

BROADWAY STATION METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2023

**BROADWAY STATION METROPOLITAN DISTRICT NO. 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 1,799,144	\$ 124,246	\$ 7,702,708
REVENUES			
Transfers from District No. 2	307,133	106,673	1,656,683
Transfers from District No. 3	15,903,168	5,601,092	21,264,157
Other revenue	-	-	2,000
Regional mill levy transfer - District 2	-	10,812	10,267
Regional mill levy transfer - District 3	-	5,239	4,965
BSP Loan	-	10,000,000	-
Total revenues	<u>16,210,301</u>	<u>15,723,816</u>	<u>22,938,072</u>
Total funds available	<u>18,009,445</u>	<u>15,848,062</u>	<u>30,640,780</u>
EXPENDITURES			
General Fund	156,808	179,000	216,000
Capital Projects Fund	17,728,391	7,966,354	30,379,657
Total expenditures	<u>17,885,199</u>	<u>8,145,354</u>	<u>30,595,657</u>
Total expenditures and transfers out requiring appropriation	<u>17,885,199</u>	<u>8,145,354</u>	<u>30,595,657</u>
ENDING FUND BALANCES	<u>\$ 124,246</u>	<u>\$ 7,702,708</u>	<u>\$ 45,123</u>
EMERGENCY RESERVE	<u>\$ 5,300</u>	<u>\$ 4,800</u>	<u>\$ 4,800</u>

No assurance is provided. See summary of significant assumptions

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

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Vacant land	\$ -	\$ -	\$ 30
Certified Assessed Value	\$ -	\$ -	\$ 30
 MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -

No assurance is provided. See summary of significant assumptions

**BROADWAY STATION METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 83,647	\$ 103,578	\$ 84,269
REVENUES			
Transfers from District No. 2	120,521	106,673	106,683
Transfers from District No. 3	56,218	53,018	52,119
Other revenue	-	-	2,000
Total revenues	<u>176,739</u>	<u>159,691</u>	<u>160,802</u>
 Total funds available	 <u>260,386</u>	 <u>263,269</u>	 <u>245,071</u>
EXPENDITURES			
General and administrative			
Accounting	47,213	70,000	25,000
Auditing	15,500	15,700	15,700
Dues and licenses	-	5,000	5,000
Insurance and bonds	12,321	10,118	20,000
Legal services	20,565	45,000	40,000
Management fees	-	25,000	50,000
Miscellaneous	-	682	1,300
Banking fees	80	-	-
Permits and Fees	9,000	-	-
Utilities	14,372	7,500	9,000
Contingency	37,757	-	50,000
Total expenditures	<u>156,808</u>	<u>179,000</u>	<u>216,000</u>
 Total expenditures and transfers out requiring appropriation	 <u>156,808.00</u>	 <u>179,000</u>	 <u>216,000</u>
ENDING FUND BALANCE	<u>103,578</u>	<u>84,269</u>	<u>29,071</u>
 EMERGENCY RESERVE	 <u>\$ 5,300</u>	 <u>\$ 5,400</u>	 <u>\$ 4,900</u>

No assurance is provided. See summary of significant assumptions

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

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,715,497	\$ 20,668	\$ 7,618,439
REVENUES			
Transfers from District No. 2	186,612	-	1,550,000
Transfers from District No. 3	15,846,950	5,548,074	21,212,038
Regional mill levy transfer - District 2	-	10,812	10,267
Regional mill levy transfer - District 3	-	5,239	4,965
BSP Loan	-	10,000,000	-
Total revenues	<u>16,033,562</u>	<u>15,564,125</u>	<u>22,777,270</u>
Total funds available	<u>17,749,059</u>	<u>15,584,793</u>	<u>30,395,709</u>
EXPENDITURES			
Accounting	-	-	25,000
Dues and licenses	100	-	-
Insurance and bonds	-	540	-
Legal services	265,213	259,411	250,000
Miscellaneous	125,174	-	-
Utilities	14,688	-	-
Capital outlay	16,126,729	7,706,403	19,704,657
Capital outlay - Engineering Street Improvements	279,969	-	-
Capital outlay - Construction Street Improvements	85,206	-	-
Capital outlay - Improvements	843,647	-	-
Contingency	(12,335)	-	-
Principal loan payment - BSP	-	-	10,000,000
Interest loan payment - BSP	-	-	400,000
Total expenditures	<u>17,728,391</u>	<u>7,966,354</u>	<u>30,379,657</u>
Total expenditures and transfers out requiring appropriation	<u>17,728,391</u>	<u>7,966,354</u>	<u>30,379,657</u>
ENDING FUND BALANCE	<u>\$ 20,668</u>	<u>\$ 7,618,439</u>	<u>\$ 16,052</u>

No assurance is provided. See summary of significant assumptions

**BROADWAY STATION METRO DISTRICT NO. 1
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Denver on May 12, 2006, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was formed in conjunction with Broadway Station Metropolitan District No. 2 (“District No. 2”) and Broadway Station Metropolitan District No. 3 (“District No. 3” and together with the District and District No. 2, the “Districts”), for the purpose of providing certain public improvements and services to and for the benefit of the properties within the Districts. The District’s service area is located in the City and County of Denver (City).

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

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.

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

Revenues

Transfers from District No. 2

The District anticipates the collection of taxes in District No. 2, which will be transferred to the District to fund operations of both Districts and proposed infrastructure to be built.

Transfers from District No. 3

The District anticipates the collection of taxes in District No. 3, which will be transferred to the District to fund operations of both Districts and proposed infrastructure to be built.

Tax Increment Financing

Tax increment financing reimbursement will go through a waterfall before reimbursement to the District’s and is as follows

1. Annual DURA priority fee
2. Payment to DURA for DPS advance, including 8% simple interest
3. Once these items are paid, DURA will begin making payments on the JSB’s, and is expected to begin in 2025

**BROADWAY STATION METRO DISTRICT NO. 1
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Regional Mill Levy Transfers

Regional Mill Levy transfers will be transferred to District 1 for improvements that may be paid for by use of the Regional Mill as agreed upon by the Metro District and the City.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

Expenditures (Continued)

Capital Outlay

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

Debt and Leases

The District does not have any operating or capital leases.

Loan Agreements

The District has entered into a loan agreement with Broadway Station Partners, LLC dated 9/22/22 in the amount of \$3,000,000 and an additional \$7,000,000 30 days after the loan closing date. The principal balance of any Note amounts outstanding shall be paid to BSP exclusively from Bond Funds on March 31, 2023 (the "Maturity Date") and interest rate of 8%.

Calculation of Interest. Interest on the Loan shall be computed on an annual (ACT/360) basis and shall accrue as of the Note disbursement date; that is, by applying the ratio of the interest rate over a year of 360 days and then multiplying such ratio by the product of the outstanding principal balance and the actual number of days the principal balance is outstanding. Interest on each Note shall be taxable and shall be separately calculated for purposes of determining the aggregate unpaid principal balance on the Note and shall compound annually from the Note disbursement date.

Use of Loan Proceeds. The District shall use the proceeds of the Loan to pay invoices from contractors and vendors for "Reimbursable Project Costs" as such term is defined in the Redevelopment Agreement dated October 18, 2017 (the "Redevelopment Agreement") between the District and the Denver Urban Renewal Authority.

**BROADWAY STATION METRO DISTRICT NO. 1
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Loan Agreements (continued)

The District shall have the right to prepay the amount of Five Million and no/100 Dollars (\$5,000,000.00) of the Loan as evidenced by the Second Note, together with interest thereon, at any time between the Second Draw Date and sixty (60) days after the Second Draw Date, without penalty. The District shall have no other right to prepay the Loan. Any such prepayment shall be applied first to interest accruals on the Notes (unless Bond Funds are being used to fund such prepayment), then to the outstanding principal balance on the First Note, and then to the outstanding principal balance on the Second Note.

Reserves

Emergency Reserves

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

This information is an integral part of the accompanying budget.