

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

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

1/18/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 6,676	\$ 9,065,825	\$ 9,039,473
REVENUES			
Property taxes	247	140	63
Specific ownership tax	-	1	3
Interest income	464	25,000	90,753
Advances from Denver Gateway Center	3,906	-	-
Developer advance	34,000	57,859	145,823
Bond proceeds	9,580,000	-	-
Total revenues	<u>9,618,617</u>	<u>83,000</u>	<u>236,642</u>
Total funds available	<u>9,625,293</u>	<u>9,148,825</u>	<u>9,276,115</u>
EXPENDITURES			
General Fund	51,753	50,851	9,276,015
Debt Service Fund	-	1	-
Capital Projects Fund	507,715	58,500	-
Total expenditures	<u>559,468</u>	<u>109,352</u>	<u>9,276,015</u>
Total expenditures and transfers out requiring appropriation	<u>559,468</u>	<u>109,352</u>	<u>9,276,015</u>
ENDING FUND BALANCES	<u>\$ 9,065,825</u>	<u>\$ 9,039,473</u>	<u>\$ 100</u>
EMERGENCY RESERVE	\$ 200	\$ 100	\$ 100
TOTAL RESERVE	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 100</u>

No assurance provided. See summary of significant assumptions.

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

1/18/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION - Denver			
State assessed	\$ 2,260	\$ 2,800	\$ 1,260
Vacant land	2,670	-	-
Certified Assessed Value	<u>\$ 4,930</u>	<u>\$ 2,800</u>	<u>\$ 1,260</u>
MILL LEVY			
General	50.000	5.000	5.000
Debt Service	0.000	45.000	45.000
Total mill levy	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
PROPERTY TAXES			
General	\$ 246	\$ 14	\$ 6
Debt Service	-	126	57
Levied property taxes	246	140	63
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	<u>\$ 247</u>	<u>\$ 140</u>	<u>\$ 63</u>
BUDGETED PROPERTY TAXES			
General	\$ 247	\$ 14	\$ 6
Debt Service	-	126	57
	<u>\$ 247</u>	<u>\$ 140</u>	<u>\$ 63</u>

No assurance provided. See summary of significant assumptions.

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

1/18/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 6,676	\$ (6,923)	\$ 100
REVENUES			
Property taxes	247	14	6
Specific ownership tax	-	1	-
Interest income	1	-	1
Developer advance	34,000	57,859	126,008
Advances from Denver Gateway Center MC	3,906	-	-
Total revenues	38,154	57,874	126,015
Total funds available	44,830	50,951	126,115
EXPENDITURES			
General and administrative			
Accounting	12,168	15,500	25,000
Auditing	-	5,000	5,000
County Treasurer's fee	2	-	-
Dues and licenses	401	371	500
Insurance and bonds	2,995	2,997	4,000
District management	10,733	9,000	25,000
Legal services	22,389	12,500	35,000
Miscellaneous	65	-	2,000
Election expense	-	2,483	5,000
Contingency	-	-	10,515
Denver district review	3,000	3,000	3,000
Drainage maintenance	-	-	11,000
Total expenditures	51,753	50,851	126,015
Total expenditures and transfers out requiring appropriation	51,753	50,851	126,015
ENDING FUND BALANCE	\$ (6,923)	\$ 100	\$ 100
EMERGENCY RESERVE	\$ 200	\$ 100	\$ 100
TOTAL RESERVE	\$ 200	\$ 100	\$ 100

No assurance provided. See summary of significant assumptions.

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

1/18/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 125
REVENUES			
Property taxes	-	126	57
Specific ownership tax	-	-	3
Developer advance	-	-	19,815
Total revenues	<u>-</u>	<u>126</u>	<u>19,875</u>
Total funds available	<u>-</u>	<u>126</u>	<u>20,000</u>
EXPENDITURES			
General and administrative			
Paying agent fees	-	-	4,000
County Treasurer's fee	-	1	1
Contingency	-	-	15,999
Total expenditures	<u>-</u>	<u>1</u>	<u>20,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>1</u>	<u>20,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 125</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

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

1/18/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ 9,072,748	\$ 9,039,248
REVENUES			
Interest income	463	25,000	90,752
Bond proceeds	9,580,000	-	-
Total revenues	<u>9,580,463</u>	<u>25,000</u>	<u>90,752</u>
Total funds available	<u>9,580,463</u>	<u>9,097,748</u>	<u>9,130,000</u>
EXPENDITURES			
Legal services	-	2,000	-
Bond issue costs	507,715	-	-
Capital Projects			
Engineering	-	6,500	-
Capital outlay	-	50,000	9,130,000
Total expenditures	<u>507,715</u>	<u>58,500</u>	<u>9,130,000</u>
Total expenditures and transfers out requiring appropriation	<u>507,715</u>	<u>58,500</u>	<u>9,130,000</u>
ENDING FUND BALANCE	<u>\$ 9,072,748</u>	<u>\$ 9,039,248</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
2023 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, storm and sanitation, security, street, traffic and safety controls, park and recreation, transportation, and television relay and translation improvement services.

On November 2, 2004, the District's voters authorized total indebtedness of \$25,000,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$5,000,000 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.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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 MEADOWS METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

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

The calculation of the taxes levied is displayed on the Property Tax Summary Information page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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 rates.

Developer Advances

The District is in the development stage. As such, the operating and administrative expenditures, and capital outlay will be partially funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

**DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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, dues and memberships, and meeting expense.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.00% of property tax collections.

Debt Service

See discussion under Debt and Leases.

Capital Outlay

The District anticipates infrastructure improvements during 2023 as displayed on the Capital Projects fund page of the budget.

Debt and Leases

On November 16, 2021, the District issued the \$9,580,000 General Obligation Limited Tax Bonds, Series 2021(3), with interest rate of 6.000% to mature December 1, 2051.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the maturity date. Unpaid interest on the Bonds compounds annually on each December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2061, such amounts shall be extinguished and no longer due and outstanding

The Series 2021(3) bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2026, to November 30, 2027	3.00%
December 1, 2027, to November 30, 2028	2.00
December 1, 2028, to November 30, 2029	1.00
December 1, 2029, and thereafter	0.00

The District has no operating or capital leases.

**DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023 as defined under TABOR.

This information is an integral part of the accompanying budget.