

**2022 ANNUAL REPORT  
MANAGER OF FINANCE AND MANAGER OF PUBLIC WORKS  
SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2**

As required by Section 32-1-207(3)(c), C.R.S., and Section XI of the Service Plan for the South Sloan's Lake Metropolitan District No. 2 (the "**District**"), approved by the City and County of Denver, Colorado on August 5, 2013, we present the following report of the District's activities from January 1, 2022 to December 31, 2022.

i. **Annual budget of the District:**

Copies of the District's 2023 Budget and 2022 Budget Amendment are attached hereto as **Exhibit A**.

ii. **Annual construction schedules for the current year and reconciliation of the capital improvement program for completion of the Eligible Improvements in the following two (2) years:**

The District did not construct any improvements during 2022.

iii. **Annual audited financial statements (or any exemption filing made to the State Auditor) of the District:**

A copy of the District's 2022 Audit will be submitted once complete.

iv. **Total debt authorized, total debt issued, and remaining debt authorized and intended to be issued by the District:**

A memorandum regarding the District's authorized, issued and remaining debt is attached hereto as **Exhibit B**.

v. **Names and terms of the members of the Board of Directors and officers of the District:**

Beth Ellertson, President, Term Expires May 2025  
Carl Koelbel, Treasurer, Term Expires May 2025  
Sarah Laverty, Assistant Secretary, Term Expires May 2027  
James Bettis, Assistant Secretary, Term Expires May 2027  
Joseph Iannuzzi, Assistant Secretary, Term Expires May 2027

vi. **Any bylaws, rules and regulations of the District regarding bidding, conflict of interest, contracting and other governance matters:**

The District has not adopted any bylaws or rules and regulations, but complies with State statutes regarding bidding, potential conflicts of interest and other governance matters. In the event the District adopts any in the future, they may be accessed at the offices of Public Alliance, LLC (see below) or on the District's website:

<https://southsloanslakemetro.org/>.

vii. **Current intergovernmental agreements ("IGAs") and amendments among the District:**

A list of current IGAs is attached hereto as **Exhibit C**. The District also did not enter into or terminate any IGAs during 2022.

viii. **A summary of all current contracts for services or construction of the District:**

A list of all current contracts for services or construction is attached hereto as **Exhibit D**.

ix. **Current documentation of credit enhancements:**

None.

x. **Official statements of current outstanding bonded indebtedness of the District, if not already received by the City:**

The District issued its Limited Tax General Obligation Refunding and Improvement Bonds on December 10, 2019, and copies of required documents were provided to the City at the time of issuance.

xi. **Current approved Service Plans of the District and amendments thereto:**

The District's Service Plan (approved August 5, 2013) is on file at the City Clerk's office.

xii. **Coordinating District office contact information:**

South Sloan's Lake Metropolitan District No. 2  
c/o Public Alliance, LLC  
405 Urban Street, Suite 310  
Lakewood, Colorado 80228  
720-213-6621 – phone  
AJ Beckman, District Manager  
aj@publicalliancellc.com

xiii. **Any change in proposed development assumptions that impacts the financial projections:**

None.

xiv. **Boundary changes made:**

No boundary changes were made or proposed during 2022.

xv. **Status of litigation involving the District's public improvements:**

To our knowledge, there is no litigation involving the District's public improvements.

xvi. **Conveyances or dedications of facilities or improvements, constructed by the District, to the City:**

The District did not convey or dedicate any facilities or improvements to the City in 2022.

xvii. **Final assessed valuation of the District for the report year:**

\$1,339,033.

xviii. **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument:**

To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.

xix. **Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period:**

To our knowledge, the District has been able to pay its obligations as they come due.

**EXHIBIT A**

2023 Budget and 2022 Budget  
Amendment

**RESOLUTION NO. 2022-12-02-3**

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY  
RESOLUTION OF THE BOARD OF DIRECTORS OF SOUTH SLOAN'S LAKE  
METROPOLITAN DISTRICT NO. 2, CITY AND COUNTY OF DENVER, COLORADO,  
PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND  
REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING  
SUMS OF MONEY FOR THE BUDGET YEAR 2023**

A. The Board of Directors of South Sloan's Lake Metropolitan District No. 2 (the "**District**") has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body on October 15, 2022 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 2, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("**TABOR**") and other laws or obligations which are applicable to or binding upon the District.

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

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

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2, CITY AND COUNTY OF DENVER, COLORADO:

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

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

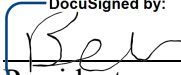
3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

**[SIGNATURE PAGE FOLLOWS]**

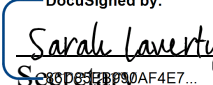
**[SIGNATURE PAGE TO RESOLUTION TO ADOPT  
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on December 2, 2022.

**SOUTH SLOAN'S LAKE  
METROPOLITAN DISTRICT NO. 2**

By:  \_\_\_\_\_  
DocuSigned by:  
President 44344E4...

Attest:

By:  \_\_\_\_\_  
DocuSigned by:  
Secretary 0AF4E7...

## **EXHIBIT A**

### Budget



**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2**  
**SUMMARY**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/3/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 462,053	\$ 556,288	\$ 581,583
REVENUES			
Property taxes	38,935	50,138	50,444
Specific ownership taxes	70,192	84,212	84,423
Interest income	276	9,125	14,000
TIF revenue from DURA	1,251,307	1,610,085	1,613,454
Transfers from District No. 1	161,528	-	-
Total revenues	<u>1,522,238</u>	<u>1,753,560</u>	<u>1,762,321</u>
Total funds available	<u>1,984,291</u>	<u>2,309,848</u>	<u>2,343,904</u>
EXPENDITURES			
General Fund	397,519	575,195	510,500
Debt Service Fund	1,030,484	1,153,070	1,159,983
Total expenditures	<u>1,428,003</u>	<u>1,728,265</u>	<u>1,670,483</u>
Total expenditures and transfers out requiring appropriation	<u>1,428,003</u>	<u>1,728,265</u>	<u>1,670,483</u>
ENDING FUND BALANCES	<u>\$ 556,288</u>	<u>\$ 581,583</u>	<u>\$ 673,421</u>
EMERGENCY RESERVE	\$ 15,900	\$ 14,200	\$ 18,200
STREETSCAPE/PLAZA/PLD RESERVE	25,000	12,849	103,666
AVAILABLE FOR OPERATIONS	90,436	-	-
TOTAL RESERVE	<u>\$ 131,336</u>	<u>\$ 27,049</u>	<u>\$ 121,866</u>

No assurance provided. See summary of significant assumptions.

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/3/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Residential	\$ 25,183,650	\$ 32,975,290	\$ -
Residential - Single Family	-	-	4,428,970
Residential - Multi Family	-	-	30,752,190
Commercial	9,404,630	11,375,060	8,164,200
State assessed	374,330	501,600	261,900
Personal Property	-	594,550	1,206,210
Vacant land	152,420	6,790	6,790
	<u>35,115,030</u>	<u>45,453,290</u>	<u>44,820,260</u>
Less TIF District Increment	(34,063,019)	(44,114,115)	(43,481,227)
Certified Assessed Value	<u>\$ 1,052,011</u>	<u>\$ 1,339,175</u>	<u>\$ 1,339,033</u>
<b>MILL LEVY</b>			
General	10.000	10.000	13.000
Debt Service	27.039	27.054	24.672
Total mill levy	<u>37.039</u>	<u>37.054</u>	<u>37.672</u>
<b>PROPERTY TAXES</b>			
General	\$ 10,520	\$ 13,392	\$ 17,407
Debt Service	28,445	36,230	33,037
Levied property taxes	<u>38,965</u>	<u>49,622</u>	<u>50,444</u>
Adjustments to actual/rounding	(30)	516	-
Budgeted property taxes	<u>\$ 38,935</u>	<u>\$ 50,138</u>	<u>\$ 50,444</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 10,512</b>	<b>\$ 13,532</b>	<b>\$ 17,407</b>
Debt Service	<b>28,423</b>	<b>36,606</b>	<b>33,037</b>
	<u><b>\$ 38,935</b></u>	<u><b>\$ 50,138</b></u>	<u><b>\$ 50,444</b></u>

No assurance provided. See summary of significant assumptions.

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2**  
**GENERAL FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/3/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ 131,336	\$ 27,049
<b>REVENUES</b>			
Property taxes	10,512	13,532	17,407
Specific ownership taxes	18,951	22,727	29,133
Interest income	29	125	2,000
TIF revenue from DURA	337,835	434,524	556,777
Transfers from District No. 1	161,528	-	-
Total revenues	<u>528,855</u>	<u>470,908</u>	<u>605,317</u>
Total funds available	<u>528,855</u>	<u>602,244</u>	<u>632,366</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	5,543	42,000	45,000
Auditing	-	4,500	5,000
Contingency	-	-	8,089
County Treasurer's fee	106	140	161
Denver Special District Fee	-	3,000	3,000
District management	6,797	36,500	40,000
Dues and licenses	-	771	750
Election expense	-	3,899	5,000
Engineering	1,000	10,000	10,000
Insurance and bonds	-	5,785	8,000
Legal services	8,180	25,000	27,000
Miscellaneous	67	1,100	1,000
Transfer to District No. 1	362,441	-	-
Operations and maintenance			
CDS Vault Maintenance	-	15,000	15,000
Landscaping	3,900	270,000	94,000
Streetscape/Plaza/PLD Maintenance	9,221	54,500	195,500
Repairs and maintenance	-	5,000	5,000
Snow removal	-	85,000	40,000
Utilities - irrigation	43	12,000	7,000
Utilities - electric	221	1,000	1,000
Total expenditures	<u>397,519</u>	<u>575,195</u>	<u>510,500</u>
Total expenditures and transfers out requiring appropriation	<u>397,519</u>	<u>575,195</u>	<u>510,500</u>
ENDING FUND BALANCE	<u>\$ 131,336</u>	<u>\$ 27,049</u>	<u>\$ 121,866</u>
EMERGENCY RESERVE	\$ 15,900	\$ 14,200	\$ 18,200
STREETSCAPE/PLAZA/PLD RESERVE	25,000	12,849	103,666
AVAILABLE FOR OPERATIONS	90,436	-	-
TOTAL RESERVE	<u>\$ 131,336</u>	<u>\$ 27,049</u>	<u>\$ 121,866</u>

No assurance provided. See summary of significant assumptions.

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/3/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 462,053	\$ 424,952	\$ 554,534
REVENUES			
Property taxes	28,423	36,606	33,037
Specific ownership taxes	51,241	61,485	55,290
Interest income	247	9,000	12,000
TIF revenue from DURA	913,472	1,175,561	1,056,677
Total revenues	<u>993,383</u>	<u>1,282,652</u>	<u>1,206,210</u>
Total funds available	<u>1,455,436</u>	<u>1,707,604</u>	<u>1,760,744</u>
EXPENDITURES			
Debt Service			
Contingency	-	-	5,926
County Treasurer's fee	284	370	357
Bond interest - 2019	877,200	869,700	855,700
Debt principal - 2019 loan	150,000	280,000	295,000
Paying agent fees	3,000	3,000	3,000
Total expenditures	<u>1,030,484</u>	<u>1,153,070</u>	<u>1,159,983</u>
Total expenditures and transfers out requiring appropriation	<u>1,030,484</u>	<u>1,153,070</u>	<u>1,159,983</u>
ENDING FUND BALANCE	<u>\$ 424,952</u>	<u>\$ 554,534</u>	<u>\$ 600,761</u>

No assurance provided. See summary of significant assumptions.

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2  
2023 ADOPTED BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Denver, Colorado on January 16, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City and County of Denver on August 5, 2013. The District's service area is located entirely within the City and County of Denver, Colorado.

The District was organized in conjunction with South Sloan's Lake Metropolitan District No. 1 ("District No. 1", collectively, the "Districts"). The Districts were established to provide financing for the acquisition, construction, completion, and operation and maintenance of public improvements, including all streets, traffic and safety, water, sanitation, storm drainage, transportation, mosquito control, and park and recreation facilities.

Through 2021, District No. 1 served as the Coordinating District and provided for the construction, design, operation and maintenance of the Districts' public improvements, as well as the overall administration of the Districts. Beginning in 2022, the District will operate independently. The District applies tax collections and other revenue to the payment of (i) the acquisition, construction, and financing of public improvements; and (ii) the costs of administration, operation, and maintenance of the public improvements that are owned, operated, and/or maintained by the District.

On November 5, 2013, the District's voters authorized total indebtedness of \$50,000,000 for each of the following listed facilities; street improvements, water, storm or sanitary sewer, parks and recreation, traffic and safety control, mosquito control, public transportation, and operations and maintenance. Voters also authorized indebtedness of \$50,000,000 for refunding of debt and \$50,000,000 for intergovernmental contracts. Pursuant to the Service Plan, each District shall not issue debt in an aggregate amount in excess of \$50,000,000. Additionally, the maximum debt mill levy is 50 mills as adjusted. The election also approved an annual increase in ad valorem property taxes of \$50,000,000 and an increase in fees of \$50,000,000 to pay the District's operation and maintenance costs. The electors further authorized an increase in fees of \$50,000,000 to pay expenses pursuant to intergovernmental agreements.

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 Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2  
2023 ADOPTED BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.40% from 29.00%. Producing oil and gas remains at 87.50%. All other nonresidential property stays at 29.00%.

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 5.00% of the property taxes collected by the District and by DURA.

**TIF Revenue from DURA**

Pursuant to a cooperation agreement with Denver Urban Renewal Authority ("DURA"), DURA remits the portion of revenues which it receives as a result of Tax Increment Revenues attributable to the District's current mill levy to the District.

**Expenditures**

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.00% of property tax collections.

**Transfer to District No. 1**

The District is obligated to impose an operating mill levy and remit property taxes derived from such mill levy, together with specific ownership taxes applicable to property within the District, to the Coordinating District for payment of administration, operations and maintenance costs for both Districts.

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2  
2023 ADOPTED BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (Continued)**

**Debt Service**

Principal and interest payments in 2023 are provided based on the attached debt amortization schedule of the 2019 Loan.

**Debt and Leases**

The District issued the Bonds on December 10, 2019, in the amount of \$22,815,000. Proceeds from the sale of the Bonds were used for the purposes of (a) refunding in full the District's 2016 Loan, (b) paying a portion of the costs of capital infrastructure improvements, (c) funding capitalized interest, (d) funding the Reserve Fund, and (e) paying the costs of issuing the Bonds.

The Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable semiannually on June 1 and December 1, beginning on June 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The Bonds mature on December 1, 2049.

The Bonds are subject to redemption prior to maturity at the option of the District on any date, on and after December 1, 2029, in whole or in part, upon payment of a redemption price equal to the principal amount of Bonds to be redeemed, plus interest accrued to the redemption date.

To the extent principal of any bond is not paid when due, such principal shall remain outstanding and continue to bear interest until paid. To the extent interest on any bond is not paid when due, such interest shall compound semiannually on each June 1 and December 1 at the rate borne by the Bond. The District shall not be obligated to pay more than the amount permitted by law and the District's electoral authorization in repayment of the Bonds.

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue, consisting of (a) Property Tax Revenue, (b) Specific Ownership Tax Revenue, and (c) any other legally available moneys that the District determines, in its absolute discretion, to credit to the Revenue Fund.

The District has covenanted to levy the Required Mill Levy upon all property subject to taxation by the District in an amount sufficient to pay the principal of, premium if any, and interest on the Bonds as the same become due and payable, but not in excess of 50 mills as adjusted for changes in the method of calculating assessed valuation after January 1, 2013. An increase or decrease to the Required Mill Levy is to be determined by the Board in good faith so that to the extent possible, the actual tax revenues generated by the applicable mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. 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. The District certified 27.275 mills as the Required Mill Levy for 2022 (collection year 2023).

The Bonds are further secured by the Reserve Fund in the amount of the Reserve Requirement of \$1,517,000. The Reserve Fund is funded with a surety policy issued by Assured Guaranty Municipal Corp., a New York stock insurance company ("AGM").

AGM also issued its Municipal Bond Insurance Policy for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds.



**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2  
2023 ADOPTED BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

The District also receives incremental property taxes from DURA which are pledged to the payment of the Bonds.

The District has no operating or capital leases.

**Reserves**

**Emergency Reserves**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3.00% of fiscal year spending. Since substantially all operating funds received by the District are transferred to District No. 1, which pays for all Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

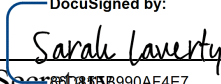
**This information is an integral part of the accompanying budget.**

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>Limited Tax General Obligation Bonds</b>		
	<b>Initial Funded Amount \$22,815,000 Interest Rate of 3.00 - 5.00% Payable June 1 and December 1 Principal Due December 1</b>		
<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2023	\$ 295,000	\$ 855,700	\$ 1,150,700
2024	355,000	840,950	1,195,950
2025	375,000	823,200	1,198,200
2026	415,000	804,450	1,219,450
2027	435,000	783,700	1,218,700
2028	485,000	761,950	1,246,950
2029	505,000	737,700	1,242,700
2030	555,000	712,450	1,267,450
2031	580,000	690,250	1,270,250
2032	630,000	667,050	1,297,050
2033	655,000	641,850	1,296,850
2034	705,000	615,650	1,320,650
2035	735,000	587,450	1,322,450
2036	790,000	558,050	1,348,050
2037	820,000	526,450	1,346,450
2038	880,000	493,650	1,373,650
2039	915,000	458,450	1,373,450
2040	980,000	421,850	1,401,850
2041	1,020,000	382,650	1,402,650
2042	1,085,000	341,850	1,426,850
2043	1,130,000	298,450	1,428,450
2044	1,205,000	253,250	1,458,250
2045	1,255,000	205,050	1,460,050
2046	1,320,000	167,400	1,487,400
2047	1,360,000	127,800	1,487,800
2048	1,430,000	87,000	1,517,000
2049	1,470,000	44,100	1,514,100
	<u>\$ 22,385,000</u>	<u>\$ 13,888,350</u>	<u>\$ 36,273,350</u>

No assurance provided. See summary of significant assumptions.

I, Sarah Laverty, hereby certify that I am the duly appointed Secretary of the South Sloan's Lake Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the South Sloan's Lake Metropolitan District No. 2 held on December 2, 2022.

DocuSigned by:  
  
\_\_\_\_\_  
Secretary

RESOLUTION TO AMEND 2022 BUDGET  
SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2

WHEREAS, the Board of Directors of the South Sloan's Lake Metropolitan District No. 2 adopted a budget and appropriated funds for the fiscal year 2022 as follows:

General Fund	\$ 365,486
Debt Service Fund	\$1,159,962

WHEREAS, the necessity has arisen for additional expenditures in the General Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2022; 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 property tax revenue, specific ownership taxes and TIF revenue from DURA.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South Sloan's Lake Metropolitan District No. 2 shall and hereby does amend the adopted Budget for the fiscal year 2022 and adopts a supplemental budget and appropriation for the General Fund for the fiscal year 2022, as follows:

General Fund	\$575,195
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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 2nd day of December, 2022.

SOUTH SLOAN'S LAKE  
METROPOLITAN DISTRICT NO. 2

By: \_\_\_\_\_

DocuSigned by:

*Sarah Laverty*

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Secretary

**SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
2022 BUDGET AS AMENDED**

	ORIGINAL BUDGET	AMENDED BUDGET
BEGINNING FUND BALANCE	\$ 152,760	\$ 131,336
REVENUES		
Property taxes	13,392	13,532
Specific ownership taxes	22,727	22,727
Interest income	125	125
Other revenue	1,000	-
TIF revenue from DURA	434,524	434,524
Total revenues	471,768	470,908
Total funds available	624,528	602,244
EXPENDITURES		
General and administrative		
Accounting	44,000	42,000
Auditing	9,000	4,500
Contingency	3,853	-
County Treasurer's fee	133	140
Denver Special District Fee	6,000	3,000
District management	35,000	36,500
Dues and licenses	1,500	771
Election expense	5,000	3,899
Engineering	15,000	10,000
Insurance and bonds	10,000	5,785
Legal services	28,000	25,000
Miscellaneous	-	1,100
Operations and maintenance		
CDS Vault Maintenance	10,000	15,000
Landscaping	75,000	270,000
Streetscape/Plaza/PLD Maintenance	50,000	54,500
Repairs and maintenance	15,000	5,000
Snow removal	45,000	85,000
Utilities - irrigation	12,000	12,000
Utilities - electric	1,000	1,000
Total expenditures	365,486	575,195
Total expenditures and transfers out requiring appropriation	365,486	575,195
ENDING FUND BALANCE	\$ 259,042	\$ 27,049
EMERGENCY RESERVE	\$ 14,200	\$ 14,200
STREETSCAPE/PLAZA/PLD RESERVE	25,000	12,849
AVAILABLE FOR OPERATIONS	219,842	-
TOTAL RESERVE	\$ 259,042	\$ 27,049

**EXHIBIT B**

**MEMORANDUM REGARDING AUTHORIZED / ISSUED / REMAINING DEBT**

		<b>Principal Amount of Authorized Debt</b>	<b>Principal Amount of Authorization Used</b>	<b>Principal Amount of Authorization Remaining</b>
	<b>Purpose</b>			
5A	Administration and Operations and Maintenance expenses from ad valorem property tax levy	\$50,000,000.00	\$0.00	\$50,000,000.00
5B	Administration and Operations and Maintenance expenses from fees	\$50,000,000.00	\$0.00	\$50,000,000.00
5C	IGAs that are MFY obligations; payable from unlimited ad valorem property tax levy	\$50,000,000.00	\$0.00	\$50,000,000.00
5D	Authority to Collect/Spend Facilities Fees, charges, tap fees	Allowed		
5E	Streets	\$50,000,000.00	\$16,401,308	\$33,598,692
5F	Parks & Recreation	\$50,000,000.00	\$304,867	\$49,695,133
5G	Water	\$50,000,000.00	\$1,260,039	\$48,739,961
5H	Sanitation	\$50,000,000.00	\$4,539,752	\$45,460,248
5I	Transportation	\$50,000,000.00	\$0.00	\$50,000,000.00
5J	Mosquito Control	\$50,000,000.00	\$0.00	\$50,000,000.00
5K	Safety Protection	\$50,000,000.00	\$309,034	\$49,690,966
5L	Operations and Maintenance - Debt	\$50,000,000.00	\$0.00	\$50,000,000.00
5M	Refunding Debt	\$50,000,000.00	\$0.00	\$50,000,000.00
5N	IGAs as Debt	\$50,000,000.00	\$0.00	\$50,000,000.00
5O	MFY IGAs	Allowed		

**Note:** IGA = Intergovernmental Agreement; MFY = Multiple Fiscal Year

## **EXHIBIT C**

### List of South Sloan's Lake Metropolitan District No. 2 ("District No. 2") Intergovernmental Agreements

1. Cooperation Agreement among the South Sloan's Lake Metropolitan District No. 1 ("District No. 1"), District No. 2, and the Denver Urban renewal Authority dated January 16, 2013, was terminated as to District No. 1 only on September 17, 2021. The Cooperation Agreement remains in effect with District No. 2.
2. Eligible Governmental Entity Agreement between District Nos. 1 and 2 and the Statewide Internet Portal Authority of the State of Colorado dated November 15, 2019.

## **EXHIBIT D**

### Current Contracts for Services or Construction

1. Engagement Agreement dated January 27, 2013 between District No. 2 and McGeady Sisneros, P.C. (n/k/a McGeady Becher P.C.) for General Counsel Services
2. Master Service Agreement and Statement of Work between District No. 2 and CliftonLarsonAllen, LLP for Accounting Services
3. Service Agreement for Hydro Vacuum Excavating / Cleaning between District No. 2 and Diversified Underground, Inc.
4. Agency Services Agreement with T. Charles Wilson Insurance Service
5. Engagement Agreement with Haynie & Company for Audit Services
6. Service Agreement for Landscape Maintenance and Snow Removal Services between District No. 2 and BrightView Landscape Services, Inc.
7. Service Agreement for District Management with Public Alliance, LLC
8. Service Agreement for Pet Waste Scooping Services between District No. 2 and Pet Scoop, Inc.
9. Master Service Agreement for engineering services with Matrix Design Group
10. Service Agreement with Boyer & Seely, Inc. d/b/a/ Boyer Sales for removal and inspection of stormwater ejection pumps