

**COLORADO TECH CENTER  
METROPOLITAN DISTRICT  
Boulder County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2023**

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023**

<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>I</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
<b>FUND FINANCIAL STATEMENTS</b>	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
<b>SUPPLEMENTARY INFORMATION</b>	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	19
DEBT SERVICE FUND – SUBDISTRICT – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	20
<b>OTHER INFORMATION</b>	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	22
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	23
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED - SUBDISTRICT	24

Board of Directors  
Colorado Tech Center Metropolitan District  
Boulder County, Colorado

## Independent Auditor's Report

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Colorado Tech Center Metropolitan District (the "District"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Colorado Tech Center Metropolitan District as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Other Matters

### Required Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

### Other Information

Management is responsible for the other information included in our report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and, accordingly, we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Wipfli LLP*

Wipfli LLP  
Denver, Colorado

July 29, 2024

## **BASIC FINANCIAL STATEMENTS**

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 1,110,590
Cash and Investments - Restricted	2,172,858
Prepaid Insurance	450
Receivable from County Treasurer	4,736
Property Tax Receivable	395,344
Total Assets	3,683,978
<b>LIABILITIES</b>	
Accounts Payable	4,955
Due to County Treasurer	1,033
Accrued Interest	19,265
Noncurrent Liabilities:	
Due Within One Year	600,000
Due in More Than One Year	4,281,776
Total Liabilities	4,907,029
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Property Tax	395,344
Total Deferred Inflows of Resources	395,344
<b>NET POSITION</b>	
Restricted for:	
Emergency Reserve	8,200
Debt Service	2,145,228
Net Position - Unrestricted	(3,771,823)
Total Net Position	\$ (1,618,395)

See accompanying Notes to Basic Financial Statements.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position
Primary Government:					
Governmental Activities:					
General Government	\$ 77,606	\$ -	\$ -	\$ -	\$ (77,606)
Interest on Long-Term Debt and Related Costs	249,066	-	-	-	(249,066)
Total Governmental Activities	\$ 326,672	\$ -	\$ -	\$ -	(326,672)
<b>GENERAL REVENUES</b>					
Property Taxes					1,172,521
Specific Ownership Taxes					54,833
Interest Income					179,588
Total General Revenues and Transfers					1,406,942
<b>CHANGES IN NET POSITION</b>					
Net Position - Beginning of Year					1,080,270
<b>NET POSITION - END OF YEAR</b>					(2,698,665)
					\$ (1,618,395)

See accompanying Notes to Basic Financial Statements.



**COLORADO TECH CENTER METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

<b>ASSETS</b>	General	Debt Service	Debt Service Subdistrict	Total Governmental Funds
Cash and Investments	\$ 1,110,590	\$ -	\$ -	\$ 1,110,590
Cash and Investments - Restricted	8,200	1,867,910	296,748	2,172,858
Receivable from County Treasurer	3,867	-	869	4,736
Prepaid Insurance	450	-	-	450
Property Tax Receivable	170,663	-	224,681	395,344
	<u>\$ 1,293,770</u>	<u>\$ 1,867,910</u>	<u>\$ 522,298</u>	<u>\$ 3,683,978</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 4,955	\$ -	\$ -	\$ 4,955
Due to County Treasurer	-	1,033	-	1,033
Total Liabilities	<u>4,955</u>	<u>1,033</u>	<u>-</u>	<u>5,988</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Tax	170,663	-	224,681	395,344
Total Deferred Inflows of Resources	<u>170,663</u>	<u>-</u>	<u>224,681</u>	<u>395,344</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Expense	450	-	-	450
Restricted for:				
Emergency Reserves	8,200	-	-	8,200
Debt Service	-	1,866,877	297,617	2,164,494
Unassigned	1,109,502	-	-	1,109,502
Total Fund Balances	<u>1,118,152</u>	<u>1,866,877</u>	<u>297,617</u>	<u>3,282,646</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,293,770</u>	<u>\$ 1,867,910</u>	<u>\$ 522,298</u>	
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Accrued Interest				(19,265)
Bonds Payable				(4,910,000)
Unamortized Bond Discount				28,224
Net Position of Governmental Activities				<u>\$ (1,618,395)</u>

See accompanying Notes to Basic Financial Statements.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Debt Service Subdistrict	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 172,921	\$ 795,279	\$ 204,321	\$ 1,172,521
Specific Ownership Taxes	45,446	-	9,387	54,833
Interest Income	52,003	108,342	19,243	179,588
Total Revenues	<u>270,370</u>	<u>903,621</u>	<u>232,951</u>	<u>1,406,942</u>
<b>EXPENDITURES</b>				
Current:				
Accounting	23,772	-	-	23,772
Auditing	4,500	-	-	4,500
Sponsorship	6,325	-	-	6,325
County Treasurer's Fee	2,599	11,953	3,077	17,629
Directors' Fees	208	-	-	208
District Management	11,969	-	-	11,969
Dues And Membership	323	-	-	323
Election	1,533	-	-	1,533
Insurance	3,800	-	-	3,800
Legal	7,504	-	-	7,504
Miscellaneous	8	-	-	8
Website	35	-	-	35
Debt Service:				
Bond Interest - 2015 Series	-	51,300	-	51,300
Bond Interest - 2018 Series	-	-	194,400	194,400
Bond Principal - 2015 Series	-	545,000	-	545,000
Bond Principal - 2018 Series	-	-	35,000	35,000
Paying Agent Fees	-	300	2,500	2,800
Total Expenditures	<u>62,576</u>	<u>608,553</u>	<u>234,977</u>	<u>906,106</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	207,794	295,068	(2,026)	500,836
Transfers In (Out)	<u>(2,800)</u>	<u>300</u>	<u>2,500</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	204,994	295,368	474	500,836
Fund Balances - Beginning of Year	<u>913,158</u>	<u>1,571,509</u>	<u>297,143</u>	<u>2,781,810</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,118,152</u>	<u>\$ 1,866,877</u>	<u>\$ 297,617</u>	<u>\$ 3,282,646</u>

See accompanying Notes to Basic Financial Statements.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$ 500,836
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Amounts reported for governmental activities in the statement of activities are different because:

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Bond Principal Payment	580,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable - Change in Liability	1,210
Amortization of Bond Discount	(1,776)
	1,210

Changes in Net Position of Governmental Activities	\$ 1,080,270
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*See accompanying Notes to Basic Financial Statements.*

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Budget Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 171,948	\$ 172,921	\$ 973
Specific Ownership Taxes	38,510	45,446	6,936
Interest Income	14,721	52,003	37,282
Total Revenues	225,179	270,370	45,191
<b>EXPENDITURES</b>			
Accounting	23,000	23,772	(772)
Auditing	4,000	4,500	(500)
Sponsorship	7,000	6,325	675
Contingency	421	-	421
County Treasurer's Fee	2,579	2,599	(20)
Directors' Fees	2,000	208	1,792
District Management	15,000	11,969	3,031
Dues And Membership	500	323	177
Election	2,500	1,533	967
Insurance	4,500	3,800	700
Legal	10,000	7,504	2,496
Miscellaneous	1,000	8	992
Website	2,500	35	2,465
Total Expenditures	75,000	62,576	12,424
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	150,179	207,794	57,615
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers To Other Fund	-	(2,800)	(2,800)
Total Other Financing Uses	-	(2,800)	(2,800)
<b>NET CHANGE IN FUND BALANCE</b>	150,179	204,994	54,815
Fund Balance - Beginning of Year	913,675	913,158	(517)
<b>FUND BALANCE - END OF YEAR</b>	\$ 1,063,854	\$ 1,118,152	\$ 54,298

See accompanying Notes to Basic Financial Statements.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Colorado Tech Center Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for Boulder County on July 12, 1983, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the City of Louisville (the City), Boulder County, Colorado. The District was established primarily to provide financing for streets, safety protection, transportation, water, sewer, and parks and recreation improvements. Except for certain landscaping improvements, it is intended that all improvements be transferred to the City or other entities for maintenance.

Additionally, these financial statements include the financial activities of the Colorado Tech Center District Subdistrict, (the Subdistrict). The Subdistrict, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized in conjunction with the District by Resolution of Louisville City (City) Council on December 19, 2017, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The primary objective of the Subdistrict is to furnish public improvements for the Louisville Corporate Campus at Colorado Tech Center Planned Unit Development (Development). The Development is planned for commercial, industrial, office, and related uses as allowed by the City and is located within the boundaries of the newly included territory of the District. The Subdistrict was formed to assist in the funding, construction, and acquisition of such public improvements within the boundaries of the Subdistrict, limited to public improvements authorized under the City-Approved Plans within the categories of street improvements, park and recreation related improvements, water distribution system, sanitary sewer system, storm sewer, and detention facilities.

The District, including the Subdistrict, follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, other than the Subdistrict, nor is the District a component unit of any other primary governmental entity, including the City.

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

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and investment income. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)**

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Funds account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**Property Taxes**

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.



**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 1,110,590
Cash and Investments - Restricted	2,172,858
Total Cash and Investments	\$ 3,283,448

Cash and investments as of December 31, 2023, consist of the following:

Deposits with Financial Institutions	\$ 19,498
Investments	3,263,950
Total Cash and Investments	\$ 3,283,448

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District's cash deposits had a bank balance and a carrying balance of \$19,498.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (continued)**

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	<u>\$ 3,263,950</u>

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (continued)**

**CSAFE**

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, and any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in general long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Bonds Payable:					
GO Refunding and Improvement Bonds					
Series 2015	\$ 2,250,000	\$ -	\$ 545,000	\$ 1,705,000	\$ 555,000
Limited Tax GO Bonds					
Series 2018	3,240,000	-	35,000	3,205,000	45,000
Bond Discount - Series 2018	(30,000)	1,776	-	(28,224)	-
<b>Total Long-Term Obligations</b>	<b>\$ 5,460,000</b>	<b>\$ 1,776</b>	<b>\$ 580,000</b>	<b>\$ 4,881,776</b>	<b>\$ 600,000</b>

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

On April 30, 2015, the District issued \$5,935,000 of General Obligation Refunding and Improvement Bonds, Series 2015 (2015 Bonds). The 2015 Bonds have a fixed interest rate of 2.28%. Interest is payable semi-annually on June 1 and December 1, and principal is payable annually on December 1. The 2015 Bonds consist of term bonds with maturities beginning on December 1, 2015, through December 1, 2026. The term bonds that mature on December 1, 2026, are subject to mandatory sinking fund redemption commencing on December 1, 2015 and on each December 1 thereafter prior to the maturity date. The 2015 Bonds are not subject to optional redemption prior to maturity.

On July 3, 2018, the Subdistrict issued the Series 2018 Limited Tax General Obligation Bonds (2018 Bonds) in the amount of \$2,496,258 for the purpose of: (a) paying Project Costs; and (b) paying costs incidental to the issuance and delivery of the Bonds. The 2018 Bonds will mature on December 1, 2047. The 2018 Bonds bear interest at the rate of 6.00% per annum, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available. Interest is payable on June 1 and December 1 of each year, commencing June 1, 2023.

Prior to the Conversion Date, December 22, 2022, the 2018 Bonds shall pay no current interest and will accumulate in value up to \$3,240,000, compounding semi-annually on each June 1 and December 1, commencing December 1, 2018, from their date of delivery until the Conversion Date. The total amount accreted as of December 31, 2022 was \$743,742. On and after the Conversion Date and until maturity or prior redemption, principal of the 2018 Bonds shall be paid to the extent of Pledged Revenue available therefor annually on December 1 each year, commencing December 1, 2023, pursuant to mandatory sinking fund redemption installments. To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and to the extent interest on any Bond is not paid when due, such unpaid interest shall compound semi-annually on each June 1 and December 1 at the rate then borne by the Bond until paid.

An ad valorem mill levy (a mill being equal to 1/10 of 1 cent) will be imposed upon all taxable property of the Subdistrict each year in an amount sufficient to pay the principal and interest on the 2018 Bonds as the same become due and payable, but not in excess of 18.200 mills, and in any year in which the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount, not less than 14.000 mills.

The 2018 Bonds are subject to redemption prior to maturity, at the option of the Subdistrict, as a whole or after the Conversion Date, in integral multiples of \$1,000; in any order of maturity and in whole or partial maturities, on any date, upon payment of (i) if prior to the Conversion Date, the Accreted Value as of the date of redemption and (ii) if on or after the Conversion Date, the principal amount so redeemed plus accrued interest thereon to the date of redemption, without redemption premium.

The 2018 Bonds are subject to mandatory sinking fund redemption on December 1, 2023, and on each December 1 thereafter prior to the maturity date of the Bonds, upon payment of par and accrued interest, without redemption premium. The Trustee shall elect for redemption on or before 45 days prior to each sinking fund installment date for such maturity.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

The 2018 bonds are secured by a Surplus Fund up to a maximum amount of \$292,100.

All Debt issued by the Subdistrict and operation expenses may be payable from any and all legally available revenues of the Subdistrict, including general ad valorem taxes to be imposed upon all taxable property within the Subdistrict, which shall not exceed thirty-five (35) mills for both debt and operations except as otherwise allowed by the Service Plan.

Outstanding bond principal and interest mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 600,000	\$ 231,174	\$ 831,174
2025	615,000	215,820	830,820
2026	635,000	200,124	835,124
2027	55,000	183,600	238,600
2028	65,000	180,300	245,300
2029-2033	405,000	837,900	1,242,900
2034-2038	625,000	691,500	1,316,500
2039-2043	910,000	471,900	1,381,900
2044-2047	1,000,000	155,100	1,155,100
Total	<u>\$ 4,910,000</u>	<u>\$ 3,167,418</u>	<u>\$ 8,077,418</u>

**Debt Authorization**

As of December 31, 2023, the District has no authorized but unused debt.

**NOTE 5 NET POSITION**

The District has net position consisting of two components – restricted and unrestricted.

The restricted component of net position consists of assets that are restricted for use either externally by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. As of December 31, 2023, the District had restricted net position of \$8,200 for Emergency Reserves and \$2,145,228 for debt service.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows or resources that are not included in the determination of the restricted component of net position.

The District's has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 6 RELATED PARTY TRANSACTIONS**

Certain members of the Board of Directors are officers, employees, owners, or otherwise associated with land owners of the property within the District and the Colorado Tech Center Owners Association and may have conflicts of interest in dealing with the District.

The Developer of the property which constitutes the District is Etkin Johnson. The majority members of the Board of Directors are employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

**NOTE 7 INTERGOVERNMENTAL AGREEMENTS**

**Sanitary Sewer Lift Station**

On April 24, 2007, the District entered into a reimbursement agreement with the City in regard to the construction of a sanitary sewer lift station to serve a portion of the property located within the District's boundaries. In addition to serving property within the District, there are six parcels that are identified as the benefitted area for this lift station that are outside the District boundaries. The City will collect a reimbursement fee from each of the property owners of these six parcels at the time the first building permit for each parcel is applied for. The reimbursement fee shall be a pro rata share of the total cost of the lift station based upon that parcel's acreage as compared to the total acreage of property served by the lift station. Any fees collected by the City will be held by the City in a separate interest-bearing account and remitted to the District on no less than a quarterly basis, until the total amount due from the six parcels is paid or 15 years has elapsed from the date of final acceptance, whichever comes first. The District received final acceptance of the lift station on November 5, 2010. Therefore, the period that the City will collect reimbursement fees under this agreement will end on November 5, 2025.

The three remaining parcels and amounts owed to the District under this agreement are as follows:

<u>Parcels Within Benefitted Area</u>	<u>Total Acreage</u>	<u>Percent of Total Area Served</u>	<u>Final Reimbursement</u>
Bennett Parcel (Property No. 1)	5.0	0.9%	\$ 10,610
Self Parcel (Property No. 3)	4.0	0.7%	8,252
Games Parcel (Property No. 4)	5.4	0.9%	10,610
Total			<u>\$ 29,472</u>

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 8 RISK MANAGEMENT**

Except as provided in the Colorado Governmental Immunity Act, the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

**SUPPLEMENTARY INFORMATION**



**COLORADO TECH CENTER METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Budget Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 790,805	\$ 795,279	\$ 4,474
Interest Income	24,698	108,342	83,644
Total Revenues	815,503	903,621	88,118
<b>EXPENDITURES</b>			
County Treasurer's Fee	11,862	11,953	(91)
Paying Agent Fees	300	300	-
Bond Interest - 2015 Series	51,300	51,300	-
Bond Principal - 2015 Series	545,000	545,000	-
Contingency	538	-	538
Total Expenditures	609,000	608,553	447
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	206,503	295,068	88,565
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers From Other Funds	-	300	300
Total Other Financing Sources	-	300	300
<b>NET CHANGE IN FUND BALANCE</b>	206,503	295,368	88,865
Fund Balance - Beginning of Year	1,555,505	1,571,509	16,004
<b>FUND BALANCE - END OF YEAR</b>	\$ 1,762,008	\$ 1,866,877	\$ 104,869

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
DEBT SERVICE FUND – SUBDISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Budget Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 204,321	\$ 204,321	\$ -
Specific Ownership Taxes	8,173	9,387	1,214
Interest Income	4,241	19,243	15,002
Total Revenues	216,735	232,951	16,216
<b>EXPENDITURES</b>			
County Treasurer's Fee	3,065	3,077	(12)
Paying Agent Fees	2,500	2,500	-
Bond Interest - 2018 Series	194,400	194,400	-
Bond Principal - 2018 Series	35,000	35,000	-
Contingency	35	-	35
Total Expenditures	235,000	234,977	23
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers From Other Funds	-	2,500	2,500
Total Other Financing Sources	-	2,500	2,500
<b>NET CHANGE IN FUND BALANCE</b>	(18,265)	474	18,739
Fund Balance - Beginning of Year	293,957	297,143	3,186
<b>FUND BALANCE - END OF YEAR</b>	\$ 275,692	\$ 297,617	\$ 21,925

## OTHER INFORMATION

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2023**

Bonds/Loans and Interest Maturing in the Year Ending December 31,	\$5,935,000 General Obligation Refunding and Improvement Bonds Interest Rate - 2.280% Series 2015 Refunding of Series 2007 Dated April 30, 2015 Interest Payable June 1 and December 1 Principal Payable December 1			\$3,240,000 Limited Tax General Obligation Bonds Interest Rate - 6.00% Series 2018 Dated July 3, 2018 Interest Payable June 1 and December 1 Principal Payable December 1			Total
	Principal	Interest	Total	Principal	Interest	Total	All Bonds
	2024	\$ 555,000	\$ 38,874	\$ 593,874	\$ 45,000	\$ 192,300	\$ 237,300
2025	570,000	26,220	596,220	45,000	189,600	234,600	830,820
2026	580,000	13,224	593,224	55,000	186,900	241,900	835,124
2027	-	-	-	55,000	183,600	238,600	238,600
2028	-	-	-	65,000	180,300	245,300	245,300
2029	-	-	-	65,000	176,400	241,400	241,400
2030	-	-	-	75,000	172,500	247,500	247,500
2031	-	-	-	80,000	168,000	248,000	248,000
2032	-	-	-	90,000	163,200	253,200	253,200
2033	-	-	-	95,000	157,800	252,800	252,800
2034	-	-	-	105,000	152,100	257,100	257,100
2035	-	-	-	115,000	145,800	260,800	260,800
2036	-	-	-	125,000	138,900	263,900	263,900
2037	-	-	-	135,000	131,400	266,400	266,400
2038	-	-	-	145,000	123,300	268,300	268,300
2039	-	-	-	155,000	114,600	269,600	269,600
2040	-	-	-	170,000	105,300	275,300	275,300
2041	-	-	-	180,000	95,100	275,100	275,100
2042	-	-	-	195,000	84,300	279,300	279,300
2043	-	-	-	210,000	72,600	282,600	282,600
2044	-	-	-	225,000	60,000	285,000	285,000
2045	-	-	-	240,000	46,500	286,500	286,500
2046	-	-	-	260,000	32,100	292,100	292,100
2047	-	-	-	275,000	16,500	291,500	291,500
<b>Total</b>	<b>\$ 1,705,000</b>	<b>\$ 78,318</b>	<b>\$ 1,783,318</b>	<b>\$ 3,205,000</b>	<b>\$ 3,089,100</b>	<b>\$ 6,294,100</b>	<b>\$ 8,077,418</b>

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
DECEMBER 31, 2023**

Year Ended December 31,	Assessed Valuation	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
		General Operations	Debt Service	Levied	Collected	
2018/2019	\$ 128,476,471	0.915	11.127	\$ 1,547,114	\$ 1,560,239	100.85 %
2019/2020	153,922,071	0.910	7.800	1,340,661	1,334,963	99.57
2020/2021	165,785,889	0.910	7.300	1,361,102	1,345,425	98.85
2021/2022	186,716,984	0.873	7.300	1,526,038	1,521,748	99.72
2022/2023	192,550,643	0.893	4.107	962,753	968,200	100.57
Estimated for Year Ending December 31, 2024	\$ 300,463,404	0.568	0.000	170,663		

**Note:**

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.

**COLORADO TECH CENTER METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES  
COLLECTED - SUBDISTRICT  
DECEMBER 31, 2023**

Year Ended <u>December 31,</u>	Assessed Valuation	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
		General Operations	Debt Service	Levied	Collected	
2018/2019	\$ 716,677	-	-	\$ -	\$ -	- %
2019/2020	3,663,309	0.000	14.000	51,286	51,286	100.00
2020/2021	4,930,800	0.000	14.000	69,031	69,031	100.00
2021/2022	12,000,800	0.000	14.000	168,011	168,011	100.00
2022/2023	14,594,345	0.000	14.000	204,321	204,321	100.00
Estimated for Year Ending December 31, 2024	\$ 28,085,153	0.000	8.000	224,681		

Note:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.