

**DENVER WEST PROMENADE METROPOLITAN  
DISTRICT**

**2021 ANNUAL REPORT**

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
CITY OF LAKEWOOD, STATE OF COLORADO**

**ANNUAL REPORT FOR FISCAL YEAR 2021**

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Pursuant to the Service Plan for Denver West Promenade Metropolitan District (the “**District**”), the District is required to provide an annual report to the City of Lakewood, Colorado (the “**City**”) with regard to the following matters:

**For the year ending December 31, 2021, the District makes the following report:**

**1. Boundary changes made or proposed to the District’s boundary as of December 31 of the prior year:**

No changes were made or proposed to the District’s boundary in 2021.

**2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year:**

The District did not enter into or propose any intergovernmental agreements in 2021.

**3. Copies of the District’s rules and regulations, if any as of December 31 of the prior year:**

The District has not adopted Rules and Regulations.

**4. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year:**

To our actual knowledge, based on review of the court records in Jefferson County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District Public Improvements as of December 31, 2021.

**5. Status of the District’s construction of the Public Improvements as of December 31 of the prior year:**

The District did not construct any Public Improvements during 2021.

**6. The assessed valuation of the District for the current year:**

The District’s current assessed valuation is \$7,768,771.

**7. Current year budget including a description of the Public Improvements to be constructed in such year:**

The 2022 budget is attached hereto as **Exhibit A**. The District does not plan to construct any Public Improvements in 2022.

**8. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable:**

A copy of the audit for the year ending December 31, 2021 is attached hereto as **Exhibit B**.

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

There were no uncured events of default for the year ending December 31, 2021, which continued beyond a ninety (90) day period, under any Debt instrument.

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

None.

**EXHIBIT A**

2022 Budget

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
ANNUAL BUDGET  
FOR THE YEAR ENDING DECEMBER 31, 2022**

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

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 755,097	\$ 846,044	\$ 938,207
REVENUE			
Property taxes	460,328	460,151	466,126
Specific ownership tax	35,210	32,210	32,629
Interest income	4,787	330	2,423
Total revenue	<u>500,325</u>	<u>492,691</u>	<u>501,178</u>
Total funds available	<u>1,255,422</u>	<u>1,338,735</u>	<u>1,439,385</u>
EXPENDITURES			
General Fund	93,468	81,439	107,000
Debt Service Fund 2013 Go Bonds	228,137	231,427	242,000
Debt Service Fund 2016 Sub-Bonds	87,773	87,662	90,000
Total expenditures	<u>409,378</u>	<u>400,528</u>	<u>439,000</u>
Total expenditures and transfers out requiring appropriation	<u>409,378</u>	<u>400,528</u>	<u>439,000</u>
ENDING FUND BALANCES	<u>\$ 846,044</u>	<u>\$ 938,207</u>	<u>\$ 1,000,385</u>
EMERGENCY RESERVE	\$ 2,500	\$ 2,500	\$ 2,500
DEBT SERVICE RESERVE - 2013 GO BONDS	165,828	165,828	165,828
DEBT SERVICE RESTRICTED	65,076	67,087	68,524
DEBT SERVICE SURPLUS - 2016 SUB-BONDS	300,000	300,000	300,000
DEBT SERVICE - 2023 OPTIONAL CALL	284,307	373,808	458,373
TOTAL RESERVE	<u>\$ 817,711</u>	<u>\$ 909,223</u>	<u>\$ 995,225</u>

No assurance provided. See summary of significant assumptions.

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

12/13/21

ACTUAL	ESTIMATED	BUDGET
2020	2021	2022

**ASSESSED VALUATION**

Commercial	\$ 6,987,288	\$ 6,842,205	\$ 7,048,973
Personal Property	767,159	739,817	633,755
State assessed	96,838	86,545	85,434
Vacant land	609	609	609
Certified Assessed Value	<b>\$ 7,851,894</b>	<b>\$ 7,669,176</b>	<b>\$ 7,768,771</b>

**MILL LEVY**

General	10.000	10.000	10.000
Debt Service - 2013 GO BONDS	27.664	28.435	29.215
Debt Service - 2016 SUB-BONDS	22.336	21.565	20.785
Total mill levy	<b>60.000</b>	<b>60.000</b>	<b>60.000</b>

**PROPERTY TAXES**

General	\$ 78,519	\$ 76,692	\$ 77,687
Debt Service - 2013 GO BONDS	217,215	218,073	226,965
Debt Service - 2016 SUB-BONDS	175,380	165,386	161,474
Levied property taxes	471,113	460,151	466,126
Adjustments to actual/rounding	(1,021)	-	-
Refunds and abatements	(9,764)	-	-
Budgeted property taxes	<b>\$ 460,328</b>	<b>\$ 460,151</b>	<b>\$ 466,126</b>

**BUDGETED PROPERTY TAXES**

General	\$ 76,721	\$ 76,692	\$ 77,687
Debt Service - 2013 GO BONDS	212,242	218,073	226,965
Debt Service - 2016 SUB-BONDS	171,365	165,386	161,474
	<b>\$ 460,328</b>	<b>\$ 460,151</b>	<b>\$ 466,126</b>

No assurance provided. See summary of significant assumptions.

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

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 41,307	\$ 30,833	\$ 31,484
REVENUE			
Property taxes	76,721	76,692	77,687
Specific ownership tax	5,868	5,368	5,438
Interest income	405	30	51
Total revenue	<u>82,994</u>	<u>82,090</u>	<u>83,176</u>
Total funds available	<u>124,301</u>	<u>112,923</u>	<u>114,660</u>
EXPENDITURES			
General and administrative			
Accounting	24,776	25,000	30,000
Auditing	4,000	4,400	5,000
County Treasurer's fee	1,152	1,150	1,165
Dues and licenses	344	355	750
Election	1,193	-	2,000
Insurance and bonds	2,510	2,534	3,500
Legal services	9,493	8,000	15,000
Repay developer advance	50,000	40,000	40,000
Website	-	-	1,500
Contingency	-	-	8,085
Total expenditures	<u>93,468</u>	<u>81,439</u>	<u>107,000</u>
Total expenditures and transfers out requiring appropriation	<u>93,468</u>	<u>81,439</u>	<u>107,000</u>
ENDING FUND BALANCE	<u>\$ 30,833</u>	<u>\$ 31,484</u>	<u>\$ 7,660</u>
EMERGENCY RESERVE	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
TOTAL RESERVE	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>

No assurance provided. See summary of significant assumptions.



**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
DEBT SERVICE FUND - 2013 GO BONDS  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 229,094	\$ 230,904	\$ 232,915
REVENUE			
Property taxes	212,242	218,073	226,965
Specific ownership tax	16,234	15,265	15,888
Interest income	1,471	100	584
Total revenue	<u>229,947</u>	<u>233,438</u>	<u>243,437</u>
Total funds available	<u>459,041</u>	<u>464,342</u>	<u>476,352</u>
EXPENDITURES			
Debt Service			
Bond interest Series 2013	187,950	186,156	184,106
Bond principal Series 2013	35,000	40,000	50,000
County Treasurer's fee	3,187	3,271	3,404
Paying agent fees	2,000	2,000	2,000
Contingency	-	-	2,490
Total expenditures	<u>228,137</u>	<u>231,427</u>	<u>242,000</u>
Total expenditures and transfers out requiring appropriation	<u>228,137</u>	<u>231,427</u>	<u>242,000</u>
ENDING FUND BALANCE	<u>\$ 230,904</u>	<u>\$ 232,915</u>	<u>\$ 234,352</u>
DEBT SERVICE RESERVE - 2013 GO BONDS	\$ 165,828	\$ 165,828	\$ 165,828
DEBT SERVICE RESTRICTED	65,076	67,087	68,524
TOTAL RESERVE	<u>\$ 230,904</u>	<u>\$ 232,915</u>	<u>\$ 234,352</u>

No assurance provided. See summary of significant assumptions.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
DEBT SERVICE FUND - 2016 SUB-BONDS  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 484,696	\$ 584,307	\$ 673,808
REVENUE			
Property Taxes	171,365	165,386	161,474
Specific Ownership tax	13,108	11,577	11,303
Interest Income	2,911	200	1,788
Total revenue	<u>187,384</u>	<u>177,163</u>	<u>174,565</u>
Total funds available	<u>672,080</u>	<u>761,470</u>	<u>848,373</u>
EXPENDITURES			
Debt Service			
Bond Interest Series 2016	82,200	82,200	82,200
County Treasurer's Fee	2,573	2,462	2,422
Paying Agent Fees	3,000	3,000	3,000
Contingency	-	-	2,378
Total expenditures	<u>87,773</u>	<u>87,662</u>	<u>90,000</u>
Total expenditures and transfers out requiring appropriation	<u>87,773</u>	<u>87,662</u>	<u>90,000</u>
ENDING FUND BALANCE	<u>\$ 584,307</u>	<u>\$ 673,808</u>	<u>\$ 758,373</u>
DEBT SERVICE SURPLUS - 2016 SUB-BONDS	\$ 300,000	\$ 300,000	\$ 300,000
DEBT SERVICE - 2023 OPTIONAL CALL	284,307	373,808	458,373
TOTAL RESERVE	<u>\$ 584,307</u>	<u>\$ 673,808</u>	<u>\$ 758,373</u>

No assurance provided. See summary of significant assumptions.

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

**Services Provided**

Denver West Promenade Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by order and decree of the District Court of Jefferson County on May 21, 2012, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City of Lakewood on April 9, 2012. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado. The District was established to provide financing for the planning, design, acquisition, construction installation, relocation and redevelopment including all powers of a Metropolitan District as described in Colorado statues and the Colorado Constitutions except for certain limitations which have been placed upon fire protection, certain construction standards and specifications of the City of Lakewood and inclusion limitations. The District is also authorized to provide operation and maintenance services.

On May 8, 2012, District voters approved authorization for property taxes to be increased up to \$7,500,000 annually and taxes be increased up to \$7,500,000 annually by the imposition of a fee or fees to pay for the operations and maintenance expenditures of the District. In addition, voters approved taxes to be increased up to \$7,500,000 annually for multiple fiscal year intergovernmental agreements and taxes to be increased up to \$7,500,000 annually for multiple fiscal year private agreements. Total debt authorization was approved in the amount of \$82,500,000, \$7,500,000 for each of the following items including street improvements, parks and recreation, water, sanitation and storm sewer, transportation, mosquito control, safety protection, fire protection, television relay and translation, security and operations and maintenance. Additionally, \$7,500,000 was approved for intergovernmental agreements, \$7,500,000 for private agreements and \$7,500,000 for refunding debt. The election provided for intergovernmental agreements and private agreements as multi-fiscal year obligations, allows the District the authority to issue, create, execute and deliver mortgages, liens and other encumbrances on District real and personal property, authorized the District to establish, maintain and operate a system to transport the pubic and allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado Constitution or any other law. However, the District's Service Plan stipulates that the total debt that the District will be permitted to issue will not exceed \$5,000,000, exclusive of cost of issuance and not including refunding of debt. In addition, for the portion of any aggregate District's debt which exceeds 50% of the District's assessed valuation, the maximum debt mill levy shall be 50 mills or less. For the portion of the District's debt which is equal to or less than 50% of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of debt shall not be subject to the maximum debt mill levy and, as a result, the mill levy may be such amount as is necessary to pay the debt service on such debt, without limitation of rate. Additionally, the maximum debt mill levy shall not apply to the District's ability to increase its mill levy as necessary for operation and maintenance services to its taxpayers.

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.

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

**Revenues**

**Property Taxes**

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

The calculation of the taxes levied for collection is displayed on the Property Tax Summary Page of the budget.

**Specific Ownership Taxes**

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

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of 0.25%.

**Expenditures**

**Administrative and Operations Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as accounting, insurance, dues and memberships, and legal costs. These expenditures are based on estimates of the District's Board of Directors and consultants.

**Debt Service**

Principal and interest payments are provided based upon the debt amortization schedule from the Series 2013 and Series 2016 Bonds (discussed under Debt and Leases).

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

**Debt and Leases**

**Series 2013 Bonds**

In April 2013, the District issued \$3,630,000 in Series 2013 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds. The bonds are subject to mandatory redemption beginning December 1, 2015, and on December 1 annually thereafter through 2042, with the final payment due December 1, 2042. Interest is payable semi-annually on June 1 and December 1 beginning on June 1, 2013, at interest rates of 5.125% to 5.375%.

The Bonds are secured by and payable from Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy; (2) the portion of the Specific Ownership tax which is collected as a result of the imposition of the Required Mill Levy or any other debt service mill levy; (3) revenues derived from any PILOT (payment in lieu of taxes); and (4) any other legally available monies which the District determines to be treated as Pledged Revenue. The bonds are also secured by amounts held by the Trustee in the Reserve Fund, which was funded with proceeds in the amount of the Reserve Requirement of \$165,828.

If the Senior Debt to Assessed Ratio is greater than 50%, the Required Mill Levy is an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary to generate Pledged Revenue sufficient to pay the principal of, premium if any, and interest on the Bonds as the same become due and payable, and to replenish the Reserve Fund to the Reserve Requirement, but not in excess of 50 mills and, for so long as the Surplus Fund is less than the Maximum Surplus Amount, not less than 45 mills. The maximum and minimum Required Mill Levies may be increased or decreased for changes occurring in the ratio of actual value to assessed value of property within the District. Once the Senior Debt to Assessed Ratio is 50% or less, the Required Mill Levy is an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary to generate Pledged Revenue sufficient to pay the principal of, premium if any, and interest on the Bonds as the same become due and payable, and to replenish the Reserve Fund to the Reserve Requirement without limitation of rate.

The Surplus Fund was maintained by the Trustee until December 2015, the date upon which the Senior Debt to Assessed Ratio was 50% or less, at which time the Surplus Fund was terminated and the amounts then deposited in the Surplus Fund were released to the District's General Fund for application to any lawful purpose.

The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities (and if in part in such order of maturities as the District shall determine and by lot within maturities), on June 1, 2023, and on any date thereafter, upon payment of par, and accrued interest thereon, without redemption premium.

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

**Debt and leases – (continued)**

**Series 2016 Bonds**

In July 2016, the District issued Series 2016 Subordinate (Convertible to Senior) Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds in the amount of \$1,370,000. The Bonds bear interest at the rate of 6.0% per annum and due annually on December 15 of each year, beginning December 15, 2016, and a term of 30 years. The Bonds were issued for the purpose of financing the reimbursement of construction costs of various public improvements benefiting the District, and the costs of issuing the Bonds.

The Bonds are subject to mandatory sinking fund redemption, in part, by lot, on December 15, 2043, and on each December 15 thereafter prior to the maturity of the Bonds, upon payment of par and accrued interest, without redemption premium, in the annual amounts set forth below; provided, however, that after the occurrence of the Conversion Date, the sinking fund payments set forth below shall occur on December 1 and not December 15 of the specified year:

<b>Year of Redemption (December 15)</b>	<b>Redemption Amount</b>
2043	\$305,000
2044	335,000
2045	350,000
2046	380,000

Pursuant to the Indenture, the Bonds are secured by and payable from the Pledged Revenue, net of any costs of collection, which includes: (1) all Property Tax Revenues derived from the District's imposition of the Required Mill Levy; (2) all Specific Ownership Taxes received as a result of the imposition of the Required Mill Levy; (3) all PILOT Revenues; and (4) any other legally available moneys which the District determines, in its absolute discretion, to credit to the 2016 Bond Fund. The 2016 Required Mill Levy is defined as an amount necessary to pay debt service on the Bonds but: (a) it may not exceed 50 mills less the Senior Required Mill Levy; and (b) until the 2016 Surplus Fund is fully funded, it must equal 50 mills. On and after the Conversion Date, which occurs on the first mill levy certification date on which all of the outstanding bonds to assessed ratio is 50% or less, if any, the 2016 Required Mill Levy is an amount necessary to pay debt service on the Bonds without limitation as to rate, subject only to electoral and Constitutional limits.

The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities (and if in part in such order of maturities as the District shall determine and by lot within maturities), on June 1, 2023, and on any date thereafter, upon payment of par, and accrued interest thereon, without redemption premium.

**Developer Advances**

The District has received developer advances, which are not statutory debts of the District. As of December 31, 2022, the District has estimated \$481,634 in outstanding developer advances including interest accrued at 6%. Repayment of advances is subject to annual appropriation if and when eligible funds become available. All reimbursements under the agreement shall be made in 2018 and thereafter, in accordance with an assignment received August 31, 2018. The District has budgeted additional developer advance payments in 2022.

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

**Debt and leases – (continued)**

The District has no operating or capital leases.

The District’s developer advances are estimated through 2022 as shown below:

	Balance -			Balance -
	December 31,		Retirements/	December 31,
	2020	Additions	Reductions	2021
Developer Advances	\$ 137,829	\$ -	\$ 40,000	\$ 97,829
Accrued Interest - Developer				
Advances	409,941	8,132	-	418,073
Total	\$ 547,770	\$ 8,132	\$ 40,000	\$ 515,902
	Balance -			Balance -
	December 31,		Retirements/	December 31,
	2021	Additions	Reductions	2022
Developer Advances	\$ 97,829	\$ -	\$ 40,000	\$ 57,829
Accrued Interest - Developer				
Advances	418,073	5,732	-	423,805
Total	\$ 515,902	\$ 5,732	\$ 40,000	\$ 481,634

**Reserve Funds**

**Emergency Reserve**

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

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

Bonds and Interest Maturing in the Year Ending December 31,	\$3,630,000 General Obligation Bonds Series 2013 Interest 5.125% - 5.375% Dated April 16, 2013 Interest Payable June 1 and December 1 Principal Payable December 1			Bonds and Interest Maturing in the Year Ending December 31,	\$1,370,000 General Obligation Bonds Series 2016 Interest 6.000% Dated July 1, 2016 Interest Payable December 15 Principal Payable December 15		
	Principal	Interest	Total		Principal	Interest	Total
2022	\$ 50,000	\$ 184,106	\$ 234,106	2022	\$ -	\$ 82,200	\$ 82,200
2023	55,000	181,544	236,544	2023	-	82,200	82,200
2024	65,000	178,725	243,725	2024	-	82,200	82,200
2025	70,000	175,394	245,394	2025	-	82,200	82,200
2026	80,000	171,806	251,806	2026	-	82,200	82,200
2027	85,000	167,706	252,706	2027	-	82,200	82,200
2028	100,000	163,350	263,350	2028	-	82,200	82,200
2029	105,000	158,225	263,225	2029	-	82,200	82,200
2030	120,000	152,844	272,844	2030	-	82,200	82,200
2031	125,000	146,694	271,694	2031	-	82,200	82,200
2032	145,000	140,288	285,288	2032	-	82,200	82,200
2033	155,000	132,494	287,494	2033	-	82,200	82,200
2034	170,000	124,163	294,163	2034	-	82,200	82,200
2035	180,000	115,025	295,025	2035	-	82,200	82,200
2036	205,000	105,350	310,350	2036	-	82,200	82,200
2037	215,000	94,331	309,331	2037	-	82,200	82,200
2038	240,000	82,775	322,775	2038	-	82,200	82,200
2039	250,000	69,875	319,875	2039	-	82,200	82,200
2040	275,000	56,438	331,438	2040	-	82,200	82,200
2041	290,000	41,656	331,656	2041	-	82,200	82,200
2042	485,000	26,069	511,069	2042	-	82,200	82,200
	<u>\$ 3,465,000</u>	<u>\$ 2,668,858</u>	<u>\$ 6,133,858</u>	2043	305,000	82,200	387,200
				2044	335,000	63,900	398,900
				2045	350,000	43,800	393,800
				2046	380,000	22,800	402,800
					<u>\$ 1,370,000</u>	<u>\$ 1,938,900</u>	<u>\$ 3,308,900</u>

No assurance provided. See summary of significant assumptions.



**EXHIBIT B**

2021 Audit

**DENVER WEST PROMENADE  
METROPOLITAN DISTRICT  
Jefferson County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2021**

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
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Dazzio & Associates, PC

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Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Denver West Promenade Metropolitan District  
Jefferson County, 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 West Promenade Metropolitan District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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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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 accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are 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 combining and individual nonmajor fund financial statements are 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.

*Duzzio & Associates, P.C.*

March 8, 2022

## **BASIC FINANCIAL STATEMENTS**

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 36,806
Cash and Investments - Restricted	908,604
Property Taxes Receivable	466,126
Receivable from County Treasurer	2,195
Prepaid Expense	2,534
Capital Assets, Net of Accumulated Depreciation	2,284,414
Total Assets	3,700,679
<b>LIABILITIES</b>	
Accounts payable	1,694
Accrued Interest Payable	18,767
Noncurrent Liabilities	
Due Within One Year	50,000
Due in More Than One Year	5,300,765
Total Liabilities	5,371,226
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	466,126
Total Deferred Inflows of Resources	466,126
<b>NET POSITION</b>	
Net Investment in Capital Assets	(588,428)
Restricted For:	
Emergency Reserves	2,500
Debt Service	723,331
Unrestricted	(2,274,076)
Total Net Position	\$ (2,136,673)

See accompanying Notes to Basic Financial Statements.



**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2021**

		Program Revenues			Net Revenue (Expense) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
<b>FUNCTIONS/PROGRAMS</b>					
Primary Government:					
Governmental Activities:					
General Government	\$ 200,417	\$ -	\$ -	\$ -	
Interest and Related Costs on Long-Term Debt	286,912	-	-	-	
Total Governmental Activities	\$ 487,329	\$ -	\$ -	\$ -	
 <b>GENERAL REVENUES</b>					
Property Taxes				458,603	
Specific Ownership Taxes				35,206	
Net Investment Income				330	
Total General Revenues				494,139	
 <b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year				(2,143,483)	
 <b>NET POSITION - END OF YEAR</b>					
				\$ (2,136,673)	

See accompanying Notes to Basic Financial Statements.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	General	Debt Service 2013	Debt Service 2016	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 36,806	\$ -	\$ -	\$ 36,806
Cash and Investments - Restricted	2,500	232,569	673,535	908,604
Property Tax Receivable	77,687	226,965	161,474	466,126
Receivable From County Treasurer	366	1,040	789	2,195
Prepaid Expense	2,534	-	-	2,534
Total Assets	\$ 119,893	\$ 460,574	\$ 835,798	\$ 1,416,265
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,694	\$ -	\$ -	\$ 1,694
Total Liabilities	1,694	-	-	1,694
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Tax Revenue	77,687	226,965	161,474	466,126
Total Deferred Inflows or Resources	77,687	226,965	161,474	466,126
<b>FUND BALANCES</b>				
Nonspendable For:				
Prepaid Expense	2,534	-	-	2,534
Restricted For:				
Emergency Reserves	2,500	-	-	2,500
Debt Service	-	233,609	674,324	907,933
Assigned To:				
Subsequent Year's Expenditures	23,824	-	-	23,824
Unassigned	11,654	-	-	11,654
Total Fund Balances	40,512	233,609	674,324	948,445
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 119,893	\$ 460,574	\$ 835,798	

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

Long-term liabilities, including bonds payable and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	(4,835,000)
Accrued Bond Interest	(18,767)
Developer Advance Payable	(97,829)
Accrued Interest on Developer Advance Payable	(417,936)

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

2,284,414

Net Position of Governmental Activities

\$ (2,136,673)

See accompanying Notes to Basic Financial Statements.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	General	Debt Service 2013	Debt Service 2016	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 76,434	\$ 217,339	\$ 164,830	\$ 458,603
Specific Ownership Taxes	5,867	16,685	12,654	35,206
Net Investment Income	27	97	206	330
Total Revenues	<u>82,328</u>	<u>234,121</u>	<u>177,690</u>	<u>494,139</u>
<b>EXPENDITURES</b>				
General and Administrative:				
Accounting	18,857	-	-	18,857
Audit	4,400	-	-	4,400
County Treasurer's Fees	1,146	3,260	2,473	6,879
Insurance	2,784	-	-	2,784
Dues and Membership	355	-	-	355
Legal	5,107	-	-	5,107
Debt Service:				
Principal - Bonds	-	40,000	-	40,000
Interest - Bonds	-	186,156	82,200	268,356
Paying Agent Fees	-	2,000	3,000	5,000
Total expenditures	<u>32,649</u>	<u>231,416</u>	<u>87,673</u>	<u>351,738</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	49,679	2,705	90,017	142,401
Repay Developer Advance	<u>(40,000)</u>	-	-	<u>(40,000)</u>
Total Other Financing Sources (Uses)	<u>(40,000)</u>	-	-	<u>(40,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	9,679	2,705	90,017	102,401
Fund Balances - Beginning of Year	<u>30,833</u>	<u>230,904</u>	<u>584,307</u>	<u>846,044</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 40,512</u>	<u>\$ 233,609</u>	<u>\$ 674,324</u>	<u>\$ 948,445</u>

See accompanying Notes to Basic Financial Statements.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Governmental Funds \$ 102,401

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

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

Depreciation (167,768)

Long-term debt (e.g., bonds and developer advances) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Bond Principal Payment 40,000

Developer Advance Principal Payment 40,000

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.

Bond Interest - Change in Liability 171

Accrued Interest on Developer Advance - Change in Liability (7,994)

Change in Net Position of Governmental Activities \$ 6,810

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

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 76,692	\$ 76,434	\$ (258)
Specific Ownership Taxes	5,368	5,867	499
Net Investment Income	42	27	(15)
Total Revenues	<u>82,102</u>	<u>82,328</u>	<u>226</u>
<b>EXPENDITURES</b>			
Accounting	32,000	18,857	13,143
Audit	5,000	4,400	600
County Treasurer's Fees	1,150	1,146	4
Insurance	3,000	2,784	216
Dues and Membership	500	355	145
Legal	15,000	5,107	9,893
Contingency	11,850	-	11,850
Total Expenditures	<u>68,500</u>	<u>32,649</u>	<u>35,851</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	13,602	49,679	36,077
<b>OTHER FINANCING SOURCES (USES)</b>			
Repay Developer Advance	(40,000)	(40,000)	-
Total Other Financing Sources (Uses)	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(26,398)	9,679	36,077
Fund Balance - Beginning of Year	<u>29,991</u>	<u>30,833</u>	<u>842</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 3,593</u>	<u>\$ 40,512</u>	<u>\$ 36,919</u>

See accompanying Notes to Basic Financial Statements.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Denver West Promenade Metropolitan District (District), a quasi-municipal corporation and political subdivision of the state of Colorado was organized by order and decree of the District Court of Jefferson County on May 21, 2012 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the city of Lakewood on April 9, 2012. The District's service area is located entirely within the city of Lakewood, Jefferson County, Colorado (the City). The District was established to provide financing for the planning, design, acquisition, construction installation, relocation, and redevelopment of public improvements to a portion of the City under development as the Promenade at Denver West. The District has all powers of a metropolitan district as described in Colorado statutes and the Colorado Constitution except for certain limitations which have been placed upon fire protection, certain construction standards and specifications of the City and inclusion limitation as set forth in the service plan. The District is also authorized to provide operation and maintenance services.

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

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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 and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes and interest income. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

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

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses 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.

**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 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 and infrastructure assets (e.g. parks and recreation, sidewalks, and similar items), are reported 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 WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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 estimated economic useful lives:

Street Improvements	25 Years
Landscaping Improvements	15 Years

**Deferred Inflow of Resources**

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

**Equity**

**Net Position**

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance**

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

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

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

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

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

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

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

**NOTE 3 CASH AND INVESTMENTS**

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

Statement of Net Position:

Cash and Investments	\$ 36,806
Cash and Investments - Restricted	<u>908,604</u>
Total Cash and Investments	<u><u>\$ 945,410</u></u>

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

Deposits with Financial Institutions	\$ 8,097
Investments	<u>937,313</u>
Total Cash and Investments	<u><u>\$ 945,410</u></u>

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Deposits with Financial Institutions**

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

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

At December 31, 2021, the District's cash deposits had a bank balance of \$12,489 and a carrying balance of \$8,097.

**Investments**

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

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

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

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

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	<u>\$ 937,313</u>

**CSAFE**

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rated commercial paper.

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor’s. CSAFE records its investments at amortized cost and the District records its investments in CSAFE at net value determined using the amortized cost method. There are no unrefunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 CAPITAL ASSETS**

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

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
Capital Assets, Being Depreciated:				
Street Improvements	\$ 2,984,808	\$ -	\$ -	\$ 2,984,808
Landscaping Improvements	725,634	-	-	725,634
Total Capital Assets, Being Depreciated	3,710,442	-	-	3,710,442
Less Accumulated Depreciation For:				
Street Improvements	(895,440)	(119,392)	-	(1,014,832)
Landscaping Improvements	(362,820)	(48,376)	-	(411,196)
Total Accumulated Depreciation	(1,258,260)	(167,768)	-	(1,426,028)
Total Capital Assets, Being Depreciated, Net	2,452,182	(167,768)	-	2,284,414
Total Capital Assets	\$ 2,452,182	\$ (167,768)	\$ -	\$ 2,284,414

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

Governmental Activities:	
General Government	\$ 167,768
Total Depreciation Expense - Governmental Activities	\$ 167,768

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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, 2021:

	Balance - December 31, 2020	Additions	Retirements	Balance - December 31, 2021	Due Within One Year
Bonds Payable:					
General Obligation Bonds - Series 2013	\$ 3,505,000	\$ -	\$ 40,000	\$ 3,465,000	\$ 50,000
General Obligation Bonds - Series 2016	1,370,000	-	-	1,370,000	-
Subtotal of Bonds Payable	<u>4,875,000</u>	<u>-</u>	<u>40,000</u>	<u>4,835,000</u>	<u>50,000</u>
Other Debts:					
Developer Advance - Capital	137,829	-	40,000	97,829	-
Accrued Interest on :					
Developer Advance - Capital	409,942	7,994	-	417,936	-
Subtotal of Other Debts	<u>547,771</u>	<u>7,994</u>	<u>40,000</u>	<u>515,765</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 5,422,771</u>	<u>\$ 7,994</u>	<u>\$ 80,000</u>	<u>\$ 5,350,765</u>	<u>\$ 50,000</u>

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

**General Obligation Bonds – Series 2013**

On April 16, 2013, the District issued \$3,630,000 in Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2013. The bonds bear interest of 5.125% to 5.375% per annum, payable semiannually on June 1 and December 1 of each year, commencing June 1, 2013. Annual mandatory sinking fund principal payments are due on December 1 of each year. The bonds are subject to redemption prior to maturity at the option of the District on June 1, 2023, and on any date thereafter, upon payment of par, and accrued interest thereon, without redemption premium.

The bonds were issued for the purpose of financing: 1) the reimbursement of construction costs of public improvements benefiting the District, 2) a reserve fund, 3) capitalized interest, and 4) the costs of issuing the Bonds.

The Bonds are secured by and payable from Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership tax which is collected as a result of the imposition of the Required Mill Levy or any other debt service mill levy, 3) revenues derived from any PILOT (payment in lieu of taxes), and 4) any other legally available monies which the District determines to be treated as Pledged Revenue. The bonds are also secured by amounts held by the Trustee in the Reserve Fund, which was funded with proceeds in the amount of the Reserve Requirement of \$165,828. The balance in the Reserve Fund account held by the trustee at December 31, 2021, was \$165,835.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Bonds – Series 2013 (Continued)**

Once the Senior Debt to Assessed Ratio is 50% or less, which occurred in December 2015, the Required Mill Levy is an ad valorem mill levy imposed upon all taxable property of the District each year in an amount necessary to generate Pledged Revenue sufficient to pay the principal of, premium if any, and interest on the Bonds as the same become due and payable, and to replenish the Reserve Fund to the Reserve Requirement without limitation of rate.

**General Obligation Bonds - Series 2016**

In July 2016, the District issued Series 2016 Subordinate (Convertible to Senior) Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds in the amount of \$1,370,000. The Bonds bear interest at the rate of 6.0% per annum and due annually on December 15 of each year, beginning December 15, 2016, and a term of 30 years. The Bonds are being issued for the purpose of financing the reimbursement of construction costs of various public improvements benefiting the District, and the costs of issuing the Bonds.

The Bonds are subject to mandatory sinking fund redemption, in part, by lot, on December 15, 2046, and on each December 15 thereafter prior to the maturity of the Bonds, upon payment of par and accrued interest, without redemption premium, in the annual amounts set forth below; provided, however, that after the occurrence of the Conversion Date, the sinking fund payments set forth below shall occur on December 1 and not December 15 of the specified year:

<u>Year of Redemption (December 15)</u>	<u>Redemption Amount</u>
2043	\$ 305,000
2044	335,000
2045	350,000
2046	380,000

The Bonds are payable solely from and to the extent of the revenues generated by the 2016 Required Mill Levy, Specific Ownership Tax Revenues and revenues derived from any covenant recorded against the subject property imposing a payment in lieu of taxes against any portion of such property that is exempt from ad valorem property taxation. The 2016 Required Mill Levy is defined as an amount necessary to pay debt service on the Bonds but: (a) it may not exceed 50 mills less the Senior Required Mill Levy; and (b) until the 2016 Surplus Fund is fully funded, it must equal 50 mills. The 2016 Surplus Fund is held, disbursed, and administered by the Trustee. The 2016 Surplus Fund is not funded with Bond proceeds, but instead is required to be funded up to the maximum surplus amount (defined as \$300,000) solely from deposits of Pledged Revenue. As of December 31, 2021, the balance of the Surplus Fund was \$225,038. On and after the Conversion Date, which occurs on the first mill levy certification date on which all of the outstanding bonds to assessed ratio is 50% or less, if any, the Required Mill Levy is an amount necessary to pay debt service on the Bonds without limitation as to rate, subject only to electoral and Constitutional limits.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Bonds – Series 2016 (Continued)**

The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities (and if in part in such order of maturities as the District shall determine and by lot within maturities), on June 1, 2023, and on any date thereafter, upon payment of par, and accrued interest thereon, without redemption premium.

The District's long-term obligations regarding the general obligation bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 50,000	\$ 266,306	316,306
2023	55,000	263,744	318,744
2024	65,000	260,925	325,925
2025	70,000	257,594	327,594
2026	80,000	254,006	334,006
2027 – 2031	535,000	1,199,819	1,734,819
2032 – 2036	855,000	1,028,320	1,883,320
2037 – 2041	1,270,000	756,075	2,026,075
2042 – 2046	1,855,000	320,969	2,175,969
Total	<u>\$ 4,835,000</u>	<u>\$ 4,607,758</u>	<u>\$ 9,442,758</u>

**Reimbursement and Acquisition Agreement**

On August 27, 2012, the District and the Developer (see Note 7) entered into a Reimbursement and Acquisition Agreement. Pursuant to this agreement, the District agreed to reimburse the Developer for certain prior and future advances made by the Developer to the District for (a) capital costs (up to the amount of \$5,000,000) and (b) operations and maintenance costs. The agreement provides that the District will pay interest at a rate of 6% on any advances and will repay capital advances by issuing bonds of the District. The District also agreed to acquire public improvements constructed by the Developer. At December 31, 2021, the amount owed to the Developer for capital was \$97,829, plus \$418,074 of accrued interest. During 2021, the District repaid \$40,000 of principal to the developer for amounts owed for capital advances.



**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Reimbursement and Acquisition Agreement (Continued)**

On May 8, 2012, a majority of the qualified electors of the District authorized the issuance of indebtedness in any amount not to exceed \$105,000,000 at an interest rate not to exceed 18.0% per annum. At December 31, 2021, the District had authorized but unissued indebtedness in the following amounts for the following purposes:

	Authorized May 5, 2012	Authorization Used Series 2013 Bonds	Authorization Used Series 2016 Bonds	Authorization Remaining
Streets	\$ 7,500,000	\$ 2,428,100	\$ 916,390	\$ 4,155,510
Safety Protection	7,500,000	-	-	7,500,000
Water	7,500,000	347,900	131,302	7,020,798
Sewer	7,500,000	263,700	99,523	7,136,777
Parks and Recreation	7,500,000	590,300	222,785	6,686,915
Transportation	7,500,000	-	-	7,500,000
Television Relay	7,500,000	-	-	7,500,000
Mosquito Control	7,500,000	-	-	7,500,000
Fire Protection	7,500,000	-	-	7,500,000
Security	7,500,000	-	-	7,500,000
Operations and Maintenance	7,500,000	-	-	7,500,000
Refunding Debt	7,500,000	-	-	7,500,000
IGA Debt	7,500,000	-	-	7,500,000
Private Agreement Debt	7,500,000	-	-	7,500,000
Total	<u>\$ 105,000,000</u>	<u>\$ 3,630,000</u>	<u>\$ 1,370,000</u>	<u>\$ 100,000,000</u>

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$5,000,000 of which the District had issued.

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

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the District had net investment in capital assets calculated as follows:

Capital Assets, Net	\$	2,284,414
Less: Capital Related Debt		
Current Portion		(34,723)
Noncurrent Portion		(2,838,119)
Net Investment in Capital Assets	<u>\$</u>	<u>(588,428)</u>

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

Restricted Net Position:		
Emergency Reserves	\$	2,500
Debt Service		723,331
Total Restricted Net Position	<u>\$</u>	<u>725,831</u>

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

**NOTE 7 RELATED PARTIES**

The Developer of the Property which constitutes the District is Promenade Denver West, LLC, a Delaware limited liability company, which is a subsidiary of Alberta Development Partners. All members of the Board of Directors are officers of, employees of, or associated with the Developer or its affiliate.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 8 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 and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS**

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

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

On May 8, 2012, voters within the District approved election questions allowing the District to collect additional operation and maintenance taxes and fees up to \$7,500,000. These election questions allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within 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 WEST PROMENADE METROPOLITAN DISTRICT  
DEBT SERVICE FUND - 2013  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 218,073	\$ 217,339	\$ (734)
Specific Ownership Taxes	15,265	16,685	1,420
Net Investment Income	571	97	(474)
Total Revenues	<u>233,909</u>	<u>234,121</u>	<u>212</u>
<b>EXPENDITURES</b>			
Debt Service:			
County Treasurer's Fees	3,271	3,260	11
Bond Principal Series 2013	40,000	40,000	-
Bond Interest Series 2013	186,156	186,156	-
Paying Agent Fees	2,000	2,000	-
Contingency	1,573	-	1,573
Total Expenditures	<u>233,000</u>	<u>231,416</u>	<u>1,584</u>
<b>NET CHANGE IN FUND BALANCE</b>	909	2,705	1,796
Fund Balance - Beginning of Year	<u>228,094</u>	<u>230,904</u>	<u>2,810</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 229,003</u></u>	<u><u>\$ 233,609</u></u>	<u><u>\$ 4,606</u></u>

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
DEBT SERVICE FUND - 2016  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 165,386	\$ 164,830	\$ (556)
Specific Ownership Taxes	11,577	12,654	1,077
Net Investment Income	1,564	206	(1,358)
Total Revenues	<u>178,527</u>	<u>177,690</u>	<u>(837)</u>
<b>EXPENDITURES</b>			
Debt Service			
County Treasurer's Fees	2,481	2,473	8
Bond Interest Series 2016	82,200	82,200	-
Paying Agent Fees	3,000	3,000	-
Contingency	2,319	-	2,319
Total Expenditures	<u>90,000</u>	<u>87,673</u>	<u>2,327</u>
<b>NET CHANGE IN FUND BALANCE</b>	88,527	90,017	1,490
Fund Balance - Beginning of Year	<u>581,425</u>	<u>584,307</u>	<u>2,882</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 669,952</u>	<u>\$ 674,324</u>	<u>\$ 4,372</u>

## **OTHER INFORMATION**

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2021**

\$3,630,000 General Obligation Bonds

Series 2013

Interest 5.125% - 5.375%

Dated April 16, 2013

Interest Payable June 1 and December 1

Principal Payable December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 50,000	\$ 184,106	\$ 234,106
2023	55,000	181,544	236,544
2024	65,000	178,725	243,725
2025	70,000	175,394	245,394
2026	80,000	171,806	251,806
2027	85,000	167,706	252,706
2028	100,000	163,350	263,350
2029	105,000	158,225	263,225
2030	120,000	152,844	272,844
2031	125,000	146,694	271,694
2032	145,000	140,288	285,288
2033	155,000	132,494	287,494
2034	170,000	124,163	294,163
2035	180,000	115,025	295,025
2036	205,000	105,350	310,350
2037	215,000	94,331	309,331
2038	240,000	82,775	322,775
2039	250,000	69,875	319,875
2040	275,000	56,438	331,438
2041	290,000	41,656	331,656
2042	485,000	26,069	511,069
Total	<u>\$ 3,465,000</u>	<u>\$ 2,668,858</u>	<u>\$ 6,133,858</u>



**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)  
DECEMBER 31, 2021**

\$1,370,000 General Obligation Bonds  
Series 2016  
Interest 6.000%  
Dated July 1, 2016  
Interest Payable December 15  
Principal Payable December 15

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 82,200	\$ 82,200
2023	-	82,200	82,200
2024	-	82,200	82,200
2025	-	82,200	82,200
2026	-	82,200	82,200
2027	-	82,200	82,200
2028	-	82,200	82,200
2029	-	82,200	82,200
2030	-	82,200	82,200
2031	-	82,200	82,200
2032	-	82,200	82,200
2033	-	82,200	82,200
2034	-	82,200	82,200
2035	-	82,200	82,200
2036	-	82,200	82,200
2037	-	82,200	82,200
2038	-	82,200	82,200
2039	-	82,200	82,200
2040	-	82,200	82,200
2041	-	82,200	82,200
2042	-	82,200	82,200
2043	305,000	82,200	387,200
2044	335,000	63,900	398,900
2045	350,000	43,800	393,800
2046	380,000	22,800	402,800
Total	<u>\$ 1,370,000</u>	<u>\$ 1,938,900</u>	<u>\$ 3,308,900</u>

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)  
DECEMBER 31, 2021**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Total Interest</u>	<u>Total</u>
2022	\$ 50,000	\$ 266,306	\$ 316,306
2023	55,000	263,744	318,744
2024	65,000	260,925	325,925
2025	70,000	257,594	327,594
2026	80,000	254,006	334,006
2027	85,000	249,906	334,906
2028	100,000	245,550	345,550
2029	105,000	240,425	345,425
2030	120,000	235,044	355,044
2031	125,000	228,894	353,894
2032	145,000	222,488	367,488
2033	155,000	214,694	369,694
2034	170,000	206,363	376,363
2035	180,000	197,225	377,225
2036	205,000	187,550	392,550
2037	215,000	176,531	391,531
2038	240,000	164,975	404,975
2039	250,000	152,075	402,075
2040	275,000	138,638	413,638
2041	290,000	123,856	413,856
2042	485,000	108,269	593,269
2043	305,000	82,200	387,200
2044	335,000	63,900	398,900
2045	350,000	43,800	393,800
2046	380,000	22,800	402,800
Total	<u>\$ 4,835,000</u>	<u>\$ 4,607,758</u>	<u>\$ 9,442,758</u>

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
DECEMBER 31, 2021**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied				Property Taxes		Percent Collected to Levied
		GF	DS-2013	DS-2016	Total	Levied	Collected	
2017	\$ 7,781,766	10.000	50.000	-	60.000	\$ 466,906	\$ 466,906	100.00%
2018	8,249,002	10.000	26.213	23.787	60.000	494,940	483,274	97.64
2019	8,218,942	10.000	25.295	24.705	60.000	493,136	493,136	100.00
2020	7,851,894	10.000	27.664	22.336	60.000	471,114	460,328	97.71
2021	7,669,176	10.000	28.435	21.565	60.000	460,151	458,603	99.66
Estimated for the Year Ending December 31, 2022	\$ 7,768,771	10.000	29.215	20.785	60.000	\$ 466,126		

**NOTE:**

Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the County Treasurer does not permit identification of specific year of assessment.

NOTE: Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessment.

**CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS  
REQUIRED BY THE LIMITED TAX GENERAL OBLIGATION BONDS,  
SERIES 2013 AND THE LIMITED TAX GENERAL OBLIGATION  
BONDS, SERIES 2016**

**DENVER WEST PROMENADE METROPOLITAN DISTRICT  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE LIMITED TAX GENERAL OBLIGATION BONDS,  
SERIES 2013 AND SERIES 2016  
DECEMBER 31, 2021**

**Selected Debt Ratios of the District as of the Date of Issuance of the Bonds**

	<u>Total Debt<sup>(1)</sup></u>	<u>Senior Debt<sup>(2)</sup></u>
Direct Debt of the District	\$ 4,835,000	\$ 3,465,000
2021 District Certified Assessed Valuation <sup>(3)</sup>	\$ 7,768,771	\$ 7,768,771
Ratio of Direct Debt to 2021 District Certified Assess Valuation	62.24%	44.60%
2021 District Statutory "Actual" Value <sup>(4)</sup>	\$ 24,603,505	\$ 24,603,505
Ratio of Direct Debt to 2021 District Statutory "Actual" Value	19.65%	14.08%

<sup>(1)</sup> Consisting of the outstanding principal amount of the 2013 Senior bonds in the aggregate amount of \$3,465,000 and the outstanding principal amount of the 2016 Bonds in aggregate amount of \$1,370,000.

The 2016 Bonds are initially subordinate to the 2013 Senior Bonds.

<sup>(2)</sup> Consisting of the outstanding principal amount of the 2013 Senior Bonds in the aggregate amount of \$3,465,000.

<sup>(3)</sup> This figure has been calculated using a statutory formula under which assessed valuation is calculated at 7.15% of the statutory "actual" value of residential property in the District, and 29% of the statutory "actual" value of other property within the District "with certain specified exceptions".

<sup>(4)</sup> Statutory "actual" value is not intended to represent market value.

Sources: Jefferson County Assessor's Office and the District

**Ten Largest Owners of Taxable Property Within the District**

<u>Taxpayer Name</u>	<u>2021 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation<sup>(1)</sup></u>
Denlake 2 LLC	\$ 1,190,885	15.33%
MRIG Commercial Real Estate Building 1	1,089,327	14.02%
Sawatch Properties LLC	983,042	12.65%
203 Ladera Street LLC	833,170	10.72%
River Oaks Properties LTD	824,127	10.61%
FFT Holdings LLC	786,103	10.12%
Nuway Industries Inc	653,602	8.41%
Indigo Jack Brothers LLC	395,200	5.09%
Chateau Lacassie Apartments LLC	336,949	4.34%
Chick-Fil-A Inc	126,833	1.63%
Total	<u>\$ 7,219,238</u>	<u>92.93%</u>

<sup>(1)</sup> Based on a 2021 certified assessed valuation of \$7,768,771

Source: Jefferson County Assessor's Office