

**BROADWAY PARK NORTH  
METROPOLITAN DISTRICT NO. 1  
City and County of Denver, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2021**

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2021**

<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>1</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>1</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>2</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>BALANCE SHEET – GOVERNMENTAL FUNDS</b>	<b>3</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN         FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>4</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES,         EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE         GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</b>	<b>5</b>
<b>GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND         CHANGES IN FUND BALANCE – BUDGET TO ACTUAL</b>	<b>6</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>7</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES,     EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND     ACTUAL</b>	<b>26</b>



# SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086

FAX: 720.348.2920

## Independent Auditor's Report

Board of Directors  
Broadway Park North Metropolitan District No. 1  
Denver County, Colorado

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Broadway Park North Metropolitan District No. 1 District (District) as of and for the year ended December 31, 2021, 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 accompanying 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 Broadway Park North Metropolitan District No. 1 District, as of December 31, 2021, and the respective changes in financial position and the respective 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our 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.

### **Responsibility of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibility 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 GAAS 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 GAAS, 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.

## ***Required Supplementary Information***

Management has omitted the 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, who 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 listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
September 19, 2022

## **BASIC FINANCIAL STATEMENTS**

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2021**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 165,377
Cash and Investments - Restricted	2,675,786
Due from BPNMD No. 2	86,296
Receivable - BMP Northwest, LLC	52,744
Capital Assets, Net	11,405,687
Total Assets	14,385,890
<b>LIABILITIES</b>	
Accounts Payable	69,350
Due to BPNMD No. 2	84,891
Noncurrent Liabilities:	
Due in More Than One Year	990,209
Total Liabilities	1,144,450
<b>NET POSITION</b>	
Net Investment in Capital Assets	
Restricted for:	
Emergencies (TABOR)	8,000
Capital Projects	271,423
Unrestricted	12,962,017
Total Net Position	\$ 13,241,440

See accompanying Notes to Basic Financial Statements.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2021**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 165,277	\$ 30,003	\$ -	\$ 33,516	\$ (101,758)
Interest and Related Costs on Long-Term Debt	858,239	-	-	-	(858,239)
Total Governmental Activities	\$ 1,023,516	\$ 30,003	\$ -	\$ 33,516	(959,997)
 <b>GENERAL REVENUES</b>					
Transfer from BPNMD No. 2					11,637,447
Transfer from BPNMD No. 3					57,986
Other					10,459
Total General Revenues					11,705,892
 <b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year					2,495,545
 <b>NET POSITION - END OF YEAR</b>					
					\$ 13,241,440

See accompanying Notes to Basic Financial Statements.



**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	General	Capital Projects	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments	\$ 165,377	\$ -	\$ 165,377
Cash and Investments - Restricted	8,000	2,667,786	2,675,786
Due from BPNMD No. 2	86,296	-	86,296
Receivable - BMP Northwest, LLC	-	52,744	52,744
Total Assets	\$ 259,673	\$ 2,720,530	\$ 2,980,203
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 63,250	\$ 6,100	\$ 69,350
Due to BPNMD No. 2	-	84,891	84,891
Total Liabilities	63,250	90,991	154,241
<b>FUND BALANCES</b>			
Restricted for:			
Emergencies (TABOR)	8,000	-	8,000
Capital Projects	-	2,629,539	2,629,539
Assigned:			
Subsequent Year's Expenditures	120,718		120,718
Unassigned:			
General Government	67,705	-	67,705
Total Fund Balances	196,423	2,629,539	2,825,962
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 259,673	\$ 2,720,530	

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 as assets in the funds

Capital Assets	11,405,687
----------------	------------

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

Developer Advances	(830,056)
Accrued Interest on Developer Advances	(160,153)

Net Position of Governmental Activities	\$ 13,241,440
---	---------------

See accompanying Notes to Basic Financial Statements.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	General	Capital Projects	Total Governmental Funds
<b>REVENUES</b>			
Transfer from BPNMD No. 2	\$ 176,332	\$ 11,461,115	\$ 11,637,447
Transfer from BPNMD No. 3	57,986	-	57,986
License Agreement Revenue	30,003	-	30,003
Release of Escrow	-	33,516	33,516
Other Revenue	-	10,459	10,459
Total Revenues	264,321	11,505,090	11,769,411
<b>EXPENDITURES</b>			
Current:			
Accounting/Audit	31,264	-	31,264
Legal	9,890	895	10,785
Denver Review Fee	9,000	-	9,000
Insurance	14,554	-	14,554
Landscape Maintenance	46,461	-	46,461
Miscellaneous	5,360	43,249	48,609
Utilities	3,859	-	3,859
Repay Developer Advance Interest	100,000	712,380	812,380
Repay Developer Advance Principal	39,152	8,337,877	8,377,029
Capital Projects:			
Capital Outlay	-	8,378,302	8,378,302
Total Expenditures	259,540	17,472,703	17,732,243
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	4,781	(5,967,613)	(5,962,832)
<b>OTHER FINANCING SOURCES</b>			
Developer Advances	39,152	8,337,877	8,377,029
Total Other Financing Sources	39,152	8,337,877	8,377,029
<b>NET CHANGE IN FUND BALANCES</b>	43,933	2,370,264	2,414,197
Fund Balances - Beginning of Year	152,490	259,275	411,765
<b>FUND BALANCES - END OF YEAR</b>	\$ 196,423	\$ 2,629,539	\$ 2,825,962

See accompanying Notes to Basic Financial Statements.

**BROADWAY PARK NORTH 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, 2021**

Net Change in Fund Balances - Governmental Funds \$ 2,414,197

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 expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Capital outlay and depreciation expense in the current period are as follows:

Capital Outlay	8,378,302
Depreciation Expense	(745)

The issuance of long-term debt (e.g., bonds, leases) 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 report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long term debt and related items is as follows:

Repayment of Developer Advances	8,377,029
Developer Advances	(8,377,029)

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.

Accrued Interest on Developer Advances - Change in Liability	(45,859)
--	----------

Changes in Net Position of Governmental Activities	\$ 10,745,895
--	---------------

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Transfer from BPNMD No. 2	\$ 220,945	\$ 176,332	\$ (44,613)
Transfer from BPNMD No. 3	57,986	57,986	-
License Agreement Revenue	-	30,003	30,003
Total Revenues	<u>278,931</u>	<u>264,321</u>	<u>(14,610)</u>
<b>EXPENDITURES</b>			
Accounting/Audit	35,000	31,264	3,736
Election Expense	1,500	-	1,500
Denver Review Fee	13,000	9,000	4,000
Insurance	13,000	14,554	(1,554)
Legal	35,000	9,890	25,110
Landscape Maintenance	30,000	46,461	(16,461)
Miscellaneous	1,000	5,360	(4,360)
Utilities	5,000	3,859	1,141
Repay Developer Advance Interest	100,000	100,000	-
Repay Developer Advance Principal	-	39,152	(39,152)
Contingency	116,108	-	116,108
Emergency Reserve	5,000	-	5,000
Total Expenditures	<u>354,608</u>	<u>259,540</u>	<u>95,068</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	(75,677)	4,781	80,458
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer Advances	-	39,152	39,152
Total Other Financing Sources (Uses)	<u>-</u>	<u>39,152</u>	<u>39,152</u>
<b>NET CHANGE IN FUND BALANCE</b>	(75,677)	43,933	119,610
Fund Balance - Beginning of Year	<u>75,677</u>	<u>152,490</u>	<u>76,813</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 196,423</u>	<u>\$ 196,423</u>

See accompanying Notes to Basic Financial Statements.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Broadway Park North Metropolitan District No. 1 (District) was organized on December 8, 2010 as BMP Metropolitan District No. 1 in Denver County as a quasi-municipal corporation and political subdivision of the state of Colorado and is governed pursuant to the provisions of the Colorado Special District Act together with Broadway Park North Metropolitan District No. 2 (District No. 2) and Broadway Park North Metropolitan District No. 3 (District No. 3). The District, District No. 2 and District No. 3 are collectively referred to as the Districts. On August 2, 2018, the Districts changed their names from BMP Metropolitan District No. 1, BMP Metropolitan District No. 2 and BMP Metropolitan District No. 3.

The Districts entered into a Facilities Funding, Construction and Operations Agreement with an effective date of January 1, 2020 (FFCOA) The FFCOA establishes District No. 1's responsibility, as the Service District, to coordinate the construction, design, financing and operation and maintenance of the public improvements that benefit the Districts, establishes District No. 2 and District No. 3's obligation, as the Consumer Districts, to pay for the services and benefit of the public improvements provided by District No. 1. Specifically, District No. 1 is responsible for providing all Actual Capital Costs and Actual Operations and Maintenance Costs (as such terms are defined in the FFCOA) for the Districts. The Consumer Districts agree to pay District No. 1 their funding obligations each year pursuant to the terms of the FFCOA.

The District coordinates with the City and County of Denver (City) regarding all regional improvements and services contributed by the Districts through the Regional Mill Levy. Upon completion of construction, the District will transfer certain improvements to the City, or other organizations. The District may operate and maintain all other improvements not conveyed to other entities.

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

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, 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.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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 of the activities of the District. The effect of interfund activity has been removed from these statements. Both statements present governmental activities, which are 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.

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 instead as general revenues.

Separate financial statements are provided for 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. Property taxes are recognized as revenues in the year in which they are levied. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are shown as increases in assets, and redemption of bonds are recorded as a reduction in liabilities.

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 government 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 intergovernmental revenue. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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 Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District approved supplemental appropriations in the Capital Projects Fund for the year ended December 31, 2021.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**Capital Assets**

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported 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 component of the District's net position.

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.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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 government'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.



**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 165,377
Cash and Investments - Restricted	<u>2,675,786</u>
Total Cash and Investments	<u><u>\$ 2,841,163</u></u>

Cash and investments as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	\$ 2,841,163
Total Cash and Investments	<u><u>\$ 2,841,163</u></u>

**Deposits with Financial Institutions**

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.

At December 31, 2021, the District's cash deposits had a bank balance and a carrying balance of \$2,841,163.

**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 disclosure requirements or subject to investment custodial credit risk 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.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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 and securities of the World Bank
- . 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 and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

As of December 31, 2021, the District had no investments.

**NOTE 4 CAPITAL ASSETS**

An analysis of changes in capital assets for the year ended December 31, 2021, follows:

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 14,200	\$ -	\$ -	\$ 14,200
Art	-	34,369	-	34,369
Construction in Progress	3,013,930	8,360,440	34,369	11,340,001
Total Capital Assets, Not Being Depreciated	3,028,130	8,394,809	34,369	11,388,570
Capital Assets, Being Depreciated:				
Gutter Bin	-	17,862	-	17,862
Total Capital Assets, Being Depreciated	-	17,862	-	17,862
Less Accumulated Depreciation for:				
Gutter Bin	-	(745)	-	(745)
Total Accumulated Depreciation	-	(745)	-	(745)
Governmental Activities Capital Assets, Net	<u>\$ 3,028,130</u>	<u>\$ 8,411,926</u>	<u>\$ 34,369</u>	<u>\$ 11,405,687</u>

A portion of the capital assets constructed by the District are anticipated to be conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities will be removed from the District's financial records.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's outstanding long-term obligations for the year ended December 31, 2021:

	Balance December 31, 2020	Additions	Deletions	Balance December 31, 2021	Due Within One Year
<b>Developer Advances:</b>					
CFPM, LLC	\$ 46,485	\$ -	\$ -	\$ 46,485	\$ -
D4 Urban, LLC	783,571	39,152	39,152	783,571	-
PDG Denver Design, LLC	-	1,232,925	1,232,925	-	-
BMP Northwest LLC	-	6,202,762	6,202,762	-	-
PPF AMLI Broadway Park LLC	-	902,190	902,190	-	-
Total	<u>830,056</u>	<u>8,377,029</u>	<u>8,377,029</u>	<u>830,056</u>	<u>-</u>
<b>Accrued Interest:</b>					
CFPM, LLC	20,848	3,719	-	24,567	-
D4 Urban, LLC	93,446	63,443	100,000	56,889	-
PDG Denver Design, LLC	-	249,071	249,071	-	-
BMP Northwest LLC	-	463,309	463,309	-	-
PPF AMLI Broadway Park LLC	-	78,697	-	78,697	-
Total	<u>114,294</u>	<u>858,239</u>	<u>812,380</u>	<u>160,153</u>	<u>-</u>
Total	<u>\$ 944,350</u>	<u>\$ 9,235,268</u>	<u>\$ 9,189,409</u>	<u>\$ 990,209</u>	<u>\$ -</u>

**2010-2011 Operation Funding Agreement – CFPM, LLC**

The District entered into a 2010-2011 Operation Funding Agreement (2010-2011 OFA) with CFPM with an effective date of December 8, 2010. The 2010-2011 OFA provides for CFPM to advance funds of up to \$60,000 to the District or to pay consultants directly for operations and maintenance expenses incurred. The District agrees to repay amounts advanced under this agreement along with simple interest of 8% per annum. Simple interest accrues on each advance from the date of the deposit into the District's bank account until paid. As of December 31, 2021, the District had \$71,052 due to CFPM which is comprised of \$46,485 in principal and \$24,567 of accrued interest.

**2012 Operation Funding Agreement - D4 Urban, LLC**

The District entered into a 2012 Operation Funding Agreement (2012 OFA) with D4 Urban, LLC (D4) with an effective date of January 1, 2012. The 2012 OFA provides for D4 to advance funds of up to \$65,000 to the District or to pay consultants directly for operations and maintenance expenses incurred. The District agrees to repay amounts advanced under this agreement along with simple interest of 8% per annum. Simple interest accrues on each advance from the date of the deposit into the District's bank account until paid.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**2013 Operation Funding Agreement - D4 Urban, LLC**

The District entered into a 2013 Operation Funding Agreement (2013 OFA) with D4 with an effective date of January 1, 2013. The 2013 OFA provides for D4 to advance funds of up to \$80,000, as amended by that First Amendment, to the District or to pay consultants directly for operations and maintenance expenses incurred. The District agrees to repay amounts advanced under this agreement along with simple interest of 8% per annum. Simple interest accrues on each advance from the date of the deposit into the District's bank account until paid.

**2014 Operation Funding Agreement - D4 Urban, LLC**

The District entered into a 2014 Operation Funding Agreement (2014 OFA) with D4 with an effective date of January 1, 2014. The 2014 OFA provides for D4 to advance funds of up to \$118,965 to the District or to pay consultants directly for operations and maintenance expenses incurred. The District agrees to repay amounts advanced under this agreement along with simple interest of 8% per annum. Simple interest accrues on each advance from the date of the deposit into the District's bank account until paid.

**2015 Operation Funding Agreement- D4 Urban, LLC**

The District entered into a 2015 Operation Funding Agreement (2015 OFA) with D4 with an effective date of January 1, 2015. The 2015 OFA provides for D4 to advance funds of up to \$127,216 to the District or to pay consultants directly for operations and maintenance expenses incurred. The District agrees to repay amounts advanced under this agreement along with simple interest of 8% per annum. Simple interest accrues on each advance from the date of the deposit into the District's bank account until paid.

**2016 Operation Funding Agreement- D4 Urban, LLC**

The District entered into a 2016 Operation Funding Agreement (2016 OFA) with D4 with an effective date of January 1, 2016. The 2016 OFA provides for D4 to advance funds of up to \$146,710 to the District or to pay consultants directly for operations and maintenance expenses incurred. The District agrees to repay amounts advanced under this agreement along with simple interest of 8% per annum. Simple interest accrues on each advance from the date of the deposit into the District's bank account until paid.

**2017 Operation Funding Agreement - D4 Urban, LLC**

The District entered into a 2017 Operation Funding Agreement (2017 OFA) with D4 with an effective date of January 1, 2017, as amended on November 30, 2017, November 28, 2018, December 6, 2019, November 2, 2020 and November 4, 2021. The 2017 OFA provides for D4 to advance funds of up to \$515,000 to the District or to pay consultants directly for operations and maintenance expenses incurred through December 31, 2022. The District agrees to repay amounts advanced under this agreement along with simple interest of 8% per annum. Simple interest accrues on each advance from the date of the deposit into the District's bank account until December 31, 2051 at which time any amount of principal and accrued interest outstanding on such date will be deemed satisfied in full.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**2017 Operation Funding Agreement - D4 Urban, LLC (Continued)**

As of December 31, 2021, the District had \$840,460 due under the 2012 OFA, 2013 OFA, 2014 OFA, 2015 OFA, 2016 OFA and 2017 OFA which is comprised of \$783,571 in principal and \$56,889 of accrued interest.

Payments to reimburse CFPM and D4 under the 2010-2011 OFA, 2012 OFA, 2013 OFA, 2014 OFA, 2015 OFA, 2016 OFA and 2017 OFA are to be made on December 2 of each year and are to be applied as follows: a) first to the 2010-2011 OFA accrued and unpaid interest and then to the related principal amount due; and then b) first to the 2012 OFA accrued and unpaid interest and then to the related principal amount due; and then c) first to the 2013 OFA accrued and unpaid interest and then to the related principal amount due; and then d) first to the 2014 OFA accrued and unpaid interest and then to the related principal amount due and then e) first to the 2015 OFA accrued and unpaid interest and then to the related principal amount due and then f) first to the 2016 OFA accrued and unpaid interest and then to the related principal amount due and then g) first to the 2017 OFA accrued and unpaid interest and then to the related principal amount due. The 2010-2011 OFA, 2012 OFA, 2013 OFA, 2014 OFA, 2015 OFA, 2016 OFA and 2017 OFA acknowledge that the agreements do not constitute multiple fiscal year financial obligations. Repayment of these obligations by the District will be made as funds are available and at the discretion of the Board of Directors.

**Cherokee Street Improvements Project Funding and Reimbursement Agreement – ASV, LLC**

On April 21, 2014, the District entered into the Cherokee Street Improvements Project Funding and Reimbursement Agreement with Denver Properties I, LLC (DPI) (Agreement). The Agreement provides for an advance of \$813,924 to be made to the District for the purposes of constructing certain improvements on Cherokee Street (See Note 7 – Agreements - South Cherokee Improvements Agreement). During 2014, the advance was placed in escrow as required. The District agrees to repay the amount advanced under the Agreement along with simple interest of 8% per annum. The obligation for the District to repay the advance expires on December 31, 2054, unless terminated earlier by the mutual agreement of the parties. During 2016, DPI paid retainage of \$46,442 due on the project on behalf of the District. This payment has been reflected as a developer advance. On July 13, 2017, the District and DPI approved the termination of the agreement and assigned the obligations under the Agreement to ASV, LLC. The District and ASV, LLC entered into an agreement on July 13, 2018 with an effective date of November 30, 2017. During 2020, the District paid the balance in full.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Facilities Funding and Acquisition Agreement – D4 Urban, LLC**

The District entered into a Facilities Funding and Acquisition Agreement (D4 FFA) with D4 with an effective date of March 7, 2011 as amended on July 28, 2020. D4 is the developer of certain property within the service area of the District. In order for the property to be developed for the benefit of the Districts, improvements needed to be constructed and/or acquired for which the District has no funds available. The D4 FFA acknowledges that D4 will advance funds to the District for construction-related expenses and/or for the acquisition of improvements upon completion. The District agrees to reimburse D4 for constructed-related expenses verified and approved by the District's engineer or accountant together with simple interest of 8%. Simple interest shall accrue on the construction-related expenses as follows: 1) on each developer advance, from the date of deposit into the District's account; and 2) on verified costs for construction-related expenses incurred prior to the organization date, from the organization date; or 3) on verified costs for construction-related expenses expended after the organization date, from the date costs were incurred by D4. The parties to the D4 FFA agree that no payment shall be required of the District hereunder unless and until the District issues bonds in an amount sufficient to reimburse D4 for all or a portion of developer advances and/or verified costs. The D4 FFA shall not constitute debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District. As of December 31, 2021 there are no advances outstanding under the agreement.

**Facilities Funding and Acquisition Agreement – BMP Northwest**

The District entered into a Facilities Funding and Acquisition Agreement (BMP Northwest FFA) with BMP Northwest LLC, a Delaware limited liability company (BMP Northwest) with an effective date of November 30, 2017 as amended on August 20, 2020 and November 12, 2020. BMP Northwest is the developer of certain property within the service area of the District. In order for the property to be developed for the benefit of the Districts, improvements needed to be constructed and/or acquired for which the District has no funds available. The BMP Northwest FFA acknowledges that BMP Northwest will advance funds to the District for construction-related expenses and/or for the acquisition of improvements upon completion. The District agrees to reimburse BMP Northwest for constructed-related expenses verified and approved by the District's engineer or accountant together with simple interest of 8%. Simple interest shall accrue on the construction-related expenses as follows: 1) on each developer advance, from the date of deposit into the District's account; and 2) on verified costs for construction-related expenses incurred prior to the organization date, from the organization date; or 3) on verified costs for construction-related expenses expended after the organization date, from the date costs were incurred by BMP Northwest. The parties to the BMP Northwest FFA agree that no payment shall be required of the District hereunder unless and until the District issues bonds in an amount sufficient to reimburse BMP Northwest for all or a portion of developer advances and/or verified costs. The BMP Northwest FFA shall not constitute debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Facilities Funding and Acquisition Agreement – BMP Northwest (Continued)**

The First Amendment to the BMP Northwest FFA dated August 20, 2020 establishes priority of repayments to D4, TI – Grand Crossings, L.L.C., PDG Denver Design LLC and TGI – Denver Design District, L.L.C. (collectively, “Price”) and PPF AMLI Broadway Park LLC (AMLI) who are constructing public improvements concurrently. Reimbursement by the District for concurrent improvements by these parties shall be made on a pari passu basis between amounts due hereunder and amounts advanced by D4, Price and AMLI for the concurrent improvements. Any amounts advanced by BMP Northwest hereunder for improvements that are not concurrent improvements shall be paid based on the Intercreditor Agreement dated January 9, 2020 by and among the District, D4, BMP Northwest, ASV LLC and CFPM LLC.

The Second Amendment to the BMP Northwest FFA dated November 12, 2020 provides for the District to substitute funds in the amount of \$2,358,115 deposited by BMP Northwest with District funds. Such funds are held in escrow. The District has the power and authority to finance and construct certain improvements referred to as the Mercado Improvements. The funds held in escrow will be used to finance the improvements. Once the District substitutes its funds, the District shall be entitled to approve all draw requests. The expenditures of District funds from the escrow are to be cost verified within 180 days of the draw requests. On January 19, 2021, the District placed \$2,358,115 into escrow in accordance with the Second Amendment.

During 2021 construction related expenses of \$6,666,071 including accrued interest were verified by an independent engineer and accepted for repayment by the District. During 2021, the District overpaid the amounts owed under the BMP Northwest FFA by \$52,744. The overpayment has been reflected as a receivable. Payment was received by the District in January 2022.

**Facilities Funding and Acquisition Agreement – Broadway Marketplace**

On March 9, 2018, the District entered into a Facilities Funding and Acquisition Agreement with TI-Grand Crossings, L.L.C., PDG Denver Design LLC and TGI – Denver Design District, L.L.C. (collectively, the Developer) (collectively, the Parties or Price). The Developer is the owner of certain real property within the Broadway Marketplace located within the City and County of Denver. The District has agreed to provide, construct and/or acquire certain public improvements as generally described in the Service Plan. In order for the property to be developed, improvements need to be constructed and/or acquired and specifically, but not limited to: a) landscaping and hardscaping within the Cherokee Street Right-of-Way; b) landscaping and hardscaping within the access roads adjacent to the property which will ultimately be owned by the District; and c) relocation of a sanitary sewer line into Alameda Avenue. The District does not currently have sufficient monies available to fund the cost of construction of the improvements or to acquire the improvements.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Facilities Funding and Acquisition Agreement – Broadway Marketplace (Continued)**

The Parties acknowledge that the Developer has or will design, construct, and complete certain improvements in accordance with the agreement and the District desires to reimburse the Developer for verified construction-related expenses and to acquire such improvements completed by the Developer. Simple interest shall accrue on the construction-related expenses at the rate of 8% per annum from the date the verified costs were incurred by the Developer.

The Parties agree that no payment shall be required of the District hereunder unless the District issues bonds in an amount sufficient to reimburse the Developer for all or a portion of the verified costs. The Developer acknowledges that the District has previously entered into reimbursement agreements for capital improvements with D4 Urban, LLC (D4 Prior Advance). It is further anticipated that D4 will be constructing public improvements concurrently with Developer (D4 Concurrent Improvements). The Parties and D4 agree that any reimbursement by the District shall be made on a pari passu basis between amounts due hereunder and amounts advanced by D4 for the D4 Concurrent Improvements. Any amounts due D4 for the D4 Prior Advance shall be paid on a subordinate basis to the amounts due under this agreement and for the D4 Concurrent Improvements. During 2021, construction related expenses of \$1,232,925 were verified and accepted for repayment by the District. The District paid verified costs plus accrued interest of \$249,070 in full in 2021. As of December 31, 2021, there are no advances outstanding under the agreement.

**Intercreditor Agreement**

The District entered into the Intercreditor Agreement with D4 Urban, LLC, CFPM, LLC BMP Northwest, LLC and ASV, LLC on January 9, 2020. The District serves a certain development known as Broadway Marketplace in the City and County of Denver. The Parties all own or are affiliated with owners of real property within the District's boundaries. The agreement establishes the understandings and agreements with respect to the priority of reimbursements that the District will be paying to the parties pursuant to the various agreements that have been entered into by each such party with the District.

First: Any amounts due pursuant to the BMP Northwest Agreement (BMP Northwest FFA) shall be senior and hold first priority over any amounts owed by the District under any other reimbursement document.

Second: Following the date that there is no further liability or amounts due pursuant to the BMP Northwest FFA, all revenues of the District that have not been pledged by the District and are otherwise available for use by the District to pay amounts due shall be used to pay such amounts to D4, CFPM and ASV on a pari passu basis, until the amounts due under those agreements are paid in full.



**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Facilities Funding and Acquisition Agreement –PPF AMLI BROADWAY PARK**

On April 6, 2020, the District entered into a Facilities Funding and Acquisition Agreement (AMLI FFA) with PPF AMLI Broadway Park, LLC. (AMLI). AMLI is the owner of certain real property within the District. The District anticipates that AMLI may design, construct and complete certain public improvements and incur construction-related expenses, in which case the District will acquire such improvements. AMLI agrees that the improvements it has constructed or the improvements it undertakes to construct shall be in substantial conformance with the design standards and specifications as established and in use by the District or other appropriate jurisdiction and in accordance with the provisions of this agreement and the District's Service Plan. AMLI agrees that prior to requesting that the District acquire any improvements pursuant to this agreement, AMLI shall obtain certification of an independent engineer that the construction related expenses are reasonable and comparable for similar projects as constructed in the Denver Metro Area. Simple interest is to accrue on construction-related expenses at a rate of 8% per year from the date the verified costs were incurred by AMLI until paid to AMLI by the District. Payments by the District to AMLI shall credit first against accrued and unpaid interest and then to the principal amount due. If advances are not repaid by December 31, 2057, any amount of principal and accrued interest outstanding on that date.

The Parties agree that no payment shall be required of the District hereunder unless the District issues bonds in an amount sufficient to reimburse the Developer for all or a portion of the verified costs. The Developer acknowledges that the District has previously entered into reimbursement agreements for capital improvements with D4 Urban, LLC (D4 Prior Advance) and with Price Development Group (Price FFA). It is further anticipated that D4 will be constructing public improvements concurrently with Developer (D4 Concurrent Improvements). The Parties and D4 agree that any reimbursement by the District shall be made on a pari passu basis between amounts due hereunder and amounts advanced by D4 and Price for the D4 and Price Concurrent Improvements. Any amounts due D4 for the D4 Prior Advance shall be paid on a subordinate basis to the amounts due under this agreement and for the D4 and Price Concurrent Improvements.

During 2021, construction related expenses of \$902,190 were verified and accepted for repayment by the District. The District paid the verified costs in full. As of December 31, 2021, the District owes \$78,697 of accrued interest under the agreement.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Debt Authorization**

At December 31, 2021, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 2, 2010	Authorization Used	Authorized Amount Remaining
Streets	\$ 300,000,000	\$ -	\$ 300,000,000
Parks and Recreation	300,000,000	-	300,000,000
Sanitation	300,000,000	-	300,000,000
Water	300,000,000	-	300,000,000
Traffic Safety	300,000,000	-	300,000,000
Transportation	300,000,000	-	300,000,000
Television Relay	300,000,000	-	300,000,000
Fire	300,000,000	-	300,000,000
Mosquito Control	300,000,000	-	300,000,000
Operations and Maintenance	300,000,000	-	300,000,000
IGAs	300,000,000	-	300,000,000
Subtotal	3,300,000,000	-	3,300,000,000
Debt Refunding	300,000,000	-	300,000,000
Total	<u>\$ 3,600,000,000</u>	<u>\$ -</u>	<u>\$ 3,600,000,000</u>

Pursuant to the Districts' Service Plan, collectively, the Districts are permitted to issue bond indebtedness of up to \$300,000,000.

The District did not budget to issue any new debt during 2022. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area. As of the date of this report (as noted on the Independent Auditor's Report on page I), the amount and timing of any debt issuance is not determinable.

**NOTE 6 NET POSITION**

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

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The district had a restricted net position of \$8,000 for emergency reserves and \$271,423 for capital projects as of December 31, 2021.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 7 RELATED PARTY**

All of the Board of Directors are owners, officers, employees, or otherwise associated with CFPM, D4 Urban, LLC (D4), BMP Northwest, LLC and/or are owners of property within the boundaries of the District. CFPM, D4 and BMP Northwest, LLC have outstanding funding agreements with the District as of December 31, 2021.

**NOTE 8 AGREEMENTS**

**Dakota Outfall Funding Reimbursement Agreement**

On November 10, 2015, District No. 3 entered into the Dakota Outfall Funding Reimbursement Agreement (Outfall Agreement) with Denver Properties I, LLC (DPI). The Outfall Agreement acknowledges that DPI contributed the sum of \$400,000 toward the cost of the Dakota Outfall Project. Without the contribution from DPI, the District would have been unable to complete the Dakota Outfall Project. District No. 3 agrees to impose the Regional Mill Levy as set forth in the Regional Mill Levy IGA and the First Amendment to the Regional Mill Levy Intergovernmental Agreement. District No. 3 agrees, on an annual basis, to remit to DPI, the revenues it received from the imposition of the Regional Mill Levy IGA up to the amount of \$400,000, less any reasonable administrative expenses incurred by District No. 3. The DPI contribution shall not accrue interest.

**Regional Mill Levy Intergovernmental Agreement**

On December 10, 2010, the District together with District No. 2 and District No. 3, entered into the Regional Mill Levy Intergovernmental Agreement (IGA) with the City. The Districts have agreed to impose a Regional Mill Levy and pledge all revenues from such Regional Mill Levy to the City to be used for regional projects selected by the City. The Districts will impose a Regional Mill Levy of 5.000 mills on all property within their respective boundaries at the same time as each District first imposes either an operating or debt service mill levy. For residential property only, the 5.000 mill levy rate may be adjusted by the Board of Directors to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation occurring after January 1, 2010. The Districts covenant to impose the Regional Mill Levy as long as the IGA and Service Plans for the Districts are in place.

On January 9, 2014, the First Amendment to the Regional Mill Levy Intergovernmental Agreement was approved by all parties. The amendment allows District No. 3 to utilize up to a maximum of \$400,000 of the revenues derived from the imposition of the Regional Mill Levy on certain property as described in the amendment, for the purposes of funding the Dakota Outfall Project. Once District No. 3 has received \$400,000 of Regional mill levy revenues from the certain property, all other amounts collected are to be remitted to the City in accordance with the original IGA.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Service Agreement for Alameda Station Transit Plaza Maintenance**

On November 10, 2015, the District entered into an agreement with CFPM whereby contracting with CFPM to provide transit plaza maintenance including, but not limited to, trash removal, snow removal, landscaping services, street sweeping and general repair and maintenance to grounds, fixtures, equipment and hardscapes. On November 4, 2021, the District approved Change Order No. 2 which decreased the fixed monthly fee for the services. The District incurred expenditures in the amount of \$46,461 for 2021 services provided under this agreement.

**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 (Pool) as of December 31, 2021. 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, public officials' liability, and workers compensation 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.

**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.

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.

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

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.

The District's electors approved the following ballot issues during its November 2, 2010 election:

Ballot Issue 5A: Shall BMP Metropolitan District No. 1 taxes be increased \$300,000,000 annually or such lesser amount as necessary to pay the District's administration and operations and maintenance expenses, by the imposition of ad valorem property taxes levied in any year, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such taxes and any investment income thereon be collected, retained and spent by the District in fiscal year 2011 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Ballot Issue 5B: Shall BMP Metropolitan District No. 1 taxes be increased \$300,000,000 annually (first full fiscal year increase) and by additional amounts that are raised annually thereafter by the imposition of an ad valorem property tax mill levy each year on all taxable property of the District of 5 mills, provided that such mill levy rate, may be adjusted by the Board of Directors to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation occurring after January 1, 2010 so that, to the extent possible, the actual revenues generated by such mill levy are neither diminished nor enhanced as a result of such changes, for the purpose of paying costs associated with regional infrastructure improvements and services as required by the City and County of Denver for the District's taxpayers, residents and inhabitants and shall the revenue from such taxes and any investment income thereon be collected, retained and spent by the District in fiscal year 2011 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

Ballot Issue 5C: Shall BMP Metropolitan District No. 1 taxes be increased \$300,000,000 annually or such lesser amount as necessary to pay the District's administration and operations and maintenance expenses, by the imposition of a fee or fees imposed, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such fees and any investment income thereon be collected, retained and spent by the District in fiscal year 2011 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Ballot Issue 5D: Shall BMP Metropolitan District No.1 taxes be increased \$300,000,000 annually or such lesser amount as necessary for the payment of such amounts due pursuant to one or more intergovernmental agreements or other contracts, by the imposition of ad valorem property taxes levied in any year, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such taxes and any investment income thereon be collected, retained and spent by the District in fiscal year 2011 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Ballot Issue 5E: Shall BMP Metropolitan District No.1 be authorized to collect, retain, and spend the full amount of all taxes, tax increment revenues, tap fees, park fees, facility fees, services charges inspection charges, administrative charges, grants or any other fee, rate, toll, penalty, or charge authorized by law or contract to be imposed, collected or received by the District during 2011 and each fiscal year thereafter, such amounts to constitute a voter-approved revenue change and be collected, retained and spent by the District without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, and without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

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**

**BROADWAY PARK NORTH METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Transfer from BPNMD No. 2	\$ 15,692,446	\$ 11,461,115	\$ 11,461,115	\$ -
Release of Escrow	-	33,516	33,516	-
Other	-	10,459	10,459	-
Total Revenues	<u>15,692,446</u>	<u>11,505,090</u>	<u>11,505,090</u>	<u>-</u>
<b>EXPENDITURES</b>				
Legal	-	895	895	-
Miscellaneous	-	43,249	43,249	-
Repay Developer Advance - Principal	-	8,337,877	8,337,877	-
Repay Developer Advance - Interest	-	712,379	712,380	(1)
Art	275,000	22,564	22,564	-
Engineering	15,000	-	-	-
Capital Outlay	15,667,219	9,068,118	8,355,738	712,380
Total Expenditures	<u>15,957,219</u>	<u>18,185,082</u>	<u>17,472,703</u>	<u>712,379</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(264,773)	(6,679,992)	(5,967,613)	712,379
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer Advance	-	9,050,256	8,337,877	(712,379)
Total Other Financing Sources (Uses)	<u>-</u>	<u>9,050,256</u>	<u>8,337,877</u>	<u>(712,379)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(264,773)	2,370,264	2,370,264	-
Fund Balance - Beginning of Year	<u>264,773</u>	<u>259,275</u>	<u>259,275</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 2,629,539</u>	<u>\$ 2,629,539</u>	<u>\$ -</u>