

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/16/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 29,296,368	\$ 22,904,889	\$ 8,683,844
REVENUES			
Property taxes	76	76	70
Property taxes - ARI	4	4	4
Specific ownership tax	6	6	4
Interest income	186,578	11,038	7,875
GID Revenue	146,429	135,612	135,612
Intergovernmental revenues - CIC 5	-	347	330
Other revenue	-	-	1,000
Total revenues	<u>333,093</u>	<u>147,083</u>	<u>144,895</u>
Total funds available	<u>29,629,461</u>	<u>23,051,972</u>	<u>8,828,739</u>
EXPENDITURES			
General Fund	45	45	1,041
Debt Service Fund	10,000	10,001	15,000
Capital Projects Fund	6,714,527	14,358,082	1,835,319
Total expenditures	<u>6,724,572</u>	<u>14,368,128</u>	<u>1,851,360</u>
ENDING FUND BALANCES	<u>\$ 22,904,889</u>	<u>\$ 8,683,844</u>	<u>\$ 6,977,379</u>

No assurance provided. See summary of significant assumptions.

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/16/21

ACTUAL	ESTIMATED	BUDGET
2020	2021	2022

ASSESSED VALUATION

Agricultural	\$ 3,770	\$ 3,770	\$ 3,540
Certified Assessed Value	\$ 3,770	\$ 3,770	\$ 3,540

MILL LEVY

General	10.000	10.000	10.000
Debt Service	10.000	10.000	10.000
ARI	1.000	1.000	1.000
Total mill levy	21.000	21.000	21.000

PROPERTY TAXES

General	\$ 38	\$ 38	\$ 35
Debt Service	38	38	35
ARI	4	4	4
Levied property taxes	80	80	74
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	\$ 80	\$ 80	\$ 74

BUDGETED PROPERTY TAXES

General	\$ 38	\$ 38	\$ 35
Debt Service	38	38	35
ARI	4	4	4
	\$ 80	\$ 80	\$ 74

No assurance provided. See summary of significant assumptions.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/16/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	38	38	35
Property taxes - ARI	4	4	4
Specific ownership tax	3	3	2
Other revenue	-	-	1,000
Total revenues	<u>45</u>	<u>45</u>	<u>1,041</u>
Total funds available	<u>45</u>	<u>45</u>	<u>1,041</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	1	1	1
ARI Payment	4	4	4
Contingency	-	-	1,000
Intergovernmental expenditures - Aurora High Point MD	40	40	36
Total expenditures	<u>45</u>	<u>45</u>	<u>1,041</u>
Total expenditures and transfers out requiring appropriation	<u>45</u>	<u>45</u>	<u>1,041</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/16/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 6,540,606	\$ 6,720,187	\$ 6,849,442
REVENUES			
Property taxes	38	38	35
Specific ownership tax	3	3	2
Interest income	43,111	3,256	6,958
GID revenue	146,429	135,612	135,612
Intergovernmental revenues - CIC 5	-	347	330
Total revenues	<u>189,581</u>	<u>139,256</u>	<u>142,937</u>
Total funds available	<u>6,730,187</u>	<u>6,859,443</u>	<u>6,992,379</u>
EXPENDITURES			
Debt Service			
County Treasurer's fee	-	1	1
Trustee fees	10,000	10,000	10,000
Contingency	-	-	4,999
Total expenditures	<u>10,000</u>	<u>10,001</u>	<u>15,000</u>
ENDING FUND BALANCE	<u>\$ 6,720,187</u>	<u>\$ 6,849,442</u>	<u>\$ 6,977,379</u>

No assurance provided. See summary of significant assumptions.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
 CAPITAL PROJECTS FUND
 2022 BUDGET
 WITH 2020 ACTUAL AND 2021 ESTIMATED
 For the Years Ended and Ending December 31,**

12/16/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 22,755,762	\$ 16,184,702	\$ 1,834,402
REVENUES			
Interest income	143,467	7,782	917
Total revenues	<u>143,467</u>	<u>7,782</u>	<u>917</u>
Total funds available	<u>22,899,229</u>	<u>16,192,484</u>	<u>1,835,319</u>
EXPENDITURES			
Capital Projects			
Intergovernmental expenditures - Aurora High Point MD	6,714,527	14,358,082	1,835,319
Total expenditures	<u>6,714,527</u>	<u>14,358,082</u>	<u>1,835,319</u>
Total expenditures and transfers out requiring appropriation	<u>6,714,527</u>	<u>14,358,082</u>	<u>1,835,319</u>
ENDING FUND BALANCE	<u>\$ 16,184,702</u>	<u>\$ 1,834,402</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Colorado International Center Metropolitan District No. 4 (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. 3, 5, 6, 7, 8, 9, 10, and 11 (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 voter's authorized total general obligation indebtedness of \$4,820,000,000 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.

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.

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, which includes the ARI mill levy (see below).

Aurora Regional Improvements (ARI) Mill Levy

The District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan in one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue (continued)

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 an average interest rate of 0.1%.

GID Revenue

On October 27, 2011 (as amended on April 10, 2019), the District entered into a GID Pledge Agreement with the Aurora Conference Center General Improvement District (No. 2-2011) (Aurora GID), a municipal general improvement district and taxing entity of the City. The Aurora GID comprises certain property that is within the Aurora Conference Center Urban Renewal Area (URA), plus property within the District which is not within the URA. The Aurora GID is authorized to levy an ad valorem property tax (GID tax levy) to finance the construction of offsite public improvements that will service a public conference center in the area. The Aurora GID will submit payment to the District of the collected property taxes and that portion of the specific ownership taxes attributable to the GID tax levy (less that portion of the GID tax levy collected from properties solely within the URA). The GID tax levy has been levied since in 2013 (for collection in 2014) and will continue each year thereafter until the earliest of (a) 2046 (for collection in 2047) or (b) all infrastructure bonds have been fully repaid. Payments received under this agreement by the District will be pledged for payment on the District's Taxable Revenue Bonds – Series 2019A-1.

Intergovernmental Revenue

The District will receive net property tax revenue from Colorado International Center Metropolitan District No. 5 (CIC No. 5), per a Capital Pledge Agreement entered into between the District and CIC No. 5, which is pledged to the payment of the District's Series 2019A-2 and 2019B-2 bonds (see below).

Expenditures

Transfer to Aurora High Point at DIA

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

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Aurora Regional Improvements

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

Debt Service

The principal and interest payments are provided based on the debt amortization schedules from the General Obligation Bonds, Series 2019A-1, Series 2019A-2, and Series 2019B-2 (discussed under Debt and Leases).

Capital Projects

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

Debt and Leases

The District has the following long term obligations:

Series 2019A-1 Limited Tax General Obligation and Special Revenue Refunding and Improvement Convertible Capital Appreciation Bonds were issued on April 18, 2019 in the amount of \$41,816,496.75. Pursuant to a GID Pledge Agreement by and between the GID and the District (the "GID Pledge Agreement"), the GID has covenanted to levy an ad valorem mill levy upon all taxable property of the GID each year during the Financing Period of not less than and not more than 40 mills (the "2019A-1 GID Mill Levy").

Pursuant to the GID Pledge Agreement, the GID is obligated to transfer the (a) ad valorem property tax revenue derived from imposition of the 2019A-1 GID Mill Levy on the Off-Site Property (less costs of collection) and (b) Specific Ownership Tax Revenue allocable to the 2019A-1 GID Mill Levy imposed on the Off-Site Property (collectively, the "2019A-1 GID Revenues"), to the District to pay the 2019A-1 Bonds as described in the GID Pledge Agreement.

Proceeds from the sale of the 2019A-1 Bonds will be used to: (i) refund the District's currently outstanding Taxable Special Revenue Bonds, Senior Series 2015A and Subordinate Series 2015B; (ii) reimburse the Developer and Aurora Convention Center Hotel, LLC, for the costs of public improvements; (iii) finance additional public improvements; (iv) fund the 2019A-1 Reserve Fund; and (v) pay other costs of issuance in connection with the Bonds.

The 2019A-1 Bonds will be issued as accretions bonds, convertible to current interest bonds on December 1, 2025. Prior to conversion to current interest bonds, the 2019A-1 Bonds do not pay current interest and accrete in value at an annual yield equal to 6.00%. The accreted amount compounds semiannually on June 1 and December 1, beginning June 1, 2019, to and including December 1, 2025. Such accreted amount, together with the original principal amount of the 2019A-1 Bonds, bears interest at the interest rate borne by the 2019A-1 Bonds upon conversion to current interest bonds.

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

The accreted principal balance at conversion on December 1, 2025, will be \$61,845,000. Upon conversion to current interest bonds, the 2019A-1 Bonds will bear interest at a rate of 6.00%, payable semiannually on June 1 and December 1, commencing on June 1, 2026. Annual principal payments are due on December 2 of each year beginning December 1, 2028, with a final maturity of December 1, 2047.

Series 2019A-2 Limited Tax General Obligation and Special Revenue Convertible Capital Appreciation Bonds were issued on April 18, 2019 in the amount of \$21,331,204.90. Proceeds from the sale of the 2019A-2 Senior Bonds will be used to: (i) reimburse the Developer for the costs of public improvements; (ii) finance additional public improvements; (iii) fund the 2019A-2 Senior Reserve Fund; and (iv) pay other costs in connection with the issuance of the 2019A-2 Senior Bonds and the 2019B-2 Subordinate Bonds.

The 2019A-2 Senior Bonds will be issued as accretions bonds, convertible to current interest bonds on December 1, 2024. Prior to conversion to current interest bonds, the 2019A-2 Senior Bonds do not pay current interest and accrete in value at an annual yield equal to 6.25%. The accreted amount compounds semiannually on each June 1 and December 1, beginning June 1, 2019, to and including December 1, 2024. Such accreted amount, together with the original principal amount of the 2019A-2 Senior Bonds, bears interest at the interest rate borne by the 2019A-2 Senior Bonds upon conversion to current interest bonds.

The accreted principal balance at conversion on December 1, 2024, will be \$30,145,000. The 2019A-2 Senior Bonds will accrete, compound, and bear interest at a rate of 6.25%. Upon conversion to current interest bonds, interest will be payable semiannually on June 1 and December 1, commencing on June 1, 2025. Annual principal payments are due on December 1 of each year beginning December 1, 2026, with a final maturity of December 1, 2048.

On and after the conversion to current interest bonds, to the extent principal of the 2019A-2 Senior Bonds is not paid when due, such principal shall remain outstanding until paid and to the extent interest on any 2019A-2 Senior Bonds is not paid when due, such unpaid interest shall compound semiannually on each June 1 and December 1 at the rate borne by the bond until paid. Neither the District nor District No. 5 is obligated to pay more than the amount permitted by law and its respective electoral authorization in repayment of the 2019A-2 Senior Bonds.

Series 2019B-2 Subordinate Limited Tax General Obligation and Special Revenue Bonds were issued on April 18, 2019 in the amount of \$3,993,000. The proceeds from the sale of the 2019B-2 Subordinate Bonds will be used to: (i) finance additional public improvements; and (ii) pay certain costs of issuance in connection with the 2019B-2 Subordinate Bonds.

The 2019B-2 Subordinate Bonds will be issued at the rate of 8.75% per annum and are payable annually on December 15, beginning on December 15, 2019, but only to the extent of available 2019B-2 Subordinate Pledged Revenue. The 2019B-2 Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest.

No payments are permitted to be made on the 2019B-2 Subordinate Bonds until (a) the 2019A-2 Reserve Fund is filled to the amount of the 2019A-2 Required Reserve; (b) the 2019A-2 Senior Surplus

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

Fund reaches the 2019A-2 Maximum Surplus Amount; and (c) annual debt service on the 2019A-2 Senior Bonds and any other obligations issued on parity therewith have been paid in full in any year.

Developer Advances

The District's debt is comprised of developer advances, which are not general obligation debt. As of December 31, 2020, the District had \$42,074 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 <u>12/31/2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2022</u>
Developer Advances							
Operations	\$ 20,064	\$ -	\$ -	\$ 20,064	\$ -	\$ -	\$ 20,064
Accrued Interest	22,010	1,605	-	23,615	1,605	-	25,220
	<u>\$ 42,074</u>	<u>\$ 1,605</u>	<u>\$ -</u>	<u>\$ 43,679</u>	<u>\$ 1,605</u>	<u>\$ -</u>	<u>\$ 45,284</u>

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

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.