

Metropolitan districts are local governments that finance public improvements and provide services to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the districts and the people of the state of Colorado. Metropolitan districts fill the gaps that may exist in services that other local governments will not provide, and the services residents may desire. The Conservatory Metropolitan District (the “District”) currently provides the following improvements and services: storm sewer and parks and recreation.

Pursuant to the District’s Amended and Restated Service Plan, approved by the City of Aurora on November 23, 2009 (the “Service Plan”), the District is authorized to issue debt not to exceed \$30,000,000 and impose a maximum debt mill levy of 45.29 mills subject to adjustment, as defined in the Service Plan, for repayment of such debt. The Service Plan authorizes the repayment of debt from the following sources: ad valorem taxes and fees.

The Board of Directors (the “Board”) governs the District. Board members are elected for four-year terms. During election years, the District must provide the Call for Nominations to the electors of the District noting the Board seats up for election. If an owner or resident would like to run for a Board seat up for election, he or she must submit a self-nomination form to the Designated Election Official by the applicable deadline as provided in the Call for Nominations. When a vacancy occurs on the Board between elections, an owner or resident may contact the District and request to submit a letter of interest to be appointed to Board. When an individual is appointed to the Board, the term for that appointment runs to the next regular election.

To qualify as a director of a district, a person must be an “eligible elector” which is defined as a registered voter of Colorado and either: (1) a resident of the District, or (2) the owner (or the spouse or civil union partner of the owner) of taxable real or personal property located within the District. A person who is under contract to purchase taxable property and is obligated to pay taxes prior to closing is also considered an “owner.”

The District files its annual report for the prior year with the City of Aurora.