

ERIE COMMONS METROPOLITAN DISTRICT NOS. 1 & 2

2024 CONSOLIDATED ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Consolidated Service Plan for Erie Commons Metropolitan District Nos. 1 & 2 (collectively the “**Districts**”), the Districts are required to provide an annual report to the Town of Erie with regard to the following matters:

For the year ending December 31, 2024, the Districts make the following report:

Service Plan Requirements

A. Boundary changes made or proposed.

No boundary changes were made or proposed in 2024.

B. Intergovernmental agreements with other governmental bodies entered into or proposed.

There were no IGAs entered into or proposed with other governmental entities in 2024.

C. Changes or proposed changes in the Districts’ policies.

There were no changes in the Districts’ policies in 2024.

D. Changes or proposed changes in the Districts’ operations.

There were no changes or proposed changes in the Districts’ operations in 2024.

E. Changes in the financial status of the Districts including revenue projections or operating costs.

The Districts have relatively consistent annual revenues and operating expenditures.

F. A summary of any litigation involving the Districts.

To our actual knowledge, based on review of the court records in El Paso County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s public improvements as of December 31, 2024.

G. Proposed plans for the year immediately following the year summarized in the Annual Report.

The Districts will continue to perform debt service and governmental administrative functions.

H. Status of Public Improvement Construction Schedule.

Public infrastructure has been completed.

- I. List of all facilities and improvements constructed/financed by the Districts that have also been both dedicated to and accepted by Erie.

Construction of infrastructure and dedication to the Town of Erie has been completed.

- J. Submission of current assessed valuation in the Districts.

The Districts have received a certification of valuation from the Weld County Assessor that reports 2024 a taxable assessed valuation for District No. 1 of \$210 and District No. 2 of \$33,764,123, attached hereto as **Exhibit A**.

- K. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable;

The 2023 Audit Exemption for District No. 1 and the 2023 Audit for District No. 2 are attached hereto as **Exhibit B**.

- L. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district.

To our actual knowledge, the Districts did not receive notice of any uncured events of default by the Districts, which continued beyond a ninety (90) day period, under any debt instrument.

- M. Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period. § 32-1-207(3)(c)(II), C.R.S.

To our actual knowledge, there was not any inability of the Districts to pay their obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

§32-1-207(3) Statutory Requirements

- A. Boundary changes made.

No boundary changes were made in 2024.

- B. Intergovernmental Agreements entered into or terminated with other governmental entities.

No IGAs were entered into or terminated with other governmental entities in 2024.

- C. Access information to obtain a copy of rules and regulations adopted by the board.

Any rules and regulations can be obtained from the District Manager’s office.

D. A summary of litigation involving public improvements owned by the Districts.

To our actual knowledge, based on review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' public improvements as of December 31, 2024.

E. The status of the construction of public improvements by the Districts.

Public infrastructure construction is complete.

F. A list of facilities or improvements constructed by the Districts that were conveyed or dedicated to the county or municipality.

None.

G. The final assessed valuation of the Districts as of December 31st of the reporting year.

The final assessed valuations of the Districts as certified by the Weld County Assessor are attached hereto as **Exhibit A**.

H. A copy of the current year's budget.

Copies of the 2025 Budgets are attached hereto as **Exhibit C**.

I. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

The 2023 Audit Exemption for District No. 1 and the 2023 Audit for District No. 2 are attached hereto as **Exhibit B**.

J. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the Districts.

To our actual knowledge, the Districts did not receive notice of any uncured events of default by the Districts, which continued beyond a ninety (90) day period, under any debt instrument.

K. Any inability of the Districts to pay their obligations as they come due under any obligation which continues beyond a ninety (90) day period.

To our actual knowledge, there was not any inability of the Districts to pay their obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

EXHIBIT A
2024 Final Assessed Valuations

CERTIFICATION OF VALUATION BY WELD COUNTY ASSESSOR

Name of Jurisdiction: 1343 - ERIE COMMONS METRO DISTRICT 1

IN WELD COUNTY ON 11/18/2024

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (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 2024 IN WELD COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$330
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$210
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$210
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$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.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
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.):	\$0.00

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

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

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2024 IN WELD COUNTY, COLORADO ON AUGUST 25, 2024

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$187
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
<small>(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.)</small>	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, 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:----->	\$0
--	-----

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2024

IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
<small>** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.</small>	

CERTIFICATION OF VALUATION BY WELD COUNTY ASSESSOR

Name of Jurisdiction: 1344 - ERIE COMMONS METRO DISTRICT 2

IN WELD COUNTY ON 11/18/2024

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (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 2024 IN WELD COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$33,431,139
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$34,152,890
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$388,767
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$33,764,123
5. NEW CONSTRUCTION: **	\$856,270
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$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.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
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.):	\$57.00

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

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

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2024 IN WELD COUNTY, COLORADO ON AUGUST 25, 2024

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$496,451,402
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$12,779,473
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
<small>(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.)</small>	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, 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:----->	\$0
--	-----

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2024

IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
<small>** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.</small>	

EXHIBIT B
2023 Audit Exemption (District No. 1)
2023 Audit (District No. 2)

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Erie Commons Metropolitan District No. 1

8390 East Crescent Parkway

Suite 300

Greenwood Village, CO 80111-2814

CONTACT PERSON
PHONE
EMAIL

Shelby Clymer

303-779-5710

shelby.clymer@claconnect.com

For the Year Ended
12/31/23
or fiscal year ended:

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE

Shelby Clymer

Accountant For the District

CliftonLarsonAllen LLP

8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111-2814

303-779-5710

PREPARER (SIGNATURE REQUIRED)

DATE PREPARED

See Accountant's Compilation Report

3/25/2024

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)



PROPRIETARY
(CASH OR BUDGETARY BASIS)



PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 30	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ 1	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify): Other income	\$ 2	
2-22	Transfers from Erie Commons MD No. 2	\$ 45,000	
2-23	Transfers from Erie Commons MD No. 3	\$ 5,000	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 50,033	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
3-1	Administrative	\$ 598	Please use this space to provide any necessary explanations
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 2,532	
3-7	Accounting and legal fees	\$ 37,431	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ 3,657	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 44,218	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

		Yes	No	
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4-2	Is the debt repayment schedule attached? If no, MUST explain below: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">See Notes section below.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4-3	Is the entity current in its debt service payments? If no, MUST explain below: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">See Notes section below.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)			
	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -
	Notes/Loans	\$ 4,470,536	\$ -	\$ 4,470,536
	Lease & SBITA** Liabilities [GASB 87 & 96]	\$ -	\$ -	\$ -
	Developer Advances	\$ 64,398	\$ -	\$ 64,398
	Other (specify):	\$ -	\$ -	\$ -
	TOTAL	\$ 4,534,934	\$ -	\$ 4,534,934

**Subscription Based Information Technology Arrangements

*Must agree to prior year-end balance

Please answer the following questions by marking the appropriate boxes.

		Yes	No						
4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						
If yes:	How much? Date the debt was authorized:	<table border="1" style="margin: 0 auto; border-collapse: collapse;"> <tr> <td style="width: 50px;"></td> <td style="text-align: right;">\$305,850,582</td> </tr> <tr> <td></td> <td style="text-align: center;">11/2003 & 11/2005</td> </tr> </table>			\$305,850,582		11/2003 & 11/2005		
	\$305,850,582								
	11/2003 & 11/2005								
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
If yes:	How much?	<table border="1" style="margin: 0 auto; border-collapse: collapse;"> <tr> <td style="width: 50px;"></td> <td style="text-align: right;">\$ -</td> </tr> </table>			\$ -				
	\$ -								
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
If yes:	What is the amount outstanding?	<table border="1" style="margin: 0 auto; border-collapse: collapse;"> <tr> <td style="width: 50px;"></td> <td style="text-align: right;">\$ -</td> </tr> </table>			\$ -				
	\$ -								
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
If yes:	What is being leased? What is the original date of the lease? Number of years of lease?	<table border="1" style="margin: 0 auto; border-collapse: collapse;"> <tr><td style="width: 50px;"></td><td> </td></tr> <tr><td></td><td> </td></tr> <tr><td></td><td> </td></tr> </table>							
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>						
	What are the annual lease payments?	<table border="1" style="margin: 0 auto; border-collapse: collapse;"> <tr> <td style="width: 50px;"></td> <td style="text-align: right;">\$ -</td> </tr> </table>			\$ -				
	\$ -								

Part 4 - Please use this space to provide any explanations/comments or attach separate documentation, if needed

4-2 & 4-3: The District will pay outstanding debt as funds become available. The repayment of the Notes is subordinate to the repayment of Series 2019 Bonds issued by Erie Commons Metro District no. 2, and the repayment of Developer Advances is subordinate to the repayment of Notes.

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 6,618	
5-2	Certificates of deposit	\$ -	
Total Cash Deposits			\$ 6,618
	Investments (if investment is a mutual fund, please list underlying investments):		
		\$ -	
		\$ -	
5-3		\$ -	
		\$ -	
Total Investments			\$ -
Total Cash and Investments			\$ 6,618

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets?
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, **MUST** explain:

Complete the following capital & right-to-use assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ 35,558	\$ 3,657	\$ -	\$ 39,215
Leased & SBITA Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 35,558	\$ 3,657	\$ -	\$ 39,215

*must tie to prior year ending balance

Part 6 - Please use this space to provide any explanations/comments or attach documentation, if needed:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firefighters' pension plan?
- 7-2 Does the entity have a volunteer firefighters' pension plan?
- If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? \$ -

Part 7 - Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? If no, **MUST** explain:
-
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, **MUST** explain:

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund - Amended	\$ 48,000

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

- | | | Yes | No |
|------------|---|-------------------------------------|--------------------------|
| 9-1 | Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?
<small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

- | | | Yes | No |
|-------------|---|--------------------------|-------------------------------------|
| 10-1 | Is this application for a newly formed governmental entity? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | Date of formation: <input style="width: 450px;" type="text"/> | | |
| 10-2 | Has the entity changed its name in the past or current year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If yes: Please list the NEW name & PRIOR name:

- | | | | |
|-------------|--|-------------------------------------|--------------------------|
| 10-3 | Is the entity a metropolitan district? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Please indicate what services the entity provides: | | |

- | | | | |
|-------------|---|-------------------------------------|--------------------------|
| 10-4 | Does the entity have an agreement with another government to provide services? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------|---|-------------------------------------|--------------------------|

If yes: List the name of the other governmental entity and the services provided:

- | | | | |
|-------------|---|--------------------------|-------------------------------------|
| 10-5 | Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|-------------|---|--------------------------|-------------------------------------|

If yes: Date Filed:

- | | | | |
|-------------|--|-------------------------------------|--------------------------|
| 10-6 | Does the entity have a certified Mill Levy? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------|--|-------------------------------------|--------------------------|

If yes: Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills			-
General/Other mills			57.220
Total mills			57.220
	Yes	No	N/A

- | | | | | |
|-------------|---|-------------------------------------|--------------------------|--------------------------|
| 10-7 | NEW 2023! If the entity is a Title 32 Special District formed on or after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 [Section 32-1-207 C.R.S.]? If NO, please explain. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|-------------|---|-------------------------------------|--------------------------|--------------------------|

Please use this space to provide any additional explanations or comments not previously included:

10-3: To provide water sanitation, streets, traffic and safety controls, parks and recreation improvements, mosquito and pest control, transportation and other related improvements for the benefit of taxpayers and service users within the Districts' boundaries.
 10-4: Erie Commons Metro District Nos. 2 and 3. The Districts will collectively finance the public improvements of the Erie Commons development. IGA with the Town of Erie; District Facilities Construction and Service Agreement with District No. 2

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below.

A MAJORITY of the members of the governing body must sign below.

<p>Board Member 1</p>	<p>Print Board Member's Name Jessica Brothers</p>	<p>I Jessica Brothers, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/27/2024</u> My term Expires: May 2027</p>
<p>Board Member 2</p>	<p>Print Board Member's Name Jon Lee</p>	<p>I Jon Lee, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/27/2024</u> My term Expires: May 2025</p>
<p>Board Member 3</p>	<p>Print Board Member's Name</p>	<p>I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____</p>
<p>Board Member 4</p>	<p>Print Board Member's Name</p>	<p>I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____</p>
<p>Board Member 5</p>	<p>Print Board Member's Name</p>	<p>I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____</p>
<p>Board Member 6</p>	<p>Print Board Member's Name</p>	<p>I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____</p>
<p>Board Member 7</p>	<p>Print Board Member's Name</p>	<p>I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____</p>



CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
phone 303-779-5710 **fax** 303-779-0348
claconnect.com

Accountant's Compilation Report

Board of Directors
Erie Commons Metropolitan District No. 1
Weld County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Erie Commons Metropolitan District No. 1 as of and for the year ended December 31, 2023, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Erie Commons Metropolitan District No. 1.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

Greenwood Village, Colorado
March 25, 2024

Certificate Of Completion

Envelope Id: 0C6D611665C7476EAF268B4F7A2546	Status: Completed
Subject: Complete with DocuSign: 00 D1 ECMD1 2023 Audit Exemption.pdf	
Client Name: Erie Commons MD No. 1	
Client Number: A518126	
Source Envelope:	
Document Pages: 8	Signatures: 2
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	Jacob Theisen
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 S 6th St Ste 300
	Minneapolis, MN 55402-1418
	Jacob.Theisen@claconnect.com
	IP Address: 24.9.162.210

Record Tracking

Status: Original	Holder: Jacob Theisen	Location: DocuSign
3/27/2024 3:59:53 PM	Jacob.Theisen@claconnect.com	

Signer Events

Jessica Brothers
 jessica@cdgcolorado.com
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 EE646C3BB1ED474...

Timestamp

Sent: 3/27/2024 4:01:41 PM
 Viewed: 3/27/2024 4:45:29 PM
 Signed: 3/27/2024 4:46:46 PM

Signature Adoption: Uploaded Signature Image
 Using IP Address: 71.56.198.115

Electronic Record and Signature Disclosure:

Accepted: 3/27/2024 4:45:29 PM
 ID: 090f98e9-e5a3-4e50-a91a-4f1618dc14f8

Jon Lee
 jonlee@cdgcolorado.com
 Authorized representative
 Security Level: Email, Account Authentication (None)

DocuSigned by:

 0D56E84E07B04E7...

Sent: 3/27/2024 4:01:42 PM
 Viewed: 3/27/2024 5:40:47 PM
 Signed: 3/27/2024 5:41:00 PM

Signature Adoption: Pre-selected Style
 Using IP Address: 65.155.157.50

Electronic Record and Signature Disclosure:

Accepted: 3/27/2024 5:40:47 PM
 ID: c6d4897c-26cc-4ca6-a8e9-2dc812669003

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/27/2024 4:01:42 PM
Certified Delivered	Security Checked	3/27/2024 5:40:47 PM
Signing Complete	Security Checked	3/27/2024 5:41:00 PM
Completed	Security Checked	3/27/2024 5:41:00 PM

Payment Events	Status	Timestamps
-----------------------	---------------	-------------------

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
Weld County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2023

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
TABLE OF CONTENTS
DECEMBER 31, 2023**

INDEPENDENT AUDITORS' REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUALS	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED	19



Board of Directors
Erie Commons Metropolitan District No. 2
Weld County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Erie Commons Metropolitan District No. 2 (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 Erie Commons Metropolitan District No. 2 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.

Wipfli LLP

Wipfli LLP
Denver, Colorado

March 18, 2025

BASIC FINANCIAL STATEMENTS

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities
ASSETS	
Cash and Investments	\$ 246,522
Cash and Investments - Restricted	36,577
Accounts Receivable	79
Prepaid Insurance	1,906
Due from Other Districts	24,656
Receivable from County Treasurer	4,346
Property Tax Receivable	2,137,921
Total Assets	2,452,007
DEFERRED OUTFLOWS OF RESOURCES	
Bond Insurance Cost	281,712
Total Deferred Outflows of Resources	281,712
LIABILITIES	
Accounts Payable	2,838
Accrued Interest	59,538
Noncurrent Liabilities:	
Due Within One Year	285,000
Due in More Than One Year	34,801,854
Total Liabilities	35,149,230
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	2,137,921
Total Deferred Inflows of Resources	2,137,921
NET POSITION	
Restricted for:	
Emergency Reserve	8,200
Unrestricted	(34,561,632)
Total Net Position	\$ (34,553,432)

See accompanying Notes to Financial Statements.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 98,502	\$ -	\$ -	\$ -	\$ (98,502)
Interest on Long-Term Debt and Related Costs	1,548,544	-	89,025	-	(1,459,519)
Total Governmental Activities	\$ 1,647,046	\$ -	\$ 89,025	\$ -	(1,558,021)
GENERAL REVENUES					
Property Taxes					1,423,841
Specific Ownership Taxes					60,610
Interest Income					42,079
TIF Revenue					644
Other Revenue					50,511
Total General Revenues and Transfers					1,577,685
CHANGES IN NET POSITION					19,664
Net Position - Beginning of Year					(34,573,096)
NET POSITION - END OF YEAR					\$ (34,553,432)

See accompanying Notes to Financial Statements.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	<u>General Fund and Total Governmental Fund</u>
ASSETS	
Cash and Investments	\$ 246,922
Cash and Investments - Restricted	36,177
Receivable from County Treasurer	4,346
Accounts Receivable	79
Due from Other Districts	24,656
Prepaid Insurance	1,906
Property Tax Receivable	<u>2,137,921</u>
Total Assets	<u><u>\$ 2,452,007</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	
LIABILITIES	
Accounts Payable	\$ 2,838
Total Liabilities	<u>2,838</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	<u>2,137,921</u>
Total Deferred Inflows of Resources	<u>2,137,921</u>
FUND BALANCES	
Nonspendable:	
Prepaid Expense	1,906
Restricted for:	
Emergency Reserves	8,200
Unassigned	<u>301,142</u>
Total Fund Balances	<u>311,248</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	
Amounts reported for governmental activities in the statement of net position are different because:	
Prepaid municipal bond insurance is recognized as an asset for governmental activities that is amortized over the life of the related debt	
Bond Insurance Cost	281,712
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	(2,346,205)
Bonds Payable - 2019A Limited Tax Bonds	(19,325,000)
Bonds Payable - 2019B Limited Tax Bonds	(12,400,000)
Bond Premium - 2019A Limited Tax Bonds	<u>(1,075,187)</u>
Net Position of Governmental Activities	<u><u>\$ (34,553,432)</u></u>

See accompanying Notes to Financial Statements.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General Fund and Total Governmental Fund
REVENUES	
Property Taxes	\$ 1,423,841
Specific Ownership Taxes	60,610
Interest Income	42,079
Other Revenue	50,511
TIF Revenue	644
Intergovernmental Revenues	89,025
Total Revenues	1,666,710
EXPENDITURES	
Current:	
Accounting	8,335
Auditing	11,025
Banking Fees	137
County Treasurer's Fee	21,379
Directors' Fees	100
Dues And Membership	996
Insurance	2,106
Legal	9,424
Intergovernmental Expenditures	45,000
Debt Service:	
Bond Interest	1,199,237
Bond Principal	255,000
Total Expenditures	1,552,739
NET CHANGE IN FUND BALANCES	113,971
Fund Balances - Beginning of Year	197,277
FUND BALANCES - END OF YEAR	\$ 311,248

See accompanying Notes to Financial Statements.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$ 113,971
--	------------

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.

Loan Principal	255,000
----------------	---------

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	(409,733)
Amortization of Bond Insurance	(10,835)
Amortization of Bond Premium	71,261
	71,261

Changes in Net Position of Governmental Activities	\$ 19,664
--	-----------

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,424,573	\$ 1,423,841	\$ (732)
Specific Ownership Taxes	71,261	60,610	(10,651)
Interest Income	-	42,079	42,079
Other Revenue	-	50,511	50,511
TIF Revenue	644	644	-
Intergovernmental Revenues	89,135	89,025	(110)
Total Revenues	<u>1,585,613</u>	<u>1,666,710</u>	<u>81,097</u>
EXPENDITURES			
Accounting	12,500	8,335	4,165
Auditing	12,500	11,025	1,475
Banking Fees	-	137	(137)
County Treasurer's Fee	21,369	21,379	(10)
Directors' Fees	200	100	100
Dues And Membership	-	996	(996)
Insurance	13,000	2,106	10,894
Legal	5,000	9,424	(4,424)
Miscellaneous	2,500	-	2,500
Paying Agent Fees	8,000	-	8,000
Bond Interest	1,204,184	1,199,237	4,947
Bond Principal	255,000	255,000	-
Intergovernmental Expenditures	25,000	45,000	(20,000)
Total Expenditures	<u>1,559,253</u>	<u>1,552,739</u>	<u>6,514</u>
NET CHANGE IN FUND BALANCE	26,360	113,971	87,611
Fund Balance - Beginning of Year	<u>164,027</u>	<u>197,277</u>	<u>33,250</u>
FUND BALANCE - END OF YEAR	<u>\$ 190,387</u>	<u>\$ 311,248</u>	<u>\$ 120,861</u>

See accompanying Notes to Financial Statements.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

Erie Commons Metropolitan District No. 2 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the Weld County District Court and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Consolidated Service Plan with Erie Commons Metropolitan District No. 1 (District No. 1) approved by the Town of Erie on July 8, 2003, amended on January 24, 2005, and as amended on September 13, 2019. Pursuant to the Service Plan, the District, the financing district, is intended to provide funding to District No. 1 for the design, acquisition, construction, and completion of public improvements, including streets, traffic and safety controls and devices, transportation services, park and recreation, water, mosquito and pest control and sanitation facilities. District No. 1, the operating district, is intended to manage the financial, construction and operation and maintenance of such improvements.

The operation and maintenance of all other services and facilities is anticipated to be provided by the Town of Erie and not by the District.

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

The District 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, nor is the District a component unit of any other primary governmental entity, including District No. 1 and the Town of Erie.

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 the activities of the District. Governmental activities are normally supported by taxes.

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

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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 charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted as they are needed.

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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District reports the following major governmental fund:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government.

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 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. The adopted budgets for the General Fund and Debt Service fund have been consolidated and reflected as the General Fund Budget for financial reporting purposes.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 are recorded initially as deferred inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available and collected.

Amortization

Original Issue Discount/Premium: In the government-wide financial statements bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Deferred Inflow/Outflow of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. 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 assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. 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.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

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.

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.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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	\$ 246,922
Cash and Investments - Restricted	36,177
Total Cash and Investments	\$ 283,099

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

Deposits with Financial Institutions	\$ 55,233
Investments	227,866
Total Cash and Investments	\$ 283,099

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.

On December 31, 2023, the District had a bank balance of \$55,903 and carrying balance of \$55,233.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
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 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	\$ 227,866

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Colorado Surplus Asset Fund Trust (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 – CSAFЕ CASH FUND and CSAFЕ CORE.

CSAFЕ CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFЕ may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under Section 24-75-601.1, C.R.S.

CSAFЕ 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. CSAFЕ CORE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

A designated custodial bank serves as custodian for CSAFЕ’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFЕ’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 CSAFЕ. CSAFЕ CASH FUND is rated AAАmmf and CSAFЕ CORE is rated AAАf/S1 by Fitch Ratings. CSAFЕ records its investments at amortized cost and the District records its investments in CSAFЕ using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's 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:					
General Obligation Bonds					
2019A Limited Tax Bonds	\$ 19,580,000	\$ -	\$ 255,000	\$ 19,325,000	\$ 285,000
2019B Limited Tax Bonds	12,400,000	-	-	12,400,000	
Accrued Interest					
2019B Limited Tax Bonds	1,875,872	882,832	472,037	2,286,667	-
Subtotal Bonds Payable	<u>33,855,872</u>	<u>882,832</u>	<u>727,037</u>	<u>34,011,667</u>	<u>285,000</u>
Bond Premium/Discount:					
2019A Limited Tax Bonds	1,146,448	-	71,261	1,075,187	-
Subtotal Bond Premium / Discount	<u>1,146,448</u>	<u>-</u>	<u>71,261</u>	<u>1,075,187</u>	<u>-</u>
 Total Long-Term Obligations	 <u>\$ 35,002,320</u>	 <u>\$ 882,832</u>	 <u>\$ 798,298</u>	 <u>\$ 35,086,854</u>	 <u>\$ 285,000</u>

2019A and 2019B Senior and Subordinate General Obligation Limited Tax Bonds

On December 19, 2019, the District issued \$20,250,000 of senior and \$12,400,000 of subordinate general obligation limited tax bonds. The bonds were issued for the purpose of paying and discharging the outstanding Series 2009 Bonds, Series 2019 Note and Development Loan, and a portion of the Series 2010 Bond Anticipation Note held by Erie Commons Metro District No. 1, the duly quasi-municipal corporation and political subdivision of the state of Colorado. The bond proceeds were transferred to Erie Commons Metro District No. 1.

The Series 2019A Senior Bonds bear an interest yield rate of 3.2% and a coupon interest rate of 3-5% per annum which is payable semi-annually on June 1 and December 1, commencing on June 1, 2020, and on the maturity dates of the Series 2019A Senior Bonds, subject to optional and mandatory sinking fund redemption prior to maturity. The Series 2019A Senior Bonds will mature on December 1, 2049. The Series 2019A Senior Bonds will constitute limited tax general obligations of the District payable solely from the Senior Pledged Revenue and certain District Funds and accounts established by the Senior Pledged Revenue, which consists primarily of the revenues derived from a District property tax levy of not more than 46.709 mills (subject to adjustment, and equal to 52.000 mills for fiscal year 2022, as described herein), and the portion of the specific ownership taxes on motor vehicles imposed by the state of Colorado. The Series 2019A Senior Bonds will constitute an irrevocable, but nonexclusive, first lien on the Senior Pledged Revenue and the amounts in such funds and accounts. The District made \$255,000 of principal payments in 2023. The District made \$727,200 of interest payments in 2023 and incurred \$737,826 in interest expense for the year ended December 31, 2023, for these bonds.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

2019A and 2019B Senior and Subordinate General Obligation Limited Tax Bonds
(Continued)

The 2019B Subordinate Bonds bear an interest yield rate of 6.94% and a coupon interest rate of 6.95% per annum which is payable annually on December 15, commencing December 15, 2020, subject to the extent of available Subordinate Pledged Revenue. To the extent interest on the 2019B Subordinate Bonds is not paid when due, such interest shall compound on each interest payment date of December 15. The 2019B Subordinate bonds mature on December 15, 2054. The 2019B Subordinate Bonds will also constitute limited tax general obligations of the District payable solely from the Subordinate Pledged Revenue and certain District Funds and accounts established by the Subordinate Pledged Revenue, which consists primarily of the revenues derived from a District property tax levy of not more than 46.709 mills (subject to adjustment, and equal to 52.000 mills for fiscal year 2022, as described herein), and the portion of the specific ownership taxes on motor vehicles imposed by the state of Colorado. The Series 2019B Subordinate Bonds are structured as cash flow bonds. There are no scheduled payments of principal of the Series 2019B Subordinate Bonds prior to their maturity date, but rather the Subordinate Bonds are subject to mandatory redemption on each December 15 prior to maturity from and to the extent of any available Subordinate Pledged Revenues. All Series 2019B Subordinate Bonds and interest thereon will be deemed to be paid, satisfied, and discharged on December 16, 2054, regardless of the amount of principal and interest paid on the Series 2019B Subordinate Bonds prior to such date. The District made \$472,037 of interest payments in 2023 and incurred \$882, 832 in interest expense for the year ended December 31, 2023, for these bonds.

The District's long-term obligations relating to the 2019A Bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 285,000	\$ 714,450	\$ 999,450
2025	295,000	700,200	995,200
2026	315,000	685,450	1,000,450
2027	330,000	669,700	999,700
2028	375,000	653,200	1,028,200
2029-2033	2,370,000	2,954,000	5,324,000
2034-2038	3,465,000	2,278,300	5,743,300
2039-2043	4,640,000	1,527,450	6,167,450
2044-2048	5,910,000	749,100	6,659,100
2049	1,340,000	40,200	1,380,200
Total	<u>\$ 19,325,000</u>	<u>\$ 10,972,050</u>	<u>\$ 30,297,050</u>

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

A majority of the District's qualified electors of the District authorized the issuance of indebtedness for capital improvements for capital improvements in an amount not to exceed \$22,300,000 on November 4, 2023, \$22,300,000 on November 2, 2024, and \$120,000,000 on November 1, 2025, at an interest rate not to exceed 18% per annum. At December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 4, 2003	Amount Authorized on November 2, 2004	Amount Authorized on November 1, 2005	Authorization Used Series 2019A & 2019B Bonds	Authorized But Unused
Street Improvements	\$ 9,000,000	\$ 9,000,000	\$ 20,000,000	-	\$ 38,000,000
Traffic and Safety	3,000,000	3,000,000	20,000,000	-	26,000,000
Sanitary Sewer	1,000,000	1,000,000	20,000,000	-	22,000,000
Water	1,500,000	1,500,000	20,000,000	-	23,000,000
Parks & Recreation	7,500,000	7,500,000	20,000,000	-	35,000,000
Transportation	100,000	100,000	-	-	200,000
Television Relay	100,000	100,000	-	-	200,000
Mosquito & Pest Control	100,000	100,000	20,000,000	-	20,200,000
Operations & Maintenance	500,000	500,000	20,000,000	-	21,000,000
Capital and O&M	-	-	36,000,000	-	36,000,000
Construction Management	-	-	10,000,000	-	10,000,000
Refunding Bonds	22,300,000	22,300,000	36,000,000	-	80,600,000
Intergovernmental	22,800,000	22,800,000	-	32,235,000	13,365,000
Private Entity Debt	7,000,000	7,000,000	36,000,000	-	50,000,000
Debrucing O&M	-	-	2,000,000	-	2,000,000
Total	\$ 74,900,000	\$ 74,900,000	\$ 260,000,000	\$ 32,235,000	\$ 377,565,000

In the future, the District may issue a portion or all the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

NOTE 5 NET POSITION

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

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023 as follows:

Restricted Net Position:

Emergencies	<u>\$ 8,200</u>
Total Restricted Net Position	<u><u>\$ 8,200</u></u>

The District has a deficit in unrestricted net position.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6 RELATED PARTY

Three of the five members of the Board of Directors are employees and are associated with Bellock Construction Company, accountants for the District, and Community Development Group of Erie, Inc. (CDG of Erie, Inc.), the developer within the District. During 2023, Districts No. 1 and No. 2 had three of five of the same Board of Directors.

Accounting Services Agreement

An accounting services contract was entered into with Bellock Construction Company during March 2003. This agreement was subsequently amended on March 25, 2004. Under this amended agreement, accounting services are provided to the District at the annual hourly rates of Bellock Construction Company employees. During 2023, the District transferred its accounting services to Clifton Larson Allen's client accounting and advisory services. The District subsequently terminated its auditing arrangement with Clifton Larson Allen to avoid conflict of interest.

NOTE 7 AGREEMENTS

District Facilities Construction and Service Agreement (Service Contract)

To implement the Service Plan, the District entered into an intergovernmental agreement with District No. 1. The agreement shall remain in full force and effect until such time as each of the terms and conditions has been performed in their entirety or until the agreement is terminated by mutual written agreement of the Districts.

District No. 1 is to construct the facilities benefiting the two Districts and transfer them to the Town of Erie or the Homeowner's Association (HOA). The District will, to the extent that it benefits, pay the capital costs and the service costs of operation and maintenance of such facilities (authorized service costs), until the facilities are transferred to the Town of Erie or the HOA.

The District is required to fund, on an annual basis, the amount of actual service costs that it would be capable of funding through property tax revenue plus other fee revenue as determined in the annual budget. If the Districts disagree as to the amount to be paid, then the District must pay District No. 1 the amount set forth in the annual budget. The mill levy cap shall be subject to automatic adjustment if, after the original date of approval of the Service Plan, the laws of the state change with respect to the assessment of property for taxation purposes, the ratio for determining assessed valuation changes, or other similar changes occur.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 RISK MANAGEMENT

The District is 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 and public officials liability 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, referred to 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.

On November 5, 2005, and November 4, 2003, most of the District's electors authorized the District to collect and spend or retain in a reserve all annual District revenue without regard to any limitations under TABOR.

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 more than 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 follows 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 and qualification as an enterprise, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**ERIE COMMONS METROPOLITAN DISTRICT NO.2
SUMMARY OF ASSESSED VALUATION, MILL LEV AND
PROPERTY TAXES COLLECTED YEAR ENDED DECEMBER 31, 2023**

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied			Total Property Taxes		Percent Collected to Levied
			General Operations	Debt Service	Total	Levied	Collected	
2018/2019	\$ 24,965,080	0.0%	27.498	27.777	55.275	\$ 1,379,945	\$ 1,363,622	98.82 %
2019/2020	28,941,070	15.9%	3.663	52.000	55.663	1,610,947	1,486,361	92.27 %
2020/2021	23,853,840	-17.6%	3.663	52.000	55.663	1,327,776	1,327,423	99.97 %
2021/2022	25,035,383	5.0%	3.663	52.000	55.663	1,393,545	1,393,545	100.00 %
2022/2023	24,896,421	-0.6%	3.765	53.455	57.220	1,424,573	1,424,485	99.99 %
Estimated for Year Ending December 31, 2024	\$ 33,431,139	34.3%	5.950	58.000	63.950	\$ 2,137,921		

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.

EXHIBIT C
2025 Budgets

ERIE COMMONS METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**ERIE COMMONS METRO DISTRICT NO. 1
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 5,502	\$ 11,317	\$ 8,333
REVENUES			
Property taxes	30	20	11
Specific ownership taxes	1	1	-
Transfers from Erie Commons MD No. 2	45,000	37,000	43,000
Transfers from Erie Commons MD No. 3	5,000	-	-
Other Revenue	1	4,802	-
Total revenues	<u>50,032</u>	<u>41,823</u>	<u>43,011</u>
Total funds available	<u>55,534</u>	<u>53,140</u>	<u>51,344</u>
EXPENDITURES			
General and administrative			
Accounting	10,973	15,000	12,500
Auditing	3,045	-	-
Directors' fees	-	60	60
Dues and Membership	263	273	300
Insurance	2,532	7,695	8,000
District management	-	2,690	2,500
Legal	23,413	17,000	17,850
Banking fees	101	-	-
Election	-	-	2,000
Website	233	500	1,500
Capital outlay	3,657	1,589	2,500
Total expenditures	<u>44,217</u>	<u>44,807</u>	<u>47,210</u>
Total expenditures and transfers out requiring appropriation	<u>44,217</u>	<u>44,807</u>	<u>47,210</u>
ENDING FUND BALANCES	<u>\$ 11,317</u>	<u>\$ 8,333</u>	<u>\$ 4,134</u>
EMERGENCY RESERVE	\$ 1,600	\$ 1,300	\$ 1,300
AVAILABLE FOR OPERATIONS	9,717	7,033	2,834
TOTAL RESERVE	<u>\$ 11,317</u>	<u>\$ 8,333</u>	<u>\$ 4,134</u>

No assurance provided. See summary of significant assumptions.

**ERIE COMMONS METRO DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
----------------	-------------------	----------------

ASSESSED VALUATION

State assessed	\$	510	\$	310	\$	190
Vacant land		20		20		20
Certified Assessed Value	\$	530	\$	330	\$	210

MILL LEVY

General	57.220	59.398	51.992
Total mill levy	57.220	59.398	51.992

PROPERTY TAXES

General	\$	30	\$	20	\$	11
Levied property taxes		30		20		11
Budgeted property taxes	\$	30	\$	20	\$	11

BUDGETED PROPERTY TAXES

General	\$	30	\$	20	\$	11
	\$	30	\$	20	\$	11

ERIE COMMONS METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

In accordance with its Service Plan, Erie Commons Metropolitan District No. 1 was formed to provide the funding and tax base needed to support the financing of its operations and capital improvements for the property known as “Erie Commons,” which is located in Erie, Colorado. Such improvements include, but are not limited to, sanitation, water, wastewater, streets, traffic and safety controls, and parks and recreation improvements.

The Service Plan provides the ability for the District to impose a maximum mill levy for its debt service requirements as well as a maximum aggregate mill levy for combined debt service and operational and maintenance requirements of the District. The Service Plan also provides a combined new money revenue and general obligation debt limit of \$50,000,000 for Erie Commons District Nos. 1, 2, and 3, exclusive of surety requirements, but inclusive of organizational costs, financing costs and costs of construction and operation of public infrastructure.

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

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.

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.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

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 4% of the property taxes collected.

Intergovernmental Transfers

The District anticipates a transfer from Erie Commons Metro District No. 2 for purposes of funding operations and administrative costs.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

Expenditures

General and Administrative

General and administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, and other administrative expenses.

Debt and Leases

The District has no debt or leases.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

This information is an integral part of the accompanying budget.

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**ERIE COMMONS HILL METRO DISTRICT NO. 2
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 197,277	\$ 311,248	\$ 607,018
REVENUES			
Property taxes	1,423,841	2,196,368	2,182,175
Specific ownership taxes	60,610	78,000	88,292
TIF Revenue	644	13,686	25,126
Interest Income	42,079	57,000	22,000
Other Revenue	50,000	-	-
Intergovernmental Revenues	89,025	138,795	143,691
Total revenues	1,666,199	2,483,849	2,461,284
Total funds available	1,863,476	2,795,097	3,068,302
EXPENDITURES			
General and administrative			
Accounting	8,335	16,000	16,000
Auditing	11,025	6,700	6,800
County Treasurer's Fee	21,379	32,274	33,110
Directors' fees	100	200	200
Dues and Membership	996	1,238	1,500
Insurance	2,106	1,937	3,000
Legal	9,424	12,000	13,000
Miscellaneous	(511)	100	2,625
Website	-	600	1,000
Banking fees	137	-	-
Election	-	-	2,500
Intergovernmental Expenditures	45,000	37,000	43,000
Debt Service			
Paying agent fees	-	6,000	6,000
Bond interest	1,199,237	1,789,030	1,780,200
Bond principal	255,000	285,000	295,000
Total expenditures	1,552,228	2,188,079	2,203,935
Total expenditures and transfers out requiring appropriation	1,552,228	2,188,079	2,203,935
ENDING FUND BALANCES	\$ 311,248	\$ 607,018	\$ 864,367
EMERGENCY RESERVE	\$ 50,000	\$ 74,600	\$ 73,900
AVAILABLE FOR OPERATIONS	261,248	532,418	790,467
TOTAL RESERVE	\$ 311,248	\$ 607,018	\$ 864,367

No assurance provided. See summary of significant assumptions

ERIE COMMONS HILL METRO DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Residential	\$ 24,098,360	\$ 31,821,630	\$ 33,130,740
Commercial	540	1,030	1,100
State assessed	453,810	402,530	411,860
Vacant land	283,550	1,253,010	497,040
Oil & Gas	71,410	166,960	112,150
	<u>24,907,670</u>	<u>33,645,160</u>	<u>34,152,890</u>
Adjustments	(11,249)	(214,021)	(388,767)
Certified Assessed Value	<u>\$ 24,896,421</u>	<u>\$ 33,431,139</u>	<u>\$ 33,764,123</u>
MILL LEVY			
General	3.765	5.950	4.254
Debt Service	53.455	58.000	60.376
Total mill levy	<u>57.220</u>	<u>63.950</u>	<u>64.630</u>
PROPERTY TAXES			
General	\$ 93,735	\$ 198,915	\$ 143,632
Debt Service	1,330,838	1,939,006	2,038,543
	<u>1,424,573</u>	<u>2,137,921</u>	<u>2,182,175</u>
Levied property taxes	1,424,573	2,137,921	2,182,175
Adjustments to actual/rounding	(732)	-	-
Refunds and abatements	-	-	-
Budgeted property taxes	<u>\$ 1,423,841</u>	<u>\$ 2,137,921</u>	<u>\$ 2,182,175</u>
ASSESSED VALUATION			
TIF District Increment	\$ 11,249	\$ 214,021	\$ 388,767
Certified Assessed Value	<u>\$ 11,249</u>	<u>\$ 214,021</u>	<u>\$ 388,767</u>
MILL LEVY			
General	3.765	5.950	4.254
Debt Service	53.455	58.000	60.376
Total mill levy	<u>57.220</u>	<u>63.950</u>	<u>64.630</u>
PROPERTY TAXES			
General	\$ 42	\$ 1,273	\$ 1,654
Debt Service	601	12,413	23,472
	<u>643</u>	<u>13,686</u>	<u>25,126</u>
Levied property taxes	643	13,686	25,126
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	<u>\$ 644</u>	<u>\$ 13,686</u>	<u>\$ 25,126</u>
BUDGETED PROPERTY TAXES			
General	\$ 93,687	\$ 198,915	\$ 143,633
Debt Service	1,330,154	1,939,006	2,038,542
	<u>\$ 1,423,841</u>	<u>\$ 2,137,921</u>	<u>\$ 2,182,175</u>

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

In accordance with its Service Plan, Erie Commons Metropolitan District No. 2 was formed to provide the funding and tax base needed to support the financing of its operations and capital improvements for the property known as "Erie Commons," which is located in Erie, Colorado. Such improvements include, but are not limited to, sanitation, water, wastewater, streets, traffic and safety controls, and parks and recreation improvements.

The Service Plan provides the ability for the District to impose a maximum mill levy for its debt service requirements as well as a maximum aggregate mill levy for combined debt service and operational and maintenance requirements of the District. The Service Plan also provides a combined new money revenue and general obligation debt limit of \$50,000,000 for Erie Commons District Nos. 1, 2, and 3, exclusive of surety requirements, but inclusive of organizational costs, financing costs and costs of construction and operation of public infrastructure.

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

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.

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.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

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 4% 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 approximately 4%.

Intergovernmental Transfers

The District anticipates that it will receive \$144,113 in pledged revenues from District No. 3 to fund a portion of the debt service obligations of the District.

Expenditures

General and Administrative

General and administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, and other administrative expenses.

Intergovernmental Transfers

The District expects to transfer \$43,000 of revenues derived from property taxes and specific ownership taxes to Erie Commons Metropolitan District No. 1 for operating expense.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2019A and 2019B Bonds.

Debt and Leases

On December 19, 2019, the District issued the (i) Series 2019A Senior general Obligation Limited Tax Bonds in the aggregate principal amount of \$20,250,000 and (ii) Series 2019B Subordinate General Obligation Limited Tax Bonds in the aggregate principal amount of \$12,400,000 for the purposes of (i) paying and discharging the Series 2009 Bonds; and (ii) paying costs of issuance and other costs in connection with the Bonds.

The Series 2019A Senior Bonds bear interest at 3.5% per annum which is payable semi-annually on June 1 and December 1. The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. The Bonds mature on December 1, 2049. The Bonds are payable from pledged revenue consisting primarily of property tax revenues and specific ownership tax revenues.

The Series 2019B Subordinate Bonds bear interest at 6.95% per annum which is payable annually on December 15 subject to the extent of available pledged revenues. The Bonds are structured as cash flow bonds meaning there are no scheduled payments on the Bonds prior to their maturity date which is December 15, 2054.

The District has no 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.

This information is an integral part of the accompanying budget.

Erie Commons Metropolitan District No. 2
\$20,250,000
Senior General Obligation
Limited Tax Bonds
Series 2019A
December 19, 2019
Interest Rate of 3.00% - 4.00%
Interest Payable June 1 and December 1
Principal Payable December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 295,000	\$ 700,200	\$ 995,200
2026	315,000	685,450	1,000,450
2027	330,000	669,700	999,700
2028	375,000	653,200	1,028,200
2029	395,000	634,450	1,029,450
2030	445,000	614,700	1,059,700
2031	465,000	592,450	1,057,450
2032	520,000	569,200	1,089,200
2033	545,000	543,200	1,088,200
2034	605,000	515,950	1,120,950
2035	635,000	485,700	1,120,700
2036	700,000	453,950	1,153,950
2037	730,000	425,950	1,155,950
2038	795,000	396,750	1,191,750
2039	825,000	364,950	1,189,950
2040	895,000	331,950	1,226,950
2041	920,000	305,100	1,225,100
2042	985,000	277,500	1,262,500
2043	1,015,000	247,950	1,262,950
2044	1,085,000	217,500	1,302,500
2045	1,115,000	184,950	1,299,950
2046	1,185,000	151,500	1,336,500
2047	1,225,000	115,950	1,340,950
2048	1,300,000	79,200	1,379,200
2049	1,340,000	40,200	1,380,200
Total	<u>\$ 19,040,000</u>	<u>\$ 10,257,600</u>	<u>\$ 29,297,600</u>