

RESOLUTION NO. 2021-11-02

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

RESOLUTION OF THE BOARD OF DIRECTORS OF DUS METROPOLITAN DISTRICT NO. 1, CITY AND COUNTY OF DENVER, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2022

A. The Board of Directors of DUS Metropolitan District No. 1 (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body by October 15, 2020 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 3, 2021, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers 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.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. 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, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUS METROPOLITAN DISTRICT NO. 1, CITY AND COUNTY OF DENVER, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND
APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 3, 2021.

DUS METROPOLITAN DISTRICT NO. 1

By: 
Frank Cannon (Dec 6, 2021 09:14 MST)

Frank Cannon, President

Attest:

By: 

Donna Blair, Secretary

EXHIBIT A

Budget

DUS METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

DUS METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/10/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 1,063,429	\$ 1,778,762	2,180,545
REVENUES			
Interest income	10,673	1,100	2,000
Transfer from District No.2 - RTD	4,294	4,294	4,294
Transfer from District No.2 - Other	344,889	280,292	260,059
Transfer from District No.3 - Other	17,728	13,828	15,536
Payment from DDA - TIF - RTD	438,000	464,836	512,458
Payment from DDA - TIF - Other	618,270	327,433	260,068
Total revenues	<u>1,433,854</u>	<u>1,091,783</u>	<u>1,054,415</u>
Total funds available	<u>2,497,283</u>	<u>2,870,545</u>	<u>3,234,960</u>
EXPENDITURES			
General and administrative			
Accounting	20,719	24,000	27,000
Auditing	8,000	8,000	8,000
Banking fees	316	500	500
City of Denver admin fee	9,000	9,000	9,000
Contingency	-	14,367	45,942
Dues and Membership	1,596	1,543	1,800
Election expense	1,634	-	3,000
Insurance and bonds	19,445	15,504	17,000
Legal services	62,130	35,000	50,000
Website maintenance	-	-	1,000
Operations and maintenance			
Event expenses	-	3,000	5,000
Project management	15,382	20,000	35,050
Payment to RTD under HSZ IGA	482,314	464,836	512,458
Repairs and maintenance	20,593	15,000	25,000
Landscaping	19,477	20,000	35,000
Plaza and sidewalk maintenance	32,062	30,000	37,000
Snow removal	8,622	15,000	20,000
Irrigation	-	750	750
Electricity	509	1,500	1,500
Seasonal decoration	16,722	12,000	15,000
Capital			
Proposed capital projects	-	-	445,000
Capital project management	-	-	50,000
Total expenditures	<u>718,521</u>	<u>690,000</u>	<u>1,345,000</u>
Total expenditures and transfers out requiring appropriation	<u>718,521</u>	<u>690,000</u>	<u>1,345,000</u>
ENDING FUND BALANCE	<u>\$ 1,778,762</u>	<u>\$ 2,180,545</u>	<u>\$ 1,889,960</u>
EMERGENCY RESERVE	\$ 43,100	\$ 32,800	\$ 31,700
RESERVE FOR RTD AGREEMENT	409,235	-	-
AVAILABLE FOR OPERATIONS	1,326,427	2,147,745	1,858,260
TOTAL RESERVE	<u>\$ 1,778,762</u>	<u>\$ 2,180,545</u>	<u>\$ 1,889,960</u>

No assurance provided. See summary of significant assumptions.

**DUS METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/22

ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
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ASSESSED VALUATION

Other	-	30	30
Adjustments	-	(25)	-
Certified Assessed Value	\$ -	\$ 5	\$ 30

MILL LEVY

PROPERTY TAXES

Budgeted property taxes	\$ -	\$ -	\$ -
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BUDGETED PROPERTY TAXES

	\$ -	\$ -	\$ -
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**DUS METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court on February 5, 2009 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the City and County of Denver, Colorado.

DUS Metropolitan District No. 1 (Management District) was organized in conjunction with four other metropolitan districts, DUS Metropolitan District Nos. 3 and 5, which generally contain residential property, and DUS Metropolitan District Nos. 2 and 4, which generally contain commercial property (collectively, DUS Metropolitan District Nos. 2-5 are known as the Taxing Districts). The Management District was organized to finance, construct, own, manage, and operate District improvements, including streets, traffic and safety protection, water, sewer and storm drainage, transportation, mosquito control, and park and recreation improvements for the use and benefit of the inhabitants and taxpayers of the District. The Taxing Districts were organized to generate revenue to pay the costs of the District improvements. In 2017, DUS Metropolitan District Nos. 4 and 5 (now known as Market Station Metropolitan District Nos. 1-2) withdrew from the current structure and are not associated with DUS Metropolitan District Nos. 1-3.

On November 4, 2008, the District's voters authorized general obligation indebtedness of \$3,100,000,000 for the above listed facilities and powers. The District's service plan, as amended, acknowledges that the District fully utilized the aggregate debt of \$300,000,000, authorized under its original Service Plan. The Amended Service Plan provides the District an additional debt authorization of \$50,000,000, with a maximum debt mill levy of 50.000 mills.

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

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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

Amended and Restated DDA/DUS Districts Cooperation and Pledge Agreement

Pursuant to this agreement, the Denver Downtown Development Authority (DDA) is required to remit to the District incremental property tax revenues (TIF) derived from any General Fund mill levies imposed by DUS Metropolitan District No. 2 (District No. 2) and DUS Metropolitan District No. 3 (District No. 3), which includes revenues to be transferred by the District to the Regional Transportation District (RTD) as discussed under RTD Agreement below. The District's receipt of these revenues is shown in the District's General Fund Budget as "Payment from DDA – TIF."

**DUS METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.10%.

Expenditures

General and Administrative Expenditures

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses. The District is also responsible for maintenance of a public plaza area within the District.

Capital Expenditures

The District anticipates capital expenditures for renovation of some of the infrastructure within the public plaza and surrounding area.

RTD Agreement

On January 15, 2021, District Nos. 1, 2, and 3 entered into the Amended and Restated Intergovernmental Agreement for Denver Union Station Historic Station Zone At-Grade Public Improvement Operation and Maintenance with the Regional Transportation District (RTD). District No. 2 and District No. 3 agree to annually budget and appropriate an amount sufficient to fund costs equal to the DUS District Contribution and transfer such funds to the District. The District will remit the DUS District Contribution to RTD for payment of the Historic Station Zone operations and maintenance costs. The DUS District Contribution is 60% of the actual Historic Station Zone operations costs.

DUS Project Mill Levy Pledge Agreement

District Nos. 1, 2, and 3 entered into a pledge agreement with the City and County of Denver ("City") whereby all revenues derived from the imposition of a mill levy of 15 mills on property within District No. 2 and District No. 3 are pledged to the City until December 31, 2049 for repayment of the City's Tax Increment Revenue Bonds, Series 2017 ("Bonds"). Further, all property tax increment revenue derived from the imposition of the above mill levy is pledged to the repayment of the Bonds.

Debt and Leases

The District has no operating or capital leases.

**DUS METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Funds

Emergency Reserve

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

This information is an integral part of the accompanying budget.

I, Donna Blair, hereby certify that I am the duly appointed Secretary of the DUS Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a public meeting of the Board of Directors of the DUS Metropolitan District No. 1 held on November 3, 2021.

Donna Blair

Donna Blair, Secretary

RESOLUTION NO. 2021-11-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE DUS METROPOLITAN DISTRICT NO. 1 LEVYING
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE
YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2022
BUDGET YEAR**

A. The Board of Directors of the DUS Metropolitan District No. 1 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 3, 2021.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the DUS Metropolitan District No. 1, City and County of Denver, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Denver County Assessor, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 3, 2021.

DUS METROPOLITAN DISTRICT NO. 1

By: 
Frank Cannon (Dec 6, 2021 09:14 MST)

Frank Cannon, President

Attest:

By: 

Donna Blair, Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of CITY AND COUNTY OF DENVER, Colorado.

On behalf of the DUS METROPOLITAN DISTRICT NO. 1,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the DUS METROPOLITAN 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: 12/08/2021 for budget/fiscal year 2022.
(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>0.000</u> mills	<u>\$ 0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$0
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
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]	0.000 mills	\$0

Contact person: (print) Debra L. Sedgeley Daytime phone: (303) 779 - 5710

Signed: _____ Title: Accountant for the District

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).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

I, Donna Blair, hereby certify that I am the duly appointed Secretary of the DUS Metropolitan District No. 1, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2022, duly adopted at a meeting of the Board of Directors of the DUS Metropolitan District No. 1 held on November 3, 2021.

Donna Blair

Donna Blair, Secretary