

DENVER GATEWAY CENTER METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

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

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 19,607,256	\$ 12,719,862	\$ 10,797,410
REVENUES			
Property Taxes	424,189	499,042	655,088
Specific Ownership Tax	22,295	25,000	32,755
Interest Income	107,868	5,850	4,770
Total revenues	<u>612,514</u>	<u>529,892</u>	<u>692,613</u>
Total funds available	<u>20,219,770</u>	<u>13,249,754</u>	<u>11,490,023</u>
EXPENDITURES			
General Fund	122,988	81,763	178,500
Debt Service Fund	1,303,822	1,304,199	1,366,000
Capital Projects Fund	6,073,098	1,066,382	6,800,000
Total expenditures	<u>7,499,908</u>	<u>2,452,344</u>	<u>8,344,500</u>
Total expenditures and transfers out requiring appropriation	<u>7,499,908</u>	<u>2,452,344</u>	<u>8,344,500</u>
ENDING FUND BALANCES	<u>\$ 12,719,862</u>	<u>\$ 10,797,410</u>	<u>\$ 3,145,523</u>
EMERGENCY RESERVE	\$ 4,600	\$ 4,800	\$ 4,900
OPERATING RESERVE	110,973	188,319	171,845
DEBT SERVICE SURPLUS - SERIES 2018	746,882	602,126	-
DEBT SERVICE RESERVE - SERIES 2018	1,906,375	1,906,375	1,669,488
TOTAL RESERVE	<u>\$ 2,768,830</u>	<u>\$ 2,701,620</u>	<u>\$ 1,846,233</u>

No assurance provided. See summary of significant assumptions.

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

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION - Denver			
Commercial	\$ 6,697,580	\$ 6,697,580	\$ 7,446,660
Agricultural	3,250	120	1,770
State assessed	79,800	125,740	124,800
Vacant land	1,116,110	2,987,530	5,410,250
Personal property	709,000	169,880	118,270
Certified Assessed Value	<u>\$ 8,605,740</u>	<u>\$ 9,980,850</u>	<u>\$ 13,101,750</u>
MILL LEVY			
General	16.876	15.195	11.772
Debt Service	33.124	34.805	38.228
Total mill levy	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
PROPERTY TAXES			
General	\$ 145,230	\$ 151,659	\$ 154,234
Debt Service	285,057	347,383	500,854
Levied property taxes	430,287	499,042	655,088
Adjustments to actual/rounding	(6,098)	-	-
Budgeted property taxes	<u>\$ 424,189</u>	<u>\$ 499,042</u>	<u>\$ 655,088</u>
BUDGETED PROPERTY TAXES			
General	\$ 143,172	\$ 151,659	\$ 154,234
Debt Service	281,017	347,383	500,854
	<u>\$ 424,189</u>	<u>\$ 499,042</u>	<u>\$ 655,088</u>

No assurance provided. See summary of significant assumptions.

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

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 86,700	\$ 115,573	\$ 193,119
REVENUES			
Property taxes	143,172	151,659	154,234
Specific ownership tax	7,525	7,500	7,712
Interest income	1,164	150	180
Total revenues	<u>151,861</u>	<u>159,309</u>	<u>162,126</u>
Total funds available	<u>238,561</u>	<u>274,882</u>	<u>355,245</u>
EXPENDITURES			
General and administrative			
Accounting	44,740	24,000	28,000
Audit	4,750	5,000	5,500
County Treasurer's fee	1,438	1,517	1,542
Dues and licenses	732	420	600
Insurance and bonds	6,390	6,576	4,000
District management	23,938	16,000	20,000
Legal services	26,717	25,000	26,000
Miscellaneous	5,060	250	5,000
Election expense	3,219	-	4,000
Contingency	4	-	15,800
Operations and maintenance			
Landscaping	-	-	21,500
Drainage Maintenance	-	-	27,950
Irrigation	-	-	15,608
Denver annual review fee	6,000	3,000	3,000
Total expenditures	<u>122,988</u>	<u>81,763</u>	<u>178,500</u>
Total expenditures and transfers out requiring appropriation	<u>122,988</u>	<u>81,763</u>	<u>178,500</u>
ENDING FUND BALANCE	<u>\$ 115,573</u>	<u>\$ 193,119</u>	<u>\$ 176,745</u>
EMERGENCY RESERVE	\$ 4,600	\$ 4,800	\$ 4,900
OPERATING RESERVE	110,973	188,319	171,845
TOTAL RESERVE	<u>\$ 115,573</u>	<u>\$ 193,119</u>	<u>\$ 176,745</u>

No assurance provided. See summary of significant assumptions.

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

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 4,424,402	\$ 3,446,117	\$ 2,508,501
REVENUES			
Property taxes	281,017	347,383	500,854
Specific ownership tax	14,770	17,500	25,043
Interest income	29,750	1,700	1,090
Total revenues	<u>325,537</u>	<u>366,583</u>	<u>526,987</u>
Total funds available	<u>4,749,939</u>	<u>3,812,700</u>	<u>3,035,488</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	2,822	3,474	5,104
Paying agent fees	6,000	6,000	6,000
Contingency	-	-	45,446
Debt Service			
Bond interest - 2018A	1,290,000	1,289,725	1,289,450
Bond principal - Series 2018A	5,000	5,000	20,000
Total expenditures	<u>1,303,822</u>	<u>1,304,199</u>	<u>1,366,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,303,822</u>	<u>1,304,199</u>	<u>1,366,000</u>
ENDING FUND BALANCE	<u>\$ 3,446,117</u>	<u>\$ 2,508,501</u>	<u>\$ 1,669,488</u>
DEBT SERVICE SURPLUS - SERIES 2018	\$ 746,882	\$ 602,126	\$ -
DEBT SERVICE RESERVE - SERIES 2018	1,906,375	1,906,375	1,669,488
TOTAL RESERVE	<u>\$ 2,653,257</u>	<u>\$ 2,508,501</u>	<u>\$ 1,669,488</u>

No assurance provided. See summary of significant assumptions.

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

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 15,096,154	\$ 9,158,172	\$ 8,095,790
REVENUES			
Interest income	76,954	4,000	3,500
Reimbursed expenditures	58,162	-	-
Total revenues	<u>135,116</u>	<u>4,000</u>	<u>3,500</u>
Total funds available	<u>15,231,270</u>	<u>9,162,172</u>	<u>8,099,290</u>
EXPENDITURES			
General and Administrative			
Accounting	6,015	2,000	15,000
District management	13,236	3,000	30,000
Legal services	14,244	12,000	15,000
Contingency	2,317	382	280,000
Capital Projects			
Engineering	114,150	40,000	85,000
Streetscape	-	-	300,000
Consulting / Project management	109,161	9,000	75,000
Capital construction	5,813,975	1,000,000	6,000,000
Total expenditures	<u>6,073,098</u>	<u>1,066,382</u>	<u>6,800,000</u>
Total expenditures and transfers out requiring appropriation	<u>6,073,098</u>	<u>1,066,382</u>	<u>6,800,000</u>
ENDING FUND BALANCE	<u>\$ 9,158,172</u>	<u>\$ 8,095,790</u>	<u>\$ 1,299,290</u>

No assurance provided. See summary of significant assumptions.

**DENVER GATEWAY CENTER METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on November 24, 2004 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 in the City and County of Denver.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, security, traffic and safety protection, park and recreation, transportation, and television relay and translation improvements and services.

On November 3, 1998, the District's voters authorized total indebtedness of \$12,650,000 for the above listed facilities. The election also approved an annual increase in property taxes of \$100,000, at a rate not to exceed 30 mills, to pay the District's operation and maintenance costs.

On November 2, 2004, the District's voters authorized total indebtedness of \$103,750,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$20,750,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$500,000, at a rate not to exceed 50 mills, to pay the District's operation and maintenance costs.

On November 8, 2016, the District's voters authorized total indebtedness of \$185,000,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$120,000,000 for debt refunding and \$30,000,000 debt related to reimbursement agreements. The election also approved an annual increase in property taxes of \$500,000, with no mill levy limit, to pay the District's operation and maintenance costs.

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

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

**DENVER GATEWAY CENTER METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

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

The District's maximum Required Mill Levy is 50.000 mills (subject to adjustments for changes occurring in the method of calculating assessed valuation on or after August, 23, 2004), less the Operations Deduction. The Operations Deduction means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient, when combined with the related specific ownership tax, to generate revenues to pay operating expenses of \$152,500 in 2019 and an additional 1.7% each year thereafter.

The calculation of the taxes levied is displayed on the Property Tax Summary Information 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 forecast assumes that the District's share will be equal to approximately 5% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

County Treasurer's Fees

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

**DENVER GATEWAY CENTER METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Debt Service

Principal and interest payments in 2022 are provided based on the debt amortization schedule from the Series 2018A Bonds (discussed under Debt and Leases).

Capital Outlay

The District anticipates infrastructure improvements during 2022 as displayed on the Capital Projects Funds page.

Debt and Leases

On July 2, 2018, the District issued the \$23,115,000 General Obligation Limited Tax Bonds, Series 2018A, with interest rates of 5.500% to 5.625% to mature December 1, 2048 and the \$3,710,000 Subordinate General Obligation Limited Tax Bonds, Series 2018B, with an interest rate of 7.875% to mature on December 1, 2018.

The Series 2018A bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2023, and any date thereafter, at a redemption price of the principal amount redeemed plus accrued interest to the redemption date and a redemption premium equal to a percentage of the principal amount redeemed. The redemption premium on principal redeemed from December 1, 2023 to November 30, 2024 is 3%. The redemption premium on principal redeemed from December 1, 2024 to November 30, 2025 is 2%. The redemption premium on principal redeemed from December 1, 2025 to November 30, 2026 is 1%. Principal redemptions after December 1, 2026 have no premium.

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022 as defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Series 2018A Bonds.

This information is an integral part of the accompanying budget.

**DENVER GATEWAY CENTER METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2021**

**\$23,115,000 G.O. Bonds
General Obligation Refunding & Improvement Bonds, Series 2018A
Interest Rate - Assumes 5.500% for 20 Years, 5.625% Thereafter
Dated July 2, 2018
Principal Payable Annually, Beginning December 1, 2020
Interest Payable Semi-Annually, June 1 and December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 20,000	\$ 1,289,450	\$ 1,309,450
2023	145,000	1,288,350	1,433,350
2024	275,000	1,280,375	1,555,375
2025	285,000	1,265,250	1,550,250
2026	335,000	1,249,575	1,584,575
2027	350,000	1,231,150	1,581,150
2028	400,000	1,211,900	1,611,900
2029	420,000	1,189,900	1,609,900
2030	480,000	1,166,800	1,646,800
2031	500,000	1,140,400	1,640,400
2032	565,000	1,112,900	1,677,900
2033	590,000	1,081,825	1,671,825
2034	660,000	1,049,375	1,709,375
2035	690,000	1,013,075	1,703,075
2036	765,000	975,125	1,740,125
2037	805,000	933,050	1,738,050
2038	880,000	888,775	1,768,775
2039	930,000	840,375	1,770,375
2040	1,015,000	788,063	1,803,063
2041	1,070,000	730,969	1,800,969
2042	1,170,000	670,781	1,840,781
2043	1,230,000	604,969	1,834,969
2044	1,335,000	535,781	1,870,781
2045	1,410,000	460,688	1,870,688
2046	1,525,000	381,375	1,906,375
2047	1,610,000	295,594	1,905,594
2048	3,645,000	205,031	3,850,031
	<u>\$ 23,105,000</u>	<u>\$ 24,880,900</u>	<u>\$ 47,985,900</u>

No assurance provided. See summary of significant assumptions.