

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2025**

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**SUMMARY**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 524,838	\$ -	\$ -
REVENUES			
Property taxes	1,588,707	2,339,237	2,241,247
Specific ownership taxes	70,704	114,000	112,062
Interest income	74,789	15,000	16,000
Other revenue	-	-	30,691
Intergovernmental Revenues	8,234,633	-	-
Total revenues	<u>9,968,833</u>	<u>2,468,237</u>	<u>2,400,000</u>
TRANSFERS IN	<u>522,375</u>	-	-
Total funds available	<u>11,016,046</u>	<u>2,468,237</u>	<u>2,400,000</u>
EXPENDITURES			
General Fund	417,147	573,936	570,000
Debt Service Fund	10,076,524	1,894,301	1,830,000
Total expenditures	<u>10,493,671</u>	<u>2,468,237</u>	<u>2,400,000</u>
TRANSFERS OUT	<u>522,375</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>11,016,046</u>	<u>2,468,237</u>	<u>2,400,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/25

ACTUAL	ESTIMATED	BUDGET
2023	2024	2025

**ASSESSED VALUATION**

Residential	\$ 27,969,040	\$ 39,687,930	\$ 37,819,410
Commercial	-	594,800	594,800
State assessed	5,159,300	-	-
Vacant land	588,850	30	30
Personal property	741,270	5,878,810	5,813,620
	<b>34,458,460</b>	<b>46,161,570</b>	<b>44,227,860</b>
Certified Assessed Value	<b>\$ 34,458,460</b>	<b>\$ 46,161,570</b>	<b>\$ 44,227,860</b>

**MILL LEVY**

General	11.459	11.675	11.675
Debt Service	34.646	39.000	39.000
	<b>46.105</b>	<b>50.675</b>	<b>50.675</b>
	<b>46.105</b>	<b>50.675</b>	<b>50.675</b>

**PROPERTY TAXES**

General	\$ 394,859	\$ 538,936	\$ 516,360
Debt Service	1,193,848	1,800,301	1,724,887
	<b>1,588,707</b>	<b>2,339,237</b>	<b>2,241,247</b>
Levied property taxes	<b>1,588,707</b>	<b>2,339,237</b>	<b>2,241,247</b>
Budgeted property taxes	<b>\$ 1,588,707</b>	<b>\$ 2,339,237</b>	<b>\$ 2,241,247</b>

**BUDGETED PROPERTY TAXES**

General	<b>\$ 394,859</b>	<b>\$ 538,936</b>	<b>\$ 516,360</b>
Debt Service	<b>1,193,848</b>	<b>1,800,301</b>	<b>1,724,887</b>
	<b>\$ 1,588,707</b>	<b>\$ 2,339,237</b>	<b>\$ 2,241,247</b>
	<b>\$ 1,588,707</b>	<b>\$ 2,339,237</b>	<b>\$ 2,241,247</b>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**GENERAL FUND**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Property taxes	394,859	538,936	516,360
Specific ownership taxes	17,573	26,000	25,818
Interest income	4,715	9,000	11,000
Other revenue	-	-	16,822
Total revenues	<u>417,147</u>	<u>573,936</u>	<u>570,000</u>
Total funds available	<u>417,147</u>	<u>573,936</u>	<u>570,000</u>
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's Fee	3,949	5,389	5,164
Contingency	-	-	16,822
IGA Expenditures - District No. 1	413,198	568,547	548,014
Total expenditures	<u>417,147</u>	<u>573,936</u>	<u>570,000</u>
Total expenditures and transfers out requiring appropriation	<u>417,147</u>	<u>573,936</u>	<u>570,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 22,524	\$ -	\$ -
<b>REVENUES</b>			
Property taxes	1,193,848	1,800,301	1,724,887
Specific ownership taxes	53,131	88,000	86,244
Interest income	50,013	6,000	5,000
Other revenue	-	-	13,869
Intergovernmental Revenues	8,234,633	-	-
Total revenues	<u>9,531,625</u>	<u>1,894,301</u>	<u>1,830,000</u>
<b>TRANSFERS IN</b>			
Transfers from other funds	<u>522,375</u>	-	-
Total funds available	<u>10,076,524</u>	<u>1,894,301</u>	<u>1,830,000</u>
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's Fee	11,938	18,003	17,249
Paying agent fees	4,500	-	-
IGA Expenditures - District No. 3	38,642	1,876,298	1,798,882
Contingency	-	-	13,869
Debt Service			
Loan Interest 2016A	160,634	-	-
Loan Interest 2016B	6,956	-	-
Refunding escrow	9,853,854	-	-
Total expenditures	<u>10,076,524</u>	<u>1,894,301</u>	<u>1,830,000</u>
Total expenditures and transfers out requiring appropriation	<u>10,076,524</u>	<u>1,894,301</u>	<u>1,830,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**CAPITAL PROJECTS FUND**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 502,314	\$ -	\$ -
REVENUES			
Interest income	20,061	-	-
Total revenues	<u>20,061</u>	<u>-</u>	<u>-</u>
Total funds available	<u>522,375</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>522,375</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>522,375</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2025 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, on June 30, 2010, 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 on March 8, 2010. The District's service area is located in Denver, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, traffic, safety, transportation, and mosquito control.

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.

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

**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.

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>	<b>Actual Value Reduction</b>	<b>Amount</b>
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**2025 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes (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 5% of the property taxes collected.

**Interest Income**

Interest earned on the District's available funds has been estimated based on average projected fund balance with a 4% rate of return.

**Expenditures**

**County Treasurer Fees**

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

**Transfer to Other Districts**

Pursuant to a Memorandum of Understanding entered into on October 29, 2010, and amended on August 22, 2016 by and among the District, District No. 1 and District No. 3, the Districts are obligated to impose an operations mill levy and remit property taxes derived from such mill levy, to District No. 1 to fund the Districts' services provided by District No. 1.

The District is obligated to impose a mill levy, not to exceed 40 mills, subject to certain adjustments, and remit property taxes derived from such mill levy, together with a portion of specific ownership taxes applicable to property within the District to District No. 3 for repayment of the 2023 Loan issuance.

**Debt and Leases**

On November 8, 2023, the District and District No. 3 entered into a Loan Agreement for Series 2023A-1 Limited Tax General Obligation and Improvement Note in the principal amount of \$19,359,000 and Series 2023A-2 Limited Tax General Obligation Refunding and Improvement Note in the principal amount of \$12,906,000.

Proceeds from the Series 2023A-1 and Series 2023A-2 Loan will be used to (i) prepay the District's 2016 Notes, and as a part of the prepayment for District No. 3 to pay Payment Obligations with respect to the Financed Public Improvements that were financed with the proceeds of the 2016 Notes; (ii) finance and reimburse additional public improvements to the portion of the Development that is within the District and District No. 3; and (iii) pay the costs of issuance.



**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2025 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserve Fund**

**Emergency Reserve**

Pursuant to the MOU, District No. 1 has provided for Emergency Reserves for District No. 1-3; therefore, and Emergency Reserve is not reflected in the District's Budget.

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