

ANNUAL REPORT FOR THE
2022 CALENDAR/FISCAL YEAR
WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1

Manager of Revenue
Department of Finance
City and County of Denver
Denver, Colorado 80202
Via Email margaret.danuser@denvergov.org

Denver County Clerk and Recorder
via Email clerkandrecorder@denvergov.org

Office of the State Auditor
1525 Sherman Street, 7th Floor
Denver, Colorado 80203
via E-Filing Portal

Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203
via E-Filing Portal


Pursuant to Section 32-1-207(3)(c)(I), C.R.S., the West Globeville Metropolitan District No. 1 (the “**District**”) the District is required to submit an annual report for the preceding calendar year (the “**Report**”) no later than October 1st of each year to the City and County of Denver, Colorado (the “**City**”), the Colorado Division of Local Government, the Colorado State Auditor, the Denver County Clerk and Recorder; the Report must also be posted on the District’s website, if available.

1. **Boundary changes made to the District’s boundary as of December 31st:**
There was one inclusion during fiscal year 2022. The District included the commercial property located within the real property described on the recorded Order of Inclusion attached hereto as **Exhibit A**.
2. **Intergovernmental agreements entered into or terminated as of December 31st:** The District did not enter into or terminate any Intergovernmental agreements during fiscal year 2022.
3. **Copies of the District’s Rules and Regulations, if any, as of December 31st:**
The District had not adopted rules and regulations as of December 31, 2022.
4. **A summary of any litigation involving public improvements by the District:**
The District is not aware of any litigation involving public improvements.
5. **Status of the construction of public improvements by the District:**
The District began environmental remediation, which is expected to be completed by the end of 2023. Utility installation is expected to commence in 2023.
6. **List of facilities or improvements constructed by the District that were conveyed to the City:** There were no facilities or improvements constructed by the District that were conveyed to the City during fiscal year 2022.

7. **Final Assessed Value of Taxable Property within the District's boundaries as of December 31, 2022:** The 2022 total assessed value of taxable property within the boundaries of the District is \$30.
8. **Current annual budget of the District:** Attached as **Exhibit B** is a copy of the District's Budget for the current fiscal year 2023.
9. **Most recently filed audited financial statements of the District. To the extent audited financial statements are required by state law or most recently filed audit exemption:** Attached as **Exhibit C** is a copy of the District's Audit for fiscal year 2022.
10. **Notice of any uncured defaults existing for more than 90 days under any debt instrument of the District:** No notice of any uncured default was issued during fiscal year 2022.
11. **The District's inability to pay any financial obligations as they come due under any obligation which continues beyond a ninety-day period:** To the best of our actual knowledge, the District has been able to pay its obligations as they come due during fiscal year 2022.

Respectfully submitted this 26th day of September, 2023.

COCKREL ELA GLESNE GREHER &
RUHLAND, P.C.

By: 

Matthew P. Ruhland
Attorney for West Globeville
Metropolitan District No. 1

EXHIBIT A
ORDER OF INCLUSION



08/03/2022 09:09 AM
City & County of Denver
Electronically Recorded

R \$38.00

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DISTRICT COURT, CITY AND COUNTY OF DENVER, STATE OF COLORADO Court Address: Denver City & County Building 437 Bannock Street, Room 256 Denver, CO 80202 Phone Number: 720-865-8301	DATE FILED: July 28, 2022 9:51 PM
IN RE THE MATTER OF WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1	DISTRICT COURT City & County of Denver, Colo. Certified to be a full, true and correct copy of the original in my custody. AUG 02 2022 CLERK OF THE DISTRICT COURT By <i>[Signature]</i> Deputy Clerk
	▲ COURT USE ONLY ▲ Case No.: 2016CV30856 Div.: Ctrm.:
ORDER OF INCLUSION	



THIS MATTER comes before the Court upon the filing of the West Globeville Metropolitan District No. 1's (the "District") Motion for Inclusion.

THE COURT FINDS that:

- Vita Fox North, L.P., fee owner of property described on Exhibit A attached hereto (the "Property") filed with the Board of Directors of the District (the "Board") a proper Petition for Inclusion (the "Petition"), a copy of which has been filed with this Court, praying that all of the commercial property located within the Property be included within the District, and specifically does not include any residential property; and

2. The Board published notice of the filing of the Petition and of the date, place and time of a hearing on the Petition, and of the name of the Petitioner in the *Daily Journal*, a newspaper of general circulation within the District, the proof of publication of which has been filed with this Court; and

3. Following the public hearing on the Petition held on Wednesday, July 20, 2022, at the hour of 10:00 a.m., and conducted telephonically at: 1-800-853-9595; access code: 303497, the Board determined that the Property is capable of being served by the District, and by Order, a copy of which has been filed with this Court, granted the Petition in whole.

IT IS THEREFORE ORDERED that all of the commercial property located within the Property be included within the West Globeville Metropolitan District No. 1, and specifically does not include any residential property.

Dated this 28th day of July, 2022.

BY THE COURT:



District Court Judge

EXHIBIT A**(Legal Description of the Property to be Included)**

West Globeville Metropolitan District No. 1 Petition for Inclusion – Includes all commercial property located within the following described property and does not include any residential property:

A PARCEL OF LAND BEING A PORTION OF THE WEST HALF OF SECTION 22, TOWNSHIP 3 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY AND COUNTY OF DENVER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE NORTH RIGHT-OF-WAY LINE OF WEST 43RD AVENUE, PER THE VIADUCT ADDITION TO THE CITY OF DENVER, BEING MONUMENTED AS SHOWN HEREIN, AND CONSIDERED TO BEAR SOUTH 89°45'13" WEST.

BEGINNING AT THE SOUTHEAST CORNER OF BLOCK 6, SAID VIADUCT ADDITION, THENCE ALONG SAID NORTH RIGHT-OF-WAY THE FOLLOWING THREE (3) COURSES:

1. SOUTH 89°45'13" WEST, A DISTANCE OF 286.05 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 50.00 FEET, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 16°00'50" WEST;
2. WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°31'14", AN ARC LENGTH OF 28.38 FEET;
3. SOUTH 89°45'13" WEST, A DISTANCE OF 31.95 FEET;

THENCE SOUTH 00°15'07" EAST, A DISTANCE OF 28.36 FEET TO THE WESTERLY RIGHT-OF-WAY OF SAID 43RD AVENUE AND THE BEGINNING OF A NON-TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 50.00 FEET, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 67°11'39" EAST;

THENCE SOUTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID CURVE THROUGH A CENTRAL ANGLE OF 13°54'55", AN ARC LENGTH OF 12.14 FEET TO THE CENTERLINE OF VACATED 43RD AVENUE AS DESCRIBED IN ORDINANCE NUMBER 30, SERIES OF 1943;

THENCE, ALONG SAID CENTERLINE SOUTH 89°45'13" WEST, A DISTANCE OF 175.06 FEET TO THE EASTERLY BOUNDARY OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL CM-17 IN RULE AND ORDER RECORDED

UNDER RECEPTION NO. 2012112161 IN THE RECORDS OF THE CLERK AND RECORDER OF SAID CITY AND COUNTY OF DENVER;

THENCE ALONG SAID EASTERLY BOUNDARY THE FOLLOWING FIVE (5) COURSES:

1. NORTH 02°28'59" WEST, A DISTANCE OF 57.22 FEET;
2. NORTH 02°23'14" WEST, A DISTANCE OF 4.86 FEET TO THE BEGINNING OF A 33 TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 5440.25 FEET;
3. NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 01°28'25", AN ARC LENGTH OF 139.93 FEET;
4. NORTH 00°54'49" WEST, A DISTANCE OF 46.97 FEET;
5. NORTH 00°54'49" WEST, A DISTANCE OF 7.80 FEET TO THE SOUTHEAST CORNER OF PARCEL CM-17A AS DESCRIBED IN SAID RULE AND ORDER;

THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL THE FOLLOWING THREE (3) COURSES:

1. NORTH 00°10'36" WEST, A DISTANCE OF 471.64 FEET;
2. NORTH 00°20'10" WEST, A DISTANCE OF 70.02 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 37775.14 FEET;
3. NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 00°19'41", AN ARC LENGTH OF 216.33 FEET TO THE SOUTHWEST CORNER OF PARCEL CM-17C AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED UNDER RECEPTION NO. 2015002275 IN SAID RECORDS;

THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL THE FOLLOWING THREE (3) COURSES:

1. NORTH 89°19'35" EAST, A DISTANCE OF 13.64 FEET;
2. NORTH 00°42'24" WEST, A DISTANCE OF 26.00 FEET;
3. NORTH 49°12'25" WEST, A DISTANCE OF 18.20 FEET TO THE EASTERLY BOUNDARY OF SAID PARCEL CM-17A;

THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL THE FOLLOWING SEVEN (7) COURSES:

1. NORTH 00°41'50" WEST, A DISTANCE OF 110.57 FEET;
2. NORTH 11°54'11" EAST, A DISTANCE OF 177.10 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 1189.22 FEET;
3. NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15°27'36", AN ARC LENGTH OF 320.88 FEET;
4. NORTH 03°33'25" WEST, A DISTANCE OF 370.97 FEET;
5. NORTH 03°20'49" WEST, A DISTANCE OF 69.87 FEET;
6. NORTH 05°17'56" EAST, A DISTANCE OF 100.76 FEET;
7. NORTH 00°42'51" EAST, ALONG SAID EASTERLY BOUNDARY AND CONTINUING ALONG THE EASTERLY BOUNDARY OF PARCEL CM-17B AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED UNDER RECEPTION NO. 2015002278 IN SAID RECORDS; A DISTANCE OF 41.01 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF INTERSTATE 70;

THENCE ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY THE FOLLOWING FOUR (4) COURSES:

1. SOUTH 69°14'02" EAST, A DISTANCE OF 443.00 FEET;
2. SOUTH 65°53'05" EAST, A DISTANCE OF 541.34 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 1432.39 FEET, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 35°16'37" WEST;
3. SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15°15'40", AN ARC LENGTH OF 381.53 FEET;
4. SOUTH 42°47'48" EAST, A DISTANCE OF 73.60 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID NORTHWEST QUARTER OF SECTION 22;

THENCE, ALONG SAID EAST LINE, SOUTH 00°12'32" EAST, A DISTANCE OF 271.17 FEET;

THENCE SOUTH 45°03'28" WEST, A DISTANCE OF 1052.79 FEET TO THE WESTERLY RIGHT-OF-WAY OF FOX STREET, AS DEDICATED ON SAID PLAT OF THE VIADUCT ADDITION;

THENCE, ALONG SAID WESTERLY RIGHT-OF-WAY, SOUTH 00°14'47" EAST, A
DISTANCE OF 488.60 FEET TO THE POINT OF BEGINNING,

CONTAINING 1,788,117 SQUARE FEET OR 41.050 ACRES, MORE OR LESS.

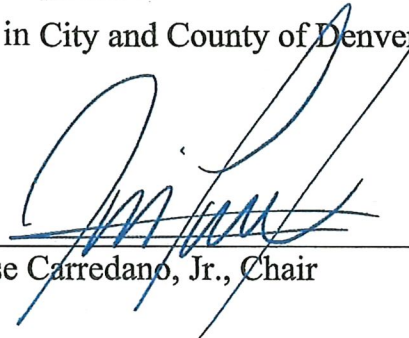
EXHIBIT B
2023 BUDGET

**CERTIFICATION OF 2023 BUDGET FOR
WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1**

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for West Globeville Metropolitan District No. 1, for the budget year ending December 31, 2023, as adopted on November 14, 2022.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of West Globeville Metropolitan District No. 1 in City and County of Denver, Colorado, this 14th day of November, 2022.



Jose Carredano, Jr., Chair

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/20/2023

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ (15,704)	\$ 46,195,901
REVENUES			
Property taxes	-	-	1
Interest income	-	2,000	2,000
Developer advance	2,675,746	1,555,498	124,905
Bond issuance - Series 2021	-	54,280,000	-
Total revenues	<u>2,675,746</u>	<u>55,837,498</u>	<u>126,906</u>
TRANSFERS IN			
	<u>-</u>	<u>15,480,050</u>	<u>-</u>
Total funds available	<u>2,675,746</u>	<u>71,301,844</u>	<u>46,322,807</u>
EXPENDITURES			
General Fund	30,615	29,300	48,000
Debt Service Fund	-	960,483	3,725,725
Capital Projects Fund	2,660,835	8,636,110	31,751,239
Total expenditures	<u>2,691,450</u>	<u>9,625,893</u>	<u>35,524,964</u>
TRANSFERS OUT			
	<u>-</u>	<u>15,480,050</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>2,691,450</u>	<u>25,105,943</u>	<u>35,524,964</u>
ENDING FUND BALANCES	<u>\$ (15,704)</u>	<u>\$ 46,195,901</u>	<u>\$ 10,797,843</u>
AVAILABLE FOR OPERATIONS	\$ (3,103)	\$ 23,095	\$ -
DEBT SERVICE CAPITALIZED INTEREST	-	9,958,692	6,318,967
DEBT SERVICE RESERVE FUND	-	4,560,875	4,478,876
TOTAL RESERVE	<u>\$ (3,103)</u>	<u>\$ 14,542,662</u>	<u>\$ 10,797,843</u>

No assurance is provided. See summary of significant assumptions.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL 2022 ESTIMATED
For the Years Ended and Ending December 31,

	1/20/2023		
	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Vacant land	\$ 30	\$ 30	\$ 30
	30	30	30
Certified Assessed Value	\$ 30	\$ 30	\$ 30
 MILL LEVY			
General	0.000	55.385	10.000
Debt Service	0.000	0.000	40.000
Total mill levy	0.000	55.385	50.000
 PROPERTY TAXES			
General	\$ -	\$ 2	\$ -
Debt Service	-	-	1
Budgeted property taxes	\$ -	\$ 2	\$ 1
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ 2	\$ -
Debt Service	-	-	1
	\$ -	\$ 2	\$ 1

No assurance is provided. See summary of significant assumptions.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL 2022 ESTIMATED
For the Years Ended and Ending December 31,

	1/27/2023		
	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ (3,103)	\$ 23,095
REVENUES			
Developer advance	27,512	55,498	24,905
Total revenues	<u>27,512</u>	<u>55,498</u>	<u>24,905</u>
Total funds available	<u>27,512</u>	<u>52,395</u>	<u>48,000</u>
EXPENDITURES			
General and administrative			
Accounting	8,248	10,000	5,000
Auditing	-	7,000	7,000
Dues and licenses	6,000	1,538	2,000
Insurance and bonds	5,044	500	3,000
Legal services	11,083	10,000	10,000
Miscellaneous	240	262	1,000
Contingency	-	-	20,000
Total expenditures	<u>30,615</u>	<u>29,300</u>	<u>48,000</u>
Total expenditures and transfers out requiring appropriation	<u>30,615</u>	<u>29,300</u>	<u>48,000</u>
ENDING FUND BALANCES	<u>\$ (3,103)</u>	<u>\$ 23,095</u>	<u>\$ -</u>
AVAILABLE FOR OPERATIONS	<u>\$ (3,103)</u>	<u>\$ 23,095</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ (3,103)</u>	<u>\$ 23,095</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

	1/20/2023		
	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 14,521,567
REVENUES			
Property taxes	-	-	1
Interest income	-	2,000	2,000
Total revenues	-	2,000	2,001
TRANSFERS IN			
Transfers from other funds	-	15,480,050	-
Total funds available	-	15,482,050	14,523,568
EXPENDITURES			
Debt Service			
Bond interest	-	960,483	3,639,725
Paying Agent Fees	-	-	6,000
Contingency	-	-	80,000
Total expenditures	-	960,483	3,725,725
Total expenditures and transfers out requiring appropriation	-	960,483	3,725,725
ENDING FUND BALANCES	\$ -	\$ 14,521,567	\$ 10,797,843
DEBT SERVICE CAPITALIZED INTEREST	\$ -	\$ 9,958,692	\$ 6,318,967
DEBT SERVICE RESERVE FUND	-	4,560,875	4,478,876
TOTAL RESERVE	\$ -	\$ 14,519,567	\$ 10,797,843

No assurance is provided. See summary of significant assumptions.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

	1/20/2023		
	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ (12,601)	\$ 31,651,239
REVENUES			
Developer advance	2,648,234	1,500,000	100,000
Bond issuance - Series 2021	-	54,280,000	-
Total revenues	2,648,234	55,780,000	100,000
Total funds available	2,648,234	55,767,399	31,751,239
EXPENDITURES			
Capital Projects			
Cost of issuance	-	1,872,329	-
Bond Discount	-	1,625,447	-
Capital outlay	2,373,388	804,208	31,481,239
Repay developer advance	-	3,949,600	100,000
Repay developer advance - interest	-	294,377	-
Accounting	-	7,236	30,000
Auditing	3,050	-	-
Dues and licenses	1,999	-	-
Legal services	167,707	68,600	60,000
Engineering	13,994	14,313	40,000
Consulting	48,893	-	-
Permits & Fees	32,376	-	40,000
Total expenditures	2,660,835	8,636,110	31,751,239
TRANSFERS OUT			
Transfer to DS Fund	-	15,480,050	-
Total expenditures and transfers out requiring appropriation	2,660,835	24,116,160	31,751,239
ENDING FUND BALANCES	\$ (12,601)	\$ 31,651,239	\$ -

No assurance is provided. See summary of significant assumptions.

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

West Globeville Metropolitan District No. 1 (District) West Globeville Metropolitan District No. 1 (the "District"), located in the City and County of Denver (the "City"). The Denver City Council approved the Service Plan for the District on March 7, 2016 (the "Original Service Plan") as amended and supplemented by the First Amended and Restated Service Plan, approved by the City Council on November 29, 2021 (together, the "District No. 1 Service Plan"). The District is a quasi-municipal corporation and political subdivision of the state and an independent unit of local government, separate and distinct from the City. The District's activities shall be subject to review by the City only as provided by this service plan, state or local law, intergovernmental agreement, or where the District's activities deviate in a material manner from this service plan. The District will provide Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance, construct, operate and maintain these Public Improvements. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.)

The organization of the District was approved by eligible electors of the District, voting at the election held on May 3, 2016 (the "2016 Election"). At the 2016 Election and at the election held on November 2, 2020 (the "2020 Election" and together with the 2016 Election the "District Elections"), the eligible electors of the District voting at the District Elections approved the incurrence of debt for public improvements.

The District has no employees and all operations and 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.

Revenues

Developer Advance

The District is in the development stage. As such, all of the District's general and administrative expenditures will be 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 (if applicable) and other legally available 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. 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

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Property Taxes – (continued)

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%.

Expenditures

General and Administrative

General and administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, and other administrative expenses.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt Service

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

Debt and Leases

In August 2022, the District issued \$54,280,000 in General Obligation Limited Tax Bonds, Series 2022 The Bonds shall constitute limited tax general obligations of the District. All of the Bonds, together with the interest thereon and any premium due in connection therewith, shall be payable solely from and to the extent of the Pledged Revenue, including all moneys and earnings thereon held in the funds and accounts herein created, and the Pledged Revenue is hereby pledged to the payment of the Bonds. The Bonds shall constitute an irrevocable lien upon the Pledged Revenue and the moneys and earnings thereon held in the funds and accounts herein created, but not necessarily an exclusive such lien. The Series 2022 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, 2029, 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:

Date of Redemption	Redemption Premium
December 1, 2029, to November 30, 2030	3.00%
December 1, 2030, to November 30, 2031	2.00
December 1, 2031, to November 30, 2032	1.00
December 1, 2032, and thereafter	0.00

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

Mandatory Sinking Fund Redemption of 2032 Maturity - The Bonds maturing on December 1, 2032 also are subject to mandatory sinking fund redemption prior to the maturity date of such Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, on December 1 in the years and amounts set forth below:

Year of Redemption	Redemption Amount
2027	\$350,000
2028	820,000
2029	780,000
2030	865,000
2031	920,000
2032*	1,100,000

* final maturity, not a sinking fund redemption

Mandatory Sinking Fund Redemption of 2052 Maturity - The Bonds maturing on December 1, 2052 also are subject to mandatory sinking fund redemption prior to the maturity date of such Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, on December 1 in the years and amounts set forth below:

Year of Redemption	Redemption Amount
2033	\$1,165,000
2034	1,300,000
2035	1,385,000
2036	1,480,000
2037	1,580,000
2038	1,685,000
2039	1,800,000
2040	1,925,000
2041	2,050,000
2042	2,190,000
2043	2,340,000
2044	2,495,000
2045	2,665,000
2046	2,845,000
2047	3,035,000
2048	3,240,000
2049	3,460,000
2050	3,695,000
2051	3,945,000
2052*	5,165,000

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserve. This reserve must be at least 3% of fiscal year spending. Since all funds received by the District are Developer advances, an Emergency Reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.

West Globeville Metropolitan District No. 1
\$54,280,000
General Obligation Limited Tax Bonds
Series 2022
Issue Date August 26, 2022
Interest Rate of 6.250% - 6.750%
Due June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 960,483	\$ 960,483
2023	-	3,639,725	3,639,725
2024	-	3,639,725	3,639,725
2025	-	3,639,725	3,639,725
2026	-	3,639,725	3,639,725
2027	350,000	3,639,725	3,989,725
2028	820,000	3,617,850	4,437,850
2029	780,000	3,566,600	4,346,600
2030	865,000	3,517,850	4,382,850
2031	920,000	3,463,787	4,383,787
2032	1,100,000	3,406,287	4,506,287
2033	1,165,000	3,337,537	4,502,537
2034	1,300,000	3,258,900	4,558,900
2035	1,385,000	3,171,150	4,556,150
2036	1,480,000	3,077,662	4,557,662
2037	1,580,000	2,977,762	4,557,762
2038	1,685,000	2,871,112	4,556,112
2039	1,800,000	2,757,375	4,557,375
2040	1,925,000	2,635,875	4,560,875
2041	2,050,000	2,505,937	4,555,937
2042	2,190,000	2,367,562	4,557,562
2043	2,340,000	2,219,737	4,559,737
2044	2,495,000	2,061,787	4,556,787
2045	2,665,000	1,893,375	4,558,375
2046	2,845,000	1,713,487	4,558,487
2047	3,035,000	1,521,450	4,556,450
2048	3,240,000	1,316,587	4,556,587
2049	3,460,000	1,097,887	4,557,887
2050	3,695,000	864,337	4,559,337
2051	3,945,000	614,925	4,559,925
2052	5,165,000	348,637	5,513,637
Total	<u>\$ 54,280,000</u>	<u>\$ 79,344,563</u>	<u>\$ 133,624,563</u>

No assurance is provided. See summary of significant assumptions.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (the “**Board**”) of West Globeville Metropolitan District No. 1 (the “**District**”) has appointed a budget committee to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board on or before October 15, 2022 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 14, 2022, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of West Globeville Metropolitan District No. 1:

1. That estimated expenditures for each fund are as follows:

General Fund:	\$	48,000
Debt Service Fund	\$	3,725,725
Capital Projects Fund	\$	31,751,239
Total	\$:	35,524,964

2. That estimated revenues are as follows:

<u>General Fund:</u>		
From unappropriated surpluses	\$	23,095
From sources other than general property tax	\$	24,905
From general property tax	\$	0
Total	\$	48,000

Debt Service Fund:

From unappropriated surpluses		\$14,521,567
From sources other than general property tax	\$	2,000
From general property tax	\$	1
Total		\$14,523,568

Capital Projects Fund:

From unappropriated surpluses		\$31,651,239
From sources other than general property tax	\$	100,000
From general property tax	\$	0
Total		\$31,751,239

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the District for the 2023 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$00; and

WHEREAS, the amount of money from property taxes necessary to balance the budget for debt service expenses is \$1.00; and

WHEREAS, the 2022 valuation for assessment of the District, as certified by the County Assessor, is \$30.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of West Globeville Metropolitan District No. 1:

1. That for the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 10.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$00.

2. That for the purpose of meeting all debt service expenses of the District during the 2023 budget year, there is hereby levied a property tax, inclusive of the mill

levy for refunds and abatements, of 40.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$1.00.

3. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the City Council of the City and County of Denver, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the West Globeville Metropolitan District No. 1 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	\$	48,000
Debt Service Fund	\$	3,725,725
Capital Projects Fund	\$	31,751,239
Total	\$:	35,524,964

ADOPTED this 14th day of November, 2022.

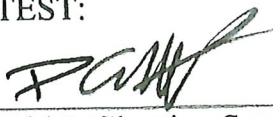
WEST GLOBEVILLE METROPOLITAN
DISTRICT NO. 1

By



Jose Carredano, Jr., Chair

ATTEST:



Donald J. Cloutier, Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of City & County of Denver, Colorado.

On behalf of the WEST GLOBEVILLE METRO DISTRICT NO. 1,
 (taxing entity)^A

the BOARD of DIRECTORS
 (governing body)^B

of the WEST GLOBEVILLE METRO DISTRICT NO. 1
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 30 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 30 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/07/2022 for budget/fiscal year 2023.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>10.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	<u>40.000</u> mills	\$ <u>1</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	50.000 mills	\$ 1

Contact person: (print) Jose Carredano McCadden Daytime phone: (303) 779-5710
 Signed:  Title: Board Member
309BB447AB484F0...

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

EXHIBIT C

AUDIT OF 2022 FINANCIAL STATEMENTS

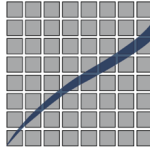
WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
City and County of Denver, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2022**

INDEPENDENT AUDITOR’S REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT – WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	25
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	26
OTHER INFORMATION	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	28
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	29



BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
West Globeville Metropolitan District No. 1
Colorado Springs, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of West Globeville Metropolitan District No. 1 ("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, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the 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.

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 within one year after the date that the financial statements are available to be issued.

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 auditing standards

generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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.

Other Matters

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 which 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 opinions on the basic financial statements are 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 identified 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. Such 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, as identified in the table of contents. The other information 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 provide any 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.

BiggsKofford, P.C.

Colorado Springs, Colorado
July 18, 2023

BASIC FINANCIAL STATEMENTS

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	\$ 17,466
Cash and Investments - Restricted	45,065,472
Property Taxes Receivable	1
Prepaid Expenses	4,152
Capital Assets: Not Being Depreciated	4,902,234
Total Assets	49,989,325
LIABILITIES	
Accounts Payable	331,736
Accrued Interest Payable	303,310
Noncurrent Liabilities:	
Due in More Than One Year	52,798,382
Total Liabilities	53,433,428
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenues	1
Total Deferred Inflows of Resources	1
NET POSITION	
Restricted for:	
Debt Service	14,626,776
Capital Projects	30,126,660
Unrestricted	(48,197,540)
Total Net Position	\$ (3,444,104)

See accompanying Notes to Basic Financial Statements.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 229,245	\$ -	\$ -	\$ -	\$ (229,245)
Interest and Related Costs on Long-Term Debt	3,297,439	-	-	-	(3,297,439)
Total Governmental Activities	\$ 3,526,684	\$ -	\$ -	\$ -	(3,526,684)
					GENERAL REVENUES
					Interest Income
					338,137
					Total General Revenues
					338,137
					CHANGE IN NET POSITION
					(3,188,547)
					Net Position - Beginning of Year
					(255,557)
					NET POSITION - END OF YEAR
					\$ (3,444,104)

See accompanying Notes to Basic Financial Statements.

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	Capital Projects	Total Governmental Fund
ASSETS				
Cash and Investments	\$ 17,466	\$ -	\$ -	\$ 17,466
Cash and Investments - Restricted	-	14,626,776	30,438,696	45,065,472
Property Taxes Receivable	-	1	-	1
Prepaid Expense	4,152	-	-	4,152
Total Assets	\$ 21,618	\$ 14,626,777	\$ 30,438,696	\$ 45,087,091
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 19,700	\$ -	\$ 312,036	\$ 331,736
Total Liabilities	19,700	-	312,036	331,736
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes	-	1	-	1
Total Deferred Inflows of Resources	-	1	-	1
FUND BALANCES				
Nonspendable:				
Prepaid Insurance	4,152	-	-	4,152
Restricted for:				
Debt Service	-	14,626,776	-	14,626,776
Capital Projects	-	-	30,126,660	30,126,660
Unassigned	(2,234)	-	-	(2,234)
Total Fund Balances	1,918	14,626,776	30,126,660	44,755,354
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 21,618	\$ 14,626,777	\$ 30,438,696	

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

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

Capital Assets, Not Being Depreciated

4,902,234

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

Bonds Payable

(54,280,000)

Bonds Discount

1,605,771

Accrued Interest on 2022 Bonds

(303,310)

Developer Advance Payable

(113,915)

Accrued Interest on Developer Advance

(10,238)

Net Position of Governmental Activities

\$ (3,444,104)

See accompanying Notes to Basic Financial Statements.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Debt Service	Capital Projects	Total Governmental Fund
REVENUES				
Interest Income	\$ -	\$ 107,209	\$ 230,928	\$ 338,137
Total Revenues	-	107,209	230,928	338,137
EXPENDITURES				
General:				
Accounting	23,002	-	32,812	55,814
Banking Fees	80	-	-	80
Dues and Membership	1,538	-	-	1,538
Insurance and Bonds	4,554	-	-	4,554
Legal Services	1,187	-	115,202	116,389
Miscellaneous	2,222	-	7,531	9,753
Debt Service:				
Bond Interest - Series 2022	-	960,483	-	960,483
Bond Issue Costs	-	-	1,868,329	1,868,329
Capital Projects:				
Engineering	-	-	41,117	41,117
Capital Outlay	-	-	2,241,397	2,241,397
Total Expenditures	32,583	960,483	4,306,388	5,299,454
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(32,583)	(853,274)	(4,075,460)	(4,961,317)
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	54,280,000	54,280,000
Bond Discount	-	-	(1,625,447)	(1,625,447)
Developer Advance	37,604	-	1,311,424	1,349,028
Repay Developer Advance - Principal	-	-	(3,970,458)	(3,970,458)
Repay Developer Advance - Interest	-	-	(300,746)	(300,746)
Transfers from Capital Project Fund	-	15,480,050	-	15,480,050
Transfers to Debt Service Fund	-	-	(15,480,050)	(15,480,050)
Total Other Financing Sources (Uses)	37,604	15,480,050	34,214,723	49,732,377
NET CHANGE IN FUND BALANCES	5,021	14,626,776	30,139,263	44,771,060
Fund Balances - Beginning of Year	(3,103)	-	(12,603)	(15,706)
FUND BALANCES - END OF YEAR	<u>\$ 1,918</u>	<u>\$ 14,626,776</u>	<u>\$ 30,126,660</u>	<u>\$ 44,755,354</u>

See accompanying Notes to Basic Financial Statements.

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 44,771,060

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

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

Capital Outlay - Current Year 2,241,397

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

Bond Issuance	(54,280,000)
Bond Discount	1,625,447
Developer Advance - Operations	(37,604)
Developer Advance - Capital	(1,311,424)
Repayment of Developer Advance - Capital	3,970,458

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.

Amortization of Bond Discount	(19,676)
Accrued Interest on 2022 Bonds - Change in Liability	(303,310)
Accrued Interest on Developer Advance - Change in Liability	155,105
	155,105

Change in Net Position of Governmental Activities \$ (3,188,547)

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 2	\$ -	\$ (2)
Total Revenues	<u>2</u>	<u>-</u>	<u>(2)</u>
EXPENDITURES			
General and Administrative:			
Accounting	10,000	23,002	(13,002)
Auditing	7,000	-	7,000
Banking Fees	-	80	(80)
Dues and Membership	4,000	1,538	2,462
Insurance and Bonds	3,000	4,554	(1,554)
Legal Services	20,000	1,187	18,813
Miscellaneous	10,000	2,222	7,778
Emergency Reserve	1,500	-	1,500
Total Expenditures	<u>55,500</u>	<u>32,583</u>	<u>22,917</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(55,498)	(32,583)	22,915
OTHER FINANCING SOURCES (USES)			
Developer Advance	55,498	37,604	(17,894)
Total Other Financing Sources (Uses)	<u>55,498</u>	<u>37,604</u>	<u>(17,894)</u>
NET CHANGE IN FUND BALANCE	-	5,021	5,021
Fund Balance - Beginning of Year	-	(3,103)	(3,103)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,918</u>	<u>\$ 1,918</u>

See accompanying Notes to Basic Financial Statements.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 DEFINITION OF REPORTING ENTITY

West Globeville Metropolitan District No. 1 (the District), a quasi-municipal corporation, was approved by eligible electors of the District at an election held on May 3, 2016. The District was organized by order of the District Court in and for the city and County of Denver on May 6, 2016. The formation of the District was approved by the city and County of Denver, Colorado in conjunction with the approval by the City Council of the Service Plan for the District on March 7, 2016. The District exists as a quasi-municipal corporation and political subdivision of the state of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.)

At special elections of the eligible electors of the District held on May 3, 2016 and November 2, 2020, a majority of those qualified to vote in each such election voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the acquisition, construction, installation, and completion of certain street, park and recreation, water, sanitation, transportation, and safety protection.

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, and 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 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.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
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 and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the 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 property and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has 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 due.

The District reports the following major governmental funds:

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

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation 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.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and, generally, sale 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.

Deferred Inflows of Resources

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

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 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.

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 the 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.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
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.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

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 - Unrestricted	\$ 17,466
Cash and Investments - Restricted	45,065,472
Total Cash and Investments	\$ 45,082,938

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

Deposits with Financial Institutions	\$ 68,327
Investments	45,014,611
Total Cash and Investments	\$ 45,082,938

Cash Deposits

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

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

On December 31, 2022, the District's cash deposits had a bank balance and carrying balance of \$68,327.

Investments

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

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

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

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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 of the World Bank
- . Certain international agency securities
- . 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 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	
Government & Agency Bonds	Under 60 Days	\$ 38,459,258
Total		<u>6,555,353</u>
		<u>\$ 45,014,611</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.

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 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.

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

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 AA Af/S1 by FitchRatings. 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.

Government and Agency Bonds

Government and Agency Bonds consist of U.S. Treasury Notes, Federal Farm Credit Bank Bonds, Federal Farm Home Loan Bank Bonds, and Federal National Mortgage Association Bonds. Such investments may not exceed 75% of the total par value of the District's portfolio. Maturities may be no more than seven years.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2022 is as follows:

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 2,660,837	\$ 2,241,397	\$ -	\$ 4,902,234
Total Capital Assets, Not Being Depreciated	\$ 2,660,837	\$ 2,241,397	\$ -	\$ 4,902,234

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 LONG-TERM OBLIGATIONS

General Obligation Limited Tax Bonds, Series 2022

The District issued General Obligation Limited Tax Bonds, Series 2022 (the "Bonds") the Bonds on August 26, 2022, in the amount of \$54,280,000.

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

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Due Within One Year
Bonds Payable					
Series 2022 - Bonds	\$ -	\$ 54,280,000	\$ -	\$ 54,280,000	\$ -
Series 2022 - Bond Discount	-	(1,625,447)	19,676	(1,605,771)	-
Subtotal of Bonds Payable	-	52,654,553	19,676	52,674,229	-
Other Debts					
Developer Advances:					
Capital	2,666,704	1,311,424	3,970,458	7,670	-
Operating	68,641	37,604	-	106,245	-
Accrued Interest on					
Developer Advances:					
Capital	160,809	140,051	300,746	114	-
Operating	4,534	5,590	-	10,124	-
Subtotal of Other Debts	2,900,688	1,494,669	4,271,204	124,153	-
Total Long-Term Obligations	<u>\$ 2,900,688</u>	<u>\$ 54,149,222</u>	<u>\$ 4,290,880</u>	<u>\$ 52,798,382</u>	<u>\$ -</u>

Operation Reimbursement Agreement With Vita Fox North

On June 1, 2020, the District and Vita Fox North, L.P. (Developer) entered into an Operation Reimbursement Agreement (Operation Agreement). The Operation Agreement provides for the Developer to advance funds for ongoing operations expenses incurred by the District.

The District agrees to repay any advances received from any funds available after the payment of its annual debt service obligations and annual operations and maintenance expenses, which repayment is subject to annual budget and appropriation. Interest shall accrue at 7% per annum.

As of December 31, 2022, outstanding advances for operations totaled \$106,245 and accrued interest totaled \$10,124.

Amended and Restated Advance and Reimbursement Agreement (Operation Agreement) with Ascendant Capital Partners DNA, LLC

On December 12, 2018, the District and Ascendant Capital Partners DNA, LLC (Previous Developer) entered into an Amended and Restated Advance and Reimbursement Agreement (Operation Agreement). The Operation Agreement provides for the Developer to advance funds for ongoing operations expenses incurred by the District, not to exceed \$100,000 per year through December 31, 2024.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Amended and Restated Advance and Reimbursement Agreement (Operation Agreement) with Ascendant Capital Partners DNA, LLC (Continued)

The District agrees to repay any advances received from any funds available after the payment of its annual debt service obligations and annual operations and maintenance expenses, which repayment is subject to annual budget and appropriation. Interest shall accrue at 7% per annum. As of December 31, 2022, outstanding advances for operations totaled \$-0- and accrued interest totaled \$-0- and all amounts advanced have been paid, leading to a termination of the agreement.

Infrastructure Acquisition and Funding Agreement with Vita Fox North

The District and Vita Fox North, L.P. (the Developer) entered into an infrastructure acquisition and funding agreement (FAA) on June 1, 2020 and amended on November 18, 2020. Pursuant to the FAA, the District and the Developer acknowledge that the District will incur construction related expenses in connection with the construction of certain public improvements in reliance upon the Developer's commitment to provide funding. In addition, the Developer has or will design, construct and complete certain improvements for District acquisition upon completion. To the extent that the public improvements are not designed, constructed, and completed by the Developer for the District's acquisition upon completion, the Developer shall advance funds to the District necessary to fund the construction related expenses.

In addition, the District shall reimburse the Developer for organization expenses incurred. Simple interest accrues on the organization expenses and construction related expense at a rate of 7% per annum until paid. For construction related expenses, simple interest shall accrue as follows: 1) on each Developer advance, from the date of deposit into the District's account, 2) on verified costs for amounts expended by the Developer for improvement constructed after the organization date, from the date of verification.

As of December 31, 2022, outstanding advances for capital related costs totaled \$7,670, and outstanding accrued interest on organization costs totaled \$114.

Infrastructure Acquisition and Funding Agreement with Ascendant Capital Partners DNA

The District and Ascendant Capital Partners DNA, LLC (Previous Developer) entered into an infrastructure acquisition and funding agreement (FAA) on May 31, 2016. Pursuant to the FAA, the District and the Developer acknowledge that the District will incur construction related expenses in connection with the construction of certain public improvements in reliance upon the Developer's commitment to provide funding. In addition, the Developer has or will design, construct and complete certain improvements for District acquisition upon completion. To the extent that the public improvements are not designed, constructed, and completed by the Developer for the District's acquisition upon completion, the Developer shall advance funds to the District necessary to fund the construction related expenses.

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

**Infrastructure Acquisition and Funding Agreement with Ascendent Capital Partners
 DNA (Continued)**

In addition, the District shall reimburse the Developer for organization expenses incurred. Simple interest accrues on the organization expenses and construction related expense at a rate of 7% per annum until paid.

For construction related expenses, simple interest shall accrue as follows: 1) on each Developer advance, from the date of deposit into the District's account, 2) on verified costs for amounts expended by the Developer for improvement constructed after the organization date, from the date of verification.

As of December 31, 2022, outstanding advances for capital totaled \$-0- and accrued interest totaled \$-0- and all amounts advanced have been paid, leading to a termination of the agreement.

Proceeds of the Bonds

The proceeds from the sale of the Bonds were used for the purposes of (a) paying the Project Costs; (b) funding capitalized interest; (c) funding the Reserve Fund; and (d) paying the costs incurred in connection with the issuance of the Bonds.

Bonds Details

The Bonds bear interest at rates ranging from 6.25% to 6.75%, payable semi-annually on June 1 and December 1, beginning on December 1, 2022. The Bonds were issued as term bonds that have mandatory sinking fund principal payments due annually on December 1, beginning on December 1, 2027. The Bonds mature on December 1, 2052.

The Bonds bear interest at the rates per annum set forth below, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available therefor on each June 1 and December 1, commencing on December 1, 2022, and shall mature on December 1 in the years and amounts as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2032	\$ 4,835,000	6.250%
2052	49,445,000	6.750%

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Bonds Details (Continued)

To the extent principal of the Bond, are not paid when due, principal shall remain outstanding until the earlier of its payment or the Termination Date and shall continue to bear interest at the rate then borne by the Bond. To the extent interest on the Bonds is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Bonds.

The Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 2, 2062 (the "Termination Date"), regardless of the amount of principal and interest paid prior to the Termination Date.

The Senior Bonds are not subject to early termination.

The Senior Bonds do not have any unused lines of credit.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2029, 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, 2029 to November 30, 2030	3.00 %
December 1, 2030 to November 30, 2031	2.00
December 1, 2031 to November 30, 2032	1.00
December 1, 2032 and Thereafter	0.00

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

<u>Year Ending December 31,</u>	<u>Series 2022 Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 3,639,725	\$ 3,639,725
2024	-	3,639,725	3,639,725
2025	-	3,639,725	3,639,725
2026	-	3,639,725	3,639,725
2027	350,000	3,639,725	3,989,725
2028-2032	4,485,000	17,572,374	22,057,374
2033-2037	6,910,000	15,823,011	22,733,011
2038-2042	9,650,000	13,137,861	22,787,861
2043-2047	13,380,000	9,409,836	22,789,836
2048-2052	19,505,000	4,242,373	23,747,373
Total	<u>\$ 54,280,000</u>	<u>\$ 78,384,080</u>	<u>\$ 132,664,080</u>

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization

Per the service plan, the District is authorized to issue \$900,000,000 for public improvements following upon issuance of Bonds, the District will have remaining authorized but unissued indebtedness of \$845,720,000 for public improvement, \$150,000,000 for operations and maintenance, and \$150,000,000 for refunding purposes.

The aggregate principal amount of the Bonds that may be authenticated and delivered under this Indenture is limited to and shall not exceed \$54,280,000. Pursuant to the Service Plan, the district is permitted to issue bond indebtedness up to \$1,230,000,000.

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue, net of the cost of collection, derived by the District from the following sources:

- (a) the Required Mill Levy;
- (b) the Pledged Public Improvement Fees;
- (c) the District Tax Levy, as and to the extent received by the District;
- (d) the Pledged Fees;
- (e) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and
- (f) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

No other assets have been pledged as collateral on the Senior Bonds.

Required Mill Levy

The Required Mill Levy has the following meaning, net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County: An ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the Bonds as they come due, and if necessary, an amount sufficient to replenish the Reserve Fund to the amount of the Required Reserve, but (i) not in excess of 50 mills (as adjusted for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after March 7, 2016) less the amount of the Operations Mill Levy, and (ii) for so long as the Surplus Fund is less than the Maximum Surplus Amount, not less than 30 mills, as adjusted, less the amount of the Operations Mill Levy, or such lesser mill levy which will pay the Bonds as they come due, will replenish the Reserve Fund to the amount of the Required Reserve, and will fund the Surplus Fund up to the Maximum Surplus Amount.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

District Tax Levy

Until the 25th anniversary of the date of the approval by the City Council of the Urban Redevelopment Plan (i.e., November 28, 2046), all property taxes resulting from imposition of ad valorem property taxes on the assessed valuation of all taxable property in the Urban Redevelopment Area in excess of the base assessed valuation thereof (i.e., the incremental assessed valuation) are payable to DURA (Denver Urban Renewal Authority) pursuant to the Urban Redevelopment Plan and the Urban Renewal Act and remitted by the City to DURA under the City Cooperation Agreement. DURA agreed that it will segregate and pay to the District or West Globeville Metropolitan District No. 2 ("District No. 2"), as applicable, the portion of revenues which DURA receives, and which is attributable to the District's or District No. 2's current and future levy of ad valorem taxes on real and personal taxable property within the Urban Redevelopment Area.

Pledged Fees

Pledged Fees are the moneys derived from District No. 2 from the following sources:

- (a) the Mandatory Capital Levy Revenue;
- (b) District No. 2 Tax Levy Revenues;
- (c) District No. 2 Public Improvement Fees;
- (d) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Mandatory Capital Levy; and
- (e) any PILOT revenues received from any PILOT recorded against District No. 2 property.

District No. 2 has covenanted to levy on all of the taxable property of District No. 2 the "Mandatory Capital Levy," in the same manner and amount as the Required Mill Levy.

Reserve Fund

The Bonds are additionally secured by the Reserve Fund, which will initially be funded with proceeds of the Bonds in the amount of \$4,560,875 (the "Required Reserve"). Amounts on deposit in the Reserve Fund on the final maturity date of the Bonds are to be applied to the payment of the Bonds on such date.

Moneys in the Reserve Fund shall be used by the Trustee, if necessary, only to prevent a default in the payment of the principal of, premium if any, or interest on the Bonds, and the Reserve Fund is pledged to the payment of the Bonds.

Surplus Fund

Pledged Revenue that is not needed to pay debt service on the Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$4,560,875. The Surplus Fund is to be maintained for so long as any Bond is Outstanding.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Events of Default of the Bonds

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an event of default under the Indenture:

- i. The District fails or refuses to impose the required mill levy or to apply the pledged revenue as provided in the indenture.
- ii. The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the indenture or the bond resolution, other than as described in paragraph (i) above, and fails to remedy the same after notice thereof pursuant to the indenture.
- iii. The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the bonds.

It is acknowledged that due to the limited nature of the pledged revenue, the failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an event of Default under the Indenture.

Events of Default of the Bonds

Upon the occurrence and continuance of an event of default, the trustee has the following rights and remedies which may be pursued:

- i. Receivership: Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the trustee and of the owners, the trustee is entitled to as a matter of right to the appointment of a receiver or receivers of the trust estate, and of the revenues, income, product, and profits there of pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the District; but notwithstanding the appointment of any receiver or other custodian, the trustee is to be entitled to the possession and control of any cash, securities, or other instruments at the time held by, or payable or deliverable under the provisions of the indenture to the trustee.
- ii. Suit for judgment: The trustee may proceed to protect and enforce its rights and the rights of the owners by suit, action, or special proceedings as the trustee, being advised by counsel, deems appropriate.
- iii. Mandamus or other suit: The trustee may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce all rights of the owners.

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2022**

NOTE 6 NET POSITION

The District has net position consisting of two components restricted and unrestricted.

	Governmental Activities
Restricted Net Position:	
Debt Service	\$ 14,626,776
Capital Projects	30,438,696
Total Restricted Net Position	\$ 45,065,472

NOTE 7 AGREEMENTS

Priority of Reimbursement Payments Agreement

On August 19, 2019, the District, Ascendant Capital Partners DNA, LLC (Ascendant), and Vita Fox North, L.P. (the Developer) entered into an agreement regarding the priority of reimbursement payments related to the Reimbursement Agreement for Operations and Maintenance with Ascendant, dated May 31, 2016; and the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement with Ascendant, dated December 12, 2018. Under this agreement, advances to Ascendant shall be paid prior to reimbursements to the Developer.

As of December 31, 2022 the outstanding principal balance is \$-0- and interest of \$-0-.

DURA Redevelopment Agreement

On July 25, 2022 the District, West Globeville Metropolitan District No. 2, Vita Fox North, L.P. (the Developer), and Denver Urban Renewal Authority (the Authority) entered into an agreement regarding the redevelopment of Fox Park (the Property). Under this agreement the District agrees to rehabilitate and redevelop the property in accordance with the Development plan.

Construction Funding Agreement

On December 12, 2022, the District and Vita Fox North, L.P. (the developer) entered into an agreement regarding the funding of the development of Fox Park. Under this agreement the District will contribute \$7,065,497, and the Developer will contribute \$1,280,289. The District amount is included in restricted cash on the balance sheet and capital project funds. Any other expenses will be borne by the Developer.

All funds will be placed into a Trust Fund, further described in Trust Agreement.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 AGREEMENTS (CONTINUED)

Trust Agreement

On December 15, 2022, the District, Vita Fox North, L.P. (the developer), and UMB Bank N.A, National Bank (the Trustee) entered into an agreement regarding the establishment of the Trust Fund to ensure that funds are available to pay for performance of the Work in accordance with the terms of the Settlement Agreement. The fund will pay for remediation as required by the Environmental Protection Agency. As the project is being completed, the District will maintain ownership of the assets.

NOTE 8 RELATED PARTIES

The property within the District is being developed by Vita Fox North, L.P. During 2022, some members of the Board of Directors were officers or employees of, or otherwise associated with the Developer, and may have conflicts of interest in matters involving the District. The District has entered into various funding agreements with the Developer.

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, 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.

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

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

On November 20, 2020, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under 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

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ 5,000	\$ 107,209	\$ 102,209
Total Revenues	5,000	107,209	102,209
EXPENDITURES			
Paying Agent Fees	10,000	-	10,000
Bond Interest - Series 2022	1,920,000	960,483	959,517
Total Expenditures	1,930,000	960,483	969,517
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,925,000)	(853,274)	1,071,726
OTHER FINANCING SOURCES (USES)			
Transfers from Capital Project Fund	3,500,000	15,480,050	11,980,050
Total Other Financing Sources (Uses)	3,500,000	15,480,050	11,980,050
NET CHANGE IN FUND BALANCE	1,575,000	14,626,776	13,051,776
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	\$ 1,575,000	\$ 14,626,776	\$ 13,051,776

**WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ -	\$ 230,928	\$ 230,928
Total Revenues	-	230,928	230,928
EXPENDITURES			
Cost of Issuance	1,500,000	1,868,329	(368,329)
Accounting	-	32,812	(32,812)
Legal Services	-	115,202	(115,202)
Miscellaneous	-	7,531	(7,531)
Engineering	-	41,117	(41,117)
Capital Outlay	7,000,000	2,241,397	4,758,603
Total Expenditures	8,500,000	4,306,388	4,193,612
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,500,000)	(4,075,460)	4,424,540
OTHER FINANCING SOURCES (USES)			
Bond Proceeds	60,000,000	54,280,000	(5,720,000)
Bond Discount	-	(1,625,447)	(1,625,447)
Developer Advance	7,000,000	1,311,424	(5,688,576)
Developer Advance Repayment - Principal	(12,000,000)	(3,970,458)	8,029,542
Developer Advance Repayment - Interest	-	(300,746)	(300,746)
Project Fund	(43,000,000)	-	43,000,000
Transfers to Debt Service Fund	(3,500,000)	(15,480,050)	(11,980,050)
Total Other Financing Sources (Uses)	8,500,000	34,214,723	25,714,723
NET CHANGE IN FUND BALANCE	-	30,139,263	30,139,263
Fund Balance - Beginning of Year	-	(12,603)	(12,603)
FUND BALANCE (DEFICIT) - END OF YEAR	\$ -	\$ 30,126,660	\$ 30,126,660

OTHER INFORMATION

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2022

\$54,280,000
Limited Tax General Obligation Bonds
Dated August 26th, 2022
Series 2022
Interest Rate of 6.250%-6.750%
Payable June 1 and December 1
Principal Due December 1

Year Ending December 31,	Principal	Interest	Total
2023	\$ -	\$ 3,639,725	\$ 3,639,725
2024	-	3,639,725	3,639,725
2025	-	3,639,725	3,639,725
2026	-	3,639,725	3,639,725
2027	350,000	3,639,725	3,989,725
2028	820,000	3,617,850	4,437,850
2029	780,000	3,566,600	4,346,600
2030	865,000	3,517,850	4,382,850
2031	920,000	3,463,787	4,383,787
2032	1,100,000	3,406,287	4,506,287
2033	1,165,000	3,337,537	4,502,537
2034	1,300,000	3,258,900	4,558,900
2035	1,385,000	3,171,150	4,556,150
2036	1,480,000	3,077,662	4,557,662
2037	1,580,000	2,977,762	4,557,762
2038	1,685,000	2,871,112	4,556,112
2039	1,800,000	2,757,375	4,557,375
2040	1,925,000	2,635,875	4,560,875
2041	2,050,000	2,505,937	4,555,937
2042	2,190,000	2,367,562	4,557,562
2043	2,340,000	2,219,737	4,559,737
2044	2,495,000	2,061,787	4,556,787
2045	2,665,000	1,893,375	4,558,375
2046	2,845,000	1,713,487	4,558,487
2047	3,035,000	1,521,450	4,556,450
2048	3,240,000	1,316,587	4,556,587
2049	3,460,000	1,097,887	4,557,887
2050	3,695,000	864,337	4,559,337
2051	3,945,000	614,925	4,559,925
2052	5,165,000	348,637	5,513,637
Total	\$ 54,280,000	\$ 78,384,080	\$ 132,664,080

WEST GLOBEVILLE METROPOLITAN DISTRICT NO. 1
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	Mills Levied for		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2018	\$ 30	0.000	0.000	\$ -	\$ -	- %
2019	30	0.000	0.000	-	-	-
2020	30	0.000	0.000	-	-	-
2021	30	55.385	0.000	2	-	-
2022	30	55.385	0.000	2	-	-
<u>Estimated for the Year Ending December 31,</u>						
2023	\$ 30	10.000	40.000	\$ 1		

NOTE: 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.