

**ANNUAL INFORMATION REPORT
for the year ended December 31, 2020
ATEC METROPOLITAN DISTRICT NO. 1
(THE “DISTRICT”)**

CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO

Pursuant to the requirements of Section VIII of the District's Service Plan, the District is required to provide an annual report to the City of Aurora (the “City”) with regards to the following matters:

- (1) **Boundary changes made or proposed to the District’s boundary as of December 31 of the prior year:** An Order for Inclusion was recorded on January 2, 2020. A copy of the current District boundary map is attached hereto as **Exhibit A**.

- (2) **Intergovernmental Agreements with other governmental entities, either entered into or proposed, as of December 31 of the prior year:** The District entered into the following intergovernmental agreements during 2020:

The Aurora Highlands Community Authority Board (“CAB”) First Amended and Restated Establishment Agreement. On April 16, 2020, the District, Aerotropolis Area Coordinating Metropolitan District (“AACMD”), The Aurora Highlands Metropolitan District Nos. 1, 2 and 3 and ATEC Metropolitan District No. 2 (collectively referred to as the “**CAB Districts**”) entered into the CAB First Amended and Restated Establishment Agreement (“**First A/R CABEA**”) establishing the CAB. The First A/R CABEA provides the terms under which the CAB shall (a) facilitate the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and operation and maintenance of the Public Improvements (as defined in the First A/R CABEA); and (b) provide certain services contemplated by the Service Plans of the CAB Districts on behalf of the CAB Districts, including covenant enforcement and design review services.

Mill Levy Policy Agreement. The CAB and the CAB Districts entered into a Mill Levy Policy Agreement, effective June 30, 2020 (“**Mill Levy Policy Agreement**”). The Mill Levy Policy Agreement evidences the mutual benefits enjoyed by the CAB and CAB Districts by the provision, operation and maintenance of the Public Improvements (as defined in the Mill Levy Policy Agreement) and the obligations of the CAB and the CAB Districts under the First A/R CABEA and certain Capital Pledge Agreements.

Intergovernmental Agreement Regarding Coordination of Facilities Funding for District Projects with the CAB and Aurora Tech Center Development, LLC. On June 23, 2020, the District, the CAB and Aurora Tech Center Development, LLC entered into an Intergovernmental Agreement Regarding Coordination of Facilities Funding for District Projects (“**ATEC Projects Funding IGA**”). The ATEC Projects Funding IGA sets forth the parties’ respective rights, obligations and procedures with respect to issuance of Additional Bonds (as defined in the ATEC Projects Funding IGA) and the reimbursement of the Developer as provided therein.

Relationship to The Aurora Highlands Community Authority Board. As of November 21, 2019, and pursuant to The Aurora Highlands Community Authority Board First Amended and Restated Establishment Agreement dated April 16, 2020 (the “CAB” and the “**First A/R CABEA,**” respectively), the CAB has been organized to, *inter alia*, (a) facilitate the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and operation and maintenance of the Public Improvements; and (b) provide certain services contemplated by the Service Plans of the CAB Districts, including the District, on behalf of the CAB Districts, including covenant enforcement and design review services. Pursuant to the First A/R CABEA, the CAB has (i) entered into intergovernmental agreements with other governmental entities, (ii) adopted rules and regulations, and (iii) conducted an audit, all of which have been disclosed under separate cover.

- (3) **Copies of the District’s rules and regulations, if any as of December 31 of the prior year:** No rules and regulations have been established as of December 31, 2020.
- (4) **A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year:** There is no litigation, pending or threatened, against the District of which we are aware.
- (5) **Status of the District’s construction of the Public Improvements as of December 31 of the prior year:** The District did not directly construct any Public Improvements in 2020, however, the District is a party to certain Agreements pursuant to which it is responsible, together with The Aurora Highlands Metropolitan District Nos. 1, 2 and 3, and ATEC Metropolitan District No. 2, for the funding of certain improvements constructed by AACMD in 2020. AACMD constructed the following improvements within the District’s boundaries during 2020:
 - i. Grading/Stormwater Management;
 - ii. Site Utilities (Water, Sanitary Sewer, Storm Drainage Facilities);
 - iii. Public Minor and Arterial Roadways including street lights; and
 - iv. Project Monumentation.
- (6) **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 facilities or improvements were dedicated to or accepted by the City during the reporting period.
- (7) **The assessed valuation of the District for the current year:** A copy of the 2020 certification of assessed valuation from Adams County is attached hereto as **Exhibit B.**
- (8) **Current year budget including a description of the Public Improvements to be constructed in such year:** A copy of the 2021 Budget is attached hereto as **Exhibit C.** It is anticipated that AACMD will construct the following Public Improvements within the District boundaries during 2021:
 - i. Grading/Stormwater Management
 - ii. Site Utilities (Water, Sanitary Sewer, Storm Drainage Facilities);

- iii. Roadway Lighting/Traffic Control;
- iv. Curb, Gutter, Walks/Trails;
- v. Asphalt Paving;
- vi. Street and Hardscape;
- vii. Landscape and Irrigation; and
- viii. Project Monumentation.

- (9) **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:** The District's 2020 Audit is not complete and will be filed separately when available.
- (10) **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument:** There were no uncured events of default during the reporting period.
- (11) **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:** There were no instances of the District's inability to pay its obligations during the reporting period.

EXHIBIT A
Current District Boundary Map

DISTRICT COURT, ADAMS COUNTY, COLORADO	
Court Address: 1100 Judicial Center Drive, Brighton, CO, 80601	
DATE FILED: December 30, 2019 10:58 PM CASE NUMBER: 2018CV31616	
In the Matter of: ATEC METROPOLITAN DISTRICT NO 1	
△ COURT USE ONLY △	
Case Number: 2018CV31616 Division: C Courtroom:	
Order: Order for Inclusion	

The motion/proposed order attached hereto: GRANTED.

Issue Date: 12/30/2019



RAYNA GOKLI MCINTYRE
District Court Judge

DISTRICT COURT, COUNTY OF ADAMS 1100 Judicial Center Drive Brighton, CO 80601 303-659-1161	
IN RE ATEC METROPOLITAN DISTRICT NO. 1	
BY THE COURT	▲ COURT USE ONLY ▲ Case Number: 2018CV31616 Div.: C Ctrm.: _____
ORDER FOR INCLUSION	

THIS MATTER having come before the Court on the Unopposed Motion for an Order for Inclusion, and the Court being fully advised of the premises, does hereby FIND:

1. This Court has jurisdiction over the subject matter pursuant to Section 32-1-401(1)(c)(I), C.R.S.
2. The name and address of the Petitioner and the legal description of the Property proposed to be included within the boundaries of the ATEC Metropolitan District No. 1 (the “**District**”) are as follows:

Petitioner:	Green Valley East LLC, a Colorado limited liability company
Petitioner’s Address:	4908 Tower Road Denver, CO 80249
Legal Description:	Approximately 1.00 acres of land legally described on Exhibit A attached hereto and incorporated herein (“ Property ”).

3. Notice of the place, time and date of the public hearing of the Board of Directors of the District when the Petition requesting such inclusion would be heard was duly published pursuant to Section 32-1-401(1)(b), C.R.S.

4. In accordance with Section 32-1-401(1)(b), C.R.S., the Board of Directors of the District held a public hearing on the Petition and thereafter granted the Petition and ordered the Property be included into the boundaries of the District.

NOW, THEREFORE, THE COURT ORDERS:

1. The Property is hereby included within the boundaries of the District pursuant to Section 32-1-401(1), C.R.S.

2. Pursuant to Section 32-1-402(1)(b), C.R.S., as of the effective date of this Order, the Property shall be subject to the taxes, charges and fees as may be imposed by the District against such Property, and shall be liable for its proportionate share of all bonded indebtedness of the District.

3. Pursuant to Section 32-1-105, C.R.S., the effective date of this Order shall be the date this Order is recorded by the Clerk and Recorder of Adams County, Colorado.

DONE this ____ day of _____, 2019.

BY THE COURT:

District Court Judge

EXHIBIT A

Legal Description

LEGAL DESCRIPTION

ATEC 1 - DIRECTORS PARCEL

A PARCEL OF LAND BEING A PORTION OF THE SOUTHEAST QUARTER OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 29;

THENCE ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER, NORTH 00°17'18" WEST A DISTANCE OF 30.00 FEET TO THE NORTHERLY RIGHT-OF-WAY OF EAST 28TH AVENUE AS DESCRIBED IN ROAD PETITION NO. 622 RECORDED IN THE OFFICIAL RECORDS OF THE CLERK AND RECORDER, COUNTY OF ADAMS, SAID STATE AND A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHERLY TO THE SOUTH LINE OF SAID SOUTHEAST QUARTER;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY AND SAID PARALLEL LINE, SOUTH 89°35'36" WEST, A DISTANCE OF 150.00 FEET;

THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY AND PARALLEL LINE NORTH 00°17'18" WEST, A DISTANCE OF 208.71 FEET TO A LINE PARALLEL WITH AND DISTANT 238.71 FEET NORTHERLY TO THE SOUTH LINE OF SAID SOUTHEAST QUARTER AND THE POINT OF BEGINNING;

THENCE ALONG SAID LAST DESCRIBED PARALLEL LINE, SOUTH 89°35'36" WEST, A DISTANCE OF 208.71 FEET TO A LINE PARALLEL WITH AND DISTANT 358.71 FEET WESTERLY TO THE EAST LINE OF SAID SOUTHEAST QUARTER;

THENCE ALONG SAID LAST DESCRIBED PARALLEL LINE, NORTH 00°17'18" WEST, A DISTANCE OF 208.71 FEET TO A LINE PARALLEL WITH AND DISTANT 447.42 FEET NORTHERLY TO THE SOUTH LINE OF SAID SOUTHEAST QUARTER;

THENCE ALONG SAID LAST DESCRIBED PARALLEL LINE, NORTH 89°35'36" EAST, A DISTANCE OF 208.71 FEET TO A LINE PARALLEL WITH AND DISTANT 150.00 FEET WESTERLY TO THE EAST LINE OF SAID SOUTHEAST QUARTER;

THENCE ALONG SAID LAST DESCRIBED PARALLEL LINE, SOUTH 00°17'18" EAST, A DISTANCE OF 208.71 FEET TO THE POINT OF BEGINNING;

CONTAINING AN AREA OF 1.000 ACRES, (43,560 SQUARE FEET), MORE OR LESS.

EXHIBIT ATTACHED AND MADE A PART HEREOF.

DANIEL E. DAVIS, PLS 38256
COLORADO LICENSED PROFESSIONAL LAND SURVEYOR
FOR AND ON BEHALF OF AZTEC CONSULTANTS, INC.
300 E. MINERAL AVENUE, SUITE 1
LITTLETON, CO 80122



ILLUSTRATION TO LEGAL DESCRIPTION

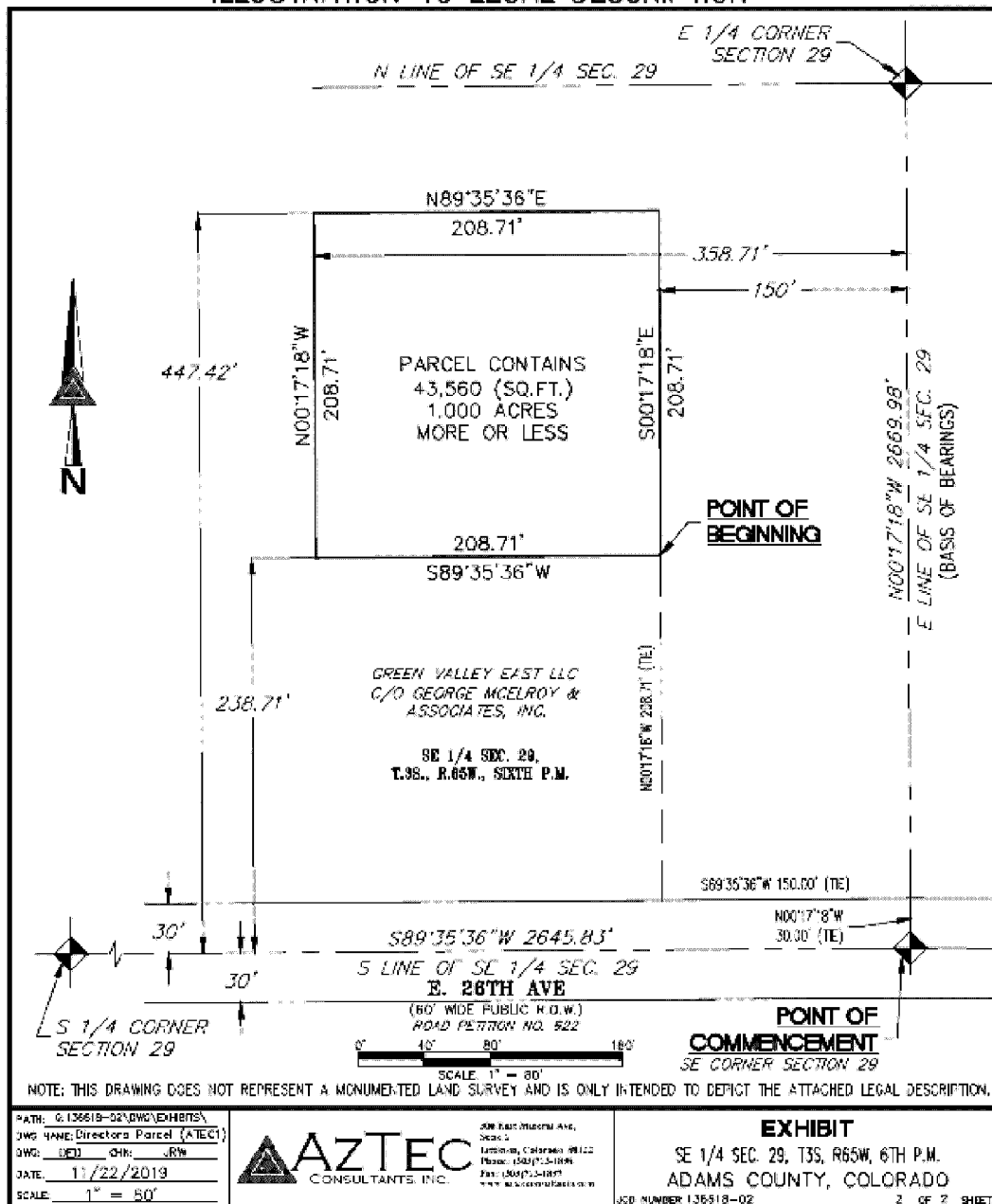


EXHIBIT B
2020 Assessed Valuation

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **474 - ATEC METRO DISTRICT NO 1**

IN ADAMS COUNTY ON 11/29/2020

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY
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IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2020 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$3,030
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$119,010
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$119,010
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$40
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

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

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

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

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

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2020 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2020

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$59,798
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$155
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	\$0
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

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

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

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

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2020

Data Date: 11/29/2020

EXHIBIT C
2021 Budget

ATEC METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2021

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

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 112
REVENUES			
Property Taxes	-	106	4,165
Specific Ownership Taxes	-	8	290
Developer advance	-	1,250,000	2,000,000
Other Revenue	-	-	500
Total revenues	-	1,250,114	2,004,955
Total funds available	-	1,250,114	2,005,067
EXPENDITURES			
General Fund	-	2	5,067
Capital Projects Fund	-	1,250,000	2,000,000
Total expenditures	-	1,250,002	2,005,067
Total expenditures and transfers out requiring appropriation	-	1,250,002	2,005,067
ENDING FUND BALANCES	\$ -	\$ 112	\$ -

No assurance provided. See summary of significant assumptions.

**ATEC METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Agricultural	\$ -	\$ 3,030	\$ 3,070
State assessed	-	-	115,940
	-	3,030	119,010
Adjustments	-	-	-
Certified Assessed Value	-	3,030	\$ 119,010
MILL LEVY			
General	-	35.000	35.000
Total mill levy	-	35.000	35.000
PROPERTY TAXES			
General	-	106	\$ 4,165
Budgeted property taxes	-	106	\$ 4,165
BUDGETED PROPERTY TAXES			
General	\$ -	\$ 106	\$ 4,165

No assurance provided. See summary of significant assumptions.

**ATEC METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2021 BUDGET
WITH 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 112
REVENUES			
Property Taxes	-	106	4,165
Specific Ownership Taxes	-	8	290
Other Revenue	-	-	500
Total revenues	<u>-</u>	<u>114</u>	<u>4,955</u>
Total funds available	<u>-</u>	<u>114</u>	<u>5,067</u>
EXPENDITURES			
County Treasurer's Fees	-	2	65
Intergovernmental Transfer - CAB	-	-	4,502
Contingency	-	-	500
Total expenditures	<u>-</u>	<u>2</u>	<u>5,067</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 112</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**A TEC METROPOLITAN DISTRICT NO. 1
 CAPITAL PROJECTS FUND
 2021 BUDGET
 WITH 2019 ACTUAL AND 2020 ESTIMATED
 For the Years Ended and Ending December 31,**

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	1,250,000	2,000,000
Total revenues	<u>-</u>	<u>1,250,000</u>	<u>2,000,000</u>
Total funds available	<u>-</u>	<u>1,250,000</u>	<u>2,000,000</u>
EXPENDITURES			
Capital Projects			
Capital outlay	-	1,250,000	2,000,000
Total expenditures	<u>-</u>	<u>1,250,000</u>	<u>2,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>1,250,000</u>	<u>2,000,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

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

Services Provided

ATEC Metropolitan District No. 1 (the "District"), a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. Concurrently with the formation of the District, the City of Aurora (the "City") approved the formation of ATEC Metropolitan District No. 2 (the "ATEC Districts"). The District was organized on November 19, 2019. The District was established to provide public streets, traffic and safety, water, sanitary and storm sewer, park and recreation, public transportation, communications systems, fire protection, security improvements, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

On November 5, 2019, the District's voters authorized total general obligation indebtedness of \$56,000,000,000 for the above listed facilities and powers but, the District's Service Plan limits the total indebtedness to \$4,000,000,000, with a maximum debt mill levy of 50.000 mills, subject to changes in the method of calculating residential assessed valuation. The maximum debt service mill levy shall not apply to the District's ability to increase its mill levy necessary for the provision of operation and maintenance services. The Service Plan also restricts the District's powers for fire protection, television relay and translation, and golf course construction unless the District enters into an agreement with the City allowing for these powers.

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

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

The budgets are in accordance with the TABOR Amendment limitation. Emergency reserves required under TABOR have been provided.

On November 21, 2019, the ATEC Districts, Aerotropolis Area Coordinating Metropolitan District and The Aurora Highlands Metropolitan District Nos. 1-3 (collectively, the "CAB Districts") formed The Aurora Highlands Community Authority Board ("CAB") pursuant to intergovernmental agreement to govern the relationships between and among the CAB Districts with respect to the financing, construction, and operation of public improvements within their combined service area. It is anticipated that one or more of the CAB Districts may enter into additional intergovernmental agreements concerning the financing, construction, and operation of public improvements benefiting the CAB Districts and their residents and owners.

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

Revenues

Property Taxes

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

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

Developer Advances

Developer advances are expected to fund all capital expenditures. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to issue bonds to reimburse the Developer.

Expenditures

Administrative Expenditures

The District is a member of the CAB. The CAB will provide all of the operating and administrative expenditures, which include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, meeting expense, and other administrative expenditures.

Capital Projects

The budget anticipates capital outlay in 2021 for infrastructure improvements within the District.

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

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since the District transfers nearly all of its TABOR eligible revenue to the CAB, the Emergency Reserve related to this revenue is accounted for in the CAB.

Debt and Leases

The District's only outstanding debt is developer advances, which are not general obligation debt. Developer advances may be repaid with future CAB bonds per an intergovernmental agreement entered into between the District, the CAB, and the Developer.

The District has no operating or capital leases.

This information is an integral part of the accompanying budget.