RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DENVER CONNECTION WEST METROPOLITAN DISTRICT (THE "DISTRICT") HELD OCTOBER 23, 2018

A regular meeting of the Board of Directors of the Denver Connection West Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, October 23, 2018, at 1:30 p.m., at the offices of William Lyon Homes, 400 Inverness Parkway, Suite 350, Englewood, Colorado 80112. The meeting was open to the public.

Directors In Attendance Were:
Robert A. Johnson
Craig Wagner
Eric McEachen
David Brown
Jeffrey McGovern

Also In Attendance Were:
Lisa A. Johnson; Special District Management Services, Inc.

Elisabeth Cortese, Esq.; McGeady Becher P.C.

Jason Carroll; CliftonLarsonAllen LLP

Kim Fiore; Independent District Engineering Services, LLC (via phone for a portion of the meeting)

Jean Jennings; Independent District Engineering Services, LLC

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Cortese requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Cortese noted for the record that there were no new disclosures made by the Directors

present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes. It was noted that disclosure statements had been filed for all Directors by the statutory deadline.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

Following discussion, upon motion duly made by Director McGovern, seconded by Director Johnson and, upon vote unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director McGovern, seconded by Director Johnson and, upon vote unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries, or within the county the District is located, to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

CONSENT AGENDA

The Board considered the following actions:

- Review and approve Minutes of the September 25, 2018 regular meeting.
- Ratify approval of Operation and Maintenance Fee Delinquent account process.
- Ratify approval of Comcast Business Service Order Agreement.

Following discussion, upon motion duly made by Director Wagner, seconded by Director Johnson and, upon vote unanimously carried, the Board approved the above actions.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims as follows:

Fund	Period Ending Oct. 23, 2018
General	$ 8,786.92
Debt	$ -0-
Capital	$ 634,423.41
Total	**$ 643,210.33**

Following discussion, upon motion duly made by Director Wagner, seconded by Director Johnson and, upon vote unanimously carried, the Board approved the payment of claims, as presented.

Schedule of Cash Position: Mr. Carroll presented to the Board the schedule of cash position statement dated August 31, 2018, updated as of October 10, 2018, Property Tax Reconciliation and Schedule of Developer Advances.

Following review, upon motion duly made by Director Johnson, seconded by Director McGovern and, upon vote, unanimously carried, the Board accepted the schedule of cash position statement dated August 31, 2018, updated as of October 10, 2018, Property Tax Reconciliation and Schedule of Developer Advances.

2018 Budget Amendment Hearing: The President opened the Public Hearing to consider Resolution No. 2018-10-01 to Amend the 2018 Budget, and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2018 Budget and the date, time, and location of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Following review and discussion, upon motion duly made by Director Wagner, seconded by Director Johnson and, upon vote, unanimously carried, the Board adopted Resolution 2018-10-01 to Amend the 2018 Budget.

2019 Budget Hearing: The President opened the Public Hearing to consider the proposed 2019 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2019 Budget and the date, time and location of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing.

No public comments were received and the Public Hearing was closed.

Mr. Carroll reviewed the estimated 2018 expenditures and the proposed 2019 expenditures.

Following discussion, upon motion duly made by Director Johnson, seconded by Director Wagner and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-10-02 to Adopt the 2019 Budget and Appropriate Sums of Money. In addition, upon motion duly made by Director McGovern, seconded by Director Johnson and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-10-03 to Set Mill Levies (for the General Fund at 11.055 mills and for the Debt Service Fund at 44.222 mills for a total mill levy of 55.277 mills) and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2018. Ms. Johnson was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of the City and County of Denver and the Division of Local Government not later than December 15, 2018. Ms. Johnson was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2019. Copies of the Resolutions are attached hereto and incorporated herein by this reference.

Resolution No. 2018-10-04, Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: Attorney Cortese presented Resolution No. 2018-10-04, Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

Following discussion, upon motion duly made by Director McGovern, seconded by Director Johnson and, upon vote, unanimously carried, the Board approved Resolution No. 2018-10-04, Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Johnson, seconded by Director McEachen and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

LEGAL MATTERS

Intergovernmental Agreement between the District and the City and County of Denver regarding Gateway Public Improvements: Attorney Cortese presented to the Board an update of the Intergovernmental Agreement between the District and the City and County of Denver regarding Gateway Public Improvement. It was noted that this is still a work in progress.

Second Amendment to Operation Funding Agreement ("OFA") by and between the District and William Lyon Homes, Inc. d/b/a Village Homes: Attorney Cortese presented to the Board the Second Amendment to the OFA by and between the District and William Lyon Homes, Inc. d/b/a Village Homes.

Following discussion, upon motion duly made by Director McGovern, seconded by Director Johnson and, upon vote, unanimously carried, the Board approved the Second Amendment to the OFA by and between the District and William Lyon Homes, Inc. d/b/a Village Homes, subject to final budget and revisions by legal counsel.

COVENANT ENFORCEMENT/ DESIGN REVIEW

Community Manager's Report: The Board of Directors reviewed the Community Manager's Report. The Board directed Ms. Johnson to address questions related to the information contained in the Community Manager's Report to Ms. Norton.

Snow Removal Contract with NuStyle Landscape and Development for 2019: The Board discussed a contract for snow removal services with Nu Style Landscape and Development, LLC.

Following review and discussion, upon motion duly made by Director Johnson, seconded by Director Wagner and, upon vote, unanimously carried, the Board approved the snow removal contract with Nu Style Landscape and Development, LLC, subject to confirmation of rate change.

CONSTRUCTION MATTERS

Engineer's Report: Ms. Fiore reviewed with the Board the Engineer's Board Meeting Project Status Report dated October 23, 2018. A copy of the report is attached hereto and incorporated herein by this reference. Ms. Jennings also distributed for review a HUB Cost Tracking Log, Summary of Contract Changes, and Summary of Task Orders.

HUB Facility: Ms. Fiore presented to the Board an update on the HUB.

Task Order No. 2 to Master Services Agreement with Godden Sudik for Additional Services in the amount of $15,335: The Board deferred discussion at this time.

Final Acceptance of Improvements: There were no recommendations for Final Acceptance of Improvements this month.

Change Order No. 14 to the MW Golden Contract Concrete for Lighting Changes in the amount of $25,467: The Board reviewed Change Order No. 14 to the MW Golden Contract Concrete for Lighting Changes.

Following review, upon motion duly made by Director McGovern seconded by Director Johnson and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 14 to the MW Golden Contract Concrete for Lighting Changes, in the amount of $25,467.

Change Order No. 1 to the Brightview Contract, for Trellis Changes in the amount of $121,433: The Board reviewed Change Order No. 1 to the Brightview Contract for Trellis Changes.

Following review, upon motion duly made by Director McGovern seconded by Director Johnson and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 1 to the Brightview Contract for Trellis Changes, in the amount of -$121,433.

Change Order No. 2 to the Slaton Bros. Contract for Adjustment of Wall Heights in the amount of $4,600: The Board deferred approval of Change Order No. 2 to the Slaton Bros. Contract for adjustment of wall heights pending additional review.

Cost Certification Report No. 10: Ms. Fiore presented to the Board Cost Certification Report No. 10.

Following discussion, upon motion duly made by Director Johnson seconded by Director McGovern and, upon vote, unanimously carried, the Board approved Cost Certification Report No. 10 in the amount of $1,094,514.43.

OTHER BUSINESS

EXECUTIVE SESSION: Pursuant to Section 24-6-402(4)(b) of the Colorado Revised Statutes, upon motion duly made by Director McGovern, seconded by Director Johnson and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 3:15 p.m. for the purpose of receiving legal advice from the Board's attorney on specific legal questions as authorized by Section 24-6-402(4)(b), C.R.S. Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitute privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 3:27 p.m.

Special District Management Services, Inc. ("SDMS") 2019 Rate Increase: The Board reviewed the SDMS 2019 Rate Increase.

Following review, upon motion duly made by Director Johnson seconded by Director McEachen and, upon vote, unanimously carried, the Board approved SDMS 2019 Rate Increase.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL OCTOBER 23, 2018 REGULAR MINUTES OF THE DENVER CONNECTION WEST METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Robert A. Johnson

Craig Wagner

Eric McEachen

David Brown

Jeffrey McGovern

Attorney Statement

REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(4)(b), C.R.S., I attest that, in my capacity as the attorney representing the Denver Connection West Metropolitan District, I attended the executive session meeting for the Denver Connection West Metropolitan District which convened at 3:15 p.m on October 23, 2018 for the sole purpose of receiving from the Board's attorney, legal advice on specific legal questions as authorized by Section 24-6-402(4)(b), C.R.S. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Signed Elisabeth J. Cortese

Elisabeth Cortese, Attorney for the District

Dated: October 23, 2018

RESOLUTION TO AMEND 2018 BUDGET
DENVER CONNECTION WEST METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Denver Connection West Metropolitan District adopted a budget and appropriated funds for the fiscal year 2018 as follows:

General Fund	$	80,000
Debt Service Fund:	$	526,651
Capital Projects Fund:	$	1,532,317

WHEREAS, the necessity has arisen for additional expenditures in the General Fund, Debt Service Fund, and Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2018; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the General Fund from Admin Fees and Operations and Maintenance Fees; and

WHEREAS, funds are available for such expenditures in the Debt Service Fund from Interest Income; and

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from Developer advance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Denver Connection West Metropolitan District shall and hereby does amend the Budget for the fiscal year 2018 and adopts a supplemental budget and appropriation for the General Fund, Debt Service Fund, and Capital Projects Fund for the fiscal year 2018, as follows:

General Fund	$	100,000
Debt Service Fund	$	530,000
Capital Projects Fund	$	8,000,000

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 23rd day of October, 2018.

DENVER CONNECTION WEST METROPOLITAN DISTRICT

By: _____
Secretary

RESOLUTION NO. 2018 - 10 - 02

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE DENVER CONNECTION WEST
METROPOLITAN DISTRICT
TO ADOPT THE 2019 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Denver Connection West Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2019 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2018, for its consideration; and

WHEREAS, 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 October 23, 2018, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, 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; and

WHEREAS, 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.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denver Connection West Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Denver Connection West Metropolitan District for the 2019 fiscal year.

2. That the budget, as 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. That 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.

ADOPTED this 23rd day of October, 2018.

Secretary

(SEAL)

EXHIBIT A
(Budget)

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Denver Connection West Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Denver Connection West Metropolitan District for the year ending December 31, 2019, including the estimate of comparative information for the year ended December 31, 2018 and the actual comparative information for the year ended December 31, 2017 in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Denver Connection West Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 25, 2019

DENVER CONNECTION WEST METROPOLITAN DISTRICT
SUMMARY
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	$ -	$ 1,710,986	$ 2,288,533
REVENUE			
Property taxes	323	157,915	233,830
Specific ownership tax	-	9,776	14,030
Interest income	17,467	27,964	35,500
Facilities fees	591,000	864,000	627,000
Admin fees	3,400	17,800	20,000
Operations and Maintenance Fees	2,348	38,600	512,628
Bond issuance - Series 2017B	2,539,000	-	-
Bond issuance - Series 2017A	9,690,000	-	-
Developer advance	11,630,030	19,052,067	3,585,000
Total revenue	24,473,568	20,168,122	5,027,988
TRANSFERS IN	1,454,081	2,548	-
Total funds available	25,927,649	21,881,656	7,316,521
EXPENDITURES			
General Fund	51,772	104,842	470,000
Debt Service Fund	141,784	672,733	902,544
Capital Projects Fund	22,569,026	18,813,000	3,585,000
Total expenditures	22,762,582	19,590,575	4,957,544
TRANSFERS OUT	1,454,081	2,548	-
Total expenditures and transfers out requiring appropriation	24,216,663	19,593,123	4,957,544
ENDING FUND BALANCES	$ 1,710,986	$ 2,288,533	$ 2,358,977
EMERGENCY RESERVE	$ 200	$ 2,700	$ 17,500
DEBT SERVICE RESERVE 2017A BONDS	793,519	793,519	793,519
TOTAL RESERVE	$ 793,719	$ 796,219	$ 811,019

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

DENVER CONNECTION WEST METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
ASSESSED VALUATION - DENVER COUNTY			
Residential	$ -	$ -	$ 1,662,640
Commercial	-	1,050	3,900
Agricultural	-	6,820	-
State assessed	-	-	23,800
Vacant land	6,460	3,150,070	2,539,810
	6,460	3,157,940	4,230,150
Adjustments	-	360	-
Certified Assessed Value	$ 6,460	$ 3,158,300	$ 4,230,150
MILL LEVY			
General	50.000	10.000	11.055
Debt Service	0.000	40.000	44.222
Total mill levy	50.000	50.000	55.277
PROPERTY TAXES			
General	$ 323	$ 31,583	$ 46,764
Debt Service	-	126,332	187,066
Levied property taxes	323	157,915	233,830
Budgeted property taxes	$ 323	$ 157,915	$ 233,830
BUDGETED PROPERTY TAXES			
General	$ 323	$ 31,583	$ 46,764
Debt Service	-	126,332	187,066
	$ 323	$ 157,915	$ 233,830

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

DENVER CONNECTION WEST METROPOLITAN DISTRICT
GENERAL FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	$ -	$ (1,246)	$ 23,891
REVENUE			
Property taxes	323	31,583	46,764
Specific ownership tax	-	1,956	2,806
Interest income	-	40	500
Developer advance	44,455	40,000	-
Admin fees	3,400	17,800	20,000
Operations and Maintenance Fees	2,348	38,600	512,628
Total revenue	50,526	129,979	582,698
TRANSFERS IN			
Transfers from other funds	-	-	-
Total funds available	50,526	128,733	606,589
EXPENDITURES			
General and administrative			
Accounting	10,042	20,000	20,000
Auditing	-	4,900	5,000
County Treasurer's fee	3	316	468
Dues and licenses	200	328	350
Insurance	2,757	2,981	15,835
District management	11,402	20,000	20,000
Legal services	26,364	20,000	38,600
Miscellaneous	1,004	7,500	4,500
Election	-	272	-
Administrative management	-	23,000	27,850
Contingency	-	5,545	5,455
Operations and maintenance			
Clubhouse operations/supplies	-	-	20,700
Management	-	-	27,882
Utility - sewer	-	-	2,400
Utilitiy - water	-	-	31,723
Utility - electricity	-	-	16,000
Snow Removal	-	-	8,390
Covenant control	-	-	1,000
Maintenance/repairs			
Dog park maintenance	-	-	2,000
Pool maintenance	-	-	60,150
Repairs and maintenance	-	-	33,417
Landscape maintenance	-	-	65,668
Landscape improvements	-	-	10,640
Capital			
Reserve for Capital improvements	-	-	51,972
Total expenditures	51,772	104,842	470,000
Total expenditures and transfers out requiring appropriation	51,772	104,842	470,000
ENDING FUND BALANCE	$ (1,246)	$ 23,891	$ 136,589
EMERGENCY RESERVE	$ 200	$ 2,700	$ 17,500
TOTAL RESERVE	$ 200	$ 2,700	$ 17,500

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

DENVER CONNECTION WEST METROPOLITAN DISTRICT
DEBT SERVICE FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	$ -	$ 1,908,775	$ 2,264,642
REVENUE			
Property taxes	-	126,332	187,066
Specific ownership tax	-	7,820	11,224
Interest income	5,478	27,900	35,000
Facilities fees	591,000	864,000	627,000
Total revenue	596,478	1,026,052	860,290
TRANSFERS IN			
Transfers from other funds	1,454,081	2,548	-
Total funds available	2,050,559	2,937,375	3,124,932
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	1,895	1,871
Debt Service			
Bond interest - Series 2017A	141,784	520,838	520,838
Bond interest - Series 2017B	-	150,000	379,835
Total expenditures	141,784	672,733	902,544
Total expenditures and transfers out requiring appropriation	141,784	672,733	902,544
ENDING FUND BALANCE	$ 1,908,775	$ 2,264,642	$ 2,222,388
DEBT SERVICE RESERVE 2017A BONDS	$ 793,519	$ 793,519	$ 793,519
DEBT SERVICE RESERVE	1,115,256	1,471,123	1,428,869
TOTAL RESERVE	$ 1,908,775	$ 2,264,642	$ 2,222,388

DENVER CONNECTION WEST METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	$ -	$ (196,543)	$ -
REVENUE			
Interest income	11,989	24	-
Developer advance	11,585,575	19,012,067	3,585,000
Bond issuance - Series 2017B	2,539,000	-	-
Bond issuance - Series 2017A	9,690,000	-	-
Total revenue	23,826,564	19,012,091	3,585,000
TRANSFERS IN			
Transfers from other funds	-	-	-
Total funds available	23,826,564	18,815,548	3,585,000
EXPENDITURES			
General and Administrative			
Accounting	14,397	27,000	15,000
District management	17,074	31,500	15,000
Legal services	70,270	37,000	15,000
Contingency	-	2,500	-
Capital Projects			
Architecture	7,659	50,000	25,000
Repay developer advance	10,296,834	-	-
Engineering	105,956	165,000	15,000
Parks and recreation	761,378	-	-
Traffic and safety control	348,921	-	-
Bond issue costs	479,470	-	-
Capital outlay - HUB	-	9,250,000	-
Trustee fees	7,500	-	-
Streets	2,864,360	-	-
Sewer	4,317,323	-	-
Water	3,277,884	-	-
Capital outlay - infrastructure	-	9,250,000	3,500,000
Total expenditures	22,569,026	18,813,000	3,585,000
TRANSFERS OUT			
Transfers to other fund	1,454,081	2,548	-
Total expenditures and transfers out requiring appropriation	24,023,107	18,815,548	3,585,000
ENDING FUND BALANCE	$ (196,543)	$ -	$ -

DENVER CONNECTION WEST METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in 2016. The formation of the District was approved by the City and County of Denver, Colorado. The District was organized to provide the public improvements and the operation and maintenance of the District. The District's service area includes 115.66 acres generally to the southeast corner of Green Valley Ranch Blvd and Chambers Road.

On November 8, 2016, the District's electors authorized debt in the amount of $200,000,000 for public improvements including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, and traffic and safety control. $60,000,000 of debt was also authorized for the purpose of refunding debt, operations and maintenance, and intergovernmental agreements. The District is authorized to increase taxes $20,000,000 annually to pay the operations and administrative costs of the District, without limitation.

Additionally, the Service Plan limits (except for a Gallagher adjustment) the District's total mill levy to 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 the requirements of Colorado Revised Statues 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

Property Taxes

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

The District's maximum Required Mill Levy is 55.277 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund]. As of December 31, 2019, the adjusted maximum mill levy for debt service is 44.222 mills and the general fund mill levy increased to 11.055 from 10.000 mills.

Revenue - (continued)

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.00% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

Developer Advances

Developer advances are expected to fund capital project expenditures. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to issue bonds to reimburse the Developer.

Administrative Fee

The District imposes Administrative Fee associated with a transfer of ownership of any dwelling unit located within the Property in the amount of $100 per unit. The fee is due and payable at the time of sale, transfer or re-sale of any unit constructed on a lot which has a certificate of occupancy. It is anticipated that in 2019 the District will have 200 dwelling units.

Operations and Maintenance Fees

The District imposes an Operations and Maintenance fee (O&M fee) to offset the operations and maintenance expenditures of the District. In the amount of $168 per quarter for each residential unit, $183 per quarter for each rear-loaded residential unit and $183 per quarter for each town-home unit. The O&M fees will be billed quarterly as determined by the District. The amount charged by the District for Operations and Maintenance Fees is anticipated to be $512,628. It is anticipated that in 2019 the District will have 350 residential units, 154 rear-loaded residential units, and 331 town-home units.

System Development Fees

The District imposes a Facilities Fee at a rate of $3,000 per dwelling unit, attached or detached, which becomes due and payable on or before the issuance of a building permit for such dwelling unit.

DENVER CONNECTION WEST METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, dues, and other administrative expenditures. Estimated expenditures related to clubhouse maintenance, operations and management are also included in the General Fund budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1% of property tax collections.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017A Bonds and Series 2017B Bonds (discussed under Debt and Leases).

Capital Outlay

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

Debt and Leases

In August 2017, the District issued $9,690,000 in Series 2017A Limited Tax (convertible to unlimited tax) General Obligation Bonds with interest of 5.375%. The Bonds are subject to redemption prior to maturity at the option of the District and due on August 1, 2047.

The bonds are secured by and payable from Senior Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) all Senior Property Tax Revenues, (2) all Senior Specific Ownership Tax Revenues, (3) all Capital Fees and any other legally available monies which the District determines to be treated as Pledged Revenue. The Bonds are also secured by amounts held by the Trustee in the Reserve Fund in the amount of $793,518.76. The Reserve Fund was created for the purpose of paying, if necessary, the principal of, premium, if any, and interest on the Bonds. Required Mill Levy means an ad valorem mill lev imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the bonds as the same become due and payable and to make up deficiencies in the
Reserve Fund.

The maximum Required Mill Levy is 40.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2018, the adjusted maximum mill levy is 44.222.

In August 2017, the District issued $2,539,000 in Series 2017B Subordinate Bonds. The Bonds are special limited obligations of the District secured by and payable from the Subordinate pledged revenues, subject in all respects to the prior lien in favor of the Senior Bonds. The Series 2017B Subordinate Bonds are term bonds due on August 1, 2047 at an interest rate of 8.00%.

DENVER CONNECTION WEST METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Proceeds of the Bonds were used to finance and reimburse the costs of public improvements necessary for development within the District and with respect to the proceeds of the 2017A Bonds only, fund capitalized interest account on the 2017A Bonds, fund the Senior Reserve Fund and pay the costs of issuing the Bonds.

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3% of fiscal year spending. Since all funds received by the District are from Developer advances which pay for all of the District's operations and maintenance costs, an emergency reserve is not reflected in the District's budget.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the 2017A Bonds.

This information is an integral part of the accompanying budget.

DENVER CONNECTION WEST
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$9,690,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds
Refunding and Improvement Bonds
Series 2017A
August 23, 2017
Principal due December 1
Interest Rates 5.375% Payable
June 1 and December 1

Year Ended December 31,	Principal	Interest	Total
2019	$ -	$ 520,838	$ 520,838
2020	-	520,838	520,838
2021	-	520,838	520,838
2022	80,000	520,838	600,838
2023	110,000	516,538	626,538
2024	125,000	510,625	635,625
2025	135,000	503,906	638,906
2026	155,000	496,650	651,650
2027	160,000	488,319	648,319
2028	185,000	479,719	664,719
2029	195,000	469,775	664,775
2030	220,000	459,294	679,294
2031	230,000	447,469	677,469
2032	255,000	435,106	690,106
2033	270,000	421,400	691,400
2034	300,000	406,888	706,888
2035	315,000	390,763	705,763
2036	345,000	373,831	718,831
2037	365,000	355,288	720,288
2038	395,000	335,669	730,669
2039	420,000	314,438	734,438
2040	455,000	291,863	746,863
2041	480,000	267,406	747,406
2042	520,000	241,606	761,606
2043	550,000	213,656	763,656
2044	595,000	184,094	779,094
2045	625,000	152,113	777,113
2046	675,000	118,519	793,519
2047	1,530,000	54,825	1,584,825
	$ 9,690,000	$ 11,013,105	$ 20,703,105

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

DENVER CONNECTION WEST
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$2,539,000 Subordinate Limited Tax General Obligation Bonds
Series 2017B
August 23, 2017
Principal due December 15
Interest Rate 8.000% Payable December 15

Year Ended December 31,	Principal	Interest	Total
2019	$ -	$ 379,835	$ 379,835
2020	55,000	322,011	377,011
2021	135,000	198,720	333,720
2022	2,000	187,920	189,920
2023	6,000	187,760	193,760
2024	13,000	187,280	200,280
2025	12,000	186,240	198,240
2026	16,000	185,280	201,280
2027	21,000	184,000	205,000
2028	23,000	182,320	205,320
2029	26,000	180,480	206,480
2030	30,000	178,400	208,400
2031	34,000	176,000	210,000
2032	42,000	173,280	215,280
2033	44,000	169,920	213,920
2034	50,000	166,400	216,400
2035	56,000	162,400	218,400
2036	65,000	157,920	222,920
2037	69,000	152,720	221,720
2038	83,000	147,200	230,200
2039	86,000	140,560	226,560
2040	99,000	133,680	232,680
2041	107,000	125,760	232,760
2042	121,000	117,200	238,200
2043	128,000	107,520	235,520
2044	143,000	97,280	240,280
2045	157,000	85,840	242,840
2046	173,000	73,280	246,280
2047	743,000	37,315	780,315
	$ 2,539,000	$ 4,784,522	$ 7,323,522

I, Lisa A. Johnson, hereby certify that I am the duly appointed Secretary of the Denver Connection West Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2019, duly adopted at a meeting of the Board of Directors of the Denver Connection West Metropolitan District held on October 23, 2018.

By: _____
Secretary

RESOLUTION NO. 2018 - 10 - 03

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE DENVER CONNECTION WEST
METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Denver Connection West Metropolitan District ("District") has adopted the 2019 annual budget in accordance with the Local Government Budget Law on October 23, 2018; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2019 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denver Connection West Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2019 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 purposes of meeting all debt service fund expenses of the District during the 2019 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 the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of the City and County of Denver, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** 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.

ADOPTED this 23th day of October, 2018.

Secretary

(SEAL)

EXHIBIT A
(Certification of Tax Levies)

477A County Tax Entity Code

DOLA LGID/SID 66743

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners[1] of City and County of Denver, Colorado.

On behalf of the Denver Connection West Metropolitan District, (taxing entity)[A]

the Board of Directors (governing body)[B]

of the Denver Connection West Metropolitan District (local government)[C]

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: $ 4,230,150 (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: $ 4,230,150 (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: (no later than Dec. 15) 12/14/2018 (mm/dd/yyyy) for budget/fiscal year 2019 (yyyy).

PURPOSE (see end notes for definitions and examples)	**LEVY**[2]		**REVENUE**[2]
1. General Operating Expenses[H]	11.055	mills	$ 46,764
2. <**Minus**> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction[I]	< >	mills	$< >
SUBTOTAL FOR GENERAL OPERATING:	11.055	**mills**	$ 46,764
3. General Obligation Bonds and Interest[J]	44.222	mills	$ 187,066
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]	55.277	**mills**	$ 233,830

Contact person: (print) Jason Carroll

Daytime phone: (303) 779 - 5710

Signed: Jason Carroll

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).

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: General Obligation Refunding and Improvement Bonds
   Series: 2017A
   Date of Issue: 08/23/2017
   Coupon Rate: 5.375%
   Maturity Date: December 1, 2047
   Levy: 44.222
   Revenue: $187,066

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.

RESOLUTION NO. 2018-10-04

RESOLUTION OF THE BOARD OF DIRECTORS OF DENVER CONNECTION WEST METROPOLITAN DISTRICT AUTHORIZING ADJUSTMENT OF THE DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO CONSTITUTION, ARTICLE X, SECTION 3

A. Denver Connection West Metropolitan District (the "**District**") is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.

B. The District operates pursuant to its Service Plan approved by the City of Denver City Council, on September 12, 2016, (the "**Service Plan**"), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.

C. The Service Plan authorizes a Maximum Debt Service Mill Levy of 40.000 mills and a Maximum Operations and Maintenance Mill Levy of 10.000 mills, for a total combined Maximum Mill Levy of 50.000 mills ("**Maximum Mill Levy**")

D. The Service Plan and Article X, Section 3 of the Colorado Constitution, (the "**Gallagher Amendment**") authorizes adjustment of the Maximum Mill Levy in the event that the method of calculating assessed valuation is changed as of January 1, 2016, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The Maximum Mill Levy may be increased or decreased to reflect such changes. Such increases or decreases shall be determined by the Board in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes.

E. The Service Plan and Gallagher Amendment provide that, for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

F. The Colorado General Assembly passed House Bill 17-1349, signed by the Governor of Colorado on June 15, 2017, which amends Section 39-1-104.2, C.R.S., setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property tax years commencing on and after January 1, 2017, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property.

G. The Board of Directors of the District (the "**Board**"), authorized by the Service Plan and the Gallagher Amendment, determines it to be in the best interest of the District, its residents, users, property owners, and the public to adjust the Maximum Mill Levy to mitigate the effect of the statutory change in the ratio of valuation for assessment from 7.96% to 7.2%, so that actual tax revenues are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment for residential real property.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Denver Connection West Metropolitan District, City and County of Denver, Colorado:

1. The Board of the District hereby authorizes the adjustment of the Maximum Mill Levy to reflect the statutory change in the ratio of valuation for assessment for residential real property to 7.2% (from 7.96%).

2. The Gallagher Amendment allows for a Maximum Debt Service Mill Levy of 44.222 mills and a Maximum Operations and Maintenance Mill Levy of 11.055 mills, for a total combined Maximum Mill Levy of 55.277 mills (the "**Adjusted Mill Levy**") so that District revenues shall be neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment to 7.2%.

3. Pursuant to Section VIII.G.11 of the Service Plan, the District shall provide the calculation of the Adjusted Mill Levy to the Executive Director of Finance for the City and County of Denver, on or before December 1, 2018.

4. The Adjusted Mill Levy shall be reflected in the District's Certification of Tax Levies to be submitted to the City and County of Denver Assessor on or before December 15, 2018, for collection in 2019.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO CONSTITUTION, ARTICLE X, SECTION 3]

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 23, 2018.

DENVER CONNECTION WEST METROPOLITAN DISTRICT

President

Attest:

Secretary