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Accountant's Compilation Report

Board of Directors
Aurora High Point at DIA Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Aurora High Point at DIA Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ended December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Aurora High Point at DIA Metropolitan District.

Greenwood Village, Colorado
January 14, 2020



An independent member of Nexia International

**AURORA HIGH POINT AT DIA METROPOLITAN DISTRICT
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/14/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ (102,469)	\$ 119,217	\$ 78,050
REVENUES			
Maintenance fees	203,192	230,000	215,000
Intergovernmental - Transfer from CIC 3	3,026,207	151,195	189,659
Intergovernmental - Transfer from DHP	22,399,717	-	-
Intergovernmental - Transfer from CIC 4	-	7,500,000	22,503,983
Intergovernmental - Transfer from CIC 5	-	-	69
Developer advance	1,115,682	86,500	142,000
Other Revenue	5,000	244	-
Total revenues	<u>26,749,798</u>	<u>7,967,939</u>	<u>23,050,711</u>
Total funds available	<u>26,647,329</u>	<u>8,087,156</u>	<u>23,128,761</u>
EXPENDITURES			
General Fund	416,272	500,000	545,000
Capital Projects Fund	26,111,840	7,509,106	22,535,727
Total expenditures	<u>26,528,112</u>	<u>8,009,106</u>	<u>23,080,727</u>
Total expenditures and transfers out requiring appropriation	<u>26,528,112</u>	<u>8,009,106</u>	<u>23,080,727</u>
ENDING FUND BALANCES	<u>\$ 119,217</u>	<u>\$ 78,050</u>	<u>\$ 48,034</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**AURORA HIGH POINT AT DIA METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/14/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION			
Agricultural	50	50	40
State assessed	-	20	10
Personal property	-	3,910	3,830
Certified Assessed Value	\$ 50	\$ 3,980	\$ 3,880
 MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Budgeted property taxes	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**AURORA HIGH POINT AT DIA METROPOLITAN DISTRICT
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/14/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 34,871	\$ 87,827	\$ 51,266
REVENUES			
Developer advance	149,829	82,000	137,000
Maintenance fees	203,192	230,000	215,000
Other revenue	5,000	244	-
Intergovernmental - Transfer from CIC 3	111,207	151,195	189,659
Intergovernmental - Transfer from CIC 4	-	-	40
Intergovernmental - Transfer from CIC 5	-	-	69
Total revenues	469,228	463,439	541,768
Total funds available	504,099	551,266	593,034
EXPENDITURES			
General and administrative			
Accounting	70,932	73,000	75,000
Auditing	11,200	11,500	12,000
Directors' fees	2,600	5,600	5,000
Dues and licenses	1,280	1,267	1,500
Insurance and bonds	12,776	13,031	15,000
Conferences/seminars	-	1,000	2,000
District management	56,128	75,000	80,000
Legal services	44,227	68,000	70,000
Miscellaneous	2,542	3,500	5,000
Payroll taxes	199	428	381
Election expense	476	-	1,000
Contingency	-	14,644	11,589
Operations and maintenance			
Electricity	1,492	1,500	2,000
Water	129,866	120,000	120,000
Repairs and maintenance	9,344	12,000	15,000
Snow removal	1,579	15,000	15,000
Landscape contract	48,589	44,530	44,530
Landscape enhancements	-	-	25,000
Landscape repairs and maintenance	23,042	40,000	45,000
Total expenditures	416,272	500,000	545,000
Total expenditures and transfers out requiring appropriation	416,272	500,000	545,000
ENDING FUND BALANCE	\$ 87,827	\$ 51,266	\$ 48,034
EMERGENCY RESERVE	\$ 9,600	\$ 11,400	\$ 12,100
RESERVE FOR UNDERDRAINS	25,800	30,400	35,000
TOTAL RESERVE	\$ 35,400	\$ 41,800	\$ 47,100

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**AURORA HIGH POINT AT DIA METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/14/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ (137,340)	\$ 31,390	\$ 26,784
REVENUES			
Developer advance	965,853	4,500	5,000
Intergovernmental - Transfer from CIC 3	2,915,000	-	-
Intergovernmental - Transfer from CIC 4	-	7,500,000	22,503,943
Intergovernmental - Transfer from DHP	22,399,717	-	-
Total revenues	26,280,570	7,504,500	22,508,943
Total funds available	26,143,230	7,535,890	22,535,727
EXPENDITURES			
General and Administrative			
Accounting	4,148	500	-
Legal services	5,000	4,000	5,000
Contingency	-	-	530,727
Debt Service			
Repay developer advance - principal	18,840,773	6,330,233	-
Repay developer advance - interest	6,473,943	494,373	-
Capital Projects			
Streets	182,301	500,000	6,000,000
Storm drainage	289,939	10,000	4,000,000
Engineering	21,598	125,000	2,000,000
Sewer	68,128	-	2,000,000
Water	110,903	-	2,500,000
Construction management	46,500	20,000	1,000,000
Grading/Earthwork	5,503	-	1,000,000
Erosion control	16,535	15,000	1,000,000
Dry utilities	-	-	1,000,000
Parks and recreation	46,569	10,000	1,500,000
Total expenditures	26,111,840	7,509,106	22,535,727
Total expenditures and transfers out requiring appropriation	26,111,840	7,509,106	22,535,727
ENDING FUND BALANCE	\$ 31,390	\$ 26,784	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**AURORA HIGH POINT AT DIA METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Aurora High Point at DIA Metropolitan District (the "District"), a quasi-municipal corporation is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. Concurrently with the formation of the District (the "Management District"), the City of Aurora approved the formation of Colorado International Center Metropolitan District Nos. 3, 4, 5, 6, 7, 8, 9, 10, and 11 (the "Taxing Districts") (collectively, the "Aurora High Point Districts"). The District was established to provide public streets, traffic and safety, water, sewer, park and recreation, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

During elections held on November 2, 2004, and May 3, 2016, the District's voter's authorized total general obligation indebtedness of \$10,820,000,000 for the above listed facilities and powers. The elections also approved annual increases in property taxes of up to \$20,000,000, without limitation to rate, to pay the District's operations and maintenance costs. Per the District's service plan, the District is prohibited from issuing debt in excess of \$400,000,000.

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 requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Developer Advances

A portion of the operational and capital expenditures of the District are anticipated to be funded by the Developer. Developer advances are to be recorded as revenue for budget purposes and may be repaid to the Developer from unpledged revenue in future years.

Maintenance Fees

Pursuant to a Facilities Funding, Construction and Operations Agreement, the District and Colorado International Center Metropolitan District No. 3 (CIC No. 3) passed a joint resolution on October 28, 2015, to impose a maintenance fee of \$25.50 per month on all residential units within CIC No. 3. On January 10, 2008, the resolution was amended to impose a fee of \$26.50 per month on all residential units with underdrains. CIC No. 3 has agreed to enforce and collect the fee on behalf of the District, which will be used to operate and maintain capital facilities. In 2011, the fees were increased to \$26.50 and \$27.50 respectively.

**AURORA HIGH POINT AT DIA METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Intergovernmental Transfers

On January 21, 2005 and as amended on July 27, 2006, the District entered into an agreement with the Taxing Districts, that as the Management District it will own, operate, maintain, finance and construct facilities that benefit all of the Aurora High Point Districts and that the Taxing Districts will contribute to the costs of construction, operation, and maintenance of such facilities. During 2020 it is anticipated that Colorado International Center Metropolitan District No. 3 (CIC No. 3), Colorado International Center Metropolitan District No. 4 (CIC No. 4), and Colorado International Center Metropolitan District No. 5 (CIC No. 5) will transfer all available funds from the imposition of a mill levy for operations and maintenance to the District in compliance with this agreement.

CIC No. 4 will also transfer project funds from the issuance of its 2019 bonds to fund capital improvements to be constructed by the District.

Expenditures

Administrative Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

Operations and Maintenance

Certain street and open space landscaping will be owned and maintained by the District. The estimated cost of repairs and maintenance of these areas are found on page 4 of the budget.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt and Leases

Developer Advances

The District's debt is comprised of developer advances, which are not general obligation debt. As of December 31, 2019, the District had \$3,981,081 in outstanding developer advances and interest accrued at 8%. Repayment of advances is subject to annual appropriation if and when eligible funds become available.

The District has no operating or capital leases.

**AURORA HIGH POINT AT DIA METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2020, as defined under TABOR.

Reserve for Underdrains

The District collects \$1 monthly from those residents with an underdrain, to be used for future maintenance and repairs of the underdrain system.

This information is an integral part of the accompanying budget.