



ICENOGLE SEAVER POGUE

July 31, 2024

Office of Development Assistance
City of Aurora Colorado
Attn: Jacob Cox & Cesarina Dancy
15151 East Alameda Parkway, Suite 5200
Aurora, CO 80012
Via E-mail: oda@auroragov.org

State of Colorado
Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203
(Via E-Portal)

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203
(Via E-Portal)

Arapahoe County Clerk & Recorder
5334 S. Prince St.
Littleton, CO 80120
Via E-Mail: clerk@arapahoegov.com

Re: Horizon Metropolitan District No. 1
Filing of Annual Report

Dear Sir or Madam:

Enclosed for your information and records is a copy of the 2023 Annual Report for Horizon Metropolitan District No. 1.

Should you have any questions regarding the enclosed, please do not hesitate to contact our office. Thank you.

Sincerely,

ICENOGLE SEAVER POGUE
A Professional Corporation

Hannah Pogue
Legal Assistant

**ANNUAL REPORT FOR THE YEAR 2023
HORIZON METROPOLITAN DISTRICT NO. 1**

The Horizon Metropolitan District No. 1 (the “District”) hereby submits this annual report, as required pursuant to Section VIII of the First Amended and Restated Service Plan for the District, as approved by the City of Aurora (the “City”) on August 23, 2010 (the “Service Plan”). In addition, pursuant to Section 32-1-207(3)(c), C.R.S., the District is required to submit an annual report for the preceding calendar year to the City, the Division of Local Government, the state auditor, and the Arapahoe County Clerk and Recorder. This annual report is being submitted to satisfy the reporting requirement for the year 2024.

I. SERVICE PLAN – ANNUAL REPORT REQUIREMENTS.

For the year ending December 31, 2023, the District makes the following report:

A. Changes to the District’s boundaries as of December 31 of the prior year.

No changes to the District’s boundaries were made in 2023 or proposed as of December 31, 2023.

B. Intergovernmental agreements entered into by the District during the prior year.

The District did not enter into any intergovernmental agreements during 2023.

C. Copies of rules and regulations, if any, as of December 31 of the prior year.

- *Amended and Restated Public Records Policy Regarding the Inspection of Public Records*, which was adopted by the Board on November 1, 2023, and attached hereto as **Exhibit A**.
- *Technology Accessibility Statement and Technical Standards*, which was adopted by the Board on April 3, 2024, and is attached hereto as **Exhibit B**.

D. A summary of any litigation which involves the District public improvements as of December 31 of the prior year.

The District’s General Counsel is not aware of any litigation concerning the District’s public improvements as of December 31, 2023.

E. Status of the District’s construction of public improvements as of December 31 of the prior year.

In 2023, public improvements have been constructed by Lendlease Horizon Holdings, LLC (“Lendlease”) including sanitary sewer, storm sewer, water utilities, and public right-of-way improvements to serve the development within Horizon Uptown Filing No. 2 and Horizon Uptown Filing No. 3. Completed public improvements have either been acquired by District No. 1 from Lendlease for ownership, operation and maintenance or

dedicated by Lendlease to other governmental entities for ownership, operation and maintenance. The District did not construct any public improvements in 2023.

F. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.

No District constructed facilities or improvements were dedicated or accepted by the City in the year 2023.

G. Assessed valuation of the District for the current year.

The final gross assessed valuation of the District for 2024 is \$11,043 and the final net assessed valuation of the District for 2024 is \$18.

H. Current year budget including a description of Public Improvements to be constructed in such year.

A copy of the District's 2024 budget is attached hereto as **Exhibit C**. The District does not anticipate constructing any improvements in 2024.

I. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

A copy of the District's audited financial statements for the year ending December 31, 2023 is attached hereto as **Exhibit D**.

J. Notice of any uncured of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.

As of the date of submission of this 2023 Annual Report, the District is not aware of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.

K. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

As of the date of submission of this 2023 Annual Report, the District is not aware of any inability of the District to pay its obligations as they come due in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

II. SPECIAL DISTRICT ACT (SECTION 32-1-207(3)(c), C.R.S.) ANNUAL REPORT REQUIREMENTS:

For the year ending December 31, 2023, the District makes the following report pursuant to Section 32-1-207(3)(c), C.R.S.:

A. Boundary changes made.

See Section I.A. above.

B. Intergovernmental agreements entered into or terminated with other governmental entities.

See Section I.B. above.

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

For information concerning rules and regulations adopted by the District please contact the District's Manager:

Pinnacle Consulting Group, Inc.
Attn: Kenny Parrish
550 W Eisenhower Blvd
Loveland, CO 80537
Phone: (970) 669-3611
Email: kennyp@pcgi.com

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

See Section I.D. above.

E. The status of the construction of public improvements by the special district.

See Section I.E. above.

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

See Section I.F. above.

G. The final assessed valuation of the special district as of December 31 of the reporting year.

See Section I.G. above.

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

See Section I.H. above.

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.

See Section I.I. above.

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

See Section I.J. above.

K. Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

See Section I.K. above.

EXHIBIT A

**Amended and Restated Public Records Policy Regarding the Inspection of Public
Records**

**RESOLUTION OF THE BOARDS OF DIRECTORS OF
HORIZON METROPOLITAN DISTRICT NOS. 1 AND 3 – 10**

**A RESOLUTION ADOPTING AN AMENDED AND RESTATED PUBLIC RECORDS
POLICY REGARDING THE INSPECTION OF PUBLIC RECORDS**

WHEREAS, the Colorado Open Records Act (“Open Records Act”), as set forth in Sections 24-72-200.1 *et seq.*, C.R.S., as amended, requires all public records of political subdivisions of the State to be open for inspection by any person at reasonable times except as otherwise provided in the Open Records Act; and

WHEREAS, on November 24, 2015, via resolution, the Boards of Directors for Horizon Metropolitan District Nos. 1 and 3 – 10 (the “Districts”), together with Horizon Metropolitan District No. 2, adopted a Public Records Policy regarding the inspection of public records in compliance with the Open Records Act (collectively, the “Prior Public Records Policy”); and

WHEREAS, the Boards of Directors (the “Boards”) for the Districts desire to adopt herein an amended and restated Public Records Policy regarding the inspection of public records (the “Public Records Policy”).

NOW THEREFORE, THE BOARDS OF DIRECTORS OF HORIZON METROPOLITAN DISTRICT NOS. 1 AND 3 – 10 HEREBY ADOPT THE FOLLOWING AMENDED AND RESTATED PUBLIC RECORDS POLICY:

1. Definition of Public Records. The term “public records,” as used herein, shall have the same meaning given to such term in the Open Records Act.
2. Official Custodian. The Districts shall appoint an official custodian of the Districts’ public records annually in its annual administrative matters resolution. The official custodian shall be responsible for the maintenance, care, and keeping of public records, regardless of whether the records are in his or her actual personal custody and control, as provided in the Open Records Act. All references herein to “custodian” shall mean the “official custodian” appointed as described herein.
3. Inspection of Public Records. All public records of the Districts shall be available for public inspection by any person at reasonable times as provided in the Open Records Act. All requests for public records shall be made in writing and submitted to the custodian of the Districts, and such requests shall comply with the requirements of the Open Records Act and be processed pursuant to the provisions of Paragraph 4 of this Public Records Policy. The Districts and the custodian will comply with the requirements of the Open Records Act and any other federal or state laws with respect to whether it must, may, or cannot produce public records, or other documents or information requested, and the fees it charges for producing such public records, or other documents or information.
4. Receipt of Public Records Request. Upon the receipt of a written request to inspect public records, the custodian or his or her designee shall set a date and hour at which time the

requested public records will be available for inspection, which date and hour of inspection shall be between the hours of 8:00 A.M. and 5:00 P.M., Mountain Standard Time. The custodian will provide public records within three (3) working days or less from the date such public records were requested for inspection unless extenuating circumstances exist as provided in Section 24-72-203(3)(b), C.R.S. The day the public records request is received, weekends, and legally recognized holidays shall not count as a working day for the purposes of computing the date set for inspection of Public Records.

5. Fees for Copies of Public Records. The custodian shall furnish copies, printouts or photographs of public records requested for a fee as follows:

a. Where the fee for a certified copy or other copy, printout, or photograph of a public record is specifically prescribed by law, the specific fee shall be charged. If a fee is not specifically prescribed by law, the custodian will furnish copies, printouts, or photographs of a public record for a fee of \$0.25 per standard page. The custodian shall charge a fee not to exceed the actual cost of providing a copy, photograph, or printout in a form other than a standard page. The custodian shall charge the actual costs that the custodian incurs in having the copies made off-site by an outside copying facility.

b. If, in response to a specific request, the custodian performs a manipulation of data so as to generate a record in a form not used by the Districts, an administrative fee of \$33.58 per hour shall be charged to the person or entity making the request. An individual or entity making a subsequent request for the same or similar records shall be charged the same fee.

c. If the amount of time required by the custodian to research and retrieve the documents necessary to fulfill a specific request exceeds one hour, including the time required to identify and segregate records that must or may not be produced, the person or entity making the request shall be charged a research and retrieval fee of \$33.58 per hour. Such fee shall be automatically adjusted, without further approval by the Districts, to the amount established by the State Director of Research of the Legislative Council from time to time. The Districts will not impose a charge for the first hour of time expended in connection with the research and retrieval of public records. This imposition of this fee shall be effective upon the publishing of this Public Records Policy in accordance with the Open Records Act.

d. In the event a public record must be scanned and saved electronically prior to transmitting the public record via electronic mail to the requestor as provided in Paragraph 4 hereof, the requestor shall be charged fifteen cents (\$0.15) per scanned page unless otherwise waived by the custodian.

6. Transmission of Copies of Public Records. Upon request for transmission of a copy of a public record, the custodian will transmit the public record by United States mail, other delivery service, facsimile, or electronic mail. If transmitting the public record pursuant to this paragraph, the custodian will notify the record requester that a copy of the public record is available but will be sent only when the custodian receives payment or makes satisfactory arrangements for

payment of all costs associated with transmitting the public record and for all other fees lawfully allowed; provided, however, that no transmission fees will be charged for transmitting the public record via electronic mail. Upon receiving such payment or making arrangements to receive such payment at a later date, the custodian shall send the public record to the requestor as soon as practicable not no more than three business days after receipt of, or making arrangements to receive, such payment.

7. Electronic Records and Signatures. Pursuant to Section 32-1-1001(1)(o), C.R.S., the Boards hereby authorizes the use of electronic records and electronic signatures relating to a transaction. The use of electronic records and electronic signatures in a transaction shall be governed by the Uniform Electronic Transaction Act (“UETA”), as set forth in Sections 24-71.3-101 *et seq.*, C.R.S., as amended.

a. The term “electronic record” means a record created, generated, sent, communicated, received, or stored by electronic means. The term “electronic signature” means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. The term “transaction” means an action or set of actions occurring between two or more persons relating to the conduct of business, commercial, charitable or governmental affairs, except as otherwise provided by the UETA.

b. The use of electronic records and signatures is authorized in transactions between and among the Districts, their directors, officers, agents, employees, and assigns, and third parties (collectively, the “Parties”) that have agreed to conduct transactions by electronic means. Whether the Parties agree to conduct a transaction by electronic means is determined from the context and surrounding circumstances, including the Parties’ conduct.

c. An electronic record or electronic signature is attributable to a person if it was the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of any security procedure applied to determine the person to which the electronic record or electronic signature was attributable.

d. If a law requires a signature or record to be notarized, acknowledged, verified, or made under oath, the requirement is satisfied if the electronic signature of the person authorized to perform those acts, together with all other information required to be included by other applicable law, is attached to or logically associated with the signature or record.

8. Electronic Mail Policy. Pursuant to Section 24-72-204.5, C.R.S., the Boards hereby adopts the following electronic mail policy (“E-mail Policy”) to establish guidelines for the responsible and efficient use of electronic mail (“E-mail”) services and to clearly set forth the rights and responsibilities of the Districts’ current and/or future employees, regarding their use of E-mail.

a. E-Mail Defined. E-Mail means an electronic message transmitted between two or more computers or electronic terminals, whether or not the message is converted to hard copy format after receipt and whether or not the message is viewed upon transmission or stored

for later retrieval. E-mail includes electronic messages that are transmitted through a local, regional, or global computer network.

b. Scope of Policy. All E-mail communications and associated attachments transmitted or received over the Districts' network are subject to the provisions of this policy. Additionally, since Colorado law provides that E-mail communications written in the conduct of public business are generally considered to be public records, all E-mail communications written and sent in the conduct of public business by employees of the Districts are subject to applicable provisions of this E-mail Policy, regardless of whether the communication was sent or received on a public or privately-owned personal computer.

c. Application of Public Records Statute to E-Mail. The Open Records Act treats electronic documents and files, including E-mails, in the same manner as paper documents. All such documents are generally considered to be public records and are subject to public inspection unless such documents are covered by a specific statutory exception. E-mail messages which are public records must be retained in either paper or electronic format in accordance with the Special District Records Retention Schedule adopted by the Districts. E-mail messages which are not public records should be deleted after viewing.

d. Monitoring of E-Mail Communications by the Districts. The Districts do not intend to monitor E-mail usage by its employees, if any, in a regular or systematic fashion; however, it does reserve the right to monitor such usage from time to time and without prior notice. Such monitoring may include tracking addresses of E-mails sent and received, accessing in-box messages, accessing messages in folders, and accessing archived messages. Furthermore, the Districts may disclose E-mail communications sent to, received by, or relating to an employee to law enforcement officials without giving prior notice to the employee.

9. Conflicts. In the event of a conflict between a provision set forth in this Public Records Policy and the Open Records Act, or this Public Records Policy and any other federal or state law including the UETA, the federal or state law provision shall control and this Public Record Policy shall be deemed amended to comply with all federal or state law provisions without further action by the Boards.

10. Amendments to Public Records Policy. This Public Records Policy replaces the Prior Public Records Policy in its entirety. The Boards may amend this Public Records Policy from time to time as the Boards deem necessary.

11. Effective Date. This Public Records Policy shall take effect on the date and at the time of its adoption.

(Signature Page Follows.)

ADOPTED AND APPROVED THIS 1ST DAY OF NOVEMBER, 2023.

HORIZON METROPOLITAN DISTRICT
NOS. 1 and 3 – 10

DocuSigned by:



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By: David Crowder, President

(Signature Page to Horizon MD Nos. 1 and 3 – 10 Public Records Policy)

EXHIBIT B

Technology Accessibility Statement and Technical Standards

BOARD OF DIRECTORS OF HORIZON METROPOLITAN DISTRICT NO. 1
A RESOLUTION ADOPTING TECHNOLOGY ACCESSIBILITY STATEMENT AND
TECHNICAL STANDARDS

WHEREAS, Horizon Metropolitan District No. 1 (the “District”) is a special district organized and existing pursuant to Section 32-1-101 et seq., C.R.S.; and

WHEREAS, the Board of Directors of the District has a duty to perform certain obligations in order to assure the efficient operation of the District; and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the District’s Board is authorized to adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and the laws of the State for carrying on the business, objects, and affairs of the Board and the District; and

WHEREAS, the Colorado Anti-Discrimination Act (“CADA”), as set forth in Title 34, Article 34, Parts 3 through 8 of the Colorado Revised Statutes provides that it is unlawful to discriminate against an individual with a disability as that term is defined in Section 24-34-301(7), C.R.S.; and

WHEREAS, the Colorado legislature, through House Bill 21-1110 and subsequently amended by Senate Bill 23-244 (the “Technology Accessibility Bills”), amended CADA to include certain provisions regarding website accessibility for individuals with disabilities; and

WHEREAS, the Technology Accessibility Bills, require the Colorado Office of Information Technology (the “OIT”) to establish rules regarding information technology systems accessibility standards for individuals with disabilities; and

WHEREAS, on February 23, 2024, the OIT adopted the Rules Establishing Technology Accessibility Standards as contained in 8 CCR § 1501-11, *et seq.*, (the “Accessibility Rules”) requiring all public entities and state agencies, as such terms are defined in the Accessibility Rules, to comply with the Accessibility Rules; and

WHEREAS, 8 CCR § 1501-11.4 specifically defines the term public entity to include special districts; and

WHEREAS, compliance with the Accessibility Rules requires the District to adopt and publicly post in a conspicuous place a Technology Accessibility Statement, as such term is defined in the Accessibility Rules, by July 1, 2024; and

WHEREAS, Technical Standards is defined in the Accessibility Rules at Section 11.5(a) as Web Content Accessibility Guidelines (“WCAG”) 2.1 Level AA; and

WHEREAS, the Accessibility Rules require the District to ensure applicable information and communication technology (the “ICT”) is compliant with the Technical Standards by July 1, 2024.

NOW THEREFORE, THE BOARD OF DIRECTORS OF HORIZON METROPOLITAN DISTRICT NO. 1 HEREBY ADOPTS THE FOLLOWING TECHNOLOGY ACCESSIBILITY STATEMENT AND TECHNICAL STANDARDS:

1. Technology Accessibility Statement. The District adopts the Technology Accessibility Statement attached hereto in Exhibit A (the “Statement”) in accordance with Section 11.6 of the Accessibility Rules. The Statement shall be posted publicly in a conspicuous location on the District’s website. The District directs the District Manager to take the actions necessary to facilitate the conspicuous public posting of the Statement on the District’s website as soon as possible but not later than July 1, 2024.
2. Actions to Effectuate Resolution. Management and legal counsel for the District are authorized and directed to take all actions necessary and appropriate to effectuate this Resolution and the imposition of the Technology Accessibility Statement and Technical Standards contemplated hereunder. All actions not inconsistent with the provisions of this Resolution heretofore taken by the members of the Board of Directors and/or management or legal counsel for the District and the officers, agents and employees of the District and directed toward effectuating the purposes stated herein are hereby ratified, approved and confirmed.
3. Effective Date. This Resolution shall take effect on the date and at the time of its adoption.

[Remainder of page intentionally left blank.]

APPROVED AND ADOPTED THIS 3rd DAY OF APRIL 2024.

HORIZON METROPOLITAN DISTRICT NO. 1

DocuSigned by:



57F34BD4ED80445...
By: David Crowder, Jr.

Its: President

HORIZON METROPOLITAN DISTRICT NO. 1 TECHNOLOGY ACCESSIBILITY STATEMENT

Horizon Metropolitan District No. 1 (the “District”) is committed to providing equitable access to our services, programs, and activities to all members of the public. The District’s ongoing accessibility efforts work toward being compliant with the Web Content Accessibility Guidelines (WCAG) version 2.1, level AA criteria. The District welcomes comments on how to improve its technology’s accessibility for users with disabilities as well as requests for reasonable modifications and/or accommodation to any District services, programs, and/or activities.

Please let us know if you encounter inaccessible information and communication technology. The District is committed to responding to requests for reasonable modifications and/or accommodation as well as reports of accessibility issues in a timely manner.

For reports of inaccessible information and communication technology or to request reasonable modifications or accommodations to District information and communication technology, please contact the District at:

Phone: _____

E-mail: HMDAdmin@pcgi.com

EXHIBIT C

2024 Budget


LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2024 budget and budget message for HORIZON METROPOLITAN DISTRICT NO. 1 in Arapahoe County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 6, 2023. If there are any questions on the budget, please contact:

Nic Carlson, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO
Tel.: 303-779-5710

I, Nic Carlson, as District manager of the Horizon Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: 
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Nic Carlson, District Manager

STATE OF COLORADO
COUNTY OF ARAPAHOE
HORIZON METROPOLITAN DISTRICT NO. 1
2024 BUDGET RESOLUTION

The Board of Directors of the Horizon Metropolitan District No. 1, Arapahoe County, Colorado held a regular meeting on Wednesday, November 1, 2023 at the hour of 9:00 A.M. via MS Teams.

The following members of the Board of Directors were present:

David Crowder	President
Karen Voit	Vice President
Jason Rutt	Secretary

Also present were: Alan D. Pogue, Esq., Icenogle Seaver Pogue, P.C.
Shauna D'Amato, Kaitlin Frey, Nic Carlson, Margaret Henderson, and Terri Boroviak;
CliftonLarsonAllen LLP
Eric Keesen and William Medellin; BrightView Landscape Services, Inc.
Peter Navik and Victoria Patridge; Members of the Public

Ms. Henderson reported that proper notice was made to allow the Board of Directors of the Horizon Metropolitan District No. 1 to conduct a public hearing on the 2024 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a regular meeting of the Board of Directors of the District and that a notice of regular meeting was posted on a public website of the District/in the designated public place within the boundaries of the District no less than twenty-four hours prior to the holding of the meeting, and to the best of her/his knowledge, remains posted to the date of this meeting.

Thereupon, Director Rutt introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE HORIZON METROPOLITAN DISTRICT NO. 1, ARAPAHOE COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024.

WHEREAS, the Board of Directors (the “Board”) of the Horizon Metropolitan District No. 1 (the “District”) has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2023; and

WHEREAS, due and proper notice was published on October 19, 2023 in the *Aurora Sentinel* indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District’s increased property tax revenues resulting from a request to the Division of Local Government pursuant to Section 29-1-302(1), C.R.S.; and an original publisher’s Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Wednesday, November 1, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Section 29-1-301, C.R.S., and Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law; and

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HORIZON METROPOLITAN DISTRICT NO. 1, ARAPAHOE COUNTY, COLORADO:

Section 1. Summary of 2024 Revenues and 2024 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2024, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2024. In the event the final assessed valuation provided by the Arapahoe County Assessor's Office differs from the assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by Jason Rutt, Secretary of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2024 Levy of General Property Taxes. That for the purposes of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 6. 2024 Mill Levy Adjustment. The Board may adjust the mill levy, as specifically set forth in the District's Service Plan (the "Adjusted Mill Levy"). The Board hereby determines in good faith to establish the Adjusted Mill Levy as set forth in the mill levy certification attached hereto as Exhibit C pursuant to the authority granted by its Service Plan to ensure that the District's revenues shall be neither diminished nor enhanced as a result of the

changes effecting the mill levy. Subject to adjustment and finalization by the District's accountant in accordance with Sections 2 and 3 hereof, the Board further authorizes that the Adjusted Mill Levy be reflected in the District's Certification of Tax Levies to be submitted to the Board of County Commissioners of Arapahoe County on or before January 10, 2024, for collection in 2024.

Section 8. Certification to County Commissioners. That the Board Secretary and/or District's accountant are hereby authorized and directed to immediately certify to the Board of County Commissioners of Arapahoe County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

[The remainder of this page is intentionally left blank.]

The foregoing Resolution was seconded by Director Voit.

RESOLUTION APPROVED AND ADOPTED THIS 1ST DAY OF NOVEMBER, 2023.

HORIZON METROPOLITAN DISTRICT NO. 1

DocuSigned by:

David Crowder, Jr.

By: David Crowder

Its: President

STATE OF COLORADO
COUNTY OF ARAPAHOE
HORIZON METROPOLITAN DISTRICT NO. 1

I, Jason Rutt, hereby certify that I am a director and the duly elected and qualified Secretary of the Horizon Metropolitan District No. 1, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a regular meeting of the Board of Directors of the Horizon Metropolitan District No. 1, held on November 1, 2023, via MS Teams, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2024; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 1st day of November, 2023.



DocuSigned by:

Jason Rutt

A096E4809165409...

Jason Rutt, Secretary

EXHIBIT A

Affidavit
Notice as to Proposed 2024 Budget

SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver; State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said Counties of Arapahoe, Adams and Denver for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period 1 of consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated October 19 A.D. 2023 and that the last publication of said notice was in the issue of said newspaper dated October 19 A.D. 2023.

I witness whereof I have hereunto set my hand this 19th day of October A.D. 2023.

Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 19th day of October A.D. 2023.

Notary Public



NOTICE AS TO PROPOSED 2024
BUDGET HEARING
FOR THE HORIZON METROPOLITAN
DISTRICT NOS. 1 - 10

NOTICE IS HEREBY GIVEN that Proposed Budgets ("Proposed Budgets") have been submitted to the Boards of Directors of the HORIZON METROPOLITAN DISTRICT NOS. 1 - 10 for the ensuing year of 2024. Copies of such Proposed Budgets have been filed in the office of the District Manager at 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where same are open for public inspection. Such Proposed Budgets will be considered at a regular meeting of the HORIZON METROPOLITAN DISTRICT NOS. 1 - 10, to be held on November 1, 2023 at 9:00 a.m. via MS Teams:
https://teams.microsoft.com/join/19%3ameeting_ZmM5NmVjNmUzGI1NC00MjRkLWJlNDctMGFIMzVhMDYyY2Q0%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%227e93cd08-3bae-48d3-b32e-d8f57cd88c24%22%7d
Call-in #: 720-547-5281; Meeting ID: 326 674 889#

Any interested electors within the HORIZON METROPOLITAN DISTRICT NOS. 1 - 10 may inspect the Proposed Budgets and file or register any objections at any time prior to the final adoption of the 2024 budgets.

BY ORDER OF THE
BOARDS OF DIRECTORS:
HORIZON METROPOLITAN
DISTRICT NOS. 1 - 10
By: /s/ ICENOGL SEAVER POGUE, P.C.
Publication: October 19, 2023
Sentinel

**NOTICE AS TO PROPOSED 2024 BUDGET HEARING
FOR THE
HORIZON METROPOLITAN DISTRICT NOS. 1 – 10**

NOTICE IS HEREBY GIVEN that Proposed Budgets (“Proposed Budgets”) have been submitted to the Boards of Directors of the **HORIZON METROPOLITAN DISTRICT NOS. 1 – 10** for the ensuing year of 2024. Copies of such Proposed Budgets have been filed in the office of the District Manager at 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where same are open for public inspection. Such Proposed Budgets will be considered at a regular meeting of the HORIZON METROPOLITAN DISTRICT NOS. 1 – 10, to be held on November 1, 2023 at 9:00 a.m. via MS Teams:

[https://teams.microsoft.com/l/meetup-](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZmM5NmVjNmUtZGI1NC00MjRkLWJiNDctMGFIMzVhMDYyY2Q0%40t)

[join/19%3ameeting_ZmM5NmVjNmUtZGI1NC00MjRkLWJiNDctMGFIMzVhMDYyY2Q0%40t](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZmM5NmVjNmUtZGI1NC00MjRkLWJiNDctMGFIMzVhMDYyY2Q0%40t)

[hread.v2/0?context=%7b%22id%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22oid%22%3a%227e93cd08-3bae-48d3-b32e-d8f57cd88c24%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZmM5NmVjNmUtZGI1NC00MjRkLWJiNDctMGFIMzVhMDYyY2Q0%40t)

Call-in #: 720-547-5281; Meeting ID: 326 674 889#

Any interested electors within the HORIZON METROPOLITAN DISTRICT NOS. 1 – 10 may inspect the Proposed Budgets and file or register any objections at any time prior to the final adoption of the 2024 budgets.

**BY ORDER OF THE BOARDS OF DIRECTORS:
HORIZON METROPOLITAN DISTRICT NOS. 1 – 10**

By: /s/ ICENOGLE SEAVER POGUE, P.C.

Published In: *Aurora Sentinel*
Published On: October 19, 2023

EXHIBIT B

Budget Document
Budget Message

HORIZON METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

**HORIZON METROPOLITAN DISTRICT NO. 1
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 333,014	\$ 299,154	\$ 63,616
REVENUES			
Interest income	-	-	-
Developer advance	122,126	15,075,000	9,434,000
Trash and recycling fees	29,424	38,000	68,500
Facility Fees	273,600	133,200	110,400
Covenants & Fees Revenue	-	5,000	5,000
Other revenue	14,915	-	-
Transfers from District 2	68,148	110,511	153,605
Transfers from District 3	1,000	13,360	85,777
Stormwater maintenace fee	-	500	28,200
Total revenues	<u>509,213</u>	<u>15,375,571</u>	<u>9,885,482</u>
TRANSFERS IN	<u>7,069</u>	<u>45,000</u>	<u>55,000</u>
Total funds available	<u>849,296</u>	<u>15,719,725</u>	<u>10,004,098</u>
EXPENDITURES			
General Fund	502,107	570,109	711,934
Capital Projects Fund	33,897	14,991,000	9,110,000
Special Revenue Fund	7,069	50,000	60,000
Total expenditures	<u>543,073</u>	<u>15,611,109</u>	<u>9,881,934</u>
TRANSFERS OUT	<u>7,069</u>	<u>45,000</u>	<u>55,000</u>
Total expenditures and transfers out requiring appropriation	<u>550,142</u>	<u>15,656,109</u>	<u>9,936,934</u>
ENDING FUND BALANCES	<u>\$ 299,154</u>	<u>\$ 63,616</u>	<u>\$ 67,164</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	\$ -	\$ 4,900	\$ 10,100
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 54,430</u>	<u>\$ 57,578</u>

**HORIZON METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Vacant land	10,440	11,043	11,043
	10,440	11,043	11,043
Adjustments	(10,392)	-	(11,025)
Certified Assessed Value	\$ 48	\$ 11,043	\$ 18
MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Levied property taxes	-	-	-
Budgeted property taxes	\$ -	\$ -	\$ -
BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

HORIZON METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 205,731	\$ (67,832)	\$ 54,430
REVENUES			
Developer advance	122,126	575,000	434,000
Trash and recycling fees	29,424	38,000	68,500
Other revenue	14,915	-	-
Stormwater maintenace fee	-	500	28,200
Transfers from District 2	68,148	110,511	153,605
Transfers from District 3	1,000	13,360	85,777
Total revenues	<u>235,613</u>	<u>737,371</u>	<u>770,082</u>
Total funds available	<u>441,344</u>	<u>669,539</u>	<u>824,512</u>
EXPENDITURES			
General and administrative			
Accounting	58,939	75,000	97,000
Auditing	8,200	13,300	14,000
Directors' fees	-	2,400	2,400
Dues and membership	2,167	2,848	3,250
Insurance	24,151	35,452	41,000
District management	60,117	60,000	66,000
Legal	75,419	25,000	30,000
Miscellaneous	166	3,000	3,000
Payroll taxes	-	184	184
Banking fees	4,000	-	-
Billing	15,138	18,000	24,000
Election	4,888	9,425	-
Website	-	1,000	2,500
Operations and maintenance			
Repairs and maintenance	7,594	30,000	40,000
Landscaping	195,218	135,000	141,600
Landscaping - projects	-	-	58,000
Events	14,915	12,900	15,000
Waste Services	21,630	25,000	33,000
Storm water maintenance	-	-	15,000
Snow removal	9,565	36,500	45,000
Utilities	-	100	1,000
Water	-	85,000	80,000
Total expenditures	<u>502,107</u>	<u>570,109</u>	<u>711,934</u>
TRANSFERS OUT			
Transfers to other fund	<u>7,069</u>	<u>45,000</u>	<u>55,000</u>
Total expenditures and transfers out requiring appropriation	<u>509,176</u>	<u>615,109</u>	<u>766,934</u>
ENDING FUND BALANCES	<u>\$ (67,832)</u>	<u>\$ 54,430</u>	<u>\$ 57,578</u>
EMERGENCY RESERVE	\$ -	\$ 4,900	\$ 10,100
AVAILABLE FOR OPERATIONS	-	49,530	47,478
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 54,430</u>	<u>\$ 57,578</u>

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1
SPECIAL REVENUE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Covenants & Fees Revenue	-	5,000	5,000
Total revenues	<u>-</u>	<u>5,000</u>	<u>5,000</u>
TRANSFERS IN			
Transfers from other funds	<u>7,069</u>	<u>45,000</u>	<u>55,000</u>
Total funds available	<u>7,069</u>	<u>50,000</u>	<u>60,000</u>
EXPENDITURES			
General and administrative			
District management	7,069	50,000	60,000
Total expenditures	<u>7,069</u>	<u>50,000</u>	<u>60,000</u>
Total expenditures and transfers out requiring appropriation	<u>7,069</u>	<u>50,000</u>	<u>60,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HORIZON METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 127,283	\$ 366,986	\$ 9,186
REVENUES			
Developer advance	-	14,500,000	9,000,000
Facility Fees	273,600	133,200	110,400
Total revenues	<u>273,600</u>	<u>14,633,200</u>	<u>9,110,400</u>
Total funds available	<u>400,883</u>	<u>15,000,186</u>	<u>9,119,586</u>
EXPENDITURES			
General and Administrative			
Capital Projects			
Repay developer advance	-	467,000	25,000
Engineering	33,897	24,000	35,000
Capital outlay	-	14,500,000	9,050,000
Total expenditures	<u>33,897</u>	<u>14,991,000</u>	<u>9,110,000</u>
Total expenditures and transfers out requiring appropriation	<u>33,897</u>	<u>14,991,000</u>	<u>9,110,000</u>
ENDING FUND BALANCES	<u>\$ 366,986</u>	<u>\$ 9,186</u>	<u>\$ 9,586</u>

**HORIZON METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on March 6, 2006, to provide financing for the acquisition and installation of streets and traffic signals, water, sewer, storm drainage and park and recreation facilities. The District's service area is located entirely within the City of Aurora (the "City"), in Arapahoe County, Colorado. The District was organized in conjunction with other related districts, Horizon Metropolitan District Nos. 2, 3, 4, 5, 6, 7, 8, 9 and 10. The Districts, collectively, will undertake the financing and construction of the public improvements. The Districts shall enter into one or more Intergovernmental Agreements which shall govern the relationships between and among the Districts with respect to the financing, construction and operation of the public improvements. The District will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements.

On November 1, 2005, District electors approved revenue indebtedness of \$150,000,000 for street improvements, \$150,000,000 for traffic safety, \$150,000,000 for water supply system, \$150,000,000 for sanitary sewer and transmission system, \$150,000,000 for parks and recreation, \$150,000,000 for mosquito control, \$150,000,000 for fire protection system, \$150,000,000 for television relay and translation system, \$150,000,000 for public transportation system and \$5,000,000 for general operations and maintenance. The District electors also approved \$150,000,000 for refinancing of District debt, \$150,000,000 for debt associated with intergovernmental contracts and \$150,000,000 for debt associated with intergovernmental contracts associated with capital projects.

On November 4, 2008, District electors approved revenue indebtedness of \$750,000,000 for street improvements, \$750,000,000 for traffic safety, \$750,000,000 for water supply system, \$750,000,000 for sanitary sewer and transmission system, \$750,000,000 for parks and recreation, \$750,000,000 for mosquito control, \$750,000,000 for fire protection system, \$750,000,000 for television relay and translation system, \$750,000,000 for public transportation system, \$750,000,000 for solid waste disposal facilities, and \$150,000,000 for general operations and maintenance. The District electors also approved \$750,000,000 for refinancing of District debt and \$750,000,000 for debt associated with intergovernmental contracts. The election also approved an annual increase in taxes of \$150,000,000 for general operations and maintenance and \$750,000,000 for regional improvements.

The Districts' service plan limits the total debt issuance of the project to \$750,000,000. The Maximum Debt Mill Levy the District is permitted to impose is 50.000 mills for any aggregate District's Debt which exceeds fifty percent of the District's assessed valuation. The Maximum Debt Mill Levy will be adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2020, the adjusted Maximum Debt Mill Levy is 55.664 mills. For the portion of any aggregate District's Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation or rate.

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

**HORIZON METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided (continued)

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

Revenues

Facilities Fees

Facilities fees are imposed and collected by the District on the Property for payment as provided by the Facilities Funding, Construction and Operations Agreement.

Service Fees

Service fees are imposed on single family residences and collected by the District for trash and recycling. Service fees are \$28 per month per unit and billed on a quarterly basis.

Maintenance Fee

Maintenance fees are imposed on townhomes and collected by the District for the stormwater system. Maintenance fees are \$25 per month per unit and billed on a monthly basis.

Covenant and Enforcement Fees

Covenant and enforcement fees that the District expects to receive for enforcement of residential guidelines are displayed on the Design Review Fund page of the budget.

Intergovernmental Revenues – Transfers from Other Districts

The intergovernmental revenues are transferred from Horizon Metropolitan District No. 2 and 3. The District will coordinate the payment of administrative expenditures for these Districts as well as the District's own administrative expenditures.

Developer Advances

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

**HORIZON METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

General and Administrative Expenditures

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as management, legal, accounting, engineering, insurance and other administrative expenses.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3.00% of fiscal year spending.

This information is an integral part of the accompanying budget.

EXHIBIT C

Certification of Tax Levy

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of ARAPAHOE COUNTY, Colorado.

On behalf of the HORIZON METROPOLITAN DISTRICT NO. 1,
(taxing entity)^A
the BOARD OF DIRECTORS,
(governing body)^B
of the HORIZON METROPOLITAN DISTRICT NO. 1,
(local government)^C

Hereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 11,043
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 18
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 01/08/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	0.000 mills	\$ 0
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>0.000</u> mills	\$ <u>0</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>0.000</u> mills	\$ <u>0</u>

Contact person: Margaret Henderson Phone: (303) 779-5710
Signed: Margaret Henderson Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

2. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

4. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

EXHIBIT D

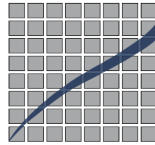
2023 Audited Financial Statements

HORIZON METROPOLITAN DISTRICT NO. 1
ARAPAHOE COUNTY, COLORADO

FINANCIAL STATEMENTS
DECEMBER 31, 2023

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BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Horizon Metropolitan District No. 1

Arapahoe County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of Horizon Metropolitan District No. 1 ("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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2023, the respective changes in financial position, and the 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the 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, 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America 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 which 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 basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial

statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BiggsKofford, P.C.

Colorado Springs, Colorado

July 18, 2024

HORIZON METROPOLITAN DISTRICT NO. 1

STATEMENT OF NET POSITION

DECEMBER 31, 2023

	Governmental Activities
<u>ASSETS</u>	
Cash and investments	\$ 84,243
Cash and investments - restricted	22,908
Prepaid expenses	43,288
Accounts receivable	5,727
Due from District No. 2	1,778
Due from District No. 3	259
Capital assets:	
Construction in progress	38,730,214
Total assets	<u>38,888,417</u>
<u>LIABILITIES</u>	
Accounts payable	126,974
Due to District No. 2	5,454
Due to District No. 3	38
Due to District No. 4	3,027
Noncurrent liabilities:	
Due in more than one year	24,064,960
Total liabilities	<u>24,200,453</u>
<u>NET POSITION</u>	
Net investment in capital assets	17,283,149
Restricted for:	
Emergency reserve	24,100
Unrestricted	<u>(2,619,285)</u>
Total net position	<u><u>\$ 14,687,964</u></u>

The accompanying notes and independent auditor's report
should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 1

STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2023

FUNCTIONS / PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government					
Government activities:					
General government	\$ 2,961,188	\$ 47,534	\$ -	\$ 118,800	\$ (2,794,854)
Interest and related costs on long-term debt	801,809	-	-	-	(801,809)
Total government activities	<u>\$ 3,762,997</u>	<u>\$ 47,534</u>	<u>\$ -</u>	<u>\$ 118,800</u>	<u>(3,596,663)</u>
GENERAL REVENUES					
Transfer from District No. 2					128,938
Transfer from District No. 3					2,139
Total general revenues					<u>131,077</u>
Change in net position					<u>(3,465,586)</u>
Net position, beginning of year					<u>18,153,550</u>
Net position, end of year					<u>\$ 14,687,964</u>

The accompanying notes and independent auditor's report
should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 1

BALANCE SHEETS - GOVERNMENTAL FUNDS

DECEMBER 31, 2023

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 84,243	\$ -	\$ 84,243
Cash and investments - restricted	1,330	21,578	22,908
Prepaid expenses	43,288	-	43,288
Accounts receivable	5,727	-	5,727
Due from District No. 2	1,778	-	1,778
Due from District No. 3	259	-	259
Total assets	<u>\$ 136,625</u>	<u>\$ 21,578</u>	<u>\$ 158,203</u>
LIABILITIES			
Accounts payable	\$ 126,974	\$ -	\$ 126,974
Due to District No. 2	5,454	-	5,454
Due to District No. 3	38	-	38
Due to District No. 4	3,027	-	3,027
Total liabilities	<u>135,493</u>	<u>-</u>	<u>135,493</u>
FUND BALANCES			
Nonspendable:			
Prepaid expenses	43,288	-	43,288
Restricted for:			
Emergency reserve	24,100	-	24,100
Assigned to:			
Capital projects	-	21,578	21,578
Unassigned:			
Unrestricted	(66,256)	-	(66,256)
Total fund balances	<u>1,132</u>	<u>21,578</u>	<u>22,710</u>
Total liabilities and fund balances	<u>\$ 136,625</u>	<u>\$ 21,578</u>	
Amounts reported in governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:			
Construction in progress			38,730,214
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			
Developer advances			(20,877,631)
Accrued interest on developer advances			(3,187,329)
Net position of governmental activities			<u>\$ 14,687,964</u>

The accompanying notes and independent auditor's report should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 1
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
YEAR ENDED DECEMBER 31, 2023

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>			
Facilities fees	\$ -	\$ 118,800	\$ 118,800
Trash and recycling fees	47,534	-	47,534
Transfer from District No. 2	128,938	-	128,938
Transfer from District No. 3	2,139	-	2,139
Total revenues	178,611	118,800	297,411
<u>EXPENDITURES</u>			
Current:			
Accounting and audit	142,317	-	142,317
Billing	29,208	-	29,208
Board fees	4,488	-	4,488
Events	12,854	-	12,854
Engineering	-	23,963	23,963
Election	9,561	-	9,561
Insurance	35,428	-	35,428
Landscaping and maintenance	153,904	-	153,904
Legal	42,258	-	42,258
Management fees	118,957	-	118,957
Dues and membership	14,984	-	14,984
Snow removal	27,123	-	27,123
Utilities	209,781	-	209,781
Capital projects:			-
Capital outlay	-	13,820,156	13,820,156
Total expenditures	800,863	13,844,119	14,644,982
Excess of revenues over expenditures	(622,252)	(13,725,319)	(14,347,571)
<u>OTHER FINANCING SOURCES AND USES</u>			
Proceeds from developer advances	691,216	13,832,311	14,523,527
Interest payment on developer advance	-	(452,400)	(452,400)
Total other financing sources and uses	691,216	13,379,911	14,071,127
Net change in fund balances	68,964	(345,408)	(276,444)
Fund balances, beginning of year	(67,832)	366,986	299,154
Fund balances, end of year	\$ 1,132	\$ 21,578	\$ 22,710

The accompanying notes and independent auditor's report
should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

Net change in fund balances \$ (276,444)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable assets over the estimated useful lives of the assets. Capital outlay, the conveyance of capital assets to other governments and depreciation expense in the current period are as follows:

<u>Capital outlay</u>	13,820,156
<u>Capital assets conveyed to the City of Aurora</u>	(1,553,790)
<u>Capital assets conveyed to Aurora Water</u>	(582,572)

Some items in the statement of activities do not provide or require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

<u>Developer advances</u>	(14,523,527)
<u>Repayment of developer advances</u>	452,400
<u>Accrued interest on developer advances</u>	(801,809)

Change in net position \$ (3,465,586)

The accompanying notes and independent auditor's report
should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 1
GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(BUDGET AND ACTUAL)
YEAR ENDED DECEMBER 31, 2023

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES</u>				
Stormwater maintenace fees	\$ -	\$ 500	\$ -	\$ (500)
Trash and recycling fees	30,000	38,000	47,534	9,534
Transfer from District No. 2	94,958	110,511	128,938	18,427
Transfer from District No. 3	13,206	13,360	2,139	(11,221)
Total revenues	138,164	162,371	178,611	16,240
<u>EXPENDITURES</u>				
Accounting and audit	50,000	142,317	142,317	-
Bank charges	-	-	-	-
Billing	17,000	29,208	29,208	-
Board fees	-	4,488	4,488	-
Events	15,000	12,854	12,854	-
Election	5,000	9,561	9,561	-
Insurance	25,000	35,428	35,428	-
Landscaping and maintenance	183,000	153,904	153,904	-
Legal	69,000	42,258	42,258	-
Management fees	60,000	118,957	118,957	-
Miscellaneous	500	-	-	-
Dues and membership	2,500	14,984	14,984	-
Payroll taxes	-	-	-	-
Repairs and maintenance	35,000	-	-	-
Snow removal	18,000	27,123	27,123	-
Utilities	45,000	209,781	209,781	-
Website	5,000	-	-	-
Total expenditures	530,000	800,863	800,863	-
Excess of revenues over expenditures	(391,836)	(638,492)	(622,252)	16,240
<u>OTHER FINANCING SOURCES AND USES</u>				
Proceeds from developer advances	330,000	575,000	691,216	116,216
Transfer between funds	-	(45,000)	-	45,000
Total other financing sources and uses	330,000	530,000	691,216	161,216
Net change in fund balance	\$ (61,836)	\$ (108,492)	68,964	\$ 177,456
Fund balance, beginning of year			(67,832)	
Fund balance, end of year			\$ 1,132	

The accompanying notes and independent auditor's report
should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. DEFINITION OF REPORTING ENTITY

Horizon Metropolitan District No. 1 ("District"), a quasi-municipal corporation and political subdivision of the state of Colorado, was formed on March 6, 2006, and is governed pursuant to provisions of the Colorado Special District Act. The District was organized for the acquisition and installation of streets and traffic signals, water, sewer, storm drainage, and park and recreation facilities. The District's service area is located entirely within the City of Aurora ("City"), in Arapahoe County, Colorado. The District was organized in conjunction with other related districts, Horizon Metropolitan District No. 2 ("District No. 2"), Horizon Metropolitan District No. 3 ("District No. 3") and Horizon Metropolitan Districts Nos. 4, 5, 6, 7, 8, 9, and 10 (together with the District, District No. 2, and District No. 3 the "Districts").

The District follows 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, and 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.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 of the activities of the District. Material interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

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; and grants and contributions that are restricted to meet the operational or capital requirements of a particular function or segment. Taxes and other items are properly excluded from program revenues and are reported as general revenues.

Measurement focus, basis of accounting, and financial statement position

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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

See independent auditor's report.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

The District reports the following major governmental funds:

The *general fund* accounts for all financial resources of the District except those required to be accounted for in another fund.

The *capital projects fund* accounts for financial resources to be used for the acquisition and construction of capital equipment and facilities.

The District previously utilized a special revenues fund that was collapsed into the general fund effective January 1, 2023. The district completed a budget for the the special revenues fund for the year ended December 31, 2023 before determining it would be collapsed into the general fund.

Budgets

In accordance with state budget law, the District holds public hearings in the fall each year to approve the budget and appropriate funds for the ensuing year. Total fund expenditures are appropriated. 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 District amended its annual budget for the year ended December 31, 2023.

Pooled cash and investments

The District follows the practice of pooling cash and investments of funds to maximize investment earnings. Except when required by trust or other agreements, cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average balance.

Capital assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and a useful life greater than one year. Such assets are recorded at cost or estimated cost if purchased or constructed. Contributed capital assets are recorded at estimated acquisition value at the date of contribution.

Maintenance and repairs are charged to expense as incurred. At the time of retirement or disposition of depreciable assets, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss, if any, is reflected in revenues or expenses.

Capital assets which are anticipated to be conveyed to other governmental entities are not depreciated or included in the calculation of net investment in capital assets component of the District's net position.

Interfund balances and transactions

The District reports interfund balances and transfers that are representative of lending and borrowing arrangements between funds in the fund financial statements as due to other funds and due from other funds, respectively. The interfund balances have been eliminated in the government-wide statements.

Net position and fund balances

Net position

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.

See independent auditor's report.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

Fund balances

Fund balances for governmental funds are 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. 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:

The *nonspendable fund balance* is the portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventories) or is legally or contractually required to be maintained intact.

The *restricted fund balance* is 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.

The *committed fund balance* is 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.

The *assigned fund balance* is 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.

The *unassigned fund balance* is the residual portion of fund balance that does not meet any of the criteria described above.

For fund presentation purposes, if more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

The District's unrestricted general fund balance as of December 31, 2023, totaled a deficit of \$66,256.

Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent events

The District has evaluated events subsequent to the year ended December 31, 2023 through the date of the attached independent auditor's report, the date these financial statements were available to be issued.

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	\$ 84,243
Cash and investments - restricted	22,908
	<hr/>
	\$ 107,151
	<hr/>

See independent auditor's report.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

The carrying amounts of cash and investments, which equal estimated fair value, as of December 31, 2023, are as follows:

Deposits with financial institutions	<u>\$ 107,151</u>
	<u>\$ 107,151</u>

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. The 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 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.

As of December 31, 2023, the District's cash deposits had a bank balance of \$107,151 and a carrying balance of \$107,151.

As of December 31, 2023, the District had no investments.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, is as follows:

	<u>Balance 01-01-23</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Reclassifications</u>	<u>Balance 12-31-23</u>
<u>Governmental activities</u>					
Capital assets, not depreciable:					
Construction in progress	<u>\$ 27,046,420</u>	<u>\$ 13,820,156</u>	<u>\$ (2,136,362)</u>	<u>\$ -</u>	<u>\$ 38,730,214</u>
Capital assets, not depreciable	<u>\$ 27,046,420</u>	<u>\$ 13,820,156</u>	<u>\$ (2,136,362)</u>	<u>\$ -</u>	<u>\$ 38,730,214</u>

Capital assets conveyed to the City of Aurora for the year ended December 31, 2023, totaled \$1,553,790.

Capital assets conveyed to Aurora Water for the year ended December 31, 2023, totaled \$582,572.

See independent auditor's report.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. LONG-TERM OBLIGATIONS

The following is a summary of long-term debt of the District during the year ended December 31, 2023:

	Balance 01-01-23	Additions	Repayments / Amortization	Balance 12-31-23	Due Within One Year
<u>Governmental activities</u>					
Other long-term obligations:					
Developer advance - operational	\$ 1,126,447	\$ 703,371	\$ -	\$ 1,829,818	\$ -
Developer advance - capital	5,227,657	13,820,156	-	19,047,813	-
Accrued interest on developer advance - operational	674,592	113,485	-	788,077	-
Accrued interest on developer advance - capital	2,163,328	688,324	(452,400)	2,399,252	-
Total long-term obligations	\$ 9,192,024	\$ 15,325,336	\$ (452,400)	\$ 24,064,960	\$ -

Debt authorization

On May 5, 2020, the District's voters authorized revenue for indebtedness totaling to \$9,750,000,000, restating and replacing all authorization for debt approved by the District's voters at prior elections. The District's service plan limits the District's authorized indebtedness to \$750,000,000 at an interest rate not to exceed 18%. The service plan set the maximum mill levy to 50 mills. As of December 31, 2023, the District had not used any of the authorized indebtedness.

Developer advances

2022 Funding and Reimbursement Agreement (Operation Costs)

Effective January 1, 2021 and as amended November 4, 2021, the District and the developer entered into an Operations Funding Agreement ("OFA"). Effective November 3, 2022 and as amended December 6, 2023, the OFA was terminated and superseded by the 2022 Funding and Reimbursement Agreement ("FRA"). At the date of termination, a subordinate promissory note for the outstanding principal and interest under the OFA was issued. Pursuant to the FRA, the District acknowledged the developer has incurred operational and administrative expenses that are subject to reimbursement to the extent funds are available. The developer has agreed to advance the District funds necessary to fund operational and administrative expenses on a periodic basis through 2024 not to exceed \$2,000,000. Advances made by the developer will accrue interest at 8.00% per annum. Payments by the District to the developer will first be applied to unpaid interest and then to outstanding principal due. Any obligation of the District to reimburse the developer will expire on December 31, 2060. As of December 31, 2023, the outstanding developer advance totaled \$1,829,818 and accrued interest related to the developer advance totaled \$788,077.

Facilities Funding and Acquisition Agreement

Effective January 1, 2021, the District and the developer entered into a Facilities Funding and Acquisition Agreement ("FFAA"), that superseded a previous Second Amended and Restated Facilities Funding and Acquisition Agreement dated November 1, 2018. Pursuant to the FFAA, the District acknowledged the developer has incurred organization and construction related expenses for funding of improvements to be constructed by the District through 2021 that are subject to reimbursement once the District issues bonds. In addition, the developer has agreed to fund construction of improvements acquired and to be acquired by the District. Estimated costs for funding of improvements to be constructed by the District are \$17,000,000 and improvements acquired and to be acquired by the District are in addition to this amount. Advances made by the developer will accrue interest at 8.00% per annum. Payments by the District to the developer will first be applied to unpaid interest and then to outstanding principal due. Any outstanding principal or interest obligation of the District under the FFAA will be discharged and satisfied in full on December 31, 2060. As of December 31, 2023, the outstanding developer advance totaled \$19,047,813 and the accrued interest related to the developer advance totaled \$2,399,252.

See independent auditor's report.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

6. NET POSITION

The District has net position consisting of: net investment in capital assets, restricted; and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of debt that is attributable to the acquisition, construction, or improvement of those assets.

As of December 31, 2023, the District had net investment in capital assets as follows:

Net investment in capital assets:	
Capital assets	\$ 38,730,214
Related long-term obligations	<u>(21,447,065)</u>
Net investment in capital assets	<u>\$ 17,283,149</u>

Restricted net position includes balances with external restrictions 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 a restricted net position as of December 31, 2023, as follows:

Restricted net position:	
Emergency reserve (Note 10)	<u>\$ 24,100</u>

The District has a deficit in unrestricted net position as of December 31, 2023. This deficit is the result of the District being responsible for the construction and operation of public improvements, of which a significant portion of these improvements were conveyed to other governmental entities and which costs were removed from the District's financial records.

7. AGREEMENTS

First Amended and Restated Intergovernmental Agreement between the District and the City of Aurora

Effective January 18, 2016, and as amended and restated on August 23, 2010, the district entered into an intergovernmental agreement with the City of Aurora in which the District agreed to dedicate public improvements to the City or other appropriate jurisdiction or owners association and to maintain all public improvements which are not accepted for operation and maintenance by the City or other public entity.

Facilities, Funding, Construction, and Operation Agreement

Effective November 30, 2017, and as amended August 6, 2020, the District, District No. 2, and District No. 3 entered into the Facilities Funding, Construction, and Operation Agreement ("FFCO"). The FFCO establishes the District's responsibility, as the operating district, for constructing, designing, financing, and operating the public improvements that benefit the District, District No. 2, and District No. 3, and establishes District No. 2's and District No. 3's obligation, as the taxing districts, to pay for the services and benefits of the public improvements received from the District. The FFCO further provides that the District will own, operate, maintain, finance, and construct certain public improvements, and the District, District No. 2, and District No. 3 will contribute to the costs of construction, operation, management, and maintenance of the public improvements. The District will also provide for the operation, maintenance, and administrative services of the District, District No. 2, and District No. 3.

The intergovernmental revenues are transferred from District No. 2 and District No. 3. The District will coordinate the payment of administrative expenditures for these Districts as well as the District's own administrative expenditures.

See independent auditor's report.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

Intergovernmental cost sharing and recovery agreement with Horizon Metropolitan District No. 4

Effective May 17, 2022, the District and Horizon Metropolitan District No. 4 ("District No. 4") entered into an intergovernmental cost sharing and recovery agreement in which District No. 4 agreed to implement an ad valorem mill levy tax within its boundaries to assist in the repayment of public improvement operation and maintenance costs incurred by the District and administrative costs incurred by the District.

Intergovernmental cost sharing and recovery agreement with Horizon Metropolitan District No. 5

Effective May 17, 2022, the District and Horizon Metropolitan District No. 5 ("District No. 5") entered into an intergovernmental cost sharing and recovery agreement in which District No. 5 agreed to implement an ad valorem mill levy tax within its boundaries to assist in the repayment of public improvement operation and maintenance costs incurred by the District and administrative costs incurred by the District.

The Urban Renewal Plan

All of the property within the boundaries of the Districts is subject to the Horizon Uptown Urban Renewal Plan ("Urban Renewal Plan"). The Urban Renewal Plan specifies, for the purposes of the Urban Renewal Law, that the Horizon Uptown Urban Renewal Area ("Urban Renewal Area") encompasses all of Horizon Uptown (a larger mixed-use development that includes the Districts). Until the expiration of the tax increment financing ("TIF") authorization on March 8, 2010, granted pursuant to the Urban Renewal Plan, all property taxes resulting from imposition of ad valorem property taxes on the assessed valuation of all taxable property in the Urban Renewal Area (which includes all of property within the boundaries of the Districts) in excess of the base assessed valuation (incremental assessed valuation) are payable to the Aurora Urban Renewal Authority ("AURA") pursuant to the Urban Renewal Plan and the Urban Renewal Law.

Cooperation Agreement

Effective June 15, 2021, the District and Horizon Metropolitan Districts Nos. 3 – 6 entered into a Cooperation Agreement with the Aurora Urban Renewal Authority ("AURA"). Per the Cooperation Agreement, in consideration of the Districts providing public improvements and services to the property in the service plan and Urban Renewal Plan, AURA agreed that the portion of revenues it receives as a result of tax increment revenues attributable to the Districts' current and future levy of ad valorem taxes within the Urban Renewal Plan will be paid to the Districts within 15 days of receipt.

Facilities fees

Effective May 17, 2018, and as subsequently amended January 1, 2021 and June 14, 2021, the District and District No. 2 adopted a facilities fee resolution imposing facilities fees which are due and payable on or before the date of issuance of a building permit. Effective January 19, 2021, and as amended on June 14, 2021, the District and District No. 3 adopted a similar resolution. Effective May 17, 2022, the District adopted similar resolutions with District No. 4 and District No. 5. The fee, at the District's discretion, may be used for costs associated with the payment of bonds, capital infrastructure or any other indebtedness of the District. The fees are \$1,200 per single family detached or attached residential unit, \$1,000 per multi-family residential unit, and \$0.50 per gross square foot of interior space intended for nonresidential use as defined.

Trash and recycling fees

Pursuant to the District Facilities Funding, Construction, and Operation Agreement (Note 7) and amended and restated service plan, the District imposes a quarterly fee for trash and recycling services at \$60 per residential unit.

Stormwater maintenance fee

Effective September 7, 2022, and amended subsequent to December 31, 2023 on January 1, 2024, the Districts adopted a stormwater system fee resolution. The stormwater system fee was imposed at a rate of \$15 per multi-family unit per month through December 31, 2023 to defray the District's costs associated with the provision of stormwater maintenance. Effective January 1, 2024, the stormwater system fee was imposed at a rate of \$75 per multi-family unit per quarter.

See independent auditor's report.

HORIZON METROPOLITAN DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. RELATED PARTIES

The developer of the property within the District is LendLease Horizon Holdings, LLC. The members of the board of directors are officers, employees, or associated with the developer and may have conflicts of interest in dealing with the District.

9. 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 ("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, property, 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.

10. TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known 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 within the state of

Spending and revenue limits are determined based on the prior 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. Revenues in excess of the fiscal year spending limit must be refunded unless the voters approve retention of such revenues. On May 5, 2020, the District's voters approved a ballot issue allowing the District to retain all revenues.

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.

District management believes the District is in compliance with 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, will likely require judicial interpretation.

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See independent auditor's report.

SUPPLEMENTARY INFORMATION

HORIZON METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND - SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE (BUDGET AND ACTUAL)
YEAR ENDED DECEMBER 31, 2023

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES</u>				
Facilities fees	\$ 60,000	\$ 133,200	\$ 118,800	\$ (14,400)
Total revenues	60,000	133,200	118,800	(14,400)
<u>EXPENDITURES</u>				
Engineering	35,000	33,000	23,963	9,037
Capital outlay	-	15,000,000	13,820,156	1,179,844
Total expenditures	35,000	15,033,000	13,844,119	1,188,881
Excess of revenues over expenditures	25,000	(14,899,800)	(13,725,319)	1,174,481
<u>OTHER FINANCING SOURCES AND USES</u>				
Proceeds from developer advances	-	15,000,000	13,832,311	(1,167,689)
Interest payment on developer advance	(354,483)	(467,000)	(452,400)	14,600
Total other financing sources and uses	(354,483)	14,533,000	13,379,911	(1,153,089)
Net change in fund balance	<u>\$ (329,483)</u>	<u>\$ (366,800)</u>	(345,408)	<u>\$ 21,392</u>
Fund balance, beginning of year			366,986	
Fund balance, end of year			<u>\$ 21,578</u>	

The accompanying notes and independent auditor's report
should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 1

SPECIAL REVENUES FUND - SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL) YEAR ENDED DECEMBER 31, 2023

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES</u>				
Covenants and fines	\$ 8,000	\$ 10,000	\$ -	\$ (10,000)
Interest income	100	-	-	-
Total revenues	8,100	10,000	-	(10,000)
<u>EXPENDITURES</u>				
Management fees	8,000	55,000	-	55,000
Total expenditures	8,000	55,000	-	55,000
Excess of revenues over expenditures	100	(45,000)	-	45,000
<u>OTHER FINANCING SOURCES AND USES</u>				
Transfer between funds	-	45,000	-	(45,000)
Total other financing sources and uses	-	45,000	-	(45,000)
Net change in fund balance	<u>\$ 100</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning of year			-	
Fund balance, end of year			<u>\$ -</u>	

The accompanying notes and independent auditor's report
should be read with these financial statements.