

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 45,509,100	\$ 36,059,317	\$ 22,210,855
REVENUES			
Interest income	15,836	471,625	300,000
Property taxes	-	472	26,469
Specific ownership tax	-	33	1,852
Other revenue	25,123	1,000	2,026
Transfer from CIC9	-	-	107,716
Intergovernmental revenues	-	8,000	-
Total revenues	<u>40,959</u>	<u>481,130</u>	<u>438,063</u>
Total funds available	<u>45,550,059</u>	<u>36,540,447</u>	<u>22,648,918</u>
EXPENDITURES			
General Fund	-	1,505	26,000
Debt Service Fund	4,000	4,000	6,000
Capital Projects Fund	9,486,742	10,434,895	22,000,000
Total expenditures	<u>9,490,742</u>	<u>10,440,400</u>	<u>22,032,000</u>
TRANSFERS OUT	<u>-</u>	<u>3,889,192</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>9,490,742</u>	<u>14,329,592</u>	<u>22,032,000</u>
ENDING FUND BALANCES	<u>\$ 36,059,317</u>	<u>\$ 22,210,855</u>	<u>\$ 616,918</u>

No assurance provided. See summary of significant assumptions.

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/24/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Agricultural	\$ 40	\$ 8,590	\$ 11,010
State assessed	-	-	298,100
Personal property	-	-	97,200
Certified Assessed Value	\$ 40	\$ 8,590	\$ 406,310

MILL LEVY

General	50.000	50.000	50.133
Debt Service	0.000	0.000	10.000
ARI	5.000	5.000	5.013
Total mill levy	55.000	55.000	65.146

PROPERTY TAXES

General	\$ 2	\$ 429	\$ 20,369
Debt Service	-	-	4,063
ARI	-	43	2,037
Budgeted property taxes	\$ 2	\$ 472	\$ 26,469

BUDGETED PROPERTY TAXES

General	\$ 2	\$ 429	\$ 20,369
Debt Service	-	-	4,063
ARI	-	43	2,037
	\$ 2	\$ 472	\$ 26,469

No assurance provided. See summary of significant assumptions.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	472	22,406
Other revenue	-	1,000	2,026
Specific ownership tax	-	33	1,568
Total revenues	<u>-</u>	<u>1,505</u>	<u>26,000</u>
Total funds available	<u>-</u>	<u>1,505</u>	<u>26,000</u>
EXPENDITURES			
General and administrative			
Intergovernmental expenditures - Aurora High Point MD	-	455	21,601
Transfer to 64th Ave. Regional Authority	-	43	2,037
Contingency	-	1,000	2,026
County Treasurer's fee	-	7	336
Total expenditures	<u>-</u>	<u>1,505</u>	<u>26,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>1,505</u>	<u>26,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ (4,000)	\$ -
REVENUES			
Property taxes	-	-	4,063
Specific ownership tax	-	-	284
Transfer from CIC9	-	-	107,716
Intergovernmental revenues	-	8,000	-
Total revenues	-	8,000	112,063
Total funds available	-	4,000	112,063
EXPENDITURES			
Trustee/paying agent fees	4,000	4,000	4,000
County Treasurer's fee	-	-	61
Contingency	-	-	1,939
Total expenditures	4,000	4,000	6,000
Total expenditures and transfers out requiring appropriation	4,000	4,000	6,000
ENDING FUND BALANCE	\$ (4,000)	\$ -	\$ 106,063

No assurance provided. See summary of significant assumptions.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 45,509,100	\$ 36,063,317	\$ 22,210,855
REVENUES			
Interest income	15,836	471,625	300,000
Other revenue	25,123	-	-
Total revenues	<u>40,959</u>	<u>471,625</u>	<u>300,000</u>
Total funds available	<u>45,550,059</u>	<u>36,534,942</u>	<u>22,510,855</u>
EXPENDITURES			
Capital Projects			
Intergovernmental expenditures - Aurora High Point	9,215,044	10,434,895	22,000,000
Intergovernmental expenditures - CIC MD 11	265,145	-	-
Cost of issuance	6,553	-	-
Total expenditures	<u>9,486,742</u>	<u>10,434,895</u>	<u>22,000,000</u>
TRANSFERS OUT			
Transfer to other Districts	<u>-</u>	<u>3,889,192</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>9,486,742</u>	<u>14,324,087</u>	<u>22,000,000</u>
ENDING FUND BALANCE	<u>\$ 36,063,317</u>	<u>\$ 22,210,855</u>	<u>\$ 510,855</u>

No assurance provided. See summary of significant assumptions.

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Colorado International Center Metropolitan District No. 8 (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 the City of Aurora (the City) in Adams County, Colorado. Concurrently with the formation of the District, the City approved the formation of Aurora High Point at DIA Metropolitan District (the Management District) and Colorado International Center Metropolitan District Nos. 4, 5, 6, 9, and 10 (together with the District, 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.

On November 2, 2004, the District's voters authorized total general obligation indebtedness of \$4,820,000,000 for the above listed facilities and powers. On May 3, 2016, the District's voters authorized total general obligation indebtedness of an additional \$6,000,000,000 for the above listed facilities and powers, but the District's service plan limits the total debt issuance to \$400,000,000, with a maximum debt mill levy of 50.000 mills.

On April 7, 2020, and as amended on July 28, 2020, the District, along with Colorado International Center Metropolitan District Nos. 6,7,9,10, and 11 (collectively, the CIC Districts), HM Metropolitan District No. 2 (HM), and Velocity Metropolitan District Nos. 4-6 (Velocity) formed the 64th Ave. ARI Authority Board (the Authority) pursuant to the Amended and Restated 64th Ave. ARI Authority Establishment Agreement (collectively, the 64th Authority Districts) in order to provide for the financing, construction, and operation of 64th Ave. from E-470 to Jackson Gap (the 64th Ave. Regional Improvements).

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

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

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue

Property Taxes

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

The calculation of the taxes levied is displayed on page 2 of the budget.

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%.

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.

Net Investment Income

Interest earned on the District's available funds has been estimated based on prevailing interest rates.

ARI Mill Levy

Per the 64th Authority Districts' Service Plans and the Establishment Agreement described above, the 64th Authority Districts are obligated to impose the Aurora Regional Improvements Mill Levy (ARI Mill Levy) beginning in 2021 in the amount of 5.000 mills, subject to changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement. The CIC Districts shall commit a portion of the revenue from their ARI Mill Levy to the Authority to fund ownership, operation, and maintenance of the 64th Ave. Regional Improvements. The first \$75,000 (adjusted by 1% per year beginning in 2021) (Target Annual Operating Funds) will be used to fund the Authority's operating account. Per a cost sharing agreement, the CIC Districts are responsible for providing 50% of the Target Annual Operating Funds amount.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Transfer to Aurora High Point at DIA

The District will transfer all net General Fund property taxes and other General Fund revenues to the Management District, which will pay for administrative costs incurred by the District.

Transfer to Aurora Regional Improvements

The District will distribute all revenues collected from the ARI mill levy, less treasurer's fees, for payment toward regional improvements.

Capital Projects

The District anticipates transferring project funds to the Management District to fund capital expenditures.

Debt and Leases

The District issued its Series 2020, Limited Tax General Obligation Bonds on September 16, 2020 in the par amount of \$47,144,000. Proceeds from the sale of the Bonds will be used to finance public improvements related to the development of property within the Districts and to pay costs of issuance.

The Bonds bear interest at the rate of 6.500% per annum and are payable annually on December 1, beginning on December 1, 2020, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2050 and are subject to mandatory redemption to the extent of available Pledged Revenue.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest. Unpaid interest on the Bonds compounds annually on each December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2060 (the "Termination Date"), such amounts shall be extinguished and no longer due and outstanding. Therefore, no debt to maturity schedule is provided with this budget.

The Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2025, upon payment of par, accrued interest, and a redemption premium of 3% and on any date thereafter, with a redemption premium declining 1% per year for the next two years and no redemption premium thereafter.

The Bonds are secured by and payable from District Pledged Revenue and District No. 9 Pledged Revenue.

Pursuant to the Indenture, District Pledged Revenue means:

- (a) all Property Tax Revenues;
- (b) all Specific Ownership Tax Revenues;
- (c) all PILOT Revenues; and,
- (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

Pursuant to the Pledge Agreement, District No. 9 Pledged Revenue means:

- (a) all District No. 9 Property Tax Revenues;
- (b) all District No. 9 Specific Ownership Tax Revenues;
- (c) all PILOT Revenues; and,
- (d) any other legally available moneys which District No. 9 determines, in its absolute discretion, to transfer to the District for credit to the Bond Fund under the Indenture and/or any Bond Fund under any Additional Obligation Documents.

Pursuant to the Indenture, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District beginning in the Mill Levy Commencement year and in each year thereafter (subject to the Termination Date) in an amount which, together with the amount expected to be received by the District from District No. 9 due to the imposition of the District No. 9 Required Mill Levy, will be sufficient to pay the Bonds as they come due, but not in excess of 45 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement after January 1, 2004).

Pursuant to the Pledge Agreement, District No. 9 has covenanted to impose an ad valorem mill levy upon all taxable property of District No. 9 beginning in the Mill Levy Commencement Year of 35 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement after January 1, 2004) or such lesser amount as may be needed to pay the Bonds and any Additional Obligations as they come due. Mill Levy Commencement Year for each of the Districts means the earlier of: (i) the first calendar year in which, prior to the Mill Levy Certification Date in such year: (A) any portion of the property in the respective District is classified by the County assessor as residential, commercial or vacant land, as reflected in publicly available records of the County assessor indicating the final assessed valuation of the District, and (B) a final subdivision plat has been recorded with respect to all or a portion of the property in the respective District, or (ii) the calendar year ending December 31, 2024.

Developer Advances

The District also has developer advances from prior years, which are not general obligation debt. As of December 31, 2021, the District had \$37,368 in outstanding developer advances and accrued interest at 8% per annum. Repayment of advances and accrued interest is subject to annual appropriation if and when eligible funds become available. See below for the anticipated developer advance activity.

	Balance 12/31/2021	Additions*	Deletions*	Balance 12/31/2022*	Additions*	Deletions*	Balance 12/31/2023*
Developer Advances							
Operations	\$ 17,093	\$ -	\$ -	\$ 17,093	\$ -	\$ -	\$ 17,093
Accrued Interest	20,275	1,367	-	21,642	1,367	-	23,009
	<u>\$ 37,368</u>	<u>\$ 1,367</u>	<u>\$ -</u>	<u>\$ 38,735</u>	<u>\$ 1,367</u>	<u>\$ -</u>	<u>\$ 40,102</u>

The District has no general obligation debt, nor any capital or operating leases.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 8
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

TABOR required local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all TABOR related funds received by the District are transferred to the Management District, which pays for all 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 Management District.

This information is an integral part of the accompanying budget.