

AIRWAYS BUSINESS CENTER METROPOLITAN DISTRICT
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Phone (303) 779-5710 Fax (303) 773-2050

February 22, 2022

City of Aurora
City Manager's Office
Manager of the Office of Development Assistance
15151 East Alameda Parkway 5th Floor
Aurora, CO 80012
Via e-copy: citymanager@auroragov.org

Re: Airways Business Center Metropolitan District 2021 Annual Report

Dear Development Assistance Office:

Pursuant to the Airways Business Center Metropolitan District ("District") Service Plan ("Service Plan"), the District is required to submit to the City of Aurora an Annual Report for each year that the District is in existence. Following is the information for 2021 as required in Section VIII of the Service Plan:

1. Reporting of Significant Events.
 - (a) Boundary changes made or proposed: **None.**
 - (b) Intergovernmental Agreements with other governmental entities entered into or proposed: **None**, although the District continues to implement the Stormwater Management Facility Inspection & Maintenance Plan, entered into with the City of Aurora, July 2012.
 - (c) Changes or proposed changes in the District's policies: **None.**
 - (d) Changes or proposed changes in the District's operations: The District continues to provide operations and maintenance on behalf of the Airways Business Center Owners Association, Inc., under a 2010 agreement.
On February 24, 2021, the District received written consent from the Aurora Police Department for the District to furnish security services within the boundaries of the District pursuant to Section 32-1-1004(7), C.R.S. The District anticipates providing security services in the future, as permitted under Section 32-1-1004(7), C.R.S.
 - (e) Any material change in the financial status of the District, including revenue projections or operating costs: **None.**
 - (f) A summary of any litigation that involves the District: **None.**
 - (g) Proposed plans for the year immediately following the year summarized in the annual report: **None**
 - (h) Status of the District's Public Improvement Construction Schedule: **All improvements are complete.**
 - (i) A List of all facilities and improvements constructed by the District that have been dedicated to and accepted by Aurora:

District water, sewer and storm sewer improvements have been dedicated to the City of Aurora, with initial acceptance and Sign-Off Dates shown for the following:

Filing 1 Water, phase 2	W06-58	August 2006
Filing 2 Water	W07-95	December 2007

Final acceptance of the following improvements was made by the City of Aurora on the following dates:

Filing 1 Stormwater	SS03-30	March 2005
Filing 1 Sanitary Sewer	SA03-32	March 2005
Filing 1 Water	W03-93	February 2005

Street acceptance occurred at approximately the same time, dedication occurred by plat.

- (j) Summary of current assessed valuation of the District: \$19,746,000
- 2. Summary of Financial Information: **Please see the July 31, 2021 unaudited Financial Statements of the District (attached hereto), which are the most recent financial statements that have been accepted by the Airways Business Center Metropolitan District Board of Directors, and the 2022 Adopted Budget. The acreage of the District is 53.43 acres, more or less.**

Please let me know if additional information is required.

Sincerely,

Stephanie Odewumi

Stephanie Odewumi
Manager, Airways Business Center Metropolitan District
CliftonLarsonAllen LLP

e-copy: Board of Directors –
Airways Business Center Metropolitan District
Paula Williams

AIRWAYS BUSINESS CENTER METRO DISTRICT

FINANCIAL STATEMENTS

JULY 31, 2021

**AIRWAYS BUSINESS CENTER METRO DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JULY 31, 2021**

	General
ASSETS	
Cash - Checking	\$ 26,127
Colostrust	595,702
Receivable from County Treasurer	4,070
TOTAL ASSETS	\$ 625,899
LIABILITIES AND FUND BALANCES	
CURRENT LIABILITIES	
Accounts payable	\$ 23,259
Total Liabilities	23,259
FUND BALANCES	
Total Fund Balances	602,640
TOTAL LIABILITIES AND FUND BALANCES	\$ 625,899

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**AIRWAYS BUSINESS CENTER METRO DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE SEVEN MONTHS ENDED JULY 31, 2021**

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 200,981	\$ 200,329	\$ (652)
Specific ownership tax	14,069	9,577	(4,492)
Interest income	3,000	197	(2,803)
TOTAL REVENUES	<u>218,050</u>	<u>210,103</u>	<u>(7,947)</u>
EXPENDITURES			
Accounting	28,000	11,357	16,643
Audit	4,750	4,500	250
County Treasurer's fee	3,015	3,005	10
Directors' fees	1,500	-	1,500
Dues and licenses	500	569	(69)
Insurance and bonds	4,200	3,899	301
District management	27,000	13,446	13,554
Legal services	18,000	5,933	12,067
Miscellaneous	5,000	173	4,827
Payroll taxes	115	-	115
Engineering	4,000	1,829	2,171
Landscape maintenance	50,000	30,282	19,718
Water - irrigation	10,000	7,518	2,482
Property management	7,200	3,600	3,600
Stormwater maintenance	15,000	2,700	12,300
Contingency	6,720	-	6,720
TOTAL EXPENDITURES	<u>185,000</u>	<u>88,811</u>	<u>96,189</u>
NET CHANGE IN FUND BALANCES	33,050	121,292	88,242
FUND BALANCES - BEGINNING	<u>467,938</u>	<u>481,348</u>	<u>13,410</u>
FUND BALANCES - ENDING	<u>\$ 500,988</u>	<u>\$ 602,640</u>	<u>\$ 101,652</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

**AIRWAYS BUSINESS CENTER METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized to provide construction, installation, financing and operation of public improvements, including street and safety improvements, water, sanitary sewer, storm drainage, park and recreation facilities, and mosquito control. The District's service area is located entirely within the City of Aurora, Adams County, Colorado.

The District was organized on November 12, 2003. The District's organizational election approved general obligation indebtedness of \$3,678,750 for street and safety improvements, \$925,000 for water supply system, \$2,590,000 for sanitary sewer system, \$50,000 for parks and recreation, \$7,243,750 for refinancing of District debt, and \$625,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$100,000 for general operations and maintenance. Additionally, the election allows the District to collect, spend, and retain revenues beyond limitations, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution.

On November 4, 2014, an election approved an annual increase in taxes of \$5,000,000 for District administration, operations, maintenance and capital expenses. Additionally, the election allows the District to collect, spend, and retain revenues beyond limitations, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution.

Emergency reserves, required under TABOR have been provided.

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

Revenues

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 the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**AIRWAYS BUSINESS CENTER METROPOLITAN DISTRICT
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 collected by the General Fund.

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

Expenditures

Administrative Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, landscaping and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt and Leases

The District has no debt nor operating or capital leases.

Reserves

Emergency Reserve

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

AIRWAYS BUSINESS CENTER METROPOLITAN DISTRICT
Schedule of Cash Position
July 31, 2021
Updated as of September 17, 2021

	General Fund
<u>US Bank - Checking Account</u>	
Balance as of 07/31/21	\$ 26,126.69
Subsequent activities:	
08/03/21 - Bill.com Payables	(20,093.62)
08/12/21 - Aurora Water	(728.96)
09/01/21 - Transfer from Savings	25,000.00
09/07/21 - Bill.com Payables	(7,372.27)
09/12/21 - Bill.com Payables	(8,276.47)
<i>Anticipated Balance</i>	<i>14,655.37</i>
 <u>COLOTRUST - Investments</u>	
Balance as of 07/31/21	595,701.84
Subsequent activities:	
08/10/21 - July Property Tax	4,070.38
08/31/21 - Interest income	13.31
09/01/21 - Transfer to Checkings	(25,000.00)
09/10/21 - August Property Tax	1,534.49
<i>Anticipated Balance</i>	<i>576,320.02</i>
<i>Total Anticipated Balances</i>	<i>\$ 590,975.39</i>

Yield information for 07/31/21:

COLOTRUST - .03%

AIRWAYS BUSINESS CENTER METROPOLITAN DISTRICT
Property Taxes Reconciliation
2021

	Current Year							Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ (153.15)	\$ 1,181.43	\$ -	\$ 2.30	\$ 1,030.58	-0.08%	-0.08%	\$ 3,661.87	1.25%	1.25%
February	82,503.00	-	1,529.35	-	(1,237.55)	82,794.80	41.05%	40.97%	4,647.10	1.70%	2.95%
March	7,520.64	-	1,324.39	-	(112.81)	8,732.22	3.74%	44.72%	93,143.14	46.31%	49.26%
April	93,649.08	-	1,638.42	-	(1,404.74)	93,882.76	46.60%	91.31%	95,226.18	47.54%	96.80%
May	11,584.68	-	1,432.39	3.60	(173.82)	12,846.85	5.76%	97.08%	2,962.41	0.66%	97.46%
June	2,384.76	-	1,198.28	-	(35.77)	3,547.27	1.19%	98.26%	2,232.51	0.61%	98.08%
July	2,840.28	-	1,272.70	-	(42.60)	4,070.38	1.41%	99.68%	1,426.90	0.00%	98.08%
August	-	-	-	-	-	-	0.00%	99.68%	2,340.52	0.47%	98.55%
September	-	-	-	-	-	-	0.00%	99.68%	1,391.62	0.00%	98.55%
October	-	-	-	-	-	-	0.00%	99.68%	1,323.52	0.00%	98.55%
November	-	-	-	-	-	-	0.00%	99.68%	1,379.27	0.00%	98.55%
December	-	-	-	-	-	-	0.00%	99.68%	1,246.07	0.07%	98.62%
\$	200,482.44	\$ (153.15)	\$ 9,576.96	\$ 3.60	\$ (3,004.99)	\$ 206,904.86	99.68%	99.68%	\$ 210,981.11	98.62%	98.62%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied	Assessed Valuation	Mill Levy
200,981	100.00%	\$ 200,329.29	99.68%		12.000
200,981	100.00%	\$ 200,329.29	99.68%	\$ 12,584,100	12.000

Property Tax

General Fund

Specific Ownership Tax

General Fund

Treasurer's Fees

General Fund

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.