

## LETTER OF BUDGET TRANSMITTAL

Date: January 22, 2023

To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached are the 2023 budget and budget message for PIVOT DENVER METROPOLITAN DISTRICT in Adams County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 17, 2022. If there are any questions on the budget, please contact:

Steven K. Taniguchi  
4221 Brighton Boulevard  
Denver, CO 80216  
Tel.: (303) 260-4421

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I, Matthew Mitchell as President of the Pivot Denver Metropolitan District, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Matt Mitchell

**RESOLUTION**  
**TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,**  
**AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY**  
**PIVOT DENVER METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE PIVOT DENVER METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Pivot Denver Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 17, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$\_\_\_\_\_0\_\_\_\_\_; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$\_\_\_\_\_0\_\_\_\_\_; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$\_\_\_\_\_976\_\_\_\_\_; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$\_\_\_\_\_0\_\_\_\_\_; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$\_\_\_\_\_0\_\_\_\_\_; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ 0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Adams County is \$ 39,040; and

WHEREAS, at an election held on November 6, 2019 the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PIVOT DENVER METROPOLITAN DISTRICT OF ADAMS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Pivot Denver Metropolitan District for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 25.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Adams County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Adams County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

*[remainder of page intentionally left blank; signature page follows]*

ADOPTED this 17<sup>th</sup> day of November, 2022.

PIVOT DENVER METROPOLITAN  
DISTRICT

*Matt Mitchell*

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President

ATTEST:

*KM*

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Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND  
THE CERTIFICATION OF TAX LEVIES

PIVOT DENVER METROPOLITAN DISTRICT  
(formerly PECOS LOGISTICS PARK METROPOLITAN DISTRICT)  
2023 BUDGET MESSAGE

DISTRICT SERVICES: The District is a metropolitan district organized pursuant to the Special District Act. The District will provide certain essential public-purpose facilities for the use and benefit of the property owners and users within and without the boundaries of the District. It is intended that the District oversee operations and maintenance of the improvements and supplement the services of the property owner.

BASIS OF ACCOUNTING: The basis of accounting utilized in the preparation of the 2023 budget for the District is the modified accrual method. The District's 2023 budget includes projected revenues and expenditures for its general operating fund, capital projects fund, emergency fund, and debt service fund.

IMPORTANT FEATURES OF THE BUDGET:

1. General Operating Fund/Expenditures: Paid for out of the District's General Operating Fund, these expenses include general administrative costs, insurance, legal, professional fees and other miscellaneous costs. Costs are being funded by developer advances (current general fund mill levy is -0- mills). The advances will be repaid from the tax levy for operations and maintenance as funds become available. The maximum mill levy is 50 mills inclusive of the debt service mill levy subject to adjustment in the event that the method of calculating assessed valuation is or was changed after January 1, 2019.
2. Capital Projects Fund/Expenditures: The District was formed to coordinate and manage the financing, acquisition, construction, and completion, of public infrastructure within and without the Project, including, without limitation, all streets, traffic and safety, water, sanitation, storm drainage, and transportation facilities. The District issued \$6,359,655 Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2022 in 2022 to cover infrastructure cost and the cost of issuance.
3. Emergency Fund/Expenditures: The emergency fund for fiscal year 2023 will be equal to 3% of the District's fiscal year spending excluding those expenditures for bonded debt service, spending from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.
4. Debt Service Fund/Expenditures: The District issued \$6,359,655 Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2022 in 2022 payable from pledged revenue from an ad valorem mill levy imposed by the Issuer upon all taxable property within its boundaries each year sufficient to pay the principal of, premium if any, and interest on the Bonds, as the same become due and payable. The District is required to certify not less than 25 mills until the Surplus

Fund Requirement is met (current debt service mill levy is 25 mills). The maximum mill levy for both debt service and operations and maintenance is 50 mills per the Service Plan. The Bonds will accrete at 7% interest through December 1, 2024 with the first interest payment due June 1, 2025.



**PIVOT DENVER METROPOLITAN DISTRICT**  
**(formerly PECOS LOGISTICS PARK METROPOLITAN DISTRICT**  
**GENERAL OPERATING FUND BUDGET**  
**JANUARY 1, 2023 THROUGH DECEMBER 31, 2023**

	Actual Prior Year 2021	Adopted Budget Year 2022	Estimated Current Year 2022	Proposed Budget Year 2023
<b>BEGINNING FUND BALANCE JANUARY 1</b>	<b>2,715</b>	<b>1,444</b>	<b>656</b>	<b>1,656</b>
<b>REVENUES:</b>				
Property taxes	0	0	0	0
Specific ownership taxes	0	0	0	0
Interest income	0	0	0	0
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>2,715</b>	<b>1,444</b>	<b>656</b>	<b>1,656</b>
<b>EXPENDITURES:</b>				
General and administration				
Treasurer fees	0	0	0	0
Accounting/Audit	6,000	6,000	6,000	6,000
Administrative	0	0	257	500
Insurance	271	300	110	2,500
Legal	3,789	5,000	32,133	2,000
Misc		0	4,000	0
Contingency	0	10,000	5,000	5,000
<b>TOTAL EXPENDITURES</b>	<b>10,060</b>	<b>21,300</b>	<b>47,500</b>	<b>16,000</b>
<b>OTHER FINANCING SOURCES(USES)</b>				
Developer advances	8,000	21,000	48,500	16,000
Operating transfer in (out)	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES(USES)</b>	<b>8,000</b>	<b>21,000</b>	<b>48,500</b>	<b>16,000</b>
<b>ENDING FUND BALANCE</b>	<b>656</b>	<b>1,144</b>	<b>1,656</b>	<b>1,656</b>
<b>RECONCILIATION OF FUND BALANCE:</b>				
Reserve for emergencies (3%)	302	639	1,425	480
Undesignated	354	505	231	1,176
<b>TOTAL FUND BALANCE</b>	<b>656</b>	<b>1,144</b>	<b>1,656</b>	<b>1,656</b>

GENERAL:  
ASSESSED VALUATION (2022 - \$39,042)  
CALCULATION (Assessed value x .001 x mills)  
Adams County  
General Fund (-0- mills)  
Debt Service Fund (25 mills)  
BUDGETED TAX REVENUES

0	0	0	976
0	0	0	0
0	0	0	976
0	0	0	976

**PIVOT DENVER METROPOLITAN DISTRICT**  
**(formerly PECOS LOGISTICS PARK METROPOLITAN DISTRICT**  
**CAPITAL PROJECTS FUND BUDGET**  
**JANUARY 1, 2023 THROUGH DECEMBER 31, 2023**

	Actual Prior Year 2021	Adopted Budget Year 2022	Estimated Current Year 2022	Proposed Budget Year 2023
<b>BEGINNING FUND BALANCE JANUARY 1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,522,261</b>
<b>REVENUES</b>				
Interest Income	0	0	0	0
Total Revenues	0	0	0	0
<b>TOTAL AVAILABLE RESOURCES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,522,261</b>
<b>EXPENDITURES</b>				
Capital expenditures	0	0	1,626,000	4,517,261
Legal & other professional services			1,000	5,000
Bond issue costs	0	0	210,395	0
Total Expenditures	0	0	1,837,395	4,522,261
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond proceeds	0	0	6,359,656	0
Transfer in (out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	6,359,656	0
<b>ENDING FUND BALANCE</b>	<b>0</b>	<b>0</b>	<b>4,522,261</b>	<b>0</b>

**PIVOT DENVER METROPOLITAN DISTRICT**  
**(formerly PECOS LOGISTICS PARK METROPOLITAN DISTRICT**  
**EMERGENCY FUND BUDGET**  
**JANUARY 1, 2023 THROUGH DECEMBER 31, 2023**

	Actual Prior Year 2021	Adopted Budget Year 2022	Estimated Current Year 2022	Proposed Budget Year 2023
<b>BEGINNING FUND BALANCE JANUARY 1</b>	<b>1,616</b>	<b>488</b>	<b>302</b>	<b>1,425</b>
<b>REVENUES:</b>				
Transfer from General Fund	(1,314)	151	1,123	(945)
<b>TOTAL AVAILABLE RESOURCES</b>	<b>302</b>	<b>639</b>	<b>1,425</b>	<b>480</b>
<b>EXPENDITURES:</b>				
TOTAL EXPENDITURES	0	0	0	0
<b>ENDING FUND BALANCE</b>	<b>302</b>	<b>639</b>	<b>1,425</b>	<b>480</b>

**PIVOT DENVER METROPOLITAN DISTRICT**  
**(formerly PECOS LOGISTICS PARK METROPOLITAN DISTRICT**  
**DEBT SERVICE FUND BUDGET**  
**JANUARY 1, 2023 THROUGH DECEMBER 31, 2023**

	Actual Prior Year 2021	Adopted Budget Year 2022	Estimated Current Year 2022	Proposed Budget Year 2023
<b>BEGINNING FUND BALANCE JANUARY 1</b>	-	-	-	-
<b>REVENUES:</b>				
Property tax	-	-	-	976
Specific ownership taxes	-	-	-	60
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	-	-	-	1,036
<b>TOTAL AVAILABLE RESOURCES</b>	-	-	-	1,036
<b>EXPENDITURES:</b>				
Interest expense	-	-	-	-
Paying agent fees	-	-	-	-
Treasurer fees	-	-	-	10
<b>TOTAL EXPENDITURES</b>	-	-	-	10
<b>OTHER FINANCING SOURCES (USES)</b>				
Capitalized interest in (out)	-	-	-	-
Principal payments on bonds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES(USES)</b>	-	-	-	-
<b>ENDING FUND BALANCE</b>	-	-	-	1,026

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments****TO:** County Commissioners<sup>1</sup> of \_\_\_\_\_, Colorado.On behalf of the \_\_\_\_\_,  
(taxing entity)<sup>A</sup>the \_\_\_\_\_,  
(governing body)<sup>B</sup>of the \_\_\_\_\_,  
(local government)<sup>C</sup>**Hereby** officially certifies the following mills  
to be levied against the taxing entity's GROSS \$ \_\_\_\_\_  
assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)**Note:** If the assessor certified a NET assessed valuation  
(AV) different than the GROSS AV due to a Tax  
Increment Financing (TIF) Area<sup>F</sup> 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: (NET<sup>G</sup> 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:** \_\_\_\_\_ for budget/fiscal year \_\_\_\_\_.  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY<sup>2</sup>****REVENUE<sup>2</sup>**

1. General Operating Expenses <sup>H</sup>	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< _____ > mills	\$ < _____ >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> mills	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> \$
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> mills	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> \$

Contact person: \_\_\_\_\_ Daytime  
(print) phone: ( ) \_\_\_\_\_Signed: Stephanie Net Title: \_\_\_\_\_*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.*<sup>1</sup> 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.<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of  
Form DLG57 on the County Assessor's **FINAL** certification of valuation).

## CERTIFICATION OF TAX LEVIES, continued

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

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

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1.      Purpose of Issue: \_\_\_\_\_  
          Series: \_\_\_\_\_  
          Date of Issue: \_\_\_\_\_  
          Coupon Rate: \_\_\_\_\_  
          Maturity Date: \_\_\_\_\_  
          Levy: \_\_\_\_\_  
          Revenue: \_\_\_\_\_
  
2.      Purpose of Issue: \_\_\_\_\_  
          Series: \_\_\_\_\_  
          Date of Issue: \_\_\_\_\_  
          Coupon Rate: \_\_\_\_\_  
          Maturity Date: \_\_\_\_\_  
          Levy: \_\_\_\_\_  
          Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

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.