

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

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**

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Dazzio & Associates, PC

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Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinions*

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

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

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

*Dassio & Associates, P.C.*

August 23, 2023

## **BASIC FINANCIAL STATEMENTS**

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

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

See accompanying Notes to Basic Financial Statements.

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

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

See accompanying Notes to Basic Financial Statements.

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

	General	Special Revenue	Debt Service	Capital Projects	Capital Projects Reserve	Total Governmental Funds
<b>ASSETS</b>						
Cash and Investments	\$ 323,030	\$ -	\$ -	\$ -	\$ 150,903	\$ 473,933
Cash and Investments - Restricted	27,500	-	344,935	2	-	372,437
Accounts Receivable	29,291	-	-	-	-	29,291
Receivable from County Treasurer	2,690	-	2,674	-	-	5,364
Property Taxes Receivable	840,281	-	820,716	-	-	1,660,997
Prepaid Insurance	30,159	-	-	-	-	30,159
Prepaid Expense	450	-	-	-	-	450
<b>Total Assets</b>	<b>\$ 1,253,401</b>	<b>\$ -</b>	<b>\$ 1,168,325</b>	<b>\$ 2</b>	<b>\$ 150,903</b>	<b>\$ 2,572,631</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 118,942	\$ -	\$ -	\$ 156,723	\$ 42,111	\$ 317,776
<b>Total Liabilities</b>	<b>118,942</b>	<b>-</b>	<b>-</b>	<b>156,723</b>	<b>42,111</b>	<b>317,776</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Property Taxes	840,281	-	820,716	-	-	1,660,997
<b>Total Deferred Inflows of Resources</b>	<b>840,281</b>	<b>-</b>	<b>820,716</b>	<b>-</b>	<b>-</b>	<b>1,660,997</b>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid Expenses	30,609	-	-	-	-	30,609
Restricted for:						
Emergency Reserves	27,500	-	-	-	-	27,500
Debt Service	-	-	347,609	-	-	347,609
Assigned to:						
Capital Projects	-	-	-	-	108,792	108,792
Subsequent Year's Expenditures	69,575	-	-	-	-	69,575
Unassigned	166,494	-	-	(156,721)	-	9,773
<b>Total Fund Balances (Deficit)</b>	<b>294,178</b>	<b>-</b>	<b>347,609</b>	<b>(156,721)</b>	<b>108,792</b>	<b>593,858</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 1,253,401</b>	<b>\$ -</b>	<b>\$ 1,168,325</b>	<b>\$ 2</b>	<b>\$ 150,903</b>	

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

Capital assets are recorded as assets on the statement of net position, but are recorded as expenditures in the funds.  
Capital Assets, Net

9,738,789

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.  
Cost of Refunding

247,929

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

Loans Payable  
Accrued Interest on Loan Payable-2022A-1  
Accrued Interest on Loan Payable-2022A-2  
Developer Advance Payable - Accrued Interest  
Developer Advance Payable

(11,223,000)  
(33,731)  
(312)  
(5,566,798)  
(15,935,367)

Net Position of Governmental Activities

\$ (22,178,632)

See accompanying Notes to Basic Financial Statements.

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

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

See accompanying Notes to Basic Financial Statements.

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

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

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

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

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

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

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

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

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

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

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

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

See accompanying Notes to Basic Financial Statements.

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

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

See accompanying Notes to Basic Financial Statements.

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

**NOTE 1 DEFINITION OF REPORTING ENTITY**

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

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Government-Wide and Fund Financial Statements**

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

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

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

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

**Government-Wide and Fund Financial Statements (Continued)**

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are District property taxes and interest. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

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

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

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

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

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

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

**Budgets**

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2022.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**Property Taxes**

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

**Capital Assets (Continued)**

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

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

**Facilities Fees**

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

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

**District Fees**

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

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

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

**District Fees (Continued)**

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

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

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

**Deferred Inflow/Outflow of Resources**

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

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

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

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

**Equity**

**Net Position**

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

**Fund Balance**

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

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

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

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

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

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

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

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

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

**Deficits**

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

**NOTE 3 CASH AND INVESTMENTS**

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

Statement of Net Position:

Cash and Investments	\$ 473,933
Cash and Investments - Restricted	372,437
Total Cash and Investments	\$ 846,370

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

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

**Deposits with Financial Institutions**

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

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

**Investments**

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

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

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

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

**Investments (Continued)**

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

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

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

As of December 31, 2022, the District had the following investments:

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

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

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

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

**COLOTRUST (CONTINUED)**

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

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

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

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAs/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

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

**NOTE 4 CAPITAL ASSETS**

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

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

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

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

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

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

**NOTE 5 LONG-TERM OBLIGATIONS**

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

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
G.O. Bonds - Series 2017A	\$ 9,690,000	\$ -	\$ 9,690,000	\$ -	\$ -
G.O. Subordinate Bonds - Series 2017B	2,448,000	-	2,448,000	-	-
G.O. Refunding Loan Series 2022A	-	11,350,000	230,000	11,120,000	215,000
G.O. Refunding Loan Series 2022A-1	-	105,000	2,000	103,000	2,000
Accrued Interest - 2017B Subordinate Bonds	8,704	187,136	195,840	-	-
Developer Advances - General	110,576	-	-	110,576	-
Interest on Developer Advances - General	33,627	8,846	-	42,473	-
Developer Advances - Capital	15,824,791	-	-	15,824,791	-
Interest on Developer Advances - Capital	4,258,341	1,265,984	-	5,524,325	-
Total	<u>\$ 32,374,039</u>	<u>\$ 12,916,966</u>	<u>\$ 12,565,840</u>	<u>\$ 32,725,165</u>	<u>\$ 217,000</u>

**2017A Bonds**

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

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

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

The 2017A Bonds are secured by and payable from Senior Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) all Senior Property Tax Revenues, (2) all Senior Specific Ownership Tax Revenues, (3) all Capital Fees and (4) any other legally available monies which the District determines to credit to the Senior Bond Fund.

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

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

The 2017A Bonds are also secured by amounts held by the Trustee in the Reserve Fund in the amount of \$793,519. The Reserve Fund was created for the purpose of paying, if necessary, the principal of, premium, if any, and interest on the 2017A Bonds. Senior Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the 2017A Bonds as the same become due and payable and to make up deficiencies in the Reserve Fund.

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

2017B Bonds

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

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

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

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

Proceeds of the 2022A-1 Loan

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

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

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

**Details of the Loans**

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

**Unused lines of credit**

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

**Collateral**

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

**Events of default**

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

**Termination Events**

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

**Acceleration**

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

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

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

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

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

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

**Pledged Revenue**

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

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

**Required Mill Levy**

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

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

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

**Events of Default**

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

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

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

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

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

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

**Authorized Debt**

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

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

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

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

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

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

**NOTE 6 NET POSITION**

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

The restricted component of net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022 as follows:

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

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

**NOTE 7 AGREEMENTS**

**Operation Funding Agreement**

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

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

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

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

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

**NOTE 7 AGREEMENTS (CONTINUED)**

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

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

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

**Facilities Funding and Acquisition Agreement**

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

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

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

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

**NOTE 7 AGREEMENTS (CONTINUED)**

**Gateway Improvement Funding Agreement**

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

**NOTE 8 INTERFUND AND OPERATING TRANSFERS**

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

**NOTE 9 RISK MANAGEMENT**

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

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

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

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS**

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

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth.

Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

## **SUPPLEMENTARY INFORMATION**

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

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

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

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

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

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

## **OTHER INFORMATION**

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

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

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

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

**NOTES:**

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

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