

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021**

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 597,017	\$ 755,097	\$ 839,510
REVENUE			
Property taxes	493,136	460,796	460,151
Specific ownership tax	42,019	27,700	32,210
Interest income	16,975	5,150	2,177
Other revenue	-	-	-
Total revenue	<u>552,130</u>	<u>493,646</u>	<u>494,538</u>
Total funds available	<u>1,149,147</u>	<u>1,248,743</u>	<u>1,334,048</u>
EXPENDITURES			
General Fund	86,453	93,215	108,500
Debt Service Fund 2013 Go Bonds	219,350	228,208	233,000
Debt Service Fund 2016 Sub-Bonds	88,247	87,810	90,000
Total expenditures	<u>394,050</u>	<u>409,233</u>	<u>431,500</u>
Total expenditures and transfers out requiring appropriation	<u>394,050</u>	<u>409,233</u>	<u>431,500</u>
ENDING FUND BALANCES	<u>\$ 755,097</u>	<u>\$ 839,510</u>	<u>\$ 902,548</u>
EMERGENCY RESERVE	\$ 2,800	\$ 2,500	\$ 2,500
DEBT SERVICE RESERVE - 2013 GO BONDS	165,828	165,828	165,828
DEBT SERVICE RESTRICTED	63,266	62,266	63,175
DEBT SERVICE SURPLUS - 2016 SUB-BONDS	300,000	300,000	300,000
DEBT SERVICE - 2023 OPTIONAL CALL	184,696	281,425	369,952
TOTAL RESERVE	<u>\$ 716,590</u>	<u>\$ 812,019</u>	<u>\$ 901,455</u>

No assurance provided. See summary of significant assumptions.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Commercial	\$ 8,061,340	\$ 7,754,447	\$ 7,582,022
State assessed	156,993	96,838	86,545
Vacant land	609	609	609
Certified Assessed Value	<u>\$ 8,218,942</u>	<u>\$ 7,851,894</u>	<u>\$ 7,669,176</u>
MILL LEVY			
General	10.000	10.000	10.000
Debt Service - 2013 GO BONDS	25.295	27.664	28.435
Debt Service - 2016 SUB-BONDS	24.705	22.336	21.565
Total mill levy	<u>60.000</u>	<u>60.000</u>	<u>60.000</u>
PROPERTY TAXES			
General	\$ 82,189	\$ 78,519	\$ 76,692
Debt Service - 2013 GO BONDS	207,898	217,215	218,073
Debt Service - 2016 SUB-BONDS	203,049	175,380	165,386
Levied property taxes	493,136	471,114	460,151
Adjustments to actual/rounding		(1,023)	-
Refunds and abatements	-	(9,295)	-
Budgeted property taxes	<u>\$ 493,136</u>	<u>\$ 460,796</u>	<u>\$ 460,151</u>
BUDGETED PROPERTY TAXES			
General	\$ 82,189	\$ 76,799	\$ 76,692
Debt Service - 2013 GO BONDS	207,898	212,458	218,073
Debt Service - 2016 SUB-BONDS	203,049	171,539	165,386
	<u>\$ 493,136</u>	<u>\$ 460,796</u>	<u>\$ 460,151</u>

No assurance provided. See summary of significant assumptions.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 36,834	\$ 41,307	\$ 29,991
REVENUE			
Property taxes	82,189	76,799	76,692
Specific ownership tax	7,003	4,700	5,368
Interest income	1,734	400	42
Total revenue	<u>90,926</u>	<u>81,899</u>	<u>82,102</u>
Total funds available	<u>127,760</u>	<u>123,206</u>	<u>112,093</u>
EXPENDITURES			
General and administrative			
Accounting	21,114	22,000	32,000
Auditing	4,000	4,000	5,000
County Treasurer's fee	1,233	1,168	1,150
Dues and licenses	351	344	500
Election	-	1,193	-
Insurance and bonds	2,508	2,510	3,000
Legal services	7,247	12,000	15,000
Repay developer advance	50,000	50,000	40,000
Contingency	-	-	11,850
Total expenditures	<u>86,453</u>	<u>93,215</u>	<u>108,500</u>
Total expenditures and transfers out requiring appropriation	<u>86,453</u>	<u>93,215</u>	<u>108,500</u>
ENDING FUND BALANCE	<u>\$ 41,307</u>	<u>\$ 29,991</u>	<u>\$ 3,593</u>
EMERGENCY RESERVE	<u>\$ 2,800</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
TOTAL RESERVE	<u>\$ 2,800</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
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 217,009	\$ 229,094	\$ 228,094
REVENUE			
Property taxes	207,898	212,458	218,073
Specific ownership tax	17,715	13,000	15,265
Interest income	5,822	1,750	571
Total revenue	<u>231,435</u>	<u>227,208</u>	<u>233,909</u>
Total funds available	<u>448,444</u>	<u>456,302</u>	<u>462,003</u>
EXPENDITURES			
Debt Service			
Bond interest Series 2013	189,231	187,950	186,156
Bond principal Series 2013	25,000	35,000	40,000
County Treasurer's fee	3,119	3,258	3,271
Paying agent fees	2,000	2,000	2,000
Contingency	-	-	1,573
Total expenditures	<u>219,350</u>	<u>228,208</u>	<u>233,000</u>
Total expenditures and transfers out requiring appropriation	<u>219,350</u>	<u>228,208</u>	<u>233,000</u>
ENDING FUND BALANCE	<u>\$ 229,094</u>	<u>\$ 228,094</u>	<u>\$ 229,003</u>
DEBT SERVICE RESERVE - 2013 GO BONDS	\$ 165,828	\$ 165,828	\$ 165,828
DEBT SERVICE RESTRICTED	63,266	62,266	63,175
TOTAL RESERVE	<u>\$ 229,094</u>	<u>\$ 228,094</u>	<u>\$ 229,003</u>

No assurance provided. See summary of significant assumptions.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
DEBT SERVICE FUND - 2016 SUB-BONDS
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 343,174	\$ 484,696	\$ 581,425
REVENUE			
Property Taxes	203,049	171,539	165,386
Specific Ownership tax	17,301	10,000	11,577
Interest Income	9,419	3,000	1,564
Total revenue	<u>229,769</u>	<u>184,539</u>	<u>178,527</u>
Total funds available	<u>572,943</u>	<u>669,235</u>	<u>759,952</u>
EXPENDITURES			
Debt Service			
Bond Interest Series 2016	82,200	82,200	82,200
County Treasurer's Fee	3,047	2,610	2,481
Paying Agent Fees	3,000	3,000	3,000
Contingency	-	-	2,319
Total expenditures	<u>88,247</u>	<u>87,810</u>	<u>90,000</u>
Total expenditures and transfers out requiring appropriation	<u>88,247</u>	<u>87,810</u>	<u>90,000</u>
ENDING FUND BALANCE	<u>\$ 484,696</u>	<u>\$ 581,425</u>	<u>\$ 669,952</u>
DEBT SERVICE SURPLUS - 2016 SUB-BONDS	\$ 300,000	\$ 300,000	\$ 300,000
DEBT SERVICE - 2023 OPTIONAL CALL	184,696	281,425	369,952
TOTAL RESERVE	<u>\$ 484,696</u>	<u>\$ 581,425</u>	<u>\$ 669,952</u>

No assurance provided. See summary of significant assumptions.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
2021 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
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

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

The calculation of the taxes levied 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 6% 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 .25%.

Expenditures

Administrative and Operation 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
2021 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
2021 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:

Year of Redemption (December 15)	Redemption Amount
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, 2020, the District has estimated \$556,091 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 2021.

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
2021 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 2021 as shown below:

	Balance - December 31, 2019	Additions	Retirements/ Reductions	Balance - December 31, 2020
Developer Advances	\$ 187,829	\$ -	\$ (40,000)	\$ 147,829
Accrued Interest - Developer				
Advances	398,814	9,448	-	408,262
Total	<u>\$ 586,643</u>	<u>\$ 9,448</u>	<u>\$ (40,000)</u>	<u>\$ 556,091</u>
	Balance - December 31, 2020	Additions	Retirements/ Reductions	Balance - December 31, 2021
Developer Advances	\$ 147,829	\$ -	\$ (35,000)	\$ 112,829
Accrued Interest - Developer				
Advances	408,262	8,869	-	417,131
Total	<u>\$ 556,091</u>	<u>\$ 8,869</u>	<u>\$ (35,000)</u>	<u>\$ 529,960</u>

*Based on estimates of 11/1 payment

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
LONG TERM DEBT
December 31, 2020**

**DENVER WEST PROMENADE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
LONG TERM DEBT
December 31, 2020**

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		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	40,000	186,156	226,156
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
	<u>\$ 3,505,000</u>	<u>\$ 2,855,014</u>	<u>\$ 6,360,014</u>

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		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	-	82,200	82,200
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
	<u>\$ 1,370,000</u>	<u>\$ 2,021,100</u>	<u>\$ 3,391,100</u>

No assurance provided. See summary of significant assumptions.