

2022 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, 2022 to December 31, 2022.

- i. Annual budget of the District:

Attached as Exhibit A is a copy of the 2023 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 is in the process of coordinating with the City for the construction of a City Park.

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

Attached as Exhibit B is a copy of the 2022 Audit.

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

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

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 (collectively, the “2022 Loans”).

- v. Current members of the Board of Directors:

Jeff Hall, President, Term – May 2025
Tina Woodard, Secretary, Term – May 2027
Shawn Hampton; Assistant Secretary, Term – May 2025
Vacancy, Term – May 2025
Vacancy, Term – May 2027

- vi. Any bylaws, rules and regulations of the District regarding bidding, conflict of interest, contracting and other governance matters / Access information to obtain a copy of rules and regulations adopted:

The District has adopted policies regarding Colorado Open Records Act Requests and Records Retention, Enforcement of Protective Covenants, Third 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.

Adopted rules and regulations may be accessed at the office of the District's Manager, Timberline District Consulting, LLC, 25633 Roxana Pointe Drive, Evergreen, Co 80439 (720-327-6035), or on the Districts' website: <https://dcwmd.colorado.gov/>.

- vii. Current intergovernmental agreements, amendments or terminations among the District:

Attached as Exhibit D is a list of current IGAs.

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

Attached as Exhibit E 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 closed on its 2022 Loans on March 29, 2022, and required documents were provided 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 Timberline District Consulting, LLC
25633 Roxana Pointe Drive, Evergreen, CO 80439
720-327-6035 – phone
Shanda Flores, Community Manager for the District
Flores@timberlinedc.com**

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

There have not been any changes in proposed development assumptions.

The following information required by Section 32-1-207(3)(c)(II), C.R.S. (and not already disclosed above) is also provided:

- xii. Boundary changes made:

The District had no boundary changes in 2022.

- xiii. Summary of litigation involving the District's public improvements:

The District's public improvements were not involved in any litigation in 2022.

- xiv. Status of the District's construction of public improvements:

The District did not construct any public improvements in 2022.

- xv. Conveyances or dedications of facilities or improvements, constructed by the District, to the City:

The District did not convey or dedicate any facilities or improvements constructed by the District to the City in 2022.

- xvi. Final assessed valuation of the District for the report year:

The gross assessed valuation of the District for the report year is \$17,932,490.

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

To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.

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

To our knowledge, the District is able to pay its obligations as they come due.

EXHIBIT A

2023 BUDGET

RESOLUTION NO. 2022-11-04

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

RESOLUTION OF THE BOARD OF DIRECTORS OF DENVER CONNECTION WEST METROPOLITAN DISTRICT, CITY AND COUNTY OF DENVER, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2023

- A. The Board of Directors of Denver Connection West Metropolitan District (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.
- B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body by October 15, 2022 for its consideration.
- C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 22, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.
- D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.
- E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.
- F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.
- G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DENVER CONNECTION WEST METROPOLITAN DISTRICT, CITY AND COUNTY OF DENVER, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.
2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 22, 2022.

**DENVER CONNECTION WEST
METROPOLITAN DISTRICT**

By: Marc Robson
President

Attest:

By: Tina Woodard
Secretary

EXHIBIT A

Budget

DENVER CONNECTION WEST METROPOLITAN DISTRICT
Annual Budget
For the Year Ending December 31, 2023

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

01/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 2,114,439	\$ 2,194,196	\$ 1,644,815
REVENUE			
Property taxes	878,510	1,672,590	1,660,997
Specific ownership tax	47,403	105,078	83,050
Interest income	991	4,900	17,500
Loan issuance - Series 2022 A-1	-	11,350,000	-
Loan issuance - Series 2022 A-2	-	105,000	-
Loan issuance - Series 2022 A-2	-	1,295,000	-
Loan issuance - Series 2023 B	-	-	3,489,000
Administrative/Closing Fees	21,536	15,000	10,000
Operations and Maintenance Fees	559,755	-	-
Other revenue	2,966	140	200
Reimbursed expenditures	-	47,939	10,000
Developer advance	17,267	-	2,100,000
HUB rental fees	-	8,000	8,000
Total revenue	<u>1,528,428</u>	<u>14,603,647</u>	<u>7,378,747</u>
TRANSFERS IN	<u>51,972</u>	<u>226,514</u>	<u>54,570</u>
Total funds available	<u>3,694,839</u>	<u>17,024,357</u>	<u>9,078,132</u>
EXPENDITURES			
General Fund	161,451	249,028	381,000
General Fund - Special Revenue	420,461	699,000	548,000
Debt Service Fund	810,212	13,880,000	719,000
Capital Projects Fund	55,118	275,000	6,714,957
Capital Projects Reserve Fund	1,429	50,000	-
Total expenditures	<u>1,448,671</u>	<u>15,153,028</u>	<u>8,362,957</u>
TRANSFERS OUT	<u>51,972</u>	<u>226,514</u>	<u>54,570</u>
Total expenditures and transfers out requiring appropriation	<u>1,500,643</u>	<u>15,379,542</u>	<u>8,417,527</u>
ENDING FUND BALANCES	<u>\$ 2,194,196</u>	<u>\$ 1,644,815</u>	<u>\$ 660,605</u>
EMERGENCY RESERVE	\$ 5,600	\$ 27,200	\$ 27,400
SPECIAL REVENUE FUND RESERVE	17,600	-	-
DEBT SERVICE RESERVE 2017A BONDS	793,519	-	-
TOTAL RESERVE	<u>\$ 843,423</u>	<u>\$ 123,076</u>	<u>\$ 53,501</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

01/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION - DENVER COUNTY			
Residential	\$ 14,793,300	\$ 17,782,470	\$ 17,301,520
Commercial	300,410	243,350	242,300
Personal	-	4,040	3,330
State assessed	626,280	703,800	370,800
Vacant land	75,130	5,590	14,540
	<u>15,795,120</u>	<u>18,739,250</u>	<u>17,932,490</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 15,795,120</u>	<u>\$ 18,739,250</u>	<u>\$ 17,932,490</u>
MILL LEVY			
General	11.133	44.790	46.858
Debt Service	44.531	44.531	45.767
Total mill levy	<u>55.664</u>	<u>89.321</u>	<u>92.625</u>
PROPERTY TAXES			
General	\$ 175,847	\$ 839,331	\$ 840,281
Debt Service	703,372	834,478	820,716
Levied property taxes	879,220	1,673,809	1,660,997
Adjustments to actual/rounding	(710)	(2,431)	-
Budgeted property taxes	<u>\$ 878,510</u>	<u>\$ 1,671,378</u>	<u>\$ 1,660,997</u>
BUDGETED PROPERTY TAXES			
General	\$ 175,705	\$ 838,112	\$ 840,281
Debt Service	702,804	833,266	820,716
	<u>\$ 878,510</u>	<u>\$ 1,671,378</u>	<u>\$ 1,660,997</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

01/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 8,493	\$ 32,304	\$ 123,076
REVENUE			
Property taxes	175,705	838,112	840,281
Specific ownership tax	9,480	43,078	42,014
Interest income	77	1,900	3,500
HUB rental fees	-	8,000	8,000
Closing fees	-	15,000	10,000
Other revenue	-	140	200
Reimbursed expenditures	-	10,000	10,000
Total revenue	<u>185,262</u>	<u>916,230</u>	<u>913,995</u>
TRANSFERS IN			
Transfers from other funds	-	174,542	-
Total funds available	<u>193,755</u>	<u>1,123,076</u>	<u>1,037,071</u>
EXPENDITURES			
General and administrative			
Accounting	46,749	55,000	60,000
Auditing	4,900	5,100	5,100
County Treasurer's fee	1,767	8,393	8,403
Dues and licenses	5,880	1,045	6,500
Insurance	-	-	30,000
District/Community management	35,515	76,000	150,000
Election	-	13,780	15,000
Language translation	-	-	5,000
Legal services	65,560	85,000	65,000
Legal - Covenant Collections	-	-	12,000
Mediation	-	-	5,000
Miscellaneous	1,080	-	2,000
Website Creation/Maintenance/Management	-	-	15,000
Contingency	-	4,710	1,997
General and administrative - HUB			
Accounting	-	4,000	-
Dues and licenses	-	3,000	-
Insurance and bonds	-	25,555	-
Miscellaneous	-	2,000	-
Administrative management	-	92,000	-
District management	-	3,000	-
Legal services	-	10,000	-
Contingency	-	2,445	-
Operations and maintenance - HUB			
Clubhouse operations/supplies	-	54,500	55,000
Covenant control - collection expenses	-	12,000	-
Pool maintenance	-	-	30,000
Repairs and maintenance - HUB	-	-	10,000
Social committee	-	20,000	20,000
Landscaping Maintenance - base	-	197,500	-
Utility - water/sewer	-	28,000	30,000
Utility - electricity	-	18,000	18,000
Snow Removal - HUB	-	60,000	-
Security	-	59,000	75,000
Maintenance/repairs - HUB/Common Areas			
Dog park stations	-	15,000	15,000
Irrigation repairs	-	-	22,000
Landscaping Maintenance - base	-	-	110,000
Plant material replacements	-	-	25,000
Pool maintenance	-	25,000	-
Repairs and maintenance - Common Areas	-	38,000	25,000
Snow Removal - Common Areas	-	20,000	80,000
Landscape enhancements	-	10,000	33,000
Total expenditures	<u>161,451</u>	<u>948,028</u>	<u>929,000</u>
TRANSFERS OUT - HUB IMPROVEMENTS			
Transfers to other fund - Capital Project Reserve	-	51,972	54,570
Total expenditures and transfers out requiring appropriation	<u>161,451</u>	<u>1,000,000</u>	<u>983,570</u>
ENDING FUND BALANCE	<u>\$ 32,304</u>	<u>\$ 123,076</u>	<u>\$ 53,501</u>
EMERGENCY RESERVE	\$ 5,600	\$ 27,200	\$ 27,400
AVAILABLE FOR OPERATIONS	26,704	95,876	26,101
TOTAL RESERVE	<u>\$ 32,304</u>	<u>\$ 123,076</u>	<u>\$ 53,501</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

01/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 62,718	\$ 174,542	-
REVENUE			
Admin fees	21,536	-	-
Operations and maintenance fee	559,755	-	-
Reimbursed expenditures	-	-	-
Other revenue	2,966	-	-
Total revenue	<u>584,257</u>	<u>-</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>646,975</u>	<u>174,542</u>	<u>-</u>
EXPENDITURES			
General and administrative			
Accounting	3,000	-	-
Dues and licenses	-	-	-
Insurance and bonds	27,124	-	-
Miscellaneous	5,011	-	-
Administrative management	74,106	-	-
District management	15,058	-	-
Legal services	3,200	-	-
Contingency	-	-	-
Operations and maintenance			
Clubhouse operations/supplies	15,592	-	-
Covenant control - collection expenses	15,647	-	-
Social committee	2,381	-	-
Landscaping Maintenance	85,965	-	-
Utility - water/sewer	19,965	-	-
Utility - electricity	12,775	-	-
Snow Removal	49,927	-	-
Security	30,675	-	-
Maintenance/repairs			
Dog park stations	10,051	-	-
Pool maintenance	18,825	-	-
Repairs and maintenance	31,159	-	-
Landscaping improvements	-	-	-
Total expenditures	<u>420,461</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund - Capital Project Reserve	51,972	-	-
Transfers to other fund - General Fund	<u>-</u>	<u>174,542</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>472,433</u>	<u>174,542</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 174,542</u>	<u>\$ -</u>	<u>\$ -</u>
SPECIAL REVENUE FUND RESERVE	<u>\$ 17,600</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ 17,600</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

01/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,993,967	\$ 1,925,397	\$ 294,875
REVENUE			
Property taxes	702,805	834,478	820,716
Specific ownership tax	37,923	62,000	41,036
Interest income	914	3,000	14,000
Loan issuance - Series 2022 A-1	-	11,350,000	-
Total revenue	741,642	12,249,478	875,752
Total funds available	2,735,609	14,174,875	1,170,627
EXPENDITURES			
General and administrative			
County Treasurer's fee	7,034	8,345	8,354
Contingency	-	34,877	4,726
Debt Service			
Bond interest - Series 2017A	520,838	-	-
Bond interest - Series 2017B	201,840	-	-
Bond principal - Series 2017A	-	-	-
Bond principal - Series 2017B	75,000	-	-
Cost of issuance - Loan 2022	-	157,045	-
Loan principal - Series 2022 A-1	-	230,000	215,000
Loan principal - Series 2022 A-2	-	2,000	27,000
Loan interest - Series 2022 A-1	-	298,379	404,768
Loan interest - Series 2022 A-2	-	27,757	53,152
Paying agent fees	5,500	7,417	6,000
Payment to Refunding Escrow	-	13,114,180	-
Total expenditures	810,212	13,880,000	719,000
Total expenditures and transfers out requiring appropriation	810,212	13,880,000	719,000
ENDING FUND BALANCE	\$ 1,925,397	\$ 294,875	\$ 451,627
DEBT SERVICE RESERVE 2017A BONDS	\$ 793,519	\$ -	\$ -
SURPLUS RESERVE	969,000	-	-
DEBT SERVICE FUND BALANCE	162,878	-	-
TOTAL RESERVE	\$ 1,925,397	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 869	\$ (36,982)	\$ 1,125,957
REVENUE			
Developer advance	17,267	-	2,100,000
Reimbursed expenditures	-	37,939	-
Loan issuance - Series 2022 A-2	-	105,000	-
Loan issuance - Series 2022 A-2	-	1,295,000	-
Loan issuance - Series 2023 B	-	-	3,489,000
Total revenue	17,267	1,437,939	5,589,000
Total funds available	18,136	1,400,957	6,714,957
EXPENDITURES			
General and Administrative			
Legal services	25,033	40,000	-
Cost of issuance - Loan 2022 A-2	-	105,000	-
Cost of issuance - Loan 2023 B	-	-	104,670
Contingency	-	-	50,000
Capital Projects			
Public art	-	-	250,000
Engineering	30,085	40,000	50,000
Parks and landscaping	-	90,000	6,260,287
Total expenditures	55,118	275,000	6,714,957
Total expenditures and transfers out requiring appropriation	55,118	275,000	6,714,957
ENDING FUND BALANCE	\$ (36,982)	\$ 1,125,957	\$ -

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
CAPITAL PROJECTS RESERVE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

01/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 48,392	\$ 98,935	\$ 100,907
TRANSFERS IN			
Transfer from other funds	51,972	51,972	54,570
Total funds available	100,364	150,907	155,477
EXPENDITURES			
Contingency	-	7,885	-
Security camera	-	42,115	-
Reserve for Capital improvements - Reserve Stud	1,429	-	-
Total expenditures	1,429	50,000	-
Total expenditures and transfers out requiring appropriation	1,429	50,000	-
ENDING FUND BALANCE	\$ 98,935	\$ 100,907	\$ 155,477

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
2023 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, 2023, the adjusted maximum mill levy for debt service is 45.767 mills and for the general fund mill levy is 46.858.

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
2023 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 4%.

Administrative/Closing Fees

The District imposes an 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.

HUB Rental Fees

The District is collecting a fee for the use or rental of the HUB Facility. The rental fee is \$150 per event and \$100 is the tenant users liability insurance protection fee per event.

Expenditures

General, Administrative, Operating and Maintenance 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 General Fund budget.

County Treasurer's Fees

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

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2022 A-1 Loan and Series 2022 A-2 Loans (discussed under Debt and Leases).

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On March 29, 2022 the District issued its Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Loan, Series 2022A-1, in the original aggregate principal amount of \$11,350,000 (the “Series 2022 A Loan”) and its Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan, Series 2022 A-2 in the original aggregate principal amount of up to \$1,400,000 (the “Series 2022A-2 Loan” and together with the 2022 A-1 Loan, the 2022 Loans”). The 2022 A-2 Loan has been incurred on the date hereof in the initial amount of \$105,000 (“Initial Advance”) pursuant to the Loan Agreement.

The Series 2022 A-1 Loan was issued for the purpose of (i) refunding the 2017 Bonds; and (ii) paying the costs related to the issuance of the Series 2022 A-1 Loan. The issuance of the Series 2022 A-1 Loan reduces interest costs relating to the 2017 Bonds or effects other economies and, accordingly, the Series 2022 A-1 Loan is being issued pursuant to Part 13 of Article 1 of Title 32, C.R.S. In addition, the refunding of the 2017 Bonds with proceeds of the Series 2022 A-1 Loan constitutes a refinancing of District bonded debt at a lower interest rate and Article X, Section 20 of the Colorado Constitution provides that voter approval in advance is not required for refinancing district bonded debt at a lower interest rate.

The Series 2022 A-2 Loan was issued for the purpose of (i) financing and refinancing the costs of certain public improvements, and (ii) paying the costs related to the issuance of Series 2022 A-2 Loan.

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. For tax collection year 2023, the adjusted maximum mill levy is 45.767.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debts and Leases (continued)

	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	\$ -	\$ -
G.O. Subordinate Bonds - Series 2017B	2,448,000	-	2,448,000	-	-
G.O. Refunding Loan 2022A-1	-	11,350,000	230,000	11,120,000	\$ 215,000
G.O. Improvement Loan 2022A-2, Initial Draw	-	105,000	2,000	103,000	2,000
G.O. Improvement Loan 2022A-2, Draw #2	-	1,295,000	25,000	1,270,000	25,000
Developer Advances - General	110,576	-	-	110,576	-
Interest on Developer Advances - General	33,627	8,846	-	42,473	-
Developer Advances - Capital	15,824,791	69,131	-	15,893,922	-
Interest on Developer Advances - Capital	4,258,341	1,264,602	-	5,522,943	-
Total	<u>\$ 32,365,335</u>	<u>\$ 14,092,579</u>	<u>\$ 12,395,000</u>	<u>\$ 34,062,914</u>	<u>\$ 242,000</u>

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
G.O. Refunding Loan 2022A-1	\$ 11,120,000	\$ -	\$ 215,000	\$ 10,905,000	\$ 235,000
G.O. Improvement Loan 2022A-2, Initial Draw	103,000.00	-	2,000	\$ 101,000	2,000
G.O. Improvement Loan 2022A-2, Draw #2	1,270,000	-	25,000	1,245,000	27,000
Developer Advances - General	110,576	-	-	110,576	-
Interest on Developer Advances - General	42,473	8,846	-	51,319	-
Developer Advances - Capital	15,893,922	2,100,000	-	17,993,922	-
Interest on Developer Advances - Capital	5,522,943	1,270,132	-	6,793,075	-
Total	<u>\$ 34,062,914</u>	<u>\$ 3,378,978</u>	<u>\$ 242,000</u>	<u>\$ 37,199,892</u>	<u>\$ 264,000</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.

This information is an integral part of the accompanying budget.

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

**\$11,350,000 Limited Tax (Convertible to Unlimited Tax) General Obligation
Refunding Loan
Series 2022A-1
March 29, 2022**

Principal due December 1

Interest Rates 4.03% taxable through 9/17/22, 3.64% tax exempt to 12/01/2041

Assumes 4.50% thereafter, Payable

Year Ended December 31,	June 1 and December 1		
	Principal	Interest	Total
2022	\$ 230,000	\$ 298,379	\$ 528,379
2023	215,000	404,768	619,768
2024	235,000	396,942	631,942
2025	245,000	388,388	633,388
2026	265,000	379,470	644,470
2027	275,000	369,824	644,824
2028	295,000	359,814	654,814
2029	310,000	349,076	659,076
2030	330,000	337,792	667,792
2031	345,000	325,780	670,780
2032	370,000	313,222	683,222
2033	380,000	299,754	679,754
2034	410,000	285,922	695,922
2035	425,000	270,998	695,998
2036	455,000	255,528	710,528
2037	470,000	238,966	708,966
2038	500,000	221,858	721,858
2039	520,000	203,658	723,658
2040	550,000	184,730	734,730
2041	570,000	164,710	734,710
2042	575,000	177,975	752,975
2043	600,000	152,100	752,100
2044	640,000	125,100	765,100
2045	670,000	96,300	766,300
2046	715,000	66,150	781,150
2047	755,000	22,650	777,650
	<u>\$ 11,350,000</u>	<u>\$ 6,689,859</u>	<u>\$ 18,039,859</u>

No assurance provided. See summary of significant assumptions.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENT TO MATURITY**

\$1,400,000 Limited Tax (Convertible to Unlimited Tax) General Obligation

Improvement Loan

Series 2022A-2

March 29, 2022

Principal due December 1

Interest Rates 3.64% tax-exempt through 12/01/2041

Assumes 4.50% thereafter, Payable

Initial Draw

Year Ended December 31,	June 1 and December 1		
	Principal	Interest	Total
2022	\$ 2,000	\$ 2,569	\$ 4,569
2023	2,000	3,749	5,749
2024	2,000	3,676	5,676
2025	2,000	3,603	5,603
2026	2,000	3,530	5,530
2027	3,000	3,458	6,458
2028	3,000	3,348	6,348
2029	3,000	3,239	6,239
2030	3,000	3,130	6,130
2031	3,000	3,021	6,021
2032	4,000	2,912	6,912
2033	4,000	2,766	6,766
2034	4,000	2,620	6,620
2035	4,000	2,475	6,475
2036	4,000	2,330	6,330
2037	5,000	2,184	7,184
2038	5,000	2,002	7,002
2039	5,000	1,820	6,820
2040	5,000	1,638	6,638
2041	5,000	1,456	6,456
2042	5,000	1,575	6,575
2043	6,000	1,350	7,350
2044	6,000	1,080	7,080
2045	6,000	810	6,810
2046	6,000	540	6,540
2047	6,000	180	6,180
	<u>\$ 105,000</u>	<u>\$ 61,066</u>	<u>\$ 166,066</u>

No assurance provided. See summary of significant assumptions.

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

\$1,400,000 Limited Tax (Convertible to Unlimited Tax) General Obligation

Improvement Loan

Series 2022A-2

March 29, 2022

Principal due December 1

Interest Rates 3.64% tax-exempt through 12/01/2041

Assumes 4.50% thereafter, Payable

Draw #2

Year Ended December 31,	June 1 and December 1		
	Principal	Interest	Total
2022	\$ 25,000	\$ 25,187	\$ 50,187
2023	25,000	49,403	74,403
2024	27,000	48,430	75,430
2025	27,000	47,380	74,380
2026	31,000	46,330	77,330
2027	30,000	45,124	75,124
2028	36,000	43,957	79,957
2029	33,000	42,556	75,556
2030	40,000	41,273	81,273
2031	38,000	39,716	77,716
2032	41,000	38,238	79,238
2033	46,000	36,643	82,643
2034	46,000	34,854	80,854
2035	48,000	33,065	81,065
2036	50,000	31,197	81,197
2037	53,000	29,253	82,253
2038	58,000	27,191	85,191
2039	58,000	24,935	82,935
2040	65,000	22,679	87,679
2041	67,000	20,150	87,150
2042	64,000	20,295	84,295
2043	67,000	17,415	84,415
2044	73,000	14,400	87,400
2045	76,000	11,115	87,115
2046	81,000	7,695	88,695
2047	90,000	2,700	92,700
	<u>\$ 1,295,000</u>	<u>\$ 801,186</u>	<u>\$ 2,096,186</u>

No assurance provided. See summary of significant assumptions.

I, Tina Woodard, hereby certify that I am the duly appointed Secretary of the Denver Connection West Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Denver Connection West Metropolitan District held on November 22, 2022.

Tina Woodard
Secretary

RESOLUTION NO. 2022-11-05

RESOLUTION TO SET MILL LEVIES

RESOLUTION OF THE DENVER CONNECTION WEST METROPOLITAN DISTRICT LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE YEAR 2022, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2023 BUDGET YEAR

A. The Board of Directors of the Denver Connection West Metropolitan District (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 22, 2022.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Denver Connection West Metropolitan District, City and County of Denver, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of the City and County of Denver, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 22, 2022.

**DENVER CONNECTION WEST
METROPOLITAN DISTRICT**

By: Marc Robson
President

Attest:

By: Tina Woodard
Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of City and County of Denver, Colorado.

On behalf of the Denver Connection West Metropolitan District,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Denver Connection West Metropolitan District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 17,932,490 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 17,932,490 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/15/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>46.858</u> mills	\$ <u>840,281</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	46.858 mills	\$ 840,281
3. General Obligation Bonds and Interest ^J	<u>45.767</u> mills	\$ <u>820,716</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	92.625 mills	\$ 1,660,997

Contact person: Marc Robson Daytime phone: (303) 779 - 5710
(print)

Signed: Marc Robson Title: Board member

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

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

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|-------------------------------------|
| 1. | Purpose of Issue: | General Obligation Refunding Loan |
| | Series: | 2022A |
| | Date of Issue: | 03/29/2022 |
| | Coupon Rate: | Interest rate between 4.03% - 4.50% |
| | Maturity Date: | December 1, 2047 |
| | Levy: | 40.526 |
| | Revenue: | \$726,732 |
| | | |
| 2. | Purpose of Issue: | General Obligation Refunding Loan |
| | Series: | 2022B |
| | Date of Issue: | 03/29/2022 |
| | Coupon Rate: | Interest rate between 3.64% - 4.50% |
| | Maturity Date: | December 01, 2047 |
| | Levy: | 5.241 |
| | Revenue: | \$93,984 |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

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

I, Tina Woodard, hereby certify that I am the duly appointed Secretary of the Denver Connection West Metropolitan District, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Dener Connection West Metropolitan District held on November 22, 2022.

Tina Woodard

Secretary

EXHIBIT B

Audit

**DENVER CONNECTION WEST
METROPOLITAN DISTRICT
CITY AND COUNTY OF DENVER, COLORADO**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
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**DENVER CONNECTION WEST METROPOLITAN DISTRICT
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**SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY
TAXES COLLECTED**

33



Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Denver Connection West Metropolitan District
City and County of Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Denver Connection West Metropolitan District (the District), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2022, and the respective changes in financial position and the respective budgetary comparisons for the General Fund and the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of 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, 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.

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• Member American Institute of Certified Public Accountants • Member Colorado Society of Certified Public Accountants •

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, 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.

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 opinion on the basic financial statements is 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 purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Dassio & Associates, P.C.

August 23, 2023

BASIC FINANCIAL STATEMENTS

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 473,933
Cash and Investments - Restricted	372,437
Prepaid Expense	30,609
Accounts Receivable	29,291
Property Taxes Receivable	1,660,997
Receivable from County Treasurer	5,364
Capital Assets Not Being Depreciated	4,946,264
Capital Assets Being Depreciated	<u>4,792,525</u>
Total Assets	<u>12,311,420</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Cost of Debt Refunding	<u>247,929</u>
Total Deferred Outflows of Resources	<u>247,929</u>
 LIABILITIES	
Accounts Payable	317,776
Accrued Interest Payable	34,043
Noncurrent Liabilities:	
Due Within One Year	217,000
Due in More Than One Year	<u>32,508,165</u>
Total Liabilities	<u>33,076,984</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	<u>1,660,997</u>
Total Deferred Inflows of Resources	<u>1,660,997</u>
 NET POSITION	
Restricted for:	
Emergency Reserves	27,500
Debt Service	313,566
Unrestricted	<u>(22,519,698)</u>
Total Net Position	<u><u>\$ (22,178,632)</u></u>

See accompanying Notes to Basic Financial Statements.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Government Activities:					
General Government	\$ 1,072,373	29,025	\$ -	\$ -	\$ (1,043,348)
Interest and Related Costs on Long-Term Debt	2,431,397	-	-	58,275	(2,373,122)
Total Governmental Activities	\$ 3,503,770	\$ 29,025	\$ -	\$ 58,275	(3,416,470)
GENERAL REVENUES					
Property Taxes					1,671,378
Specific Ownership Taxes					85,910
Interest Income					15,969
Total General Revenues					1,773,257
CHANGES IN NET POSITION					
					(1,643,213)
Net Position - Beginning of Year					(20,535,419)
NET POSITION - END OF YEAR					
					\$ (22,178,632)

See accompanying Notes to Basic Financial Statements.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Special Revenue	Debt Service	Capital Projects	Capital Projects Reserve	Total Governmental Funds
ASSETS						
Cash and Investments	\$ 323,030	\$ -	\$ -	\$ -	\$ 150,903	\$ 473,933
Cash and Investments - Restricted	27,500	-	344,935	2	-	372,437
Accounts Receivable	29,291	-	-	-	-	29,291
Receivable from County Treasurer	2,690	-	2,674	-	-	5,364
Property Taxes Receivable	840,281	-	820,716	-	-	1,660,997
Prepaid Insurance	30,159	-	-	-	-	30,159
Prepaid Expense	450	-	-	-	-	450
	<u>\$ 1,253,401</u>	<u>\$ -</u>	<u>\$ 1,168,325</u>	<u>\$ 2</u>	<u>\$ 150,903</u>	<u>\$ 2,572,631</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ 118,942	\$ -	\$ -	\$ 156,723	\$ 42,111	\$ 317,776
Total Liabilities	118,942	-	-	156,723	42,111	317,776
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Taxes	840,281	-	820,716	-	-	1,660,997
Total Deferred Inflows of Resources	840,281	-	820,716	-	-	1,660,997
FUND BALANCES						
Nonspendable:						
Prepaid Expenses	30,609	-	-	-	-	30,609
Restricted for:						
Emergency Reserves	27,500	-	-	-	-	27,500
Debt Service	-	-	347,609	-	-	347,609
Assigned to:						
Capital Projects	-	-	-	-	108,792	108,792
Subsequent Year's Expenditures	69,575	-	-	-	-	69,575
Unassigned	166,494	-	-	(156,721)	-	9,773
Total Fund Balances (Deficit)	<u>294,178</u>	<u>-</u>	<u>347,609</u>	<u>(156,721)</u>	<u>108,792</u>	<u>593,858</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,253,401</u>	<u>\$ -</u>	<u>\$ 1,168,325</u>	<u>\$ 2</u>	<u>\$ 150,903</u>	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets are recorded as assets on the statement of net position, but are recorded as expenditures in the funds.						
Capital Assets, Net						9,738,789
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.						
Cost of Refunding						247,929
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are and reported in the funds.						
Loans Payable						(11,223,000)
Accrued Interest on Loan Payable-2022A-1						(33,731)
Accrued Interest on Loan Payable-2022A-2						(312)
Developer Advance Payable - Accrued Interest						(5,566,798)
Developer Advance Payable						(15,935,367)
Net Position of Governmental Activities						<u>\$ (22,178,632)</u>

See accompanying Notes to Basic Financial Statements.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICITS) –GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Debt Service	Capital Projects	Capital Projects Reserve	Total Governmental Funds
REVENUES						
General:						
Property Taxes	\$ 838,112	\$ -	\$ 833,266	\$ -	\$ -	\$ 1,671,378
Specific Ownership Tax	43,080	-	42,830	-	-	85,910
Interest Income	5,738	-	10,206	25	-	15,969
Other Revenue	425	-	-	-	-	425
HUB Rental Fees	12,100	-	-	-	-	12,100
Closing Fees	16,500	-	-	-	-	16,500
Reimbursed Expenditures	259	-	-	58,275	-	58,534
Total Revenues	916,214	-	886,302	58,300	-	1,860,816
EXPENDITURES						
General and Administrative						
Accounting	55,000	-	-	-	-	55,000
Auditing	5,100	-	-	-	-	5,100
County Treasurer's Fee	8,376	-	8,328	-	-	16,704
District Management	97,017	-	-	-	-	97,017
Dues and Licenses	1,045	-	-	-	-	1,045
Legal Services	95,435	-	-	110,089	-	205,524
Election	13,900	-	-	-	-	13,900
Website Creation/Maintenance/Management	4,603	-	-	-	-	4,603
Engineering	-	-	-	16,520	-	16,520
Parks and Landscaping	-	-	-	93,400	-	93,400
Reserve for Capital Improvements - Reserve Study	-	-	-	-	42,115	42,115
General and Administrative - HUB						
Accounting	3,999	-	-	-	-	3,999
Administrative Management	69,976	-	-	-	-	69,976
District Management	4,978	-	-	-	-	4,978
Dues and Licenses	3,000	-	-	-	-	3,000
Insurance and Bonds	25,555	-	-	-	-	25,555
Legal Services	4,516	-	-	-	-	4,516
Miscellaneous	4,060	-	-	-	-	4,060
Operations and Maintenance - HUB						
Clubhouse Operations/Supplies	11,693	-	-	-	-	11,693
Covenant Control	7,800	-	-	-	-	7,800
Landscaping Maintenance	81,730	-	-	-	-	81,730
Utility - Water/Sewer	23,438	-	-	-	-	23,438
Utility - Electricity	18,207	-	-	-	-	18,207
Security	43,145	-	-	-	-	43,145
Snow Removal	95,508	-	-	-	-	95,508
Social Committee	15,237	-	-	-	-	15,237
Maintenance/Repairs - HUB						
Dog Park Stations	10,111	-	-	-	-	10,111
Landscape Improvements	554	-	-	-	-	554
Pool Maintenance	31,515	-	-	-	-	31,515
Repairs and Maintenance	41,412	-	-	-	-	41,412
Debt Service						
Paying Agent Fees	-	-	7,417	-	-	7,417
Cost of Issuance - Loan 2022	-	-	129,810	84,560	-	214,370
Loan Interest - Series 2022 A-1	-	-	298,256	-	-	298,256
Loan Principal - Series 2022 A-1	-	-	230,000	-	-	230,000
Loan Interest - Series 2022 A-2	-	-	2,569	-	-	2,569
Loan Principal - Series 2022 A-2	-	-	2,000	-	-	2,000
Total Expenditures	776,910	-	678,380	304,569	42,115	1,801,974
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	139,304	-	207,922	(246,269)	(42,115)	58,842
OTHER FINANCING SOURCES (USES)						
Transfer to Other Funds	(51,972)	(174,542)	(21,530)	-	-	(248,044)
Transfer from Other Funds	174,542	-	-	21,530	51,972	248,044
Payment to Refunding Escrow	-	-	(13,114,180)	-	-	(13,114,180)
Loan Issuance - Series 2022 Loan	-	-	11,350,000	105,000	-	11,455,000
Total Other Financing Sources (Uses)	122,570	(174,542)	(1,785,710)	126,530	51,972	(1,659,180)
NET CHANGE IN FUND BALANCES	261,874	(174,542)	(1,577,788)	(119,739)	9,857	(1,600,338)
Fund Balances - Beginning of Year	32,304	174,542	1,925,397	(36,982)	98,935	2,194,196
FUND BALANCES (DEFICITS)-END OF YEAR	\$ 294,178	\$ -	\$ 347,609	\$ (156,721)	\$ 108,792	\$ 593,858

See accompanying Notes to Basic Financial Statements.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Net Changes in Fund Balances - Total Governmental Funds \$ (1,600,338)

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

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable assets over the estimated useful life of the asset. During the current period, this is the net amount of capital outlay.

Depreciation Expense	(101,073)
Capital Outlay	152,035

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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Loan Proceeds	(11,455,000)
Cost of Refunding	259,503
Cost of Refunding Amortization	(11,574)
Refunding of Bond Principal Payment Series 2017A and Series 2017B	12,138,000
Current Year Bond Principal Payment - Loan Series 2022A and Loans Series 2022A-1	232,000

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.

Accrued Interest on Bonds - Change in Liability	18,064
Accrued Interest on Developer Advances - Change in Liability	<u>(1,274,830)</u>

Change in Net Position of Governmental Activities \$ (1,643,213)

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
GENERAL FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Property Taxes	\$ 839,331	\$ 839,331	\$ 838,112	\$ (1,219)
Specific Ownership Tax	41,967	45,000	43,080	(1,920)
Interest Income	75	1,900	5,738	3,838
Other Revenue	-	140	425	285
HUB Rental Fees	1,000	8,000	12,100	4,100
Closing Fees	21,000	15,000	16,500	1,500
Reimbursed Expenditures	10,000	10,000	259	(9,741)
Total Revenues	<u>913,373</u>	<u>919,371</u>	<u>916,214</u>	<u>(3,157)</u>
EXPENDITURES				
General and Administrative				
Accounting	50,000	55,000	55,000	-
Auditing	5,200	5,100	5,100	-
Contingency	6,907	4,710	-	4,710
County Treasurer's Fee	8,393	8,393	8,376	17
District Management	45,000	76,000	97,017	(21,017)
Dues and Licenses	6,500	1,045	1,045	-
Legal Services	65,000	85,000	95,435	(10,435)
Miscellaneous	3,000	-	-	-
Election	10,000	13,780	13,900	(120)
Website Creation/Maintenance/Management	-	-	4,603	(4,603)
General and Administrative - HUB				
Accounting	4,000	4,000	3,999	1
Administrative Management	92,000	92,000	69,976	22,024
Contingency	3,200	2,445	-	2,445
District Management	3,000	3,000	4,978	(1,978)
Dues and Licenses	3,000	3,000	3,000	-
Insurance and Bonds	31,000	25,555	25,555	-
Legal Services	5,000	10,000	4,516	5,484
Miscellaneous	4,000	2,000	4,060	(2,060)
Operations and Maintenance - HUB				
Clubhouse Operations/Supplies	54,500	54,500	11,693	42,807
Covenant Control	12,000	12,000	7,800	4,200
Landscaping Maintenance	197,500	197,500	81,730	115,770
Utility - Water/Sewer	28,000	28,000	23,438	4,562
Utility - Electricity	15,000	18,000	18,207	(207)
Security	40,000	59,000	43,145	15,855
Snow Removal	60,000	60,000	95,508	(35,508)
Social Committee	20,000	20,000	15,237	4,763
Maintenance/Repairs - HUB				
Dog Park Stations	15,000	15,000	10,111	4,889
Landscape Improvements	10,000	10,000	554	9,446
Pool Maintenance	25,000	25,000	31,515	(6,515)
Repairs and Maintenance	20,000	38,000	41,412	(3,412)
Snow Removal - Common Area	-	20,000	-	20,000
Total Expenditures	<u>842,200</u>	<u>948,028</u>	<u>776,910</u>	<u>171,118</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	71,173	(28,657)	139,304	167,961
OTHER FINANCING SOURCES				
Transfer to Other Funds	(51,972)	(51,972)	(51,972)	-
Transfer from Other Funds	70,622	174,542	174,542	-
Total Other Financing Sources	<u>18,650</u>	<u>122,570</u>	<u>122,570</u>	<u>-</u>
NET CHANGE IN FUND BALANCES				
	89,823	93,913	261,874	167,961
Fund Balances - Beginning of Year				
	<u>30,212</u>	<u>32,304</u>	<u>32,304</u>	<u>-</u>
FUND BALANCES END OF YEAR				
	<u>\$ 120,035</u>	<u>\$ 126,217</u>	<u>\$ 294,178</u>	<u>\$ 167,961</u>

See accompanying Notes to Basic Financial Statements.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SPECIAL REVENUE FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES				
Transfer to Other Funds	(70,622)	(177,464)	(174,542)	2,922
Total Other Financing Sources (Uses)	(70,622)	(177,464)	(174,542)	2,922
NET CHANGE IN FUND BALANCES	(70,622)	(177,464)	(174,542)	2,922
Fund Balances - Beginning of Year	70,622	177,464	174,542	(2,922)
FUND BALANCES END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 DEFINITION OF REPORTING ENTITY

The District, a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court for the City and County of Denver and recorder on December 1, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the City and County of Denver, Colorado.

The District was established to provide financing for the construction, installation, and operation of public improvements and services, including streets, water, storm, sanitation, safety protection, and parks and recreation facilities, transportation, mosquito control, and covenant enforcement.

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.

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

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

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.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct 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.

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 District 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 District property taxes and interest. 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 Special Revenue Fund is used to account for revenues earned and expenditures incurred in connection with operations and maintenance of the District.

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 Reserve Fund is used to account for financial resources to be used for replacing and/or maintain community center and capital improvements.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of 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 has amended its annual budget for the year ended December 31, 2022.

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 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.

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.

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 property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type 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.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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.

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 fixed assets, as applicable.

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

Buildings and Improvements	50 Years
Furniture and Equipment	5 to 10 Years

Facilities Fees

On December 9, 2016 the District's Board of Directors approved and adopted the Denver Connection West Metropolitan District Facilities Fee Resolution, as recorded on February 10, 2017, for the imposition of a one-time Facilities Fee for the use of the District service system.

The Facilities Fee is charged against each residential building located within the property (Dwelling Unit) and imposes a rate of \$3,000 per Equivalent Unit, defined as the right to use the District service system for one dwelling unit (Equivalent Unit). The Facilities Fee is payable on or before the date of issuance of a building permit.

District Fees

Pursuant to Resolution No. 2017-05-01, Resolution of the Board of Directors of Denver Connection West Metropolitan District Regarding the Imposition of District Fees, which was recorded in the real property records of the City and County of Denver, Colorado, at Reception No. 2017098069, and Resolution No. 2020-11-04, Amended and Restated Resolution of the Board of Directors of Denver Connection West Metropolitan District Regarding the Imposition of District Fees, which was recorded in the real property records of the City and County of Denver, Colorado, at Reception No. 2020215237 (collectively, the "Previous O&M Resolutions"), the District imposed an operations and maintenance fee to offset the costs associated with the operations and maintenance services the District provided (the "O&M Fee"). For 2021, the O&M Fee was \$177 per quarter for each single-family unit; \$212 per quarter for each rear-loaded single-family unit; and \$196 per quarter for each townhome unit. Under the Previous O&M Resolutions, for 2021, the District also imposed an administrative fee of \$250 per unit to offset the administrative costs associated with the transfer of real property to new owners.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

District Fees (Continued)

In 2021 (for tax collection year 2022), and in accordance with the Service Plan, a majority of the Board of Directors, who were residents of the District, determined to impose a modified mill levy in the General Fund to generate the property tax revenue necessary to pay for operation and maintenance services, thus eliminating the need for the O&M Fee.

On November 23, 2021, the District adopted Resolution No. 2021-11-06, Resolution of the Board of Directors of Denver Connection West Metropolitan District Authorizing Imposition of a Modified Operations Mill Levy in Accordance with the Service Plan (the "Modified O&M Mill Levy Resolution"), under which the District authorized imposition of a mill levy in the General Fund in an amount that would generate the same amount of property tax revenue as would have been generated pursuant to the O&M Fee. For imposition year 2021 (collection year 2022), the District imposed a mill levy of 44.790 mills in the General Fund, instead of imposing the O&M Fee. Thus, for 2022, the District's major source of revenue in the General Fund is property taxes.

To clarify the District's imposition of an administrative fee, on January 25, 2022, the District adopted Resolution No. 2022-01-01, Resolution of the Board of Directors of the Denver Connection West Metropolitan District Regarding the Imposition of Administrative Fees (the "Administrative Fee Resolution"), which was recorded in the real property records of the City and County of Denver, Colorado, at Reception No. 2022027232. Under the Administrative Fee Resolution, the District imposes a fee to offset the costs of certain administrative functions related to the transfer of property (the "Administrative Fee"). For 2022, the Administrative Fee is \$250 per unit to offset the administrative costs associated with the transfer of real property to new owners.

Deferred Inflow/Outflow of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item Cost of Debt Refunding is deferred and recognized as an outflow of resources in the period that the amount is incurred.

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 assets 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.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deficits

The Capital Project Funds reported a deficit in the fund financial statements as of December 31, 2022. The deficit will be eliminated with the receipt of developer advances and bonds proceeds in 2023.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 473,933
Cash and Investments - Restricted	<u>372,437</u>
Total Cash and Investments	<u><u>\$ 846,370</u></u>

Cash and investments as of December 31, 2022 consist of the following:

Deposits with Financial Institutions	\$ 119,288
Investments	<u>727,082</u>
Total Cash and Investments	<u><u>\$ 846,370</u></u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. 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.

At December 31, 2022, the District's cash deposits had a bank balance and a carrying balance of \$118,288.

Investments

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.

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

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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.

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, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 727,082
Total Investments		<u>\$ 727,082</u>

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 currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (CONTINUED)

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. 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.

COLOTRUST EDGE, a variable net asset value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

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 PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAaf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 CAPITAL ASSETS

The following is an analysis of the changes in capital assets for the year ended December 31, 2022:

	Balance at December 31, 2021	Increases	Decreases	Balance at December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress				
Parks and Open Space	\$ 4,836,344	\$ 109,920	\$ -	\$ 4,946,264
Total Capital Assets Not Being Depreciated	4,836,344	109,920	-	4,946,264
Capital Assets, Being Depreciated:				
Furniture and Equipment	-	42,115	-	42,115
Community Center - HUB	5,053,629	-	-	5,053,629
Total Capital Assets Being Depreciated	5,053,629	-	-	5,095,744
Less Accumulated Depreciation for:				
Community Center - HUB	(202,146)	(101,073)	-	(303,219)
Total Accumulated Depreciation	(202,146)	(101,073)	-	(303,219)
Total Capital Assets, Being Depreciated, Net	4,851,483	(101,073)	-	4,792,525
Governmental Activities - Capital Assets, Net	<u>\$ 9,687,827</u>	<u>\$ 8,847</u>	<u>\$ -</u>	<u>\$ 9,738,789</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:	
General Government	<u>\$ 101,073</u>

Certain assets, primarily the Community Center, are remaining with the District for ownership and maintenance.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2022:

	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	\$ -	\$ -
G.O. Subordinate Bonds - Series 2017B	2,448,000	-	2,448,000	-	-
G.O. Refunding Loan Series 2022A	-	11,350,000	230,000	11,120,000	215,000
G.O. Refunding Loan Series 2022A-1	-	105,000	2,000	103,000	2,000
Accrued Interest - 2017B Subordinate Bonds	8,704	187,136	195,840	-	-
Developer Advances - General	110,576	-	-	110,576	-
Interest on Developer Advances - General	33,627	8,846	-	42,473	-
Developer Advances - Capital	15,824,791	-	-	15,824,791	-
Interest on Developer Advances - Capital	4,258,341	1,265,984	-	5,524,325	-
Total	<u>\$ 32,374,039</u>	<u>\$ 12,916,966</u>	<u>\$ 12,565,840</u>	<u>\$ 32,725,165</u>	<u>\$ 217,000</u>

2017A Bonds

On August 23, 2017, the District issued \$9,690,000 in Series 2017A Limited Tax (convertible to unlimited tax) General Obligation Bonds with interest of 5.375% (2017A Bonds). The 2017A Bonds are subject to redemption prior to maturity at the option of the District and due on August 1, 2047. In addition, the 2017A bonds are subject to mandatory sinking fund redemption beginning December 1, 2022.

The 2017A Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2022, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2022, to November 30, 2023	3.00%
December 1, 2023, to November 30, 2024	2.00
December 1, 2024, to November 30, 2025	1.00
December 1, 2025, and thereafter	0.00

The 2017A 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 (4) any other legally available monies which the District determines to credit to the Senior Bond Fund.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The 2017A Bonds are also secured by amounts held by the Trustee in the Reserve Fund in the amount of \$793,519. The Reserve Fund was created for the purpose of paying, if necessary, the principal of, premium, if any, and interest on the 2017A Bonds. Senior 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 2017A Bonds as the same become due and payable and to make up deficiencies in the Reserve Fund.

The maximum Senior Required Mill Levy is 40.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District.

2017B Bonds

On August 23, 2017, the District issued \$2,539,000 in Series 2017B Subordinate Bonds (2017B Bonds, together with the 2017A Bonds, the 2017 Bonds). The 2017B Bonds are special limited obligations of the District secured by and payable from the 2017B Subordinate pledged revenues, subject in all respects to the prior lien in favor of the 2017A Bonds. The Series 2017B Bonds are term bonds due on August 1, 2047 at an interest rate of 8.00%. The 2017B Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2017B Bonds compounds annually on each December 15. In the event any amount of principal or interest on the 2017B Bonds remains unpaid after the application of all Subordinate Pledged Revenue on December 15, 2057, the 2017B Bonds shall be deemed discharged.

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

Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Loan Series 2022A-1 (the “2022A-1 Loan”) and Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan Series 2022A-2 (the 2022A-2 Loan and together with the 2022A-1 Loan, the Loans). The District issued the Loans pursuant to a Loan Agreement between the District and NBH Bank on March 29, 2022, in the amount of \$11,350,000 for the 2022A-1 Loan and up to \$1,400,000 for the 2022A-2 Loan.

Proceeds from the issuance of the Series 2022A-1 General Obligation Refunding Loan (discussion follows) were placed in an irrevocable trust under an escrow agreement. The funds were used to pay the outstanding principal and interest on the Series 2017A Bonds on December 1, 2022, and the Series 2017B on December 15, 2022.

Proceeds of the 2022A-1 Loan

Proceeds from the sale of the 2022A-1 Loan were used to refund the 2017 Bonds and to pay the costs of issuing the 2022A-1 Loan. The District refunded the 2017 Bonds, having interest rates ranging from 5.375% to 8.00%, with the Series 2022A-1 Loan, having an average interest rate of 3.72% to reduce its total debt services payments over the next 25 years by \$5,883,060 and to obtain an economic gain of \$2,063,390.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Details of the Loans

A portion of the 2022A-2 Loan (the "Initial Advance") was advanced by the Lender to the District on the Closing Date in the amount of \$105,000 solely for the purpose of paying costs of issuance of the 2022A-2 Loan. The unfunded portion of the 2022A-2 Loan, equal to the Maximum Advance Amount of \$1,400,000 less the Initial Advance, is anticipated to be advanced by the Lender and applied by the District to finance or reimburse a portion of the costs of acquiring, constructing, and installing public improvements. As of December 31, 2022, the unfunded portion of the 2022A-2 Loan was \$1,295,000. No advances may occur on or after March 29, 2025.

Unused lines of credit

The Series 2022 Refunding and Improvements Loans do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the Series 2022 Refunding and Improvements Loans.

Events of default

Events of default occur if the Districts fail to impose the Required Mill Levy, or to apply the Pledged Revenues as required by the Indenture, and do not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indentures.

Termination Events

The Series 2022 Refunding and Improvements Loans do not have a termination provision.

Acceleration

The Series 2022 Refunding and Improvements Loans are not subject to acceleration.

The 2022A-1 Loan was issued at the Taxable Fixed Rate of 4.03% per annum. On September 19, 2022, the Tax-Exempt Reissuance Date, the District reissued the 2022A-1 Loan to bear interest at the Tax-Exempt Fixed Rate of 3.64% per annum. The 2022A-2 Loan bears interest at the Tax-Exempt Fixed Rate of 3.64% per annum to maturity.

Interest on the Loans is payable on each June 1 and December 1, beginning on June 1, 2022. Annual principal payments are due on each December 1, beginning December 1, 2022. Interest not paid when due shall remain due and owing until paid but shall not compound or bear additional interest. The Loans mature on December 1, 2041.

The Loans may be prepaid prior to the Maturity Date, at the option of the District, at a prepayment price equal to the sum of the principal amount of the Loans so prepaid plus accrued interest thereon to the date of such prepayment, with no prepayment fee, as follows: (a) in whole, on or after March 29, 2027; or (b), in part, at any time, from any available revenues of the District other than Pledged Revenues.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Pledged Revenue

The Loans are secured by and payable solely from and to the extent of Pledged Revenue, which means the moneys derived from the following sources, net of any costs of collection:

- (a) the Required Mill Levy;
- (b) Specific Ownership Taxes as a result of the imposition of the Required Mill Levy; and
- (c) any other legally available moneys which the District determines to apply as Pledged Revenue.

Required Mill Levy

The District has covenanted to levy the “Required Mill Levy,” generally meaning:

- (a) Prior to the Conversion Date (defined below) an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal and interest on the Loans, as the same become due and payable, but not in excess of 40 mills (as adjusted for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after January 1, 2016).
- (b) On and after the Conversion Date, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient, without limitation of rate, to pay the principal and interest on the Loans, as the same become due and payable.

The Conversion Date is the first date on which the Debt to Assessed Ratio is 50% or less. The Debt to Assessed Ratio as of any date of calculation, is the ratio derived by dividing the then-outstanding principal of all debt of the District by the most recent final assessed valuation of the District.

Events of Default

Events of default occur if the District fails to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Loan Agreement, fails to pay principal and interest on the Notes when due, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u> (1)	<u>Total</u>
2023	\$ 217,000	\$ 408,517	\$ 625,517
2024	237,000	400,618	637,618
2025	247,000	391,991	638,991
2026	267,000	383,000	650,000
2027	278,000	373,282	651,282
2028-2032	1,666,000	1,701,334	3,367,334
2033-2037	2,161,000	1,363,543	3,524,543
2038-2042	2,740,000	961,422	3,701,422
2043-2047	3,410,000	466,260	3,876,260
Total	<u>\$ 11,223,000</u>	<u>\$ 6,449,967</u>	<u>\$ 17,672,967</u>

(1) Assumes 4.5% rate from 12/01/2041 to maturity.

Authorized Debt

On November 8, 2016, a majority of the qualified electors of the District who voted in the election authorized the issuance of District indebtedness in an amount not to exceed \$200,000,000. At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Debt Authorized 2016 Election	Authorization Used for Series 2017A Bonds	Authorization Used for Series 2017B Bonds	Authorization Used for Series 2022A-1 Loan	Authorization Used for Series 2022A-2 Loan (1)	Authorized But Unissued
Streets	\$ 20,000,000	\$ 2,035,287	\$ 1,192,640	-	-	\$ 16,772,073
Parks and Recreation	20,000,000	227,691	380,088	-	1,400,000	17,992,221
Water	20,000,000	3,828,153	134,982	-	-	16,036,865
Sanitation	20,000,000	3,392,483	737,986	-	-	15,869,531
Transportation	20,000,000	205,850	10,123	-	-	19,784,027
Mosquito Control	20,000,000	-	-	-	-	20,000,000
Safety Protection	20,000,000	536	83,181	-	-	19,916,283
Refunding	20,000,000	-	-	-	-	20,000,000
Total	<u>\$ 160,000,000</u>	<u>\$ 9,690,000</u>	<u>\$ 2,539,000</u>	<u>\$ -</u>	<u>\$ 1,400,000</u> (2)	<u>\$ 146,371,000</u>

(1) Assumes the full amount of the 2022A-2 Loan is advanced during the Advance Period.

(2) Under the Service Plan, the District may not issue debt in excess of \$20,000,000, excluding refundings, without City authorization.

The issuance of the 2022A-1 Loan did not use any debt authorization because the financing constitutes a refinancing of District bonded debt at a lower interest rate.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 NET POSITION

The District’s net position consists of two components – restricted and unrestricted.

The restricted component of net position includes assets 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, 2022 as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	\$ 27,500
Debt Service	313,566
Total Restricted Net Position	\$ 341,066

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets. The District has a deficit in unrestricted net position.

NOTE 7 AGREEMENTS

Operation Funding Agreement

The District and the Developer (William Lyon Homes, Inc.) entered into an Operation Funding Agreement on January 30, 2017, with an effective date of December 1, 2016, as amended by the first Amendment dated July 27, 2017 (the Agreement).

Pursuant to the authority granted to the District by its Service Plan, as approved by the City Council of the City and County of Denver on September 12, 2016, as it may be amended from time to time (the Service Plan), the District intends to construct and/or acquire certain public improvements and provide certain services to benefit properties within its boundaries and/or service area (the District Services). In order for the public improvements to be constructed and/or acquired it is necessary for the District to be able to pay its ongoing operations and maintenance expenses which enable it to provide the District Services.

In order to enable the District to provide District Services, the Developer was willing to advance funds to the District or pay consultants directly for operations and maintenance expenses pursuant to the terms of this Agreement.

The District anticipated a shortfall in revenues available for operations and maintenance expenses to be incurred for fiscal years 2016 and 2019 in an aggregate amount of \$184,000 (the Shortfall Amount). The Developer advanced funds necessary to fund, or directly paid, the District’s operations and maintenance expenses on a periodic basis as needed for the fiscal years 2016 through 2019 up to the Shortfall Amount.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 AGREEMENTS (CONTINUED)

Simple interest shall accrues on each Developer Advance from the date of deposit into the District's account or from the date of direct payment by the Developer, until paid, at the rate of 8% per annum. Payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: first to the accrued and unpaid interest and then to the principal amount due pursuant to this Agreement.

The term of this Agreement commenced on December 1, 2016 and expired on December 31, 2019. Any obligation of District to reimburse the Developer shall expire on December 31, 2059. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to this Agreement on or before December 31, 2059, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

As of December 31, 2022, outstanding advances under the Agreement totaled \$110,576 and accrued interest totaled \$42,473.

Facilities Funding and Acquisition Agreement

The District and the Developer entered into a Facilities Funding and Acquisition Agreement on January 30, 2017, with an effective date of December 1, 2016 (the Acquisition Agreement). Pursuant to the Acquisition Agreement, the Developer has agreed to advance funds to the District (each an Advance) in the amount necessary to fund the costs of designing, testing, engineering, and construction of the public improvements, together with related consultant and management fees, as needed, up to \$20,000,000 (unless otherwise approved by the Developer), for the fiscal years 2016 through 2026. Alternatively, the Developer may design, construct, and complete certain public improvements and the District may acquire such improvements.

Subject to availability of funding, the District agrees to repay the Developer for advances made for organization expenses of the District and advances for construction related expenses with simple interest accruing thereon at the rate of 8% per annum. In the event the District has not repaid the Developer by December 31, 2057, any amount of principal and accrued interest outstanding on such date is to be deemed discharged and satisfied in full. The Acquisition Agreement does not constitute a debt or multiple fiscal year financial obligation of the District and the making of any reimbursement thereunder is subject to annual appropriation.

As of December 31, 2022, outstanding advances under the agreement totaled \$15,824,791 and accrued interest totaled \$5,524,325.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 AGREEMENTS (CONTINUED)

Gateway Improvement Funding Agreement

The District and the City and County of Denver, Colorado (the City) entered into the Gateway Improvements Funding Agreement (Denver Connection West) dated September 19, 2019 (Gateway IGA). The Gateway IGA recognizes that the District is located within the Gateway Impact Fee Assessment Area (Assessment Area), as defined in the City's Gateway Impact Fee Ordinance 863, Series 2000 (Impact Fee Ordinance). The Impact Fee Ordinance provides for the collection of an Impact Fee to finance regional infrastructure within the Assessment Area. Under the Gateway IGA, the District intends to exercise its authority to construct, provide for or finance certain regional infrastructure for the Green Valley Ranch Boulevard expansion improvements and the Memphis Street traffic signal improvements (collectively, the Gateway Improvements), both of which are impact fee projects. In 2019, the City reimbursed the District for certain funds expended by the District for constructing the Gateway Improvements in the amount of \$1,543,979.67. The City initially accepted the Gateway Improvements in 2019, and accepted responsibility for the operations and maintenance of the Gateway Improvements as of January 1, 2019. The initial acceptance letter from the City provided that the District would be informed in writing of any required repairs to the Gateway Improvements following a three-year warranty period.

NOTE 8 INTERFUND AND OPERATING TRANSFERS

The transfer from the Special Revenue Fund to the General Fund was done to eliminate the Special Revenue Fund. The transfer from the General Fund to the Capital Projects Reserve Fund was done to accumulate funds in the Capital Projects Reserve Fund. The transfer from Debt Service Fund to the Capital Projects Fund was done to fund Loan Issue Costs associated with the issuance of the 2022 Loans.

NOTE 9 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the 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, workers' compensation, 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.

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the state of Colorado and all local governments.

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.

At the election on November 8, 2016, voters of the District approved an election question allowing the District to collect and expend each year all revenues without regard to the revenue and spending limitations of TABOR.

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.

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

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
DEBT SERVICE FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 834,478	\$ 834,478	\$ 833,266	\$ (1,212)
Specific Ownership Tax	41,724	41,724	42,830	1,106
Interest Income	1,800	1,800	10,206	8,406
Total Revenues	<u>878,002</u>	<u>878,002</u>	<u>886,302</u>	<u>8,300</u>
EXPENDITURES				
County Treasurer's Fees	8,345	8,345	8,328	17
Paying Agent Fees	5,500	5,500	7,417	(1,917)
Bond Interest - Series 2017 A	520,838	-	-	-
Bond Interest - Series 2017 B	195,840	-	-	-
Bond Principal - Series 2017A	80,000	-	-	-
Bond Principal - Series 2017B	150,000	-	-	-
Cost of Issuance - Loan 2022	-	157,045	129,810	27,235
Loan Interest - Series 2022 A-1	-	298,379	298,256	123
Loan Principal - Series 2022 A-1	-	230,000	230,000	-
Loan Interest - Series 2022 A-2	-	29,674	2,569	27,105
Loan Principal - Series 2022 A-2	-	27,000	2,000	25,000
Contingency	-	9,877	-	9,877
Total Expenditures	<u>960,523</u>	<u>765,820</u>	<u>678,380</u>	<u>87,440</u>
EXCESS OF REVENUES OVER EXPENDITURES	(82,521)	112,182	207,922	95,740
OTHER FINANCING SOURCES (USES)				
Loan Issuance - Series 2022 A-1	-	11,350,000	11,350,000	-
Payment to Refunding Escrow	-	(13,114,180)	(13,114,180)	-
Transfers to Other Fund	-	-	(21,530)	(21,530)
Total Other Financing Uses	<u>-</u>	<u>(1,764,180)</u>	<u>(1,785,710)</u>	<u>(21,530)</u>
NET CHANGE IN FUND BALANCES	(82,521)	(1,651,998)	(1,577,788)	74,210
Fund Balances - Beginning of Year	<u>1,923,696</u>	<u>1,925,395</u>	<u>1,925,397</u>	<u>2</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,841,175</u>	<u>\$ 273,397</u>	<u>\$ 347,609</u>	<u>\$ 74,212</u>

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Reimbursed Expenditures	\$ -	\$ 37,939	\$ 58,275	\$ 20,336
Interest Income	-	-	25	25
Total Revenues	-	37,939	58,300	20,361
EXPENDITURES				
Contingency	-	50,000	-	50,000
Cost of Issuance - Loan 2022	-	105,000	84,560	20,440
Cost of Issuance - Loan 2022 B	-	104,670	-	104,670
Engineering	-	50,000	16,520	33,480
Legal Services	-	50,000	110,089	(60,089)
Parks and Landscaping	-	6,380,287	93,400	6,286,887
Public Art	-	250,000	-	250,000
Total Expenditures	-	6,989,957	304,569	6,685,388
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(6,952,018)	(246,269)	6,705,749
OTHER FINANCING SOURCES (USES)				
Developer Advance	-	2,100,000	-	(2,100,000)
Loan Issuance - Series 2022 A-1	-	105,000	105,000	-
Loan Issuance - Series 2022 A-2	-	1,295,000	-	(1,295,000)
Loan Issuance - Series 2022 B	-	3,489,000	-	(3,489,000)
Transfer from Other Funds	-	-	21,530	21,530
Total Other Financing Sources (Uses)	-	6,989,000	126,530	(6,862,470)
NET CHANGE IN FUND BALANCES	-	36,982	(119,739)	(156,721)
Fund Balances - Beginning of Year	-	(36,982)	(36,982)	-
FUND BALANCES (DEFICIT) END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (156,721)</u>	<u>\$ (156,721)</u>

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
CAPITAL PROJECTS RESERVE FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Reserve for Capital Improvements - Reserve Study	-	42,115	42,115	-
Contingency	-	7,885	-	7,885
Total Expenditures	-	50,000	42,115	7,885
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	-	(50,000)	(42,115)	(7,885)
OTHER FINANCING SOURCES (USES)				
Transfer from Other Funds	51,972	51,972	51,972	-
Total Other Financing Sources (Uses)	51,972	51,972	51,972	-
NET CHANGE IN FUND BALANCE				
	51,972	1,972	9,857	(7,885)
Fund Balance - Beginning of Year	98,935	98,935	98,935	-
FUND BALANCE - END OF YEAR	\$ 150,907	\$ 100,907	\$ 108,792	\$ (7,885)

OTHER INFORMATION

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2022**

Year Ended December 31,	\$11,350,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Loan Series 2022A-1 March 29, 2022 Principal due December 1 Interest Rates 4.03% taxable through 9/17/22, tax-exempt to 12/01/2041 Assumes 4.50% thereafter, Payable June 1 and December 1			\$1,400,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan Series 2022A-2 March 29, 2022 Principal due December 1 Interest Rates 3.64% tax exempt through 12/01/2041 Assumes 4.50% thereafter, Payable June 1 and December 1		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 215,000	\$ 404,768	\$ 619,768	\$ 2,000	\$ 3,749	\$ 5,749
2024	235,000	396,942	631,942	2,000	3,676	5,676
2025	245,000	388,388	633,388	2,000	3,603	5,603
2026	265,000	379,470	644,470	2,000	3,530	5,530
2027	275,000	369,824	644,824	3,000	3,458	6,458
2028	295,000	359,814	654,814	3,000	3,348	6,348
2029	310,000	349,076	659,076	3,000	3,239	6,239
2030	330,000	337,792	667,792	3,000	3,130	6,130
2031	345,000	325,780	670,780	3,000	3,021	6,021
2032	370,000	313,222	683,222	4,000	2,912	6,912
2033	380,000	299,754	679,754	4,000	2,766	6,766
2034	410,000	285,922	695,922	4,000	2,620	6,620
2035	425,000	270,998	695,998	4,000	2,475	6,475
2036	455,000	255,528	710,528	4,000	2,330	6,330
2037	470,000	238,966	708,966	5,000	2,184	7,184
2038	500,000	221,858	721,858	5,000	2,002	7,002
2039	520,000	203,658	723,658	5,000	1,820	6,820
2040	550,000	184,730	734,730	5,000	1,638	6,638
2041	570,000	164,710	734,710	5,000	1,456	6,456
2042	575,000	177,975	752,975	5,000	1,575	6,575
2043	600,000	152,100	752,100	6,000	1,350	7,350
2044	640,000	125,100	765,100	6,000	1,080	7,080
2045	670,000	96,300	766,300	6,000	810	6,810
2046	715,000	66,150	781,150	6,000	540	6,540
2047	755,000	22,650	777,650	6,000	180	6,180
Total	<u>\$ 11,120,000</u>	<u>\$ 6,391,475</u>	<u>\$ 17,511,475</u>	<u>\$ 103,000</u>	<u>\$ 58,492</u>	<u>\$ 161,492</u>

**DENVER CONNECTION WEST METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
		General Operations	Debt Service	Levied	Collected	
2018	\$ 3,158,300	10.000	40.000	\$ 157,915	\$ 157,915	100.00 %
2019	4,230,150	11.055	44.222	233,830	163,776 (A)	70.04
2020	10,862,230	11.133	44.531	604,635	604,635	100.00
2021	15,795,120	11.133	44.531	879,219	878,511	99.92
2022	18,739,250	44.790	44.531	1,673,809	1,671,378	99.85
Estimated for Year Ending December 31, 2023	\$ 17,932,490	46.858	45.767	\$ 1,660,997		

NOTES:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.

(A) Includes a rebate of \$70,345 to taxpayers in 2019.

EXHIBIT C

**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 D

LIST OF DISTRICTS' INTERGOVERNMENTAL AGREEMENTS

Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool between the District and the Colorado Special Districts Property and Liability Pool dated December 9, 2016.

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 between the District and the City and County of Denver dated September 17, 2019.

EXHIBIT E

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. Master Service Agreement and Statements of Work between the District and CliftonLarsonAllen LLP for District Accounting Services.
3. Master Service Agreement dated February 28, 2017, between the District and Independent District Engineering Services, LLC for engineering services.
4. Master Service Agreement between the District and ETG Systems, Inc., for Design Services dated April 23, 2018.
5. Master Service Agreement between the District and Norris Design for Design Services dated December 26, 2017.
6. Service Agreement between the District and Xpress Bill Pay for ACH and Other Related Services dated October 12, 2017.
7. Engagement Agreement with Dazzio & Associates, PC for Audit Preparation.
8. Master Service Agreement with All American Electrostatic Painting for Fencing Paint dated April 23, 2019.
9. Engagement Letter with Altitude Community Law for Legal Services dated April 1, 2019.
10. Master Service Agreement with BSC Signs for Pole Lights dated July 18, 2019.
11. Service Agreement with ETG Systems, Inc. for Security Services dated March 20, 2019.
12. Master Service Agreement with Front Range Aquatech for Pool Covers dated August 19, 2019.
13. Service Agreement with Specialized Cleaning Services, Inc. for Cleaning Services dated May 15, 2019.
14. Master Service Agreement with Split Rail Fencing & Supply Company for Fencing dated April 24, 2019.
15. Service Agreement with Landtech Contractors, Inc., for snow removal services for the 2020-2022 season.

16. Service Agreement with LandTech Landscaping, Inc., for 2021-2022 landscape maintenance services.
17. Service Agreement with Metro Pools Service & Supply for Pool Services at HUB.
18. Management Agreement with Timberline District Consulting, LLC for District and Community Management Services.
19. Master Service Agreement for Park Design Services with Harris Kocher Engineering Group, Inc., d/b/a Harris Kocher Smith
20. Service Agreement for Security Services with Desouza Protective Services, LLC for HUB and Pool security (interim 5/28/22-6/12-22).
21. Engagement with D.A. Davidson & Co. for financial advisory services.
22. Engagement with Kutak Rock LLP for bond counsel services.
23. Engagement with Lewis Young Robertson & Burningham LLC for external financial advisory services.
24. Engagement with United States Protective Service LLC for HUB security services.