

DENVER CONNECTION WEST METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
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July 21, 2022

City and County of Denver
Department of Finance
Attn: Andrew Johnston
201 West Colfax Avenue, Dept. 1009
Department 1009
Denver, CO 80202

via E-Mail: Andrew.johnston@denvergov.org

City and County of Denver
Dept. of Public Works
Attn: Brendan Kelly, PE
201 Colfax Avenue, Department 509
Denver, CO 80202

brendan.kelly@denvergov.org

Re: Denver Connection West Metropolitan District; 2021 Annual Report

To Whom It May Concern:

Attached is the 2021 Annual Report for the Denver Connection West Metropolitan District. Please acknowledge your receipt of the information and documents by signing this letter below and returning to this office via email to apadilla@sdmsi.com.

If you have any questions, please contact me.

Sincerely,

Alysia Padilla
Assistant to Matt Cohrs
District Manager

Enclosure

cc: McGeady Becher P.C. – Jennifer Henry
Division of Local Government
State Auditor

The above referenced information and documents were received this ___ day of July, 2022.

City and County of Denver

By: _____

2021 ANNUAL REPORT

MANAGER OF FINANCE AND MANAGER OF PUBLIC WORKS DENVER CONNECTION WEST METROPOLITAN DISTRICT

As required by Section XI of the Service Plan for the Denver Connection West Metropolitan District (“**District**”), approved by the City and County of Denver, Colorado (“**City**”) on September 12, 2016, we present the following report of the District’s activities from January 1, 2021 to December 31, 2021.

- i. Annual budget of the District:

Attached as Exhibit A is a copy of the 2022 budget for the District.

- ii. Annual construction schedules for the current year and reconciliation of the capital improvement program for completion of the Improvements in the following two (2) years:

The District was organized December 1, 2016. The District completed construction of the 48th Avenue Pena Open Space expansion in 2020 and the construction of the HUB facility.

The District is in the process of coordinating with the City and County of Denver for the construction of a City Park.

- iii. Annual audited financial statements (or any exemption filing made to the State Auditor) of the District:

A copy of the 2021 Audit is not yet finalized but will be provided as a supplement to this report upon completion.

- iv. Total debt authorized, total debt issued, and remaining debt authorized and intended to be issued by the District:

Attached as Exhibit B is a memorandum regarding the District’s authorized, issued and remaining debt.

***Subsequent Event: On March 29, 2022, the District issued \$11,350,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Loan, Series 2022A-1 and up to \$1,400,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan, Series 2022A-2 (“2022 Loan”)**

- v. Names and terms of the members of the Board of Directors and officers of the District on December 31, 2021:

Marc Robson, President, Term – May, 2023
Tina Woodard, Assistant Secretary, Term – May, 2023
Jeff Hall, Assistant Secretary, Term – May, 2022

**Shawn Hamleton; Assistant Secretary, Term – May, 2022
Vacancy, Term – May, 2022**

- vi. Any bylaws, rules and regulations of the District regarding bidding, conflict of interest, contracting and other governance matters:

The District has adopted policies regarding Colorado Open Records Act Requests and Records Retention, Enforcement of Protective Covenants, Amended and Restated District Facilities Rules and Regulations, and Amended and Restated Design and Landscape Guidelines. The District has not adopted any bylaws, but complies with State statutes regarding public bidding, potential conflicts of interest and other governance matters.

- vii. Current intergovernmental agreements and amendments among the District:

Attached as Exhibit C is a list of current IGAs.

- viii. A summary of all current contracts for services or construction of the District:

Attached as Exhibit D is a list of all current contracts for services or construction of the District.

- ix. Current documentation of credit enhancements:

The District does not have any credit enhancements at this time.

- x. Official statements of current outstanding bonded indebtedness of the District, if not already received by the City:

The District issued Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2017A in the amount of \$9,690,000 and Subordinate Limited Tax General Obligation Bonds, Series 2017B in the amount of \$2,539,000. A copy of the Limited Offering Memorandum was filed with the 2017 Annual Report.

***Subsequent Event: The District closed on its 2022 Loan on March 29, 2022, and required documents were provide to Michael Kerrigan at the City and County of Denver.**

- xi. Current approved Service Plan of the District and amendments thereto:

A copy of the District's Service Plan approved by the City of Denver on September 12, 2016 is on file with the City Clerk's office. No amendments have been made.

- xii. The Management District office contact information:

**Denver Connection West Metropolitan District
c/o Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
303-987-0835 – phone
303-987-2032 – fax
Matt Cohrs, Manager for the District
mcohrs@sdmsi.com**

- xiii. Any change in proposed development assumptions that impact the financial projections:

There have not been any changes in proposed development assumptions.

EXHIBIT A
2022 BUDGET

DENVER CONNECTION WEST METROPOLITAN DISTRICT
Annual Budget
For the Year Ending December 31, 2022

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

01/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 2,294,093	\$ 2,114,439	\$ 2,123,465
REVENUE			
Property taxes	604,635	879,219	1,673,809
Specific ownership tax	31,187	43,961	83,691
Interest income	12,966	1,480	1,875
Admin fees	17,215	21,000	21,000
Operations and Maintenance Fees	483,543	502,000	-
Other revenue	14,162	500	1,000
Reimbursed Expenditures	-	10,000	10,000
Developer advance	386,377	69,131	-
Total revenue	<u>1,550,085</u>	<u>1,527,291</u>	<u>1,791,375</u>
TRANSFERS IN	<u>51,972</u>	<u>51,972</u>	<u>122,594</u>
Total funds available	<u>3,896,150</u>	<u>3,693,702</u>	<u>4,037,434</u>
EXPENDITURES			
General Fund	110,261	163,000	200,000
General Fund - Special Revenue	471,406	473,624	642,200
Debt Service Fund	750,298	810,212	960,523
Capital Projects Fund	394,194	70,000	-
Capital Projects Reserve Fund	3,580	1,429	-
Total expenditures	<u>1,729,739</u>	<u>1,518,265</u>	<u>1,802,723</u>
TRANSFERS OUT	<u>51,972</u>	<u>51,972</u>	<u>122,594</u>
Total expenditures and transfers out requiring appropriation	<u>1,781,711</u>	<u>1,570,237</u>	<u>1,925,317</u>
ENDING FUND BALANCES	<u>\$ 2,114,439</u>	<u>\$ 2,123,465</u>	<u>\$ 2,112,117</u>
EMERGENCY RESERVE	\$ 3,900	\$ 5,500	\$ 27,400
SPECIAL REVENUE FUND RESERVE	15,400	15,100	-
DEBT SERVICE RESERVE 2017A BONDS	793,519	793,519	793,519
TOTAL RESERVE	<u>\$ 817,412</u>	<u>\$ 838,831</u>	<u>\$ 913,554</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

01/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION - DENVER COUNTY			
Residential	\$ 8,974,770	\$ 14,793,300	\$ 17,782,470
Commercial	366,280	300,410	243,350
Personal	-	-	4,040
State assessed	292,500	626,280	703,800
Vacant land	1,228,680	75,130	5,590
	<u>10,862,230</u>	<u>15,795,120</u>	<u>18,739,250</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 10,862,230</u>	<u>\$ 15,795,120</u>	<u>\$ 18,739,250</u>
MILL LEVY			
General	11.133	11.133	44.790
Debt Service	44.531	44.531	44.531
Total mill levy	<u>55.664</u>	<u>55.664</u>	<u>89.321</u>
PROPERTY TAXES			
General	\$ 120,929	\$ 175,847	\$ 839,331
Debt Service	483,706	703,372	834,478
Levied property taxes	<u>604,635</u>	<u>879,220</u>	<u>1,673,809</u>
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 604,635</u>	<u>\$ 879,220</u>	<u>\$ 1,673,809</u>
BUDGETED PROPERTY TAXES			
General	\$ 120,929	\$ 175,847	\$ 839,331
Debt Service	483,706	703,372	834,478
	<u>\$ 604,635</u>	<u>\$ 879,220</u>	<u>\$ 1,673,809</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

01/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (8,480)	\$ 8,493	\$ 30,212
REVENUE			
Property taxes	120,929	175,847	839,331
Specific ownership tax	6,238	8,792	41,967
Interest income	67	80	75
Admin fees	-	-	21,000
Other revenue	-	-	1,000
Reimbursed expenditures	-	-	10,000
Total revenue	<u>127,234</u>	<u>184,719</u>	<u>913,373</u>
TRANSFERS IN			
Transfers from other funds	-	-	70,622
Total funds available	<u>118,754</u>	<u>193,212</u>	<u>1,014,207</u>
EXPENDITURES			
General and administrative			
Accounting	28,522	45,000	50,000
Auditing	4,900	4,900	5,200
County Treasurer's fee	1,210	1,758	8,393
Dues and licenses	-	5,227	6,500
District management	35,905	43,000	45,000
Legal services	34,457	60,000	65,000
Miscellaneous	3,154	3,000	3,000
Election	2,113	-	10,000
Contingency	-	115	6,907
General and administrative - HUB			
Accounting	-	-	4,000
Dues and licenses	-	-	3,000
Insurance and bonds	-	-	31,000
Miscellaneous	-	-	4,000
Administrative management	-	-	92,000
District management	-	-	3,000
Legal services	-	-	5,000
Contingency	-	-	3,200
Operations and maintenance - HUB			
Clubhouse operations/supplies	-	-	54,500
Covenant control - collection expenses	-	-	12,000
Social committee	-	-	20,000
Landscaping Maintenance	-	-	197,500
Utility - water/sewer	-	-	28,000
Utility - electricity	-	-	15,000
Snow Removal	-	-	60,000
Security	-	-	40,000
Maintenance/repairs - HUB			
Dog park stations	-	-	15,000
Pool maintenance	-	-	25,000
Repairs and maintenance	-	-	20,000
Landscaping improvements	-	-	10,000
Total expenditures	<u>110,261</u>	<u>163,000</u>	<u>842,200</u>
TRANSFERS OUT - HUB IMPROVEMENTS			
Transfers to other fund - Capital Project Reserve	-	-	51,972
Total expenditures and transfers out requiring appropriation	<u>110,261</u>	<u>163,000</u>	<u>894,172</u>
ENDING FUND BALANCE	<u>\$ 8,493</u>	<u>\$ 30,212</u>	<u>\$ 120,035</u>
EMERGENCY RESERVE	\$ 3,900	\$ 5,500	\$ 27,400
AVAILABLE FOR OPERATIONS	4,593	24,712	92,635
TOTAL RESERVE	<u>\$ 8,493</u>	<u>\$ 30,212</u>	<u>\$ 120,035</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

01/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 71,176	\$ 62,718	70,622
REVENUE			
Admin fees	17,215	21,000	-
Operations and maintenance fee	483,543	502,000	-
Reimbursed expenditures	-	10,000	-
Other revenue	14,162	500	-
Total revenue	<u>514,920</u>	<u>533,500</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>586,096</u>	<u>596,218</u>	<u>70,622</u>
EXPENDITURES			
General and administrative			
Accounting	8,641	3,000	-
Dues and licenses	3,785	-	-
Insurance and bonds	29,890	27,124	-
Miscellaneous	3,676	3,500	-
Administrative management	85,869	91,000	-
District management	13,844	3,000	-
Legal services	12,524	5,000	-
Contingency	-	-	-
Operations and maintenance			
Clubhouse operations/supplies	59,616	35,000	-
Covenant control - collection expenses	4,010	15,000	-
Social committee	-	-	-
Landscaping Maintenance	77,276	100,000	-
Utility - water/sewer	24,860	25,000	-
Utility - electricity	10,372	12,000	-
Snow Removal	61,086	80,000	-
Security	15,438	14,000	-
Maintenance/repairs			
Dog park stations	9,932	10,000	-
Pool maintenance	21,129	25,000	-
Repairs and maintenance	29,458	20,000	-
Landscaping improvements	-	5,000	-
Total expenditures	<u>471,406</u>	<u>473,624</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund - Capital Project Reserve	51,972	51,972	-
Transfers to other fund - General Fund	<u>-</u>	<u>-</u>	<u>70,622</u>
Total expenditures and transfers out requiring appropriation	<u>523,378</u>	<u>525,596</u>	<u>70,622</u>
ENDING FUND BALANCE	<u>\$ 62,718</u>	<u>\$ 70,622</u>	<u>\$ -</u>
SPECIAL REVENUE FUND RESERVE	<u>\$ 15,400</u>	<u>\$ 15,100</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ 15,400</u>	<u>\$ 15,100</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

01/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 2,222,711	\$ 1,993,967	\$ 1,923,696
REVENUE			
Property taxes	483,706	703,372	834,478
Specific ownership tax	24,949	35,169	41,724
Interest income	12,899	1,400	1,800
Total revenue	<u>521,554</u>	<u>739,941</u>	<u>878,002</u>
Total funds available	<u>2,744,265</u>	<u>2,733,908</u>	<u>2,801,698</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	4,840	7,034	8,345
Debt Service			
Bond interest - Series 2017A	520,838	520,838	520,838
Bond interest - Series 2017B	203,120	201,840	195,840
Bond principal - Series 2017A	-	-	80,000
Bond principal - Series 2017B	16,000	75,000	150,000
Paying agent fees	5,500	5,500	5,500
Total expenditures	<u>750,298</u>	<u>810,212</u>	<u>960,523</u>
Total expenditures and transfers out requiring appropriation	<u>750,298</u>	<u>810,212</u>	<u>960,523</u>
ENDING FUND BALANCE	<u>\$ 1,993,967</u>	<u>\$ 1,923,696</u>	<u>\$ 1,841,175</u>
DEBT SERVICE RESERVE 2017A BONDS	\$ 793,519	\$ 793,519	\$ 793,519
SURPLUS RESERVE	969,000	969,000	969,000
DEBT SERVICE FUND BALANCE	231,448	161,177	78,656
TOTAL RESERVE	<u>\$ 1,993,967</u>	<u>\$ 1,923,696</u>	<u>\$ 1,841,175</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 8,686	\$ 869	\$ -
REVENUE			
Developer advance	386,377	69,131	-
Total revenue	<u>386,377</u>	<u>69,131</u>	<u>-</u>
Total funds available	<u>395,063</u>	<u>70,000</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Legal services	8,596	25,000	-
Contingency	-	4,000	-
Capital Projects			
Public art	-	-	-
Engineering	20,639	16,000	-
Parks and recreation	-	-	-
Capital outlay	364,959	25,000	-
Total expenditures	<u>394,194</u>	<u>70,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>394,194</u>	<u>70,000</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 869</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
 CAPITAL PROJECTS RESERVE FUND
 2022 BUDGET
 WITH 2020 ACTUAL AND 2021 ESTIMATED
 For the Years Ended and Ending December 31,**

01/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 48,392	\$ 98,935
TRANSFERS IN			
Transfer from other funds	51,972	51,972	51,972
Total funds available	51,972	100,364	150,907
EXPENDITURES			
Reserve for Capital improvements - Reserve Stud	3,580	1,429	-
Total expenditures	3,580	1,429	-
Total expenditures and transfers out requiring appropriation	3,580	1,429	-
ENDING FUND BALANCE	\$ 48,392	\$ 98,935	\$ 150,907

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in 2016. The formation of the District was approved by the City and County of Denver, Colorado. The District was organized to provide the public improvements and the operation and maintenance of the District. The District's service area includes 115.66 acres generally to the southeast corner of Green Valley Ranch Blvd and Chambers Road.

On November 8, 2016, the District's electors authorized debt in the amount of \$140,000,000 for public improvements including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, and traffic and safety control. \$60,000,000 of debt was also authorized for the purpose of refunding debt, operations and maintenance, and intergovernmental agreements. The District is authorized to increase taxes \$20,000,000 annually to pay the operations and administrative costs of the District, without limitation. Additionally, the Service Plan limits (except for a Gallagher adjustment) the District's total mill levy to 50.000 mills.

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

Revenues

Property Taxes

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

The District's maximum Required Mill Levy is 55.664 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means 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]. As of December 31, 2022, the adjusted maximum mill levy for debt service is 44.531 mills and for the general fund mill levy is 44.790.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

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 5.00% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.10%.

Administrative Fee

The District imposes Administrative Fee associated with a transfer of ownership of any dwelling unit located within the Property in the amount of \$100 per unit. The fee is due and payable at the time of sale, transfer or re-sale of any unit constructed on a lot which has a certificate of occupancy. The District's Board of Directors has approved an increase to the District's rate structure effective January 1, 2021. The transfer fee increased from \$100 to \$250 per unit. It is anticipated that in 2022 the District will have 84 dwelling units.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, dues, and other administrative expenditures. Estimated expenditures related to clubhouse maintenance, operations and management are included in the Special Revenue Fund budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1% of property tax collections.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017A Bonds and Series 2017B Bonds (discussed under Debt and Leases).

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

In August 2017, the District issued \$9,690,000 in Series 2017A Limited Tax (convertible to unlimited tax) General Obligation Bonds with interest of 5.375%. The Bonds are subject to redemption prior to maturity at the option of the District and due on August 1, 2047.

The bonds are secured by and payable from Senior Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) all Senior Property Tax Revenues, (2) all Senior Specific Ownership Tax Revenues, (3) all Capital Fees and 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 in the amount of \$793,518.76. The Reserve Fund was created for the purpose of paying, if necessary, the principal of, premium, and interest on the Bonds. Required Mill Levy means 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 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, 2022, the adjusted maximum mill levy is 44.531.

In August 2017, the District issued \$2,539,000 in Series 2017B Subordinate Bonds. The Bonds are special limited obligations of the District secured by and payable from the Subordinate pledged revenues, subject in all respects to the prior lien in favor of the Senior Bonds. The Series 2017B Subordinate Bonds are term bonds due on August 1, 2047 at an interest rate of 8.00%.

Proceeds of the Bonds were used to finance and reimburse the costs of public improvements necessary for development within the District and with respect to the proceeds of the 2017A Bonds only, fund capitalized interest account on the 2017A Bonds, fund the Senior Reserve Fund and pay the costs of issuing the Bonds.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debts and Leases (continued)

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021	Due Within One Year
G.O. Bonds - Series 2017A	\$ 9,690,000	\$ -	\$ -	\$ 9,690,000	\$ -
G.O. Subordinate Bonds - Series 2017B	2,523,000	-	75,000	2,448,000	-
Accrued Interest - 2017B					
Subordinate Bonds	8,970	201,840	201,840	8,970	-
Developer Advances - General	110,576	-	-	110,576	-
Interest on Developer Advances - General	24,781	8,846	-	33,627	-
Developer Advances - Capital	15,807,524	69,131	-	15,876,655	-
Interest on Developer Advances - Capital	2,993,240	1,264,602	-	4,257,842	-
Total	<u>\$ 31,158,091</u>	<u>\$ 1,544,419</u>	<u>\$ 276,840</u>	<u>\$ 32,425,670</u>	<u>\$ -</u>

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
G.O. Bonds - Series 2017A	\$ 9,690,000	\$ -	\$ -	\$ 9,690,000	\$ 80,000
G.O. Subordinate Bonds - Series 2017B	2,448,000	-	150,000	2,298,000	-
Accrued Interest - 2017B					
Subordinate Bonds	8,970	195,840	195,840	8,970	-
Developer Advances - General	110,576	-	-	110,576	-
Interest on Developer Advances - General	33,627	8,846	-	42,473	-
Developer Advances - Capital	15,876,655	2,500,000	-	18,376,655	-
Interest on Developer Advances - Capital	4,257,842	1,270,132	-	5,527,974	-
Total	<u>\$ 32,425,670</u>	<u>\$ 3,974,818</u>	<u>\$ 345,840</u>	<u>\$ 36,054,648</u>	<u>\$ 80,000</u>

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an emergency reserve equal to at least 3% of fiscal year spending as defined under TABOR. Such emergency reserve is an integral part of Ending Funds Available.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the 2017A Bonds.

This information is an integral part of the accompanying budget.

**DENVER CONNECTION WEST
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$9,690,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds
Refunding and Improvement Bonds**

Series 2017A

August 23, 2017

Principal due December 1

Interest Rates 5.375% Payable

June 1 and December 1

Year Ended December 31,	Principal	Interest	Total
2022	\$ 80,000	\$ 520,838	\$ 600,838
2023	110,000	516,538	626,538
2024	125,000	510,625	635,625
2025	135,000	503,906	638,906
2026	155,000	496,650	651,650
2027	160,000	488,319	648,319
2028	185,000	479,719	664,719
2029	195,000	469,775	664,775
2030	220,000	459,294	679,294
2031	230,000	447,469	677,469
2032	255,000	435,106	690,106
2033	270,000	421,400	691,400
2034	300,000	406,888	706,888
2035	315,000	390,763	705,763
2036	345,000	373,831	718,831
2037	365,000	355,288	720,288
2038	395,000	335,669	730,669
2039	420,000	314,438	734,438
2040	455,000	291,863	746,863
2041	480,000	267,406	747,406
2042	520,000	241,606	761,606
2043	550,000	213,656	763,656
2044	595,000	184,094	779,094
2045	625,000	152,113	777,113
2046	675,000	118,519	793,519
2047	1,530,000	54,825	1,584,825
	<u>\$ 9,690,000</u>	<u>\$ 9,450,599</u>	<u>\$ 19,140,599</u>

The 2017B Bonds are structured as cash flow bonds, meaning that there no scheduled payments of principal or interest prior to the final maturity date.

EXHIBIT B

**MEMORANDUM REGARDING AUTHORIZED / ISSUED / REMAINING DEBT
FOLLOWING ISSUANCE OF 2022 LOAN**

		Principal Amount of Authorized Debt	Principal Amount of Authorization Used 2017 Bonds	Principal Amount of Authorization Used 2022 Loan	Principal Amount of Authorization Remaining
	Purpose				
5A	Administration and Operations and Maintenance expenses from ad valorem property tax levy	\$20,000,000.00	\$0.00	\$0.00	\$20,000,000.00
5B	Administration and Operations and Maintenance expenses from fees	\$20,000,000.00	\$0.00	\$0.00	\$20,000,000.00
5C	IGAs that are MFY obligations; payable from unlimited ad valorem property tax levy	\$20,000,000.00	\$0.00	\$0.00	\$20,000,000.00
5D	Authority to Collect/Spend Facilities Fees, charges, tap fees	Allowed	N/A	N/A	N/A
5E	Streets	\$20,000,000.00	\$3,227,927.00	\$0.00	\$16,772,073.00
5F	Parks and Recreation	\$20,000,000.00	\$607,779.00	\$1,400,000	\$17,992,221.00
5G	Water	\$20,000,000.00	\$3,963,135.00	\$0.00	\$16,036,865.00
5H	Sanitation	\$20,000,000.00	\$4,130,469.00	\$0.00	\$15,869,531.00
5I	Transportation	\$20,000,000.00	\$215,973.00	\$0.00	\$19,784,027.00
5J	Mosquito Control	\$20,000,000.00	\$0.00	\$0.00	\$20,000,000.00
5K	Safety Protection	\$20,000,000.00	\$83,717.00	\$0.00	\$19,916,283.00
5L	Operating Expenses and Reimbursement of Operating Advances to the District	\$20,000,000.00	\$0.00	\$0.00	\$20,000,000.00
5M	Refunding of Debt	\$20,000,000.00	\$0.00	\$0.00	\$20,000,000.00
5N	IGAs as Debt	\$20,000,000.00	\$0.00	\$0.00	\$20,000,000.00
5O	IGAs for Regional Improvements that are MFY obligations	Allowed	N/A	N/A	N/A
Note: IGA = Intergovernmental Agreement; MFY = Multiple Fiscal Year					
Date of Last Election: May 5, 2020					

EXHIBIT C

LIST OF DISTRICTS' INTERGOVERNMENTAL AGREEMENTS

Eligible Governmental Entity Agreement between the Statewide Internet Portal Authority of the State of Colorado and the District, dated June 7, 2018.

Gateway Improvements Funding Agreement by and between the District and the City and County of Denver, dated September 17, 2019.

EXHIBIT D

CURRENT CONTRACTS FOR SERVICES OR CONSTRUCTION OF THE DISTRICTS

1. Engagement Agreement dated December 9, 2016 between the District and McGeady Becher P.C. for General Counsel Services.
2. Engagement Agreement dated December 13, 2016 between the District and CliftonLarsonAllen LLP for District Accounting Services.
3. Management Agreement dated December 9, 2016 between the District and Special District Management Services, Inc. for District Management Services.
4. Master Service Agreement dated February 28, 2017 between the District and Independent District Engineering Services, LLC for engineering services.
5. Master Service Agreement between the District and Possibilities for Design, Inc. for Design Services, dated October 12, 2017.
6. Master Service Agreement between the District and ETG Systems, Inc. for Design Services, dated April 23, 2018.
7. Master Service Agreement between the District and Norris Design for Design Services, dated December 26, 2017.
8. Service Agreement between the District and Pet Scoop, Inc. for Pet Waste Removal Services, dated November 15, 2018.
9. Service Agreement between the District and Xpress Bill Pay for ACH and Other Related Services, dated October 12, 2017.
10. Engagement Agreement with Dazzio & Associates, PC for Audit Preparation.
11. Service Agreement with Absolute Pool Management, LLC for Pool Operation Services, dated March 28, 2019.
12. Master Service Agreement with All American Electrostatic Painting for Fencing Paint, dated April 23, 2019.
13. Engagement Letter with Altitude Community Law for Legal Services, dated April 1, 2019.
14. Master Service Agreement with BSC Signs for Pole Lights, dated July 18, 2019.
15. Service Agreement with ETG Systems, Inc. for Security Services, dated March 20, 2019.

16. Master Service Agreement with Front Range Aquatech for Pool Covers, dated August 19, 2019.
17. Service Agreement with Nu Style Landscape and Development, LLC for Landscape Services, dated June 6, 2019.
18. Service Agreement with Nu Style Landscape and Development, LLC, for Snow Removal, dated September 24, 2019.
19. Service Agreement with Rocky Mountain Security, LLC for Pool Security Services, dated April 10, 2019.
20. First Addendum to Management Agreement with Special District Management Services, Inc. (“SDMS”) for Management Services, dated June 25, 2019.
21. Service Agreement with Specialized Cleaning Services, Inc. for Cleaning Services, dated May 15, 2019.
22. Master Service Agreement with Split Rail Fencing & Supply Company for Fencing dated April 24, 2019.
23. Facilities Management Agreement by and between the District and YMCA, dated April 15, 2019.
24. Engagement Letter with Aspen Reserve Specialties for a Reserve Study, dated June 15, 2020.
25. Service Agreement with Landtech Contractors, Inc. for snow removal services for the 2020-2021 season, dated September 8, 2020.
26. Service Agreement with Absolute Pool Management, LLC for 2021 pool maintenance, dated December 8, 2020.
27. Service Agreement with LandTech Landscaping, Inc. for 2021 landscape maintenance, dated December 8, 2020.