BLACKSTONE METROPOLITAN DISTRICT
Arapahoe County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

BLACKSTONE METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2021

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Board of Directors
Blackstone Metropolitan District
Arapahoe County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Blackstone Metropolitan District (the "District"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Blackstone Metropolitan District as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Other Matters

Required Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, such information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information and Continuing Disclosure Annual Information

The other information and continuing disclosure annual information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and continuing disclosure annual information and consider whether a material inconsistency exists between the other information and continuing disclosure annual information and the basic financial statements, or the other information and continuing disclosure annual information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information and continuing disclosure annual information exists, we are required to describe it in our report.

Wipfli LLP

Wipfli LLP
Lakewood, Colorado

September 28, 2022

BASIC FINANCIAL STATEMENTS

BLACKSTONE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities
ASSETS	
Cash and Investments	$ 2,339,104
Cash and Investments - Restricted	2,110,265
Accounts Receivable - Assessments	266,107
Receivable - County Treasurer	15,971
Property Taxes Receivable	2,893,205
Capital Assets, Not Being Depreciated	11,778,122
Capital Assets, Being Depreciated	585,613
Total Assets	19,988,387
LIABILITIES	
Accounts Payable	105,853
Accrued Bond Interest Payable	91,910
Due to SARIA	284
Prepaid Assessments	85,267
Noncurrent Liabilities:	
Due Within One Year	473,974
Due In More Than One Year	27,323,248
Total Liabilities	28,080,536
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	2,893,205
Total Deferred Inflows of Resources	2,893,205
NET POSITION	
Net Investment in Capital Assets	2,640,267
Restricted for:	
Emergency Reserves	62,400
Debt Service	514,126
Unrestricted	(14,202,147)
Total Net Position	$ (10,985,354)

See accompanying Notes to Basic Financial Statements.

BLACKSTONE METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Change in Net Position: Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 1,003,677	$ 689,007	$ -	$ -	$ (314,670)
Interest and Related Costs on Long-Term Debt	1,082,378	-	733,349	32,442,555	32,093,526
Total Governmental Activities	$ 2,086,055	$ 689,007	$ 733,349	$ 32,442,555	31,778,856
GENERAL REVENUES					
Property Taxes					2,791,044
Regional Property Taxes					47,792
Specific Ownership Taxes					195,691
Net Investment Income					3,235
Other Revenue					6,802
Total General Revenues					3,044,564
CHANGE IN NET POSITION					34,823,420
Net Position - Beginning of Year					(45,808,774)
NET POSITION - END OF YEAR					$ (10,985,354)

See accompanying Notes to Basic Financial Statements.

BLACKSTONE METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General	Debt Service	Capital Projects	Capital Projects - Regional Improvements	Total Governmental Funds
ASSETS					
Cash and Investments	$ 2,339,104	$ -	$ -	$ -	$ 2,339,104
Cash and Investments - Restricted	62,400	1,597,581	450,000	284	2,110,265
Accounts Receivable - Assessments	266,107	-	-	-	266,107
Receivable - County Treasurer	7,516	8,455	-	-	15,971
Property Taxes Receivable	1,304,232	1,537,130	-	51,843	2,893,205
Total Assets	$ 3,979,359	$ 3,143,166	$ 450,000	$ 52,127	$ 7,624,652
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 105,853	$ -	$ -	$ -	$ 105,853
Due to SARIA	-	-	-	284	284
Prepaid Assessments	85,267	-	-	-	85,267
Total Liabilities	191,120	-	-	284	191,404
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	1,304,232	1,537,130	-	51,843	2,893,205
Total Deferred Inflows of Resources	1,304,232	1,537,130	-	51,843	2,893,205
FUND BALANCES					
Restricted for:					
Emergency Reserves	62,400	-	-	-	62,400
Debt Service	-	1,606,036	-	-	1,606,036
Committed for:					
Capital Projects	-	-	450,000	-	450,000
Assigned for Subsequent Year's Expenditures	426,955	-	-	-	426,955
Unassigned	1,994,652	-	-	-	1,994,652
Total Fund Balances	2,484,007	1,606,036	450,000	-	4,540,043
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,979,359	$ 3,143,166	$ 450,000	$ 52,127	
Amounts reported for 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 as assets in the funds.					
Capital Assets, Net					12,363,735
Long-term liabilities, including bonds payable and developer advances, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.					
Bonds Payable					(26,905,000)
Bond Premium					(892,222)
Accrued Interest on Bonds Payable					(91,910)
Net Position of Governmental Activities					$ (10,985,354)

See accompanying Notes to Basic Financial Statements.

BLACKSTONE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General	Debt Service	Capital Projects	Capital Projects - Regional Improvements	Total Governmental Funds
REVENUES					
Property Taxes	$ 1,288,173	$ 1,502,871	$ -	$ -	$ 2,791,044
Regional Property Taxes	-	-	-	47,792	47,792
Specific Ownership Taxes	93,274	102,417	-	-	195,691
Operations Fee (Homeowners)	631,106	-	-	-	631,106
Operations Fee (Vacant Lots)	8,198	-	-	-	8,198
Working Capital Fees	39,835	-	-	-	39,835
Design Review Fee	430	-	-	-	430
Legal Collection Fees	2,370	-	-	-	2,370
Violations and Late Fees	7,068	-	-	-	7,068
Net Investment Income	1,563	1,672	-	-	3,235
Miscellaneous Income	6,802	12,789	-	-	19,591
Total Revenues	2,078,819	1,619,749	-	47,792	3,746,360
EXPENDITURES					
General:					
Accounting	42,558	-	-	-	42,558
Audit	5,000	-	-	-	5,000
County Treasurer's Fees	19,340	22,564	-	718	42,622
Directors' Fees	1,700	-	-	-	1,700
Insurance and Bonds	32,931	-	-	-	32,931
Legal	56,792	-	-	-	56,792
Miscellaneous	3,327	-	-	-	3,327
Payroll Taxes	145	-	-	-	145
Website	150	-	-	-	150
Regional Mill Levy - Payment to SARIA	-	-	-	47,074	47,074
Operations and Maintenance	774,125	-	-	-	774,125
Debt Service:					
Bond Interest - Series 2017	-	1,114,925	-	-	1,114,925
Bond Principal - Series 2017	-	300,000	-	-	300,000
Paying Agent Fees	-	450	-	-	450
Capital Projects:					
Monumentation	-	-	12,090	-	12,090
Entryways	-	-	9,385	-	9,385
Trees	-	-	359,250	-	359,250
Lighting	-	-	19,504	-	19,504
Total Expenditures	936,068	1,437,939	400,229	47,792	2,822,028
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,142,751	181,810	(400,229)	-	924,332
OTHER FINANCING SOURCES (USES)					
Repay Developer Advance - Lennar	-	(331,500)	-	-	(331,500)
Transfers (to) from Other Funds	(850,229)	-	850,229	-	-
Total Other Financing Sources (Uses)	(850,229)	(331,500)	850,229	-	(331,500)
NET CHANGE IN FUND BALANCES	292,522	(149,690)	450,000	-	592,832
Fund Balances - Beginning of Year	2,191,485	1,755,726	-	-	3,947,211
FUND BALANCES - END OF YEAR	$ 2,484,007	$ 1,606,036	$ 450,000	$ -	$ 4,540,043

See accompanying Notes to Basic Financial Statements.

BLACKSTONE METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

Net Change in Fund Balances - Total Governmental Funds	$ 592,832
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 asset over the estimated useful life of the asset.	
Monumentation	12,090
Entryways	9,385
Trees	359,250
Lighting	19,504
Depreciation	(19,817)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Bond Principal Payment	300,000
Developer Repayment	331,500
Forgiveness of Debt	33,163,115
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in Accrued Bond Interest Payable	1,000
Current Year Bond Issue Premium	54,561
Change in Net Position of Governmental Activities	$ 34,823,420

See accompanying Notes to Basic Financial Statements.

BLACKSTONE METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	Budget Original	Budget Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	$ 1,288,434	$ 1,288,434	$ 1,288,173	$ (261)
Specific Ownership Taxes	93,536	93,536	93,274	(262)
Operations Fee (Homeowners)	600,000	600,000	631,106	31,106
Operations Fee (Vacant Lots)	30,000	30,000	8,198	(21,802)
Working Capital Fees	60,000	60,000	39,835	(20,165)
Design Review Fee	5,000	5,000	430	(4,570)
Legal Collection Fees	6,000	6,000	2,370	(3,630)
Violations and Late Fees	5,000	5,000	7,068	2,068
Net Investment Income	6,000	6,000	1,563	(4,437)
Other Revenue	2,000	2,000	6,802	4,802
Total Revenues	2,095,970	2,095,970	2,078,819	(17,151)
EXPENDITURES				
General Administration:				
Accounting	52,000	52,000	42,558	9,442
Audit	4,950	4,950	5,000	(50)
Contingency	24,709	274,709	-	274,709
County Treasurer's Fees	19,327	19,327	19,340	(13)
Director and Meeting Expense	2,500	2,500	-	2,500
Directors' Fees	2,800	2,800	1,700	1,100
Insurance and Bonds	35,000	35,000	32,931	2,069
Legal	65,000	65,000	56,792	8,208
Miscellaneous	2,000	2,000	3,327	(1,327)
Payroll Taxes	214	214	145	69
Website	1,500	1,500	150	1,350
Operations and Maintenance:				
Community Activities	15,000	15,000	8,580	6,420
Design Review	5,000	5,000	13,634	(8,634)
Facilities Management - Contract	50,000	50,000	47,794	2,206
Facilities Management - Costs	13,000	13,000	5,722	7,278
Legal Collections	6,000	6,000	10,522	(4,522)
Contingency	37,000	37,000	-	37,000
Lighting	10,000	10,000	5,879	4,121
Gas and Electric	10,000	10,000	12,176	(2,176)
Ground Maintenance	30,000	30,000	15,725	14,275
Irrigation Repairs and Improvements	50,000	50,000	41,858	8,142
Landscape Contract	195,000	195,000	279,564	(84,564)
Landscape Improvements	75,000	75,000	8,856	66,144
Flowers	45,000	45,000	-	45,000
Holiday Lights	20,000	20,000	12,035	7,965
Playground Inspection and Repair	10,000	10,000	4,516	5,484
Safety and Security	120,000	120,000	-	120,000
Snow Removal	20,000	20,000	11,763	8,237
Trash Removal	150,000	150,000	152,019	(2,019)
Trees/Shrubs/Beds	125,000	125,000	20,445	104,555
Miscellaneous	2,000	2,000	650	1,350
Vandalism Repairs	2,000	2,000	15	1,985
Water - Irrigation	125,000	125,000	122,372	2,628
Total Expenditures	1,325,000	1,575,000	936,068	638,932
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	770,970	520,970	1,142,751	621,781
OTHER FINANCING SOURCES (USES)				
Transfers to Other Fund	(1,340,000)	(1,340,000)	(850,229)	489,771
Transfers from Other Funds	125,000	125,000	-	(125,000)
Total Other Financing Sources (Uses)	(1,215,000)	(1,215,000)	(850,229)	364,771
NET CHANGE IN FUND BALANCE	(444,030)	(694,030)	292,522	986,552
Fund Balance - Beginning of Year	1,351,641	1,351,641	2,191,485	839,844
FUND BALANCE - END OF YEAR	$ 907,611	$ 657,611	$ 2,484,007	$ 1,826,396

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Blackstone Metropolitan District, formerly High Plains Metropolitan District, (the District), a quasi-municipal corporation, and political subdivision of the State of Colorado was organized on November 27, 2002 concurrently with Beacon Point Metropolitan District (Beacon Point) and East Plains Metropolitan District (East Plains), and is governed pursuant to provisions of the Colorado Special District Act. The District is located entirely within the City of Aurora (City), County of Arapahoe, Colorado. On March 10, 2006, an Amended and Restated Consolidated Service Plan for the District, East Plains, and Beacon Point was approved. The District was established to provide for the design, construction, installation, financing, and acquisition of certain street, traffic, and safety controls, water, sanitation, park and recreation improvements, and mosquito control.

On April 5, 2010, the District, along with Beacon Point and East Plains, adopted Resolution No. 2010-04-01, Joint Resolution of East Plains, Blackstone and Beacon Point Acknowledging and Authorizing the Dissolution of East Plains (Resolution). Pursuant to the Resolution, East Plains, Blackstone and Beacon Point acknowledged that the purposes for which East Plains was organized have been satisfied and in order to simplify and increase efficiency in provision of improvements and services to Blackstone and Beacon Point, it is in the best interests of East Plains, Blackstone and Beacon Point, and their respective constituents, for East Plains to seek dissolution and transfer its rights and obligations with respect to the provision of improvements and services to Blackstone and Beacon Point, as appropriate. The Resolution authorized East Plains to take the necessary actions to implement the dissolution.

In anticipation of the dissolution, on April 14, 2010, the District entered into two agreements with MS Rialto Blackstone CO, LLC (MS Rialto) and one agreement with Lennar Colorado, LLC (the Developer) whereby the District accepted the reimbursement obligations previously held by East Plains with respect to advances made by MS Rialto and/or the Developer for the benefit of the District.

On July 26, 2010, in anticipation of the dissolution of East Plains, a Second Amended and Restated Service Plan (SARSP) for the District was approved by the City, segregating the rights and responsibilities of the Districts. On November 23, 2010 East Plains Metropolitan District was dissolved and all assets or liabilities of East Plains relating to the District were transferred to the District. As a result of the dissolution, the District is responsible for providing the day-to-day operations and administrative management and for constructing, owning, transferring, operating, and maintaining certain public facilities and services for the benefit of the District and for providing funding for the same.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

NOTE 1 DEFINITION OF REPORTING ENTITY (CONTINUED)

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of 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 sum of assets and deferred outflows and the sum of liabilities and deferred inflows 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: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, and operations fees. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

The Capital Projects – Regional Improvements Fund is used to account for financial resources to be used for a regional improvement or to be remitted to the South Aurora Regional Improvement Authority or to the City.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its budget during the year ended December 31, 2021.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank or investment 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 equity balance in the total cash.

Interfund Balances

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds (current portion of interfund loans) or advances to/from other funds (long-term portion of interfund loans). The interfund balances have been eliminated in the government-wide statements except for the residual balances between the governmental activities and business-type activities, which are reported as internal balances.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioner to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, at the taxpayer's election, in equal installments in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the governmental activities columns 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Entryways/Monuments	30 Years
Lighting	15 Years

Amortization

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

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.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	$ 2,339,104
Cash and Investments - Restricted	2,110,265
Total Cash and Investments	$ 4,449,369

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash and investments as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	$ 49,504
Investments	4,399,865
Total Cash and Investments	$ 4,449,369

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2021, the District’s cash deposits had a bank balance and a carrying balance of $49,504.

Investments

The District has not adopted a formal investment policy; however, the District follows the state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

. Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
. General obligation and revenue bonds of U.S. local government entities
. Certain certificates of participation
. Certain securities lending agreements
. Bankers' acceptances of certain banks
. Commercial paper
. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
. Certain money market funds
. Guaranteed investment contracts
* Local government investment pools

As of December 31, 2021, the District had the following investments:

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	$ 4,399,865

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAm by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value method as determined by the fair value method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021, follows:

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
Capital Assets, Not Being Depreciated:				
Parks - Land Improvements	$ 11,418,872	$ 359,250	$ -	$ 11,778,122
Total Capital Assets, Not Being Depreciated	$ 11,418,872	$ 359,250	$ -	$ 11,778,122
Capital Assets, Being Depreciated:				
Entryways	$ 224,349	$ 9,385	$ -	$ 233,734
Lighting	-	19,504	-	19,504
Monumentation	349,669	12,090	-	361,759
Total Capital Assets, Being Depreciated	574,018	40,979	-	614,997
Less Accumulated Depreciation For:				
Entryways	3,739	7,634	-	11,373
Lighting	-	325	-	325
Monumentation	5,828	11,858	-	17,686
Total Accumulated Depreciation	9,567	19,817	-	29,384
Total Capital Assets, Being Depreciated	564,451	21,162	-	585,613
Governmental Activities Capital Assets, Net	$ 11,983,323	$ 380,412	$ -	$ 12,363,735

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's outstanding long-term obligations for the year ended December 31, 2021:

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021	Due Within One Year
Bonds Payable					
Series 2017 Limited Tax General Obligation Bonds	$ 27,205,000	$ -	$ 300,000	$ 26,905,000	$ 420,000
Unamortized Bond Premium - Series 2017	946,783	-	54,561	892,222	53,974
Subtotal of Bonds Payable	28,151,783	-	354,561	27,797,222	473,974
Notes/Agreements from Direct Borrowings:					
Reimbursement Agreement Lennar - Capital	15,530,600	-	15,530,600	-	-
Reimbursement Agreement Lennar - Capital - Interest	15,774,592	-	15,774,592	-	-
Reimbursement Agreement MS Rialto - Capital	787,397	-	787,397	-	-
Reimbursement Agreement MS Rialto - Capital - Interest	668,677	-	668,677	-	-
Reimbursement Agreement MS Rialto - Operations	414,611	-	414,611	-	-
Reimbursement Agreement MS Rialto - Operations - Interest	318,738	-	318,738	-	-
Subtotal of Notes/Agreements from Direct Borrowings	33,494,615	-	33,494,615	-	-
Total Long Term Obligations	$ 61,646,398	$ -	$ 33,849,176	$ 27,797,222	$ 473,974

The details of the District's long-term obligations are as follows:

General Obligation Bonds

$27,415,000 General Obligation Refunding Bonds, Series 2017, dated June 6, 2017 with interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of $1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy, (2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and (3) any other legally available monies which the District determines to be treated as Pledged Revenue. The Bonds are also secured by amounts held by the Trustee in the Reserve Fund(s). Required Mill Levy means, so long as the Surplus Account is less than the Maximum Surplus Amount, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable and to make up any deficiencies in the Reserve Fund. The maximum Required Mill Levy is 40.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2021, the District had funded the Surplus Account to the Maximum Surplus Amount, removing the requirement for a minimum mill levy. For collection year 2021, the District levied 33.000 mills. The Series 2017 Bonds are additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor’s.

On May 15, 2017, the First Amendment to the Second Amended and Restated Service Plan was approved by the City, authorizing the District to issue one or more series of unlimited mill levy Bonds, or other Debt or obligations which are not subject to the Maximum Debt Mill Levy.

The District’s long-term obligations will mature as follows:

	Governmental Activities		
	Bonded Debt		
Year Ending December 31,	Principal	Interest	Total
2022	$ 420,000	$ 1,102,925	$ 1,522,925
2023	450,000	1,086,125	1,536,125
2024	500,000	1,068,125	1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027-2031	3,470,000	4,727,337	8,197,337
2032-2036	4,700,000	3,922,638	8,622,638
2037-2041	6,265,000	2,781,400	9,046,400
2042-2046	8,140,000	1,384,600	9,524,600
2047	1,875,000	75,000	1,950,000
Total	$ 26,905,000	$ 18,232,050	$ 45,137,050

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization

As of December 31, 2021, the District had remaining voted debt authorization of approximately $1,981,510,000. Per the District's SARSP, the District cannot issue debt in excess of $100,000,000.

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

Funding and Reimbursement Agreements

In anticipation of the dissolution of East Plains, on April 14, 2010, the District entered into two agreements with MS Rialto and one agreement with the Developer whereby the District accepted the reimbursement obligations previously held by East Plains with respect to advances made by MS Rialto and/or the Developer for the benefit of the District. The agreements included:

(1) An Operation Funding and Reimbursement Agreement (OFRA) with MS Rialto, whereby the District agreed to reimburse MS Rialto for operations and maintenance advances previously made to East Plains for the benefit of the District, in the amount of $243,324 (including interest accrual to date of OFRA), along with additional interest to accrue at 7% per annum, expiring on December 31, 2044. Pursuant to the OFRA, MS Rialto also agreed to provide funding for operations and maintenance expenses of the District as needed for 2010 up to $25,000. Reimbursement under the OFRA is from legally available revenues of the District after payments of debt service and operations and maintenance expenses and is subject to annual appropriation. On November 29, 2010, the District entered into a First Amendment to the OFRA increasing the Anticipated Shortfall Amount to $82,481 and extending the terms of the OFRA to include advances necessary for 2011. All outstanding amounts related to this agreement were forgiven in 2021.

(2) A Capital Funding, Reimbursement and Acquisition Agreement (CFRAA) with MS Rialto, whereby the District agreed to reimburse MS Rialto for capital advances previously made to East Plains for the benefit of the District, in the amount of $829,639 (inclusive of principal and interest amounts to the date of the CRRAA), along with additional interest to accrue at 7% per annum expiring on December 31, 2044. Pursuant to the CFRAA, MS Rialto also agreed to provide funding for certain construction related expenses of the District as needed in 2010 in the amount of $65,000 and the District agreed to acquire District improvements from MS Rialto in the event funding becomes available. Reimbursement under the CFRAA is subject to annual appropriation and will only be available to the extent and if the District issues bonds in an amount sufficient to pay for all or part of the reimbursement or acquisition amounts. All outstanding amounts related to this agreement were forgiven in 2021.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Funding and Reimbursement Agreements (Continued)

(3) A Capital Reimbursement Agreement (CRA) with the Developer, whereby the District agreed to reimburse the Developer for capital advances previously made to East Plains for the benefit of the District, in the amount of $19,452,810 (inclusive of principal and interest to the date of the CRA and net of any prior reimbursements) along with additional interest to accrue at 7% per annum expiring on December 31, 2044. Reimbursement under the CRA is subject to annual appropriation and will only be available to the extent and if the District issues bonds in an amount sufficient to pay for all or part of the reimbursement or acquisition amounts. Additionally, reimbursement under the CRA has priority over reimbursement under the CFRAA. All outstanding amounts related to this agreement were forgiven in 2021.

NOTE 6 NET POSITION

The District has net position consisting of three components – 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 balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the District had net investments in capital assets calculated as follows:

Net Investment in Capital Assets	
Capital Assets, Net	$ 12,363,735
Bond Premium (Net of Accumulated Amortization)	(312,099)
Bonds Payable	(9,411,369)
Net Investment in Capital Assets	$ 2,640,267

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation, the District had restricted net position as of December 31, 2021, as follows:

Restricted Net Position	
Emergencies	$ 62,400
Debt Service	514,126
Total Restricted Net Position	$ 576,526

The District has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 7 RELATED PARTIES

Lennar Colorado, LLC is the Colorado manager for MS Rialto Blackstone CO, LLC (Developer), and has an interest in undeveloped land within the District.

NOTE 8 INTERGOVERNMENTAL AGREEMENTS

On November 3, 2004, the District, along with East Plains and Beacon Point entered into an Amended and Restated Intergovernmental Agreement with the City of Aurora as amended September 26, 2008 by First Amendment (Service Plan IGA), as required by the Amended and Restated Consolidated Service Plan. On July 26, 2010, the District entered into a Second Amended and Restated Intergovernmental Agreement (SARIGA) concurrent with the approval of the SARSP. On May 15, 2017, the District entered into a First Amendment to the Second Amended and Restated Intergovernmental Agreement (FASARIGA). Under the SARIGA, the District must obtain the approval of the Aurora City Council prior to any inclusion of property outside of the service area into the boundaries of the District, or any consolidation with any other special District. Prior to the issuance of any privately placed debt, the District shall obtain a certificate from an External Financial Advisor certifying to the reasonableness of the interest rate and the structure. Pursuant to the SARIGA and the SARSP, the District is required to levy a regional mill levy and to remit it to an Aurora Regional Improvement (ARI) Authority or to the City under certain circumstances. Under the FASARIGA, the District is authorized to issue one or more series of unlimited mill levy Bond or other Debt or obligations which are not subject to the Maximum Debt Mill Levy for the purpose of refunding or refinancing the Debt outstanding at the date of the agreement.

The SARSP requires the District to dedicate certain public improvements to the City of Aurora or other appropriate jurisdiction or owners association for ownership and maintenance. The District is not authorized to operate or maintain any part of the improvements, other than park and recreation improvements, drainage improvements including detention and retention ponds, trickle channels and all necessary or proper equipment or appurtenances thereto, unless the provision of such operation and maintenance is pursuant to an intergovernmental agreement with the City.

On July 10, 2017, the District entered into the South Aurora Regional Improvement Authority Establishment Agreement (SARIA), concurrently with Beacon Point, Forest Trace Metropolitan District No. 1, Forest Trace Metropolitan District No. 2, Forest Trace.

NOTE 8 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Metropolitan District No. 3, Sorrell Ranch Metropolitan District, Southlands Metropolitan District No. 2, Wheatlands Metropolitan District, Kings Point South Metropolitan District No. 1, Kings Point South Metropolitan District No. 2, Kings Point Metropolitan District No. 1, Whispering Pines Metropolitan District No. 1, Inspiration Metropolitan District, and Pronghorn Valley Metropolitan District (together, the SARIA Districts.) Upon execution of the agreement, the South Aurora Regional Improvement Authority (the Authority) was established for the purpose of planning, constructing, installing and financing the Regional Improvements designated in ARI Master Plans. On October 2, 2018, the District, along with the SARIA Districts entered into the First Amendment to the South Aurora Regional Improvement Authority Establishment Agreement (the FASARIAEA). Under the terms of the FASARIAEA, the District and SARIA District covenant to impose an ARI Mill Levy as set forth in such District's service plan, and to remit all proceeds of such District's ARI Mill Levy (net of County treasurer collection costs and excluding any specific ownership taxes received by the District as a result of its imposition of the ARI Mill Levy) to the Authority within 30 days of receipt by such District.

On December 8, 2017, the Parties to the SARIA IGA approved the South Aurora approved the SARIA ARI Master Plan No. 1 (ARI Master Plan No. 1). On June 15, 2018, the Parties to the SARIA IGA approved the SARIA ARI Master Plan No. 2 (ARI Master Plan No. 2), which supersedes ARI Master Plan No. 1. ARI Master Plan No. 2 prioritizes regional improvement projects within the Authority.

NOTE 9 INTERFUND AND OPERATING TRANSFERS

The transfer from the General Fund to the Capital Projects Fund was to fund capital projects.

NOTE 10 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.

NOTE 11 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 that apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 5, 2002, the District voters passed an election question to increase property taxes $1,000,000 annually to pay the District’s operations, maintenance, and other expenses. On November 4, 2004, the District voters passed an election question to increase property taxes $625,000 annually to pay the District's operations, maintenance, and other expenses. Additionally, the District voters authorized the District to collect, retain, and spend all revenue without regard to any limitations under TABOR.

The District’s management believes it 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 require judicial interpretation.

SUPPLEMENTARY INFORMATION

BLACKSTONE METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 1,503,173	$ 1,503,173	$ 1,502,871	$ (302)
Specific Ownership Taxes	105,222	105,222	102,417	(2,805)
Net Investment Income	9,000	9,000	1,672	(7,328)
Miscellaneous Income	-	-	12,789	12,789
Total Revenues	1,617,395	1,617,395	1,619,749	2,354
EXPENDITURES				
Contingency	2,077	30,577	-	30,577
County Treasurer's Fees	22,548	22,548	22,564	(16)
Bond Interest - Series 2017	1,114,925	1,114,925	1,114,925	-
Bond Principal - Series 2017	300,000	300,000	300,000	-
Paying Agent Fees	450	450	450	-
Total Expenditures	1,440,000	1,468,500	1,437,939	30,561
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	177,395	148,895	181,810	32,915
OTHER FINANCING SOURCES (USES)				
Repay Developer Advances	-	(331,500)	(331,500)	-
Total Other Financing Sources (Uses)	-	(331,500)	(331,500)	-
NET CHANGE IN FUND BALANCE	177,395	(182,605)	(149,690)	32,915
Fund Balance - Beginning of Year	1,740,923	1,740,923	1,755,726	14,803
FUND BALANCE - END OF YEAR	$ 1,918,318	$ 1,558,318	$ 1,606,036	$ 47,718

BLACKSTONE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	$ 1,500	$ -	$ (1,500)
Total Revenues	1,500	-	(1,500)
EXPENDITURES			
Monumentation	-	12,090	(12,090)
Park Improvements	50,000	-	50,000
Entryways	400,000	9,385	390,615
Trees	400,000	359,250	40,750
Lighting	25,000	19,504	5,496
Roundabout Enhancement	241,500	-	241,500
Total Expenditures	1,116,500	400,229	716,271
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,115,000)	(400,229)	714,771
OTHER FINANCING SOURCES (USES)			
Transfer From Other Fund	1,215,000	850,229	(364,771)
Total Other Financing Sources (Uses)	1,215,000	850,229	(364,771)
NET CHANGE IN FUND BALANCE	100,000	450,000	350,000
Fund Balance - Beginning of Year	350,000	-	(350,000)
FUND BALANCE - END OF YEAR	$ 450,000	$ 450,000	$ -

BLACKSTONE METROPOLITAN DISTRICT
CAPITAL PROJECTS – REGIONAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Regional Property Taxes	$ 47,801	$ 47,792	$ (9)
Total Revenues	47,801	47,792	(9)
EXPENDITURES			
County Treasurer's Fees - Regional Mill Levy	717	718	(1)
Regional Mill Levy - Payment to SARIA	47,084	47,074	10
Total Expenditures	47,801	47,792	9
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

OTHER INFORMATION

BLACKSTONE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2021

	$27,415,000 General Obligation Refunding Bonds Series 2017, Dated June 6, 2017 Interest Rate Varying from 2.375% to 5.00% Interest Payable June 1 and December 1, Principal Due December 1		
Year Ending December 31,	Principal	Interest	Total
2022	$ 420,000	$ 1,102,925	$ 1,522,925
2023	450,000	1,086,125	1,536,125
2024	500,000	1,068,125	1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027	595,000	1,007,525	1,602,525
2028	655,000	977,775	1,632,775
2029	685,000	945,025	1,630,025
2030	755,000	910,775	1,665,775
2031	780,000	886,237	1,666,237
2032	835,000	860,888	1,695,888
2033	865,000	833,750	1,698,750
2034	940,000	790,500	1,730,500
2035	990,000	743,500	1,733,500
2036	1,070,000	694,000	1,764,000
2037	1,115,000	651,200	1,766,200
2038	1,195,000	606,600	1,801,600
2039	1,245,000	558,800	1,803,800
2040	1,330,000	509,000	1,839,000
2041	1,380,000	455,800	1,835,800
2042	1,475,000	400,600	1,875,600
2043	1,535,000	341,600	1,876,600
2044	1,630,000	280,200	1,910,200
2045	1,695,000	215,000	1,910,000
2046	1,805,000	147,200	1,952,200
2047	1,875,000	75,000	1,950,000
Total	$ 26,905,000	$ 18,232,050	$ 45,137,050

BLACKSTONE METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2021

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied				Total Property Taxes		Percentage Collected to Levied
		General	Debt Service	ARI	Total	Levied	Collected	
2017	$ 23,027,942	20.000	50.000	1.000	71.000	$ 1,634,984	$ 1,631,106	99.76 %
2018	28,662,891	20.000	45.000	1.105	66.105	1,894,760	1,892,446	99.88
2019	34,918,090	30.000	35.000	1.105	66.105	2,308,260	2,267,263	98.22
2020	40,877,691	30.000	35.000	1.113	66.113	2,702,547	2,702,004	99.98
2021	42,947,789	30.000	35.000	1.113	66.113	2,839,408	2,838,836	99.98
Estimated for the Year Ending December 31,								
2022	$ 46,579,695	28.000	33.000	1.113	62.113	$ 2,893,205		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes and/or abatements of valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

CONTINUING DISCLOSURE ANNUAL INFORMATION AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017

BLACKSTONE METROPOLITAN DISTRICT
CONTINUING DISCLOSURE ANNUAL INFORMATION AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017 (UNAUDITED)
DECEMBER 31, 2021

History of Valuation and Mill Levies for the District

Levy/Collection Year	Assessed Valuation	Percent Change	General Fund Mill Levy	Debt Service Fund Mill Levy	Regional Mill Levy1	Total Mill Levy
2011/2012	$ 13,074,830	- %	15.500	50.000	1.000	66.500
2012/2013	13,696,900	4.76	15.500	50.000	1.000	66.500
2013/2014	14,374,650	4.95	15.500	50.000	1.000	66.500
2014/2015	14,563,493	1.31	20.000	50.000	1.000	71.000
2015/2016	20,266,417	39.16	20.000	50.000	1.000	71.000
2016/2017	23,027,942	13.63	20.000	50.000	1.000	71.000
2017/2018	28,662,891	24.47	20.000	45.000	1.105	66.105
2018/2019	34,918,090	21.82	30.000	35.000	1.105	66.105
2019/2020	40,877,691	17.07	30.000	35.000	1.113	66.113
2020/2021	42,947,798	5.06	30.000	35.000	1.113	66.113
2021/2022	46,579,695	8.46	28.000	33.000	1.113	62.113

[1]Regional Mill Levy is the Aurora Regional Improvement "ARI" Mill Levy
Source - Arapahoe County Assessor's Office

History of Property Tax Collections

Levy/Collection Year	Taxes Levied	Taxes Collected	Tax Collections as Percent of Tax Levied	
2011/2012	$ 869,476	$ 656,423	75.50 %	(a)
2012/2013	910,844	883,884	97.04	
2013/2014	955,914	941,365	98.48	
2014/2015	1,034,008	1,034,008	100.00	
2015/2016	1,438,915	1,424,410	98.99	
2016/2017	1,634,984	1,631,106	99.76	
2017/2018	1,894,760	1,892,446	99.88	
2018/2019	2,308,260	2,267,263	98.22	
2019/2020	2,702,547	2,702,004	99.98	
2020/2021	2,839,408	2,838,836	99.98	
2021/2022	2,893,205	2,875,497 (b)	99.39	

(a) According to District officials, the low property tax collections in 2012 collection year were the result of property tax abatements in the amount of $203,934
(b) Property taxes collected through July 31, 2022

2021 Assessed and "Actual" Valuation of Classes of Property of the District

Property Class	Assessed Valuation	Percentage of Assessed Valuation	Valuation	Percentage of Actual Valuation
Residential	$ 42,632,450	91.53 %	$ 596,257,592	97.77 %
Commercial	1,378,952	2.96	4,755,007	0.78
State Assessed	3,720	0.01	12,828	0.00
Personal	900,597	1.93	3,105,497	0.51
Vacant Land	1,663,976	3.57	5,737,850	0.94
Total	$ 46,579,695	100.00 %	$ 609,868,774	100.00 %