

**FITZSIMONS VILLAGE
METROPOLITAN DISTRICT NO. 1**

2020 ANNUAL REPORT

1. **BOUNDARY CHANGES MADE OR PROPOSED:** No boundary changes were made or proposed in 2020.
2. **INTERGOVERNMENTAL AGREEMENTS:** There were no new Intergovernmental Agreements in 2020.
3. **COPIES OF DISTRICT’S RULES AND REGULATIONS:** The District approved a Joint Resolution Regarding the Imposition of Facilities Fees on 4/19/10; a Joint Operations and Maintenance Fee Resolution on 9/08/11; a First Amended and Restated Joint Operations and Maintenance Fee Resolution on 8/13/14; and a Joint Resolution Regarding the Imposition of Facilities Fees on 8/13/14.
4. **SUMMARY OF ANY LITIGATION:** In 2018, the District, Fitzsimons Village Metropolitan District Nos. 2 and 3, the Aurora Urban Renewal Authority, and the City of Aurora filed suit against the Arapahoe County Assessor and the Colorado State Property Tax Administrator (“the Defendants”) arising from a tax dispute over the tax increment financing (the “TIF Litigation”). The District was dismissed from involvement in the TIF Litigation as the result of a motion to dismiss granted in favor of the Defendants on June 18, 2019. The Court granted summary judgment on June 10, 2020. Corporex Colorado LLC and Fitzsimons Village Metropolitan District Nos. 1-3 initiated an appeal of the Court’s ruling before the Colorado Court of Appeals in July 2020. The appeal is currently pending.
5. **STATUS OF THE DISTRICT’S CONSTRUCTION OF THE PUBLIC IMPROVEMENTS:** There was no construction of Public Improvements in 2020.
6. **LIST OF ALL FACILITIES AND IMPROVEMENTS CONSTRUCTED BY THE DISTRICT THAT HAVE BEEN DEDICATED TO AND ACCEPTED BY THE CITY:** There was no construction or dedication of Public Improvements in 2020.
7. **ASSESSED VALUATION:** Please see Certification of Valuation (See Exhibit A).
8. **CURRENT YEAR BUDGET:** Please see 2021 Budget (See Exhibit B).
9. **AUDIT / AUDIT EXEMPTIONS:** The District’s 2020 Audit is not complete and will be filed separately when available.
10. **NOTICE OF ANY UNCURED EVENTS OF DEFAULT:** None.
11. **ANY INABILITY OF THE DISTRICT TO PAY ITS OBLIGATIONS:** None.

EXHIBIT A



PK Kaiser, MBA, MS

Assessor

October 8, 2020

OFFICE OF THE ASSESSOR
5334 S. Prince Street
Littleton, CO 80120-1136
Phone: 303-795-4600
TDD: Relay-711
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AUTH 4321 FITZSIMONS VLG METRO DIST
#1
CLIFTON LARSON ALLEN LLP
C/O BOB BLODGETT
8390 E CRESCENT PKY STE 300
GREENWOOD VILLAGE CO 80111

Code # 4321

CERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2020 of:

\$6,509,833

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

PK Kaiser, MBA, MS
Arapahoe County Assessor

enc

CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity YES NO

Date: October 8, 2020

NAME OF TAX ENTITY: FITZSIMONS VLG MET DIS #1
USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2020:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$		679,116
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$		6,509,833
3. <u>LESS</u> TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$		5,845,295
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$		664,538
5. NEW CONSTRUCTION: *	5.	\$		0
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$		0
7. ANNEXATIONS/INCLUSIONS:	7.	\$		0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$		0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	\$		0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$		125
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$		0

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution

* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2020:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$		20,182,948
ADDITIONS TO TAXABLE REAL PROPERTY				
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$		0
3. ANNEXATIONS/INCLUSIONS:	3.	\$		0
4. INCREASED MINING PRODUCTION: §	4.	\$		0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$		0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$		0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$		0

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$		0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$		0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$		0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$		0
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NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

EXHIBIT B

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR YEAR ENDING DECEMBER 31, 2021

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/30/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 2,490,420	\$ 10,050,085	\$ 820,121
REVENUES			
AURA Funding - Lodger Tax	281,951	266,000	270,000
AURA Funding - Property Tax	1,422,901	1,654,435	890,000
AURA Funding - Sales Tax	73,876	62,000	65,000
Developer Advance - Corporex	31,074	234,436	265,987
Insurance Proceeds	42,288	-	-
Interest Income	196,120	62,035	2,650
Operations and Maintenance Fees	78,183	78,581	78,979
Parking Revenue	12,283	4,000	8,000
PIF - Debt Service	63,786	5,000	29,000
PIF - Excess Collection Fee	31,752	25,000	39,000
PIF - Operations and Maintenance	101,673	45,000	78,000
Property Taxes	31,785	33,956	33,277
Property Taxes - ARI	636	679	665
Specific Ownership Taxes	24,686	23,000	22,784
TIF Property Taxes	52,133	58,777	20,855
TIF Property Taxes - ARI	55,004	11,755	4,170
Transfer from Fitzsimons Village No. 2 - Taxes	146,157	145,409	84,299
Transfer from Fitzsimons Village No. 3 - O&M Fee	36,500	28,571	-
Transfer from Fitzsimons Village No. 3 - PIF	-	96,000	101,000
Transfer from Fitzsimons Village No. 3 - TIF Prop Tax	-	93,766	87,577
Transfer from Fitzsimons Village No. 3 - Excess Funds	-	43,681	-
Bond Premium	-	423,953	-
Bond Issuance - Series 2020	-	18,402,000	-
Use Restriction Extension Payment	48,214	521,570	-
Use Restriction Redemption Payment	7,714,270	-	-
Total revenues	<u>10,445,272</u>	<u>22,319,604</u>	<u>2,081,243</u>
TRANSFERS IN	<u>1,748</u>	<u>-</u>	<u>-</u>
Total funds available	<u>12,937,440</u>	<u>32,369,689</u>	<u>2,901,364</u>
EXPENDITURES			
General Fund	497,299	393,000	508,000
Debt Service Fund - 2010/2020 Bonds	2,330,955	23,570,000	827,000
Debt Service Fund - 2010/2020A&B Bonds	57,353	7,586,568	329,000
Total expenditures	<u>2,885,607</u>	<u>31,549,568</u>	<u>1,664,000</u>
TRANSFERS OUT	<u>1,748</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>2,887,355</u>	<u>31,549,568</u>	<u>1,664,000</u>
ENDING FUND BALANCES	<u>\$ 10,050,085</u>	<u>\$ 820,121</u>	<u>\$ 1,237,364</u>

No assurance provided. See summary of significant assumptions.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/30/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Commercial	\$ 6,167,816	\$ 6,625,166	\$ 6,507,463
State assessed	6,130	2,800	2,080
	<u>6,174,236</u>	<u>6,628,256</u>	<u>6,509,833</u>
Adjustments	(5,538,533)	(5,949,140)	(5,845,295)
Certified Assessed Value	<u>\$ 635,703</u>	<u>\$ 679,116</u>	<u>\$ 664,538</u>
MILL LEVY			
Debt Service	50.000	50.000	50.000
ARI	1.000	1.000	1.000
Total mill levy	<u>51.000</u>	<u>51.000</u>	<u>51.000</u>
PROPERTY TAXES			
Debt Service	\$ 31,785	\$ 33,956	\$ 33,227
ARI	636	679	665
Levied property taxes	<u>32,421</u>	<u>34,635</u>	<u>33,892</u>
Budgeted property taxes	<u>\$ 32,421</u>	<u>\$ 34,635</u>	<u>\$ 33,892</u>
BUDGETED PROPERTY TAXES			
Debt Service	\$ 31,785	\$ 33,956	\$ 33,227
ARI	636	679	665
	<u>\$ 32,421</u>	<u>\$ 34,635</u>	<u>\$ 33,892</u>

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/30/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ (69,819)	\$ (104,386)	\$ 8,500
REVENUES			
Developer Advance - Corporex	31,074	234,436	265,987
Insurance Proceeds	42,288	-	-
Interest Income	173	35	100
Operations and Maintenance Fees	78,183	78,581	78,979
Parking Revenue	12,283	4,000	8,000
PIF - Excess Collection Fee	31,752	25,000	39,000
PIF - Operations and Maintenance	101,673	45,000	78,000
Property Taxes - ARI	636	679	665
TIF Property Taxes	52,133	58,777	20,855
TIF Property Taxes - ARI	55,004	11,755	4,170
Transfer from Fitzsimons Village No. 2 - Taxes	19,285	19,052	10,944
Transfer from Fitzsimons Village No. 3 - O&M Fee	36,500	28,571	-
Total revenues	460,984	505,886	506,700
TRANSFERS IN			
Transfer from Other Fund	1,748	-	-
Total funds available	392,913	401,500	515,200
EXPENDITURES			
General and Administrative			
Accounting	56,500	56,500	56,500
Accounting - Unbudgeted	10,794	-	-
ARI Payment	55,630	12,424	4,825
Audit	4,400	4,400	4,600
County Treasurer's Fee	10	10	10
District Management	12,000	12,600	12,600
District Management - Unbudgeted	1,163	5,608	-
Election	-	1,848	-
Insurance	13,143	12,896	14,000
Legal	25,232	18,860	18,860
Legal - Special Counsel - TIF	3,502	-	-
Legal - Unbudgeted	36,854	-	-
Miscellaneous	1,508	2,675	4,217
Transfer to Fitzsimons Village No. 3 - O&M Fee	46,934	47,179	47,388
Operations and Maintenance			
Operations and Maintenance	229,629	218,000	327,000
Capital Projects			
30-inch Culvert Mitigation			15,000
Baysaver Modification (North)			3,000
Total expenditures	497,299	393,000	508,000
TRANSFERS OUT			
Transfers to other fund	-	-	-
Total expenditures and transfers out requiring appropriation	497,299	393,000	508,000
ENDING FUND BALANCES	\$ (104,386)	\$ 8,500	\$ 7,200
EMERGENCY RESERVE	\$ 12,900	\$ 8,200	\$ 7,200
TOTAL RESERVE	\$ 12,900	\$ 8,200	\$ 7,200

No assurance provided. See summary of significant assumptions.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
OPERATIONS AND MAINTENANCE COST - DETAILS
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/30/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
Repairs and Maintenance			
Elevator Inspection/Maintenance	\$ -	\$ 500	\$ 10,500
HSS - security	5,758	8,000	14,000
ResComm - Window Cleaning (Bridge)	-	1,500	1,500
Roth Property Maintenance - Janitorial	10,598	16,500	17,300
Sustainable Landscapes - Floral	4,136	5,000	8,000
Sustainable Landscapes - Landscape Maintenance	18,885	10,000	10,500
TKE Corp. - Elevator Maintenance	6,051	7,000	7,000
UNCC - Utility Locating	314	250	300
Baysaver Cleaning	-	-	15,000
Colfax Bridge Painting	-	-	30,000
Light Fixture Repairs	-	-	7,500
Inspection and Maintenance Report	-	-	5,000
Various - Repairs & Maintenance	52,140	20,000	50,000
	<u>\$ 97,882</u>	<u>\$ 68,750</u>	<u>\$ 176,600</u>
Snow Removal			
Martinson - Snow Removal	<u>\$ 78,713</u>	<u>\$ 78,000</u>	<u>\$ 78,000</u>
Utilities			
Utilities	<u>\$ 19,427</u>	<u>\$ 18,000</u>	<u>\$ 18,900</u>
Parking Enforcement			
Republic Parking - Parking Enforcement	<u>\$ 33,607</u>	<u>\$ 36,000</u>	<u>\$ 36,000</u>
Contingency			
Extra work	<u>\$ -</u>	<u>\$ 7,250</u>	<u>\$ 7,000</u>
SUB-TOTAL	<u>\$ 229,629</u>	<u>\$ 208,000</u>	<u>\$ 316,500</u>
Property management			
Corporex - Property Management	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 10,500</u>
GRAND TOTAL	<u>\$ 229,629</u>	<u>\$ 218,000</u>	<u>\$ 327,000</u>

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND - (2010/2020 BONDS)
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/30/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 2,560,239	\$ 10,154,471	194,833
REVENUES			
AURA funding - Lodger Tax	281,951	266,000	270,000
AURA funding - Property Tax	1,422,901	1,654,435	890,000
AURA funding - Sales Tax	73,876	62,000	65,000
Transfer from Fitzsimons Village No. 2 - Taxes	126,872	126,357	73,355
Interest Income	195,065	60,000	1,125
PIF - Debt sevice	63,786	5,000	29,000
Use Restriction Extension Payment	48,214	521,570	-
Use Restriction Redemption Payment	7,714,270	-	-
Bond Issuance	-	10,915,000	-
Total revenues	9,926,935	13,610,362	1,328,480
Total funds available	12,487,174	23,764,833	1,523,313
EXPENDITURES			
Debt Service			
Redemption Payment Escrow - Adjustment Amount	452,834	460,769	-
Bond interest - Junior Bonds	173,870	882,814	-
Bond interest - Series 2020 Bonds	-	216,026	818,625
Bond Principal - Senior Bonds	630,000	680,000	-
Bond Issue Costs	-	316,074	-
Miscellaneous	-	6,241	4,375
Redemption Payment Escrow - Release	-	6,970,685	-
Refunding Bond Payment	-	13,510,078	-
Paying Agent Fees	4,000	4,000	4,000
Total expenditures	2,330,955	23,570,000	827,000
TRANSFERS OUT			
Transfer to Other Fund	1,748	-	-
Total expenditures and transfers out requiring appropriation	2,332,703	23,570,000	827,000
ENDING FUND BALANCES	\$ 10,154,471	\$ 194,833	\$ 696,313

No assurance provided. See summary of significant assumptions.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND - 2014/2020A&B BONDS
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/30/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 616,788
REVENUES			
Interest Income	882	2,000	1,425
Property Taxes	31,785	33,956	33,277
Specific Ownership Taxes	24,686	23,000	22,784
Transfer from Fitzsimons Village No. 3 - TIF Prop Tax	-	93,766	87,577
Transfer from Fitzsimons Village No. 3 - PIF	-	96,000	101,000
Bond Premium	-	423,953	-
Bond Issuance - Series 2020	-	7,487,000	-
Transfer from Fitzsimons Village No. 3 - Excess Funds	-	43,681	-
Total revenues	<u>57,353</u>	<u>8,203,356</u>	<u>246,063</u>
TRANSFERS IN			
Transfer from other fund	-	-	-
Total funds available	<u>57,353</u>	<u>8,203,356</u>	<u>862,851</u>
EXPENDITURES			
Debt Service			
Bond Interest - Senior Bonds	-	226,236	313,250
Bond principal - Senior bonds	-	-	10,000
Bond Issue Costs	-	510,812	-
Contingency	-	5,665	2,251
County Treasurer's Fee	477	509	499
Paying Agent Fees	-	3,000	3,000
Transfer to Fitzsimons Village No. 3 - Taxes	56,876	19,790	-
Transfer to Fitzsimons Village No. 3 - Refunding Escrow	-	6,820,556	-
Total expenditures	<u>57,353</u>	<u>7,586,568</u>	<u>329,000</u>
Total expenditures and transfers out requiring appropriation	<u>57,353</u>	<u>7,586,568</u>	<u>329,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 616,788</u>	<u>\$ 533,851</u>
DEBT SERVICE RESERVE FUND (Required Amount)	<u>\$ -</u>	<u>\$ 579,585</u>	<u>\$ 579,585</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 579,585</u>	<u>\$ 579,585</u>

No assurance provided. See summary of significant assumptions.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized in July 2006 for the purpose of financing and providing public improvements and related operations and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sewer, transportation and mosquito control. When appropriate, these improvements will be dedicated to the City of Aurora, Arapahoe County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District was organized in conjunction with two other related districts, Fitzsimons Village Metropolitan District No. 2 (District No. 2) and Fitzsimons Village Metropolitan District No. 3 (District No. 3). The District's service area is located within the City of Aurora, Arapahoe County, Colorado.

On May 2, 2006, District voters approved general obligation indebtedness of \$382,440,000 for street improvements, \$382,440,000 for parks and recreation, \$382,440,000 for water facilities, \$382,440,000 for sanitation system, \$382,440,000 for transportation, \$382,440,000 for mosquito control, \$382,440,000 for traffic and safety, \$382,440,000 for fire protection facilities or services, \$382,440,000 for television relay and translation facilities, \$5,000,000 for operations and maintenance, \$382,440,000 for intergovernmental contracts and \$382,440,000 for debt refunding. The District's service plan prohibits the District from providing fire protection and television relay and transmission facilities and services unless they are provided pursuant to an agreement with the City of Aurora. The election also approved an increase in ad valorem property taxes of up to \$5,000,000 annually and allows the District to collect fees of up to \$382,440,000 annually for operations and maintenance. The District's service plan limits total debt issuance to no more than \$382,440,000.

The District prepares its budget on the modified accrual basis of accounting in accordance with the 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.

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

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale 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 the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (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 when calculated from the current year's gross taxable assessed valuation.

Public Improvement Fees

The District receives public improvement fees (PIF) from the Fitzsimons Village Public Improvement Corporation (PIC). The PIC imposes a PIF on existing retailers within District No. 2. The PIF, a privately imposed fee, is collected from sales transactions upon which the City Sales Tax is levied and from lodging transactions upon which the City's Lodgers Tax is levied, in consideration of the benefits derived from the public improvements constructed within District No. 2. Pursuant to a Fee Assignment and Servicing Agreement between the District, the PIC and the Trustee, the PIC remits PIF to the District to help pay for the District's operations and maintenance costs and to service the bonds issued by the District for the construction of public improvements.

Aurora Regional Improvements (ARI) Mill Levy

Pursuant to the District's Service Plan, the District is required to impose a 1.000 mill levy to finance the planning, designing, permitting, construction, and acquisition of the regional improvements described in the ARI Master Plan. The ARI Master Plan is 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.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.25%.

Aurora Urban Renewal Authority (AURA) Revenues

The District, the Developer and the Aurora Urban Renewal Authority (AURA) have entered into an agreement in which AURA will remit TIF Revenues (Pledged Lodger's Tax Revenues, Pledged Property Tax Revenues, Pledged Sales Tax Revenues and Pledged Use Tax Revenues) to the District to be used for the payment of principal and interest on the bonds issued by the District for the construction of public improvements.

Developer Advance

A portion of the District's operating expenditures in 2021 will be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation to future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Operation and Maintenance Fees

Pursuant to the Fitzsimons Village Metropolitan District Nos. 1 – 3 Joint Operations and Maintenance Fee Resolution, an operations and maintenance fee is imposed on all applicable property located in all Districts' boundaries, commencing in 2012. For commercial property, the fee was initially set at a rate of \$0.01002 per square foot per month. For residential property, the fee was initially set at a rate of \$1.12 per residential unit per month. The fee rates shall increase on January 1 annually thereafter.

On August 13, 2014, Districts Nos. 1 – 3 amended the resolution to increase the fee rates starting in 2015. With the Phase 2 project (hotel, conference center, and parking structure) and future Phase 3 project, the Districts' operation and maintenance costs (benefitting the entire Fitzsimons Village) will increase, hence the need for the fee rate increase.

Transfer from District No. 2

The District provides project and district administration services for District No. 2. Pursuant to certain agreements, District No. 2 remits to the District net tax revenues to cover its share of the administrative costs and for the payment of the bonds issued by the District for the construction of public improvements for the benefit of District No. 2.

Expenditures

General, Administrative and Operating Expenditures

General and administrative expenditures include the estimated costs of services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, membership dues, meeting and other administrative expenditures. Estimated operating expenditures related to landscaping, snow removal, utilities, repairs and maintenance, parking enforcement and property management are also included in the General Fund budget.

Transfer to District No. 3 – O&M Fee Pledge

Pursuant to the Operations Financing IGA between Districts Nos. 1 – 3, the Districts are all responsible for the maintenance costs of District No. 3. A portion of the operations and maintenance fee imposed and collected within the boundaries of District No. 2 was pledged for the maintenance costs of District No. 3.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Tax Increment/Public Improvement Fee Supported Revenue Bonds Series, 2020 and 2020A&B. See debt service schedules attached.

Debt and Leases

On April 29, 2010, the District issued \$16,820,000 in Tax Increment/Public Improvement Fee Supported Revenue Bonds Series 2010A. The Bonds are special limited revenue obligations of the District, payable solely from Pledged Revenues. The Bonds are due March 1, 2040, with an interest rate of 7.50%, paid semiannually on March 1 and September 1. The Bonds are subject to redemption prior to maturity at the option of the District on and after March 1, 2020, on any date, in whole or in part, at a redemption price equal to 100% of the principal amount so redeemed, plus interest accrued to the redemption date. The Series 2010A Bonds were issued to finance certain public improvements, fund the Reserve Fund, fund capitalized interest for payment of a portion of the bond interest, and pay the costs of issuing the Bonds.

The District also issued Series 2010B or Junior Bonds as “fill-up” bonds for the purpose of representing the District’s obligation to reimburse the Developer (“Junior Bondholder”) for advances to the District to pay the costs of certain capital improvements.

Issuance of 2020A and 2020B Bonds on March 11, 2020

The District issued Limited Tax General Obligation and Special Revenue Refunding Bonds, Series 2020A (the “Senior Bonds”) and Subordinate Limited Tax General Obligation and Special Revenue Refunding Bonds, Series 2020B (the “Subordinate Bonds,” and together with the Senior Bonds, the “Bonds”) on March 11, 2020, in the amounts of \$6,265,000 for the Senior Bonds, and \$1,222,000 for the Subordinate Bonds. Proceeds from the sale of the Bonds were used for the purposes of (i) currently refunding the Tax Increment/Public Improvement Fee Supported Revenue Bonds, Series 2014A and the Tax Increment/Public Improvement Fee Supported Subordinate Revenue Bonds, Series 2014B, previously issued by District No. 3; (ii) funding the Senior Reserve Fund; and (iii) paying costs incurred in connection with the issuance of the Bonds. The Senior Bonds bear interest at 5.00%, payable semi-annually to the extent of Senior Pledged Revenue available on June 1 and December 1, beginning on June 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The Senior Bonds mature on December 1, 2049.

The Subordinate Bonds were issued at the rate of 7.00% payable annually to the extent of Subordinate Pledged Revenue available on December 15, commencing December 15, 2020. The Subordinate Bonds are structured as “cash flow” bonds meaning that there are no regularly scheduled payments of principal prior to their maturity. The Subordinate Bonds mature on December 15, 2049.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Issuance of 2020 Bonds on May 26, 2020

The District issued Refunding Tax Increment/Public Improvement Fee Supported Revenue Bonds, Series 2020 (the "2020 Bonds") on May 26, 2020, in the par amount of \$10,915,000. Proceeds from the sale of the 2020 Bonds, along with other District funds, were used to pay and cancel the entire outstanding balance of the District's 2010A Bonds, which were then outstanding in the par amount of \$13,275,000, and to pay costs of issuance of the 2020 Bonds. The 2020 Bonds bear interest at 7.50%, payable semiannually on March 1 and September 1, beginning on September 1, 2020, to the extent of available Pledged Revenue. Annual mandatory sinking fund principal payments are due on March 1, beginning on March 1, 2024. The 2020 Bonds mature on March 1, 2049.

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserve. This reserve must be at least 3% of fiscal year spending. The District has provided for such reserve.

This information is an integral part of the accompanying budget.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY**

\$6,265,000

Limited Tax General Obligation and Special Revenue Refunding Bonds, Series 2020A

Dated March 11, 2020

Principal Due December 1

5.00% Interest Payable June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 10,000	\$ 313,250	\$ 323,250
2022	15,000	312,750	327,750
2023	20,000	312,000	332,000
2024	25,000	311,000	336,000
2025	25,000	309,750	334,750
2026	30,000	308,500	338,500
2027	35,000	307,000	342,000
2028	45,000	305,250	350,250
2029	45,000	303,000	348,000
2030	55,000	300,750	355,750
2031	60,000	298,000	358,000
2032	65,000	295,000	360,000
2033	75,000	291,750	366,750
2034	80,000	288,000	368,000
2035	90,000	284,000	374,000
2036	95,000	279,500	374,500
2037	105,000	274,750	379,750
2038	115,000	269,500	384,500
2039	125,000	263,750	388,750
2040	340,000	257,500	597,500
2041	360,000	240,500	600,500
2042	385,000	222,500	607,500
2043	410,000	203,250	613,250
2044	440,000	182,750	622,750
2045	465,000	160,750	625,750
2046	495,000	137,500	632,500
2047	525,000	112,750	637,750
2048	560,000	86,500	646,500
2049	1,170,000	58,500	1,228,500
	<u>\$ 6,265,000</u>	<u>\$ 7,290,000</u>	<u>\$ 13,555,000</u>

Principal and interest on the Series 2020B Subordinate Bonds are payable solely from and to the extent of Subordinate Pledged Revenue. There are no scheduled principal payments on the Series 2020B Subordinate Bonds until final maturity.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY**

\$10,915,000

**Refunding Tax Increment/Public Improvement Fee Supported Revenue Bonds, Series 2020
Dated May 26, 2020
Principal Due March 1
7.50% Interest Payable March 1 and September 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 818,625	\$ 818,625
2022	-	818,625	818,625
2023	-	818,625	818,625
2024	560,000	797,625	1,357,625
2025	855,000	744,563	1,599,563
2026	1,555,000	654,188	2,209,188
2027	60,000	593,625	653,625
2028	75,000	588,563	663,563
2029	85,000	582,563	667,563
2030	105,000	575,438	680,438
2031	120,000	567,000	687,000
2032	145,000	557,063	702,063
2033	155,000	545,813	700,813
2034	185,000	533,063	718,063
2035	205,000	518,437	723,437
2036	235,000	501,937	736,937
2037	255,000	483,563	738,563
2038	290,000	463,125	753,125
2039	320,000	440,250	760,250
2040	360,000	414,750	774,750
2041	390,000	386,625	776,625
2042	440,000	355,500	795,500
2043	480,000	321,000	801,000
2044	530,000	283,125	813,125
2045	580,000	241,500	821,500
2046	640,000	195,750	835,750
2047	695,000	145,688	840,688
2048	765,000	90,938	855,938
2049	830,000	31,125	861,125
	<u>\$ 10,915,000</u>	<u>\$ 14,068,688</u>	<u>\$ 24,983,688</u>