</u>	<u>21,485.12</u>
Expenditures			
County Treasurer's fee	13,493.00	10,472.43	3,020.57
County Treasurer's Fee - ARTA	126.00	97.77	28.23
Intergovernmental Transfer - ARTA	8,272.00	8,265.40	6.60
Intergovernmental Transfer - CAB	949,595.00	932,165.28	17,429.72
Contingency	1,000.00	-	1,000.00
Total Expenditures	<u>972,486.00</u>	<u>951,000.88</u>	<u>21,485.12</u>
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

THE AURORA HIGHLANDS METRO DISTRICT NO. 1

Schedule of Cash Position

September 30, 2023

Updated as of

November 8, 2023

	<u>General Fund</u>
<u>CSAFE</u>	
Balance as of 09/30/23	17.62
Subsequent activities:	
10/15/23 Property Tax Receipt	5,885.04
10/16/23 Transfer to TAH CAB	<u>(5,902.66)</u>
Anticipated balance	<u>-</u>

Yield Information (09/30/23)

C-Safe 5.44%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**The Aurora Highlands Metro District No.1
Property Taxes Reconciliation
2023**

	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Prior Year		
							Monthly	Y-T-D	Net Amount Received	% of Total Property Taxes Received	
										Monthly	Y-T-D
January	\$ 1,846.74	\$ -	\$ 1,554.30	\$ -	\$ -	\$ 3,401.04	0.20%	0.20%	\$ 1,336.84	0.45%	0.45%
February	173,480.05	-	4,985.80	-	-	178,465.85	19.11%	19.31%	5,142.42	1.81%	2.27%
March	32,822.09	-	5,168.37	-	(127.89)	37,862.57	3.62%	22.93%	94,492.49	33.29%	35.56%
April	423,493.83	-	3,934.61	-	(6,352.41)	421,076.03	46.64%	69.57%	9,958.70	3.51%	39.07%
May	80,089.42	-	6,238.86	-	(1,201.35)	85,126.93	8.82%	78.39%	71,774.32	25.28%	64.35%
June	188,691.80	-	4,834.83	39.66	(2,830.98)	190,735.31	20.78%	99.17%	92,659.84	32.65%	97.00%
July	894.73	-	5,416.83	26.98	(13.83)	6,324.71	0.10%	99.27%	7,425.88	2.58%	99.57%
August	2,802.61	-	5,831.98	112.08	(43.72)	8,702.95	0.31%	99.58%	1,300.67	0.43%	100.00%
September	-	-	5,883.89	1.13	(0.02)	5,885.00	0.00%	99.58%	14,039.06	0.00%	100.00%
October	-	-	-	-	-	-	0.00%	99.58%	1,788.48	0.00%	100.00%
November	-	-	-	-	-	-	0.00%	99.58%	1,695.05	0.00%	100.00%
December	-	-	-	-	-	-	0.00%	99.58%	1,671.96	0.00%	100.00%
	\$ 904,121.27	\$ -	\$ 43,849.47	\$ 179.85	\$ (10,570.20)	\$ 937,580.39	99.58%	99.58%	\$ 303,285.71	100.00%	100.00%

	Mill Levy	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
Property Tax					
General Fund	77.760	\$ 899,533	99.07%	\$ 895,758.10	99.58%
Debt Service Fund	0.000	\$ -	0.00%	-	0.00%
ARI	0.726	\$ 8,398	0.93%	8,363.17	99.59%
	<u>78.486</u>	<u>\$ 907,931</u>	<u>100.00%</u>	<u>\$ 904,121.27</u>	<u>99.58%</u>
Specific Ownership Tax					
General Fund		\$ 63,555	100.00%	\$ 43,849.47	68.99%
Debt Service Fund		-	0.00%	-	0.00%
ARI		-	0.00%	-	0.00%
		<u>\$ 63,555</u>	<u>100.00%</u>	<u>\$ 43,849.47</u>	<u>68.99%</u>
Treasurer's Fees					
General Fund		\$ 13,493	99.07%	\$ 10,472.43	77.61%
Debt Service Fund		-	0.00%	-	0.00%
ARI		126	0.93%	97.77	77.61%
		<u>\$ 13,619</u>	<u>100.00%</u>	<u>\$ 10,570.20</u>	<u>77.61%</u>

	CAB	ARTA	Total
Beg . Balance	\$ 19,539.61	\$ -	\$ 19,539.61
Current Year	930,900.54	8,265.40	939,165.94
Transfer - 2/10/23	(19,539.61)		(19,539.61)
Transfer - 3/17/23	(181,968.94)		(181,968.94)
Transfer - 4/14/23	(37,725.59)	(302.43)	(38,028.02)
Transfer - 6/16/23	-	(6,210.07)	(6,210.07)
Transfer		(1,719.23)	(1,719.23)
Transfer 9/15/23	(15,263.43)	(33.67)	(15,297.10)
Transfer			-
Due to CAB/ARTA	\$695,942.58	\$ (0.00)	\$ 695,942.58

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

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

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

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

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2023 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 the ARI Mill Levy revenues with AACMD to be spent only pursuant to a Regional Intergovernmental Improvements Agreement.

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

Revenues

Property Taxes

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

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

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

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District’s share will be equal to approximately 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 the administrative and operating expenditures, which include the services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance, banking, and meeting expenses.

County Treasurer’s Fees

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

Intergovernmental Transfer CAB

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

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

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Intergovernmental Transfer ARTA

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

Debt and Leases

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

Reserves

Emergency Reserve

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

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

AURORA HIGHLANDS METRO DISTRICT NO. 1
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

10/6/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 6/30/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	281,822	899,533	892,095	899,533	1,701,265
Property Taxes From ARI Mill Levy	2,011	8,398	8,329	8,398	19,164
Specific ownership taxes	19,243	63,555	26,717	63,555	119,089
Interest income	927	-	2,603	2,603	4,000
Other revenue	-	1,000	-	1,000	1,000
Total revenues	<u>304,003</u>	<u>972,486</u>	<u>929,744</u>	<u>975,089</u>	<u>1,844,518</u>
Total funds available	<u>304,003</u>	<u>972,486</u>	<u>929,744</u>	<u>975,089</u>	<u>1,844,518</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	-	13,493	10,416	13,493	25,519
County Treasurer's Fee - ARTA	-	126	97	126	287
Contingency	-	1,000	-	-	1,000
Intergovernmental Transfer - ARTA	2,011	8,272	8,232	8,272	18,877
Intergovernmental Transfer - CAB	301,992	949,595	910,999	953,198	1,798,835
Operations and maintenance					
Total expenditures	<u>304,003</u>	<u>972,486</u>	<u>929,744</u>	<u>975,089</u>	<u>1,844,518</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

AURORA HIGHLANDS METRO DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

9/21/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 6/30/2023	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION					
Residential	\$ 529,840	\$ 3,081,990	\$ 3,081,990	\$ 3,081,990	\$ 12,706,310
Agricultural	40	2,910	2,910	2,910	15,400
State assessed	-	660	660	660	2,780
Vacant land	3,086,460	8,397,310	8,397,310	8,397,310	8,670,170
Personal property	-	85,200	85,200	85,200	309,030
	<u>3,616,340</u>	<u>11,568,070</u>	<u>11,568,070</u>	<u>11,568,070</u>	<u>21,703,690</u>
Certified Assessed Value	<u>\$ 3,616,340</u>	<u>\$ 11,568,070</u>	<u>\$ 11,568,070</u>	<u>\$ 11,568,070</u>	<u>\$ 21,703,690</u>
MILL LEVY					
General	77.930	77.760	77.760	77.760	78.386
ARI	0.556	0.726	0.726	0.726	0.883
Total mill levy	<u>78.486</u>	<u>78.486</u>	<u>78.486</u>	<u>78.486</u>	<u>79.269</u>
PROPERTY TAXES					
General	\$ 281,821	\$ 899,533	\$ 899,533	\$ 899,533	\$ 1,701,265
ARI	2,011	8,398	8,398	8,398	19,164
Levied property taxes	<u>283,832</u>	<u>907,931</u>	<u>907,931</u>	<u>907,931</u>	<u>1,720,429</u>
Adjustments to actual/rounding	-	-	(7,507)	-	-
Budgeted property taxes	<u>\$ 283,832</u>	<u>\$ 907,931</u>	<u>\$ 900,424</u>	<u>\$ 907,931</u>	<u>\$ 1,720,429</u>
BUDGETED PROPERTY TAXES					
General	\$ 281,822	\$ 899,533	\$ 892,095	\$ 899,533	\$ 1,701,265
ARI	2,011	8,398	8,329	8,398	19,164
	<u>\$ 283,833</u>	<u>\$ 907,931</u>	<u>\$ 900,424</u>	<u>\$ 907,931</u>	<u>\$ 1,720,429</u>

No assurance provided. See summary of significant assumptions.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

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

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

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

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2024 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 the ARI Mill Levy revenues with AACMD to be spent only pursuant to a Regional Intergovernmental Improvements Agreement.

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

Revenues

Property Taxes

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

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2024, the assessment rate for single family residential property decreases to 6.765% from 6.95%. The rate for multifamily residential property, the newly created subclass, decreases to 6.765% from 6.80%. Agricultural and renewable energy production property remains at 26.4%. Producing oil and gas remains at 87.5%. All other nonresidential property decreases to 27.90% from 29%.

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

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

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 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 the administrative and operating expenditures, which include the services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, and meeting expenses.

County Treasurer's Fees

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

Intergovernmental Transfer CAB

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

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

**THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Intergovernmental Transfer ARTA

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

Debt and Leases

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

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1

RESOLUTION TO ADOPT 2024 BUDGET

WHEREAS, the Board of Directors (the “**Board**”) of The Aurora Highlands Metropolitan District No. 1 (the “**District**”) has appointed a budget committee to prepare and submit a proposed 2024 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board on or before October 15, 2023 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 17, 2023, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Aurora Highlands Metropolitan District No. 1:

1. That estimated expenditures for each fund are as follows:

General Fund:		\$1,844,518
	Total	\$1,844,518

2. That estimated revenues are as follows:

<u>General Fund:</u>		
From unappropriated surpluses		\$0
From fund transfers		\$0
From sources other than general property tax		\$124,089
From general property tax		\$1,720,429
	Total	\$1,844,518

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the District for the 2024 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$1,720,429; and

WHEREAS, the 2023 valuation for assessment of the District, as certified by the County Assessor, is \$21,703,690.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Aurora Highlands Metropolitan District No. 1:

1. That for the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 79.269 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$1,720,429.

2. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Adams County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Aurora Highlands Metropolitan District No. 1 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:		\$1,844,518
	Total	\$1,844,518

Adopted this 17th day of November, 2023.

THE AURORA HIGHLANDS
METROPOLITAN DISTRICT NO. 1

By: _____
Chair

Attest:

Secretary

CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for The Aurora Highlands Metropolitan District No. 1, for the budget year ending December 31, 2024, as adopted on November 17, 2023.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of The Aurora Highlands Metropolitan District No. 1, Adams County, Colorado, this 17th day of November, 2023.

Chair



Special Districts Master Services Agreement

Aurora Highlands Metropolitan District No. 1
 8390 E. Crescent Pkwy., Ste.300, Greenwood Village, CO, 80111
 MSA Date: October 15, 2023

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Aurora Highlands Metropolitan District No. 1 (“you,” “your,” “board of directors” or “the district”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

Scope of professional services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal control as part of any services.

Board of director responsibilities

The board of directors of the district acknowledge and understand that our role is to provide the services identified in one or more SOWs issued per this MSA and that the board of directors of the district has certain responsibilities that are fundamental to our undertaking to perform the identified services. The district may engage CLA to perform management functions to help the board of directors of the district to meet your responsibilities, but the board of directors of the district acknowledges its role in management of the district.

Responsibilities and limitations related to nonattest services

For all nonattest services we may provide to you, you agree to oversee all management services; evaluate

the adequacy and results of the services; ensure that your data and records are complete; and accept responsibility for the results of the services. CLA and the district agree that the foregoing sentence is not intended and shall not be construed to be a limitation of liability for the benefit of CLA nor an exculpatory clause for the benefit of CLA. CLA is and will remain liable to the district for CLA's negligence and gross negligence in the work that it performs under this MSA or under any SOW.

Fees and terms

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures permitted by this MSA through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client initiated payment method approved by CLA. CLA's electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

Other Fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one percent (1.00%), which is an annual percentage rate of 12%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable if and as provided by Colorado law.

Limitation of remedies

Each party agrees that in no event shall the other party be liable for any indirect, special, incidental, consequential, punitive or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages related to CLA's acts or omissions in performance of our duties under the terms of this MSA or any SOW issued under this MSA.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. Any legal or equitable action brought by the district to recover on a dispute shall be commenced within the applicable statute of limitations under Colorado state statutes and case law.

CLA shall be authorized to the following cash access services:

- Using any or a combination of the following methods and approval processes, we will pay your vendors and service providers based upon invoices that you have reviewed and approved:
 - Paper checks – we will prepare the checks for your approval and wet ink signature
 - Payments using Bill.com – we will only release payments after you have electronically approved and authorized such payments
 - ACH/Wire – we will use this method as needed/as requested, with your approval

We understand that you will designate one or more members of the board of directors to approve disbursements using the above methods.

- If applicable, access the entity credit card for purposes of purchasing products and services on your behalf up to a certain limit that will be discussed with you and documented separately
- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter identified above
- Take deposits to the bank that include cash
- If applicable, have access to cash-in-kind assets, such as coupons
- If applicable, initiate direct deposits or sign checks as part of the payroll processing function

Board of Directors' responsibilities relevant to CLA's access to your cash

All members of your board of directors are responsible for the processes below; however, we understand that you will designate one or more board of directors to review and give approvals for disbursements. All approvals must be documented in writing, either electronically or manually, then formally ratified in board meetings and documented in the meeting minutes.

- Approve all invoices and check payments
- Approve all new vendors and customers added to the accounting system
- Approve non-recurring wires to external parties
- Pre-approve for recurring wires, then board of directors will ratify approval
- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system
- Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid

- Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off
- Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations

Other provisions

Except as expressly permitted by the “Consent” section of this agreement, CLA shall not disclose any confidential, proprietary, or privileged information of the district or you to any person or party, unless the district or you authorizes us to do so, it is published or released by the district, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

You acknowledge and agree that this agreement and the pricing structure and billing rates of CLA are sensitive information which you shall not furnish or otherwise disclose to any third party without the prior written consent of CLA or as required by the Colorado Open Records Act, Section 24-72-200.1 et seq., C.R.S. (“CORA”).

Insurance:

CLA shall acquire and maintain in full force and effect, during the entire term of the MSA, the insurance coverages set forth in below in order to protect the district including its board of directors, and CLA from claims that arise out of or result from the operations under this MSA by the CLA or its affiliates or by anyone acting on their behalf or for which they may be liable. Failure to maintain the insurance policies shall be a material breach of this MSA and the district may request certificates of insurance reflecting the coverages outlined below.

- A. Workers’ Compensation Insurance
- B. Commercial General Liability Insurance
- C. Commercial Automobile Liability Insurance
- D. General Professional Liability
- E. Network Security (Cyber) Liability Insurance

F. Excess/Umbrella Liability Coverage

The relationship of CLA with the district shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested that are consistent with those normally utilized in a district of your size and nature. Internal controls may be recommended relating to the safeguarding of the district's assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

The district agrees that CLA will assume fiduciary responsibility on the district's behalf during the course of this agreement only if provided in SOWs issued under this MSA; and the parties, in entering into this MSA, do not intend to create an overarching fiduciary relationship.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.

Annual Appropriation and Budget

The district does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. CLA expressly understands and agrees that the district's obligations under this MSA shall extend only to monies appropriated for the purposes of this MSA by the board of directors and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this MSA shall be construed or interpreted as a delegation of governmental powers by the district, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the district or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. No provision of this MSA shall be construed to pledge or to create a lien on any class or source of district funds. The district's obligations under this MSA exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this MSA.

Governmental Immunity

Nothing in this MSA shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the district, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the district and, in particular, governmental immunity afforded or available to the district pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S.

No Third-Party Beneficiaries

It is expressly understood and agreed that enforcement of the terms and conditions of this MSA, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained

in this MSA shall give or allow any such claim or right of action by any third party. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this MSA shall be deemed to be an incidental beneficiary only.

Personal Identifying Information

During the performance of this MSA, the district may disclose Personal Identifying Information to CLA. “Personal Identifying Information” means a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver’s license or identification card number; a government passport number; biometric data, as defined in § 24-73-103(1)(a), C.R.S.; an employer, student, or military identification number; or a financial transaction device, as defined in § 18-5-701(3), C.R.S. In compliance with § 24-73-102, C.R.S., CLA agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to CLA; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

CLA agrees to report within twenty-four (24) hours to the district’s board of directors any Data Security Incidents that may result in the unauthorized disclosure of Personal Identifying Information. For the purposes of this MSA “Data Security Incident” is defined to mean any actual or reasonably suspected: (a) unauthorized use of, or unauthorized access to, CLA systems; (b) inability to access business and other proprietary information, data, or the CLA systems due to a malicious use, attack, or exploit of such business and other proprietary information or systems; (c) unauthorized access to, theft of, or loss of business and other proprietary information, or of storage devices that could reasonably contain such information; (d) unauthorized use of business and other proprietary information or data for purposes of actual or reasonably suspected theft, fraud, or identity theft; (e) unauthorized disclosure of business and other proprietary information or data.

Consent to use financial information

Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this MSA will serve as your consent to use of Aurora Highlands Metropolitan District No. 1 information, excluding Personal Identifying Information, in these cost comparison, performance indicator, and/or benchmarking reports.

Technology

CLA may, at times, use third-party software applications to perform services under this agreement. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

Colorado law requires special districts to maintain websites and further requires that certain documents which may be prepared by CLA to be uploaded to those websites. CLA specifically acknowledges and agrees that the district may upload to its website any documents prepared by CLA for the district and further, that those documents may be used in public meetings hosted by or to which the district is a party.

Counterpart Execution

This MSA may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

Electronic Signatures

The parties consent to the use of electronic signatures pursuant to the Uniform Electronic Transactions Act, Sections 24-71.3-101, et seq., Colorado Revised Statutes, as may be amended from time to time. The MSA, and any other documents requiring a signature hereunder, may be signed electronically by the parties in a manner acceptable to the district. The parties agree not to deny the legal effect or enforceability of the MSA solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of the MSA in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

MSA Modification

The MSA may not be amended, altered, or otherwise changed except by a written agreement signed by authorized representatives of the parties.

Termination of MSA

Either party may terminate this MSA at any time by giving 30 days written notice to the other party. In that event, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

CliftonLarsonAllen LLP

Jason Carroll
Managing Principal of Office
303-265-7835
jason.carroll@CLAconnect.com

Response

This MSA correctly sets forth the understanding of Aurora Highlands Metropolitan District No. 1 and is accepted by:

CLA
CliftonLarsonAllen LLP

Jason Carroll

Jason Carroll, Managing Principal of Office

SIGNED 10/17/2023, 5:52:55 PM EDT

Client
Aurora Highlands Metropolitan District No. 1

SIGN: _____

Michael Sheldon, President

DATE: _____



Special Districts Preparation Statement of Work

Date: October 19, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Aurora Highlands Metropolitan District No. 1 (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of professional services

Jason Carroll is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

Ongoing normal accounting services:

- Outsourced accounting activities
 - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
 - Cash receipts journal
 - Cash disbursements journal
 - General ledger
 - Accounts receivable journals and ledgers
 - Deposits with banks and financial institutions
 - Schedule of disbursements
 - Bank account reconciliations
 - Investment records
 - Detailed development fee records

- Process accounts payable including the preparation and issuance of checks for approval by the board of directors
- Prepare billings, record billings, enter cash receipts, and track revenues
- Reconcile certain accounts regularly and prepare journal entries
- Prepare depreciation schedules
- Prepare quarterly financial statements and supplementary information, but not perform a compilation with respect to those financial statements; additional information is provided below
- Prepare a schedule of cash position to monitor the district's cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district's board of directors and in accordance with state law
- At the direction of the board of directors, assist with the coordination and execution of banking and investment transactions and documentation
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district's board of directors in monitoring actual expenditures against appropriation/budget
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district's auditors
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required
- Review claims for reimbursement from related parties prior to the board of directors' review and approval
- Read supporting documentation related to the district's acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness
 - Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW

- These procedures may not satisfy district policies, procedures, and agreements' requirements
 - Note: our procedures should not be relied upon as the final authorization for this transaction
- Attend board meetings as requested
 - Be available during the year to consult with you on any accounting matters related to the district
 - Review and approve monthly reconciliations and journal entries prepared by staff
 - Reconcile complex accounts monthly and prepare journal entries
 - Analyze financial statements and present to management and the board of directors
 - Develop and track key business metrics as requested and review periodically with the board of directors
 - Document accounting processes and procedures
 - Continue process and procedure improvement implementation
 - Report on cash flows
 - Assist with bank communications
 - Perform other non-attest services

Compilation services

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

Preparation services - financial statements

We will prepare the quarterly financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

Preparation services - annual

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district's auditors.

Preparation services – prospective financial information (i.e., unexpired budget information)

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the forecast period. It is based on management's assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

Engagement objectives and our responsibilities

The objectives of our engagement are to:

- a) Prepare quarterly financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b) As requested, apply accounting and financial reporting expertise to assist you in the presentation of your quarterly financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c) Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d) Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material

modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.

- e) If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f) If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARSS) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement procedures and limitations

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the quarterly financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

Our report

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the 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 and may not be suitable for another

purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

No assurance statements

The quarterly financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: “No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted”.

If an audit is required, the year-end financial statements prepared for use by the district’s auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

Management responsibilities

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management’s responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district’s operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a) The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b) The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c) The presentation of the supplementary information.
- d) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e) The prevention and detection of fraud.
- f) To ensure that the entity complies with the laws and regulations applicable to its activities.
- g) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h) To provide us with the following:
 - i) Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
 - ii) Additional information that may be requested for the purpose of the engagement.
 - iii) Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the board treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Fees and terms

Billing rates guaranteed through **December 31, 2024**:

Services performed by	Rate per hour
Principal	\$300-\$600
Consulting CFO	\$290-\$400
Consulting Controller	\$240-\$380
Assistant Controller	\$210-\$290
Senior	\$150-\$220
Staff	\$130-\$190
Administrative Support	\$120-\$170

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

Use of financial statements, the annual budget, the Application for Exemption from Audit

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial

statements should not be relied on or distributed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the “Act”). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Jason Carroll
Managing Principal of Office
303-265-7835
jason.carroll@CLAconnect.com

Response

This SOW correctly sets forth the understanding of Aurora Highlands Metropolitan District No. 1 and is accepted by:

CLA
CliftonLarsonAllen LLP



Jason Carroll, Managing Principal of Office

SIGNED 10/19/2023, 3:57:44 PM CDT

Client
Aurora Highlands Metropolitan District No. 1

SIGN:

Michael Sheldon, President

DATE:



Special Districts Public Management Services Statement of Work

Date: November 13, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Aurora Highlands Metropolitan District No. 1 (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of professional services

Denise Denslow is responsible for the performance of the engagement and other services identified in this agreement.

Scope of Management Services

CLA will perform the following services for the district:

District Board of Directors (“Board”) Meetings

- Coordination of board meetings
- Meeting attendance: district manager and/or designee will attend board meetings
- Preparation and distribution of agenda and informational materials as requested by the district
- Drafting of meeting minutes as assigned for approval by the board of directors
- Preparation and posting of notices required in conjunction with the meetings

Recordkeeping

- Maintain directory of persons and organizations for correspondence
- Repository of district records and act as custodian of records for purposes of CORA (as that term is defined in the district’s Resolution Designating an Official Custodian for Purposes of the Colorado Open Records Act, Sections 24-72-201 et seq., C.R.S.)

Communications

- 24/7 answering services
- Website administration; CLA will oversee maintenance of the district's website as needed and requested by the district
- Assist with or lead the coordination of communication with municipal, county, or state governmental agencies as requested by the district

General Administration

- Coordination with district's insurance provider including insurance administration, comparison of coverage, processing claims, and completion of applications
- Coordination of insurance policy renewals and updates for approval by the district's board of directors
- In collaboration with district counsel, ensure contractors and sub-contractors maintain the required insurance coverage as required by the district
- Under the direction of the board of directors, supervise project processes and vendors as assigned by the board
- Coordinate with legal, accounting, engineering, auditing and other consultants retained by the district as directed by the board (CLA itself will not and cannot provide legal services)
- Assist with or lead the coordination efforts with municipal, county, or state governmental agencies as requested by the district
- Coordinate the administration of the district's rules and regulations as requested by the board
- Under the direction of district legal counsel, coordinate election processes for the district; CLA will not serve as the Designated Election Official ("DEO")

Accounts Payable Services to be Provided

- Coordinate review and approval of invoices with district accountant and board to ensure timely payment to vendors

In addition to these services, when, in the professional opinion of the district manager, other services are necessary, the district manager shall recommend the same to the board or perform such services and report to the board the nature of such services, the reason they were required, and the result achieved; provided however, with the exception of emergencies, that if such additional services are expected to cost more than \$2,000, the district manager shall discuss such costs with the board and receive prior authorization to perform such services.

Fees and terms

Billing rates guaranteed through December 31, 2024:

Services performed by	Rate per hour
Principal	\$320-\$460
Public Manager	\$190-\$265
Assistant Public Manager	\$150-\$180
Public Management Analyst	\$145-\$170
District Administrator	\$140-\$180
Records Retention Professional	\$110-\$155

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Denise Denslow
Principal
303-265-7910
denise.denslow@CLAconnect.com

Response

This SOW correctly sets forth the understanding of Aurora Highlands Metropolitan District No. 1 and is accepted by:

CLA
CliftonLarsonAllen LLP

Denise Denslow

Denise Denslow, Principal

SIGNED 11/13/2023, 11:23:32 AM CST

Client
Aurora Highlands Metropolitan District No. 1

SIGN:

Michael Sheldon, President

DATE:
