

DENARGO MARKET METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032
<https://denargo.colorado.gov>

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors</u>	<u>Office</u>	<u>Term/Expires</u>
Laura H. Newman	President	2023/May 2023
Jeffrey D. Jones	Asst. Secretary	2025/May 2025
Todd T. Wenskoski	Asst. Secretary	2023/May 2025
Wade Davidson	Asst. Secretary	2023/May 2025
<i>Vacant</i>		2023/May 2023
Ann Finn	Secretary	

DATE: March 22, 2023

TIME: 4:30 p.m.

LOCATION: Zoom Meeting

<https://us02web.zoom.us/j/81056620865?pwd=WjhYZUtlMTYzbGxaZ2ZxdUpZSGtGZz09>

Phone: 1 (719) 359-4580

Meeting ID: 810 5662 0865

Password: 946822

One tap mobile: +17193594580,,81056620865#,,,*946822#

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Confirm quorum, location of meeting and posting of meeting notice and designate 24-hour posting location. Approve agenda.

C. Review and approve the Minutes of the November 15, 2022 Regular (enclosure).

D. Discuss status of the May 2, 2023 Regular Election.

II. CONSENT AGENDA – These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event, the item will be removed from the Consent Agenda and considered on the Regular Agenda.

III. PUBLIC COMMENT

- A. Members of the public may express their views to the Boards on matters that affect the Districts. Comments will be limited to three (3) minutes per person.
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IV. FINANCIAL MATTERS

- A. Review and accept the Unaudited Financial Statements through the period ending December 31, 2022 and Schedule of Cash Position updated as of February 20, 2023 (enclosure).
-
- B. Discuss and consider adoption of Resolution Regarding Continuing Disclosure Policies and Procedures (enclosure).
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V. LEGAL MATTERS

- A. Discuss status of Service Plan Amendments and authorize necessary actions related thereto.
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- B. Discuss and consider approval of **Amended and Restated** Resolution Calling May 2, 2023 Election for Directors, appointing Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election (enclosure).
-

VI. OPERATION AND MAINTENANCE

- A. None.
-

VII. CAPITAL MATTERS

- A. None.
-

VIII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 20, 2023.**

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 15, 2022

A Regular Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 2 (referred to hereafter as the “District”) was held on Tuesday, the 15th day of November 2022, at 4:30 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Laura H. Newman
Jeffrey D. Jones
Wade Davidson
Todd Wenskoski

Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Erica Montague, Esq.; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

Shannon Cox Baker; Pennrose, LLC (for a portion of the meeting)

Mike Kuyper and Matt; Triunity Engineering & Management, Inc. (for a portion of the meeting)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. Director Wenskoski noted for the record that his company, Livable Cities Studio, Inc. has been engaged by Pennrose, LLC to provide landscape architecture services on the 2700 Wewatta Project. There were no additional disclosures made by the Directors present at the meeting and the Board incorporated for the record those

RECORD OF PROCEEDINGS

applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.

ADMINISTRATIVE MATTERS

Confirmation of Quorum, Location of Meeting and Posting of Meeting

Notices: Ms. Finn confirmed the presence of a quorum. 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. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

Agenda: Ms. Finn reviewed with the Board a proposed Agenda for the District's Regular Meeting.

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

Resolution of Appreciation for Donald D. Cabrera: Ms. Finn presented a Resolution of Appreciation for Donald D. Cabrera.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board approved the Resolution of Appreciation for Donald D. Cabrera.

Minutes: The Board reviewed the Minutes of the September 20, 2022 Regular Meeting and November 1, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the Minutes of the September 20, 2022 Regular Meeting and November 1, 2022 Special Meeting were approved, as presented.

Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting 24-Hour Notices: The Board discussed the Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

Ms. Finn reviewed the business to be conducted in 2023 to meet the statutory compliance requirements. The Board determined to meet on June 20, 2023 and November 14, 2023 at 4:30 p.m., via Zoom meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote, unanimously carried, the Board adopted the Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices. A copy of the Resolution is attached hereto and incorporated herein by this reference.

CONSENT AGENDA

The Board considered the following actions:

- Authorize posting of the Transparency Notice on the Special District Association website, in compliance with requirements of Section 32-1-809, C.R.S.

Following discussion, upon motion duly made by Director Wenskoski, seconded by Director Newman and, upon vote, unanimously carried, the Board approved and/or ratified approval of the Consent Agenda items.

PUBLIC COMMENT

There were no public comments.

FINANCIAL MATTERS

Unaudited Financial Statements: Ms. Ross reviewed the Unaudited Financial Statements through the period ending September 30, 2022 and Schedule of Cash Position, updated as of October 24, 2022, with the Board.

Following review, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements through the period ending September 30, 2022 and Schedule of Cash Position, updated as of October 24, 2022.

2022 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2022 Budget and the date, time and place 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 Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2022 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

RECORD OF PROCEEDINGS

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to or at this public hearing. No public comments were received and the President closed the public hearing.

Ms. Ross reviewed the estimated year-end 2022 revenues and expenditures and the proposed 2023 estimated revenues and expenditures.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board adopted the Resolution to Adopt the 2023 Budget and Appropriate Sums of Money and the Resolution to Set Mill Levies (General Fund: 11.459 mills; Debt Service Fund: 34.646 mills; Total: 46.105 mills), as discussed, and execution of the Certification of Budget was authorized. Ms. Finn was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. A copy of the adopted Resolutions are attached to these Minutes and incorporated herein by this reference.

DLG-70 Certification of Tax Levies Form (“Certification”): The Board considered authorizing the District Accountant to prepare and the appointment of Director Newman to sign the Certification for transmittal to the Assessor and other interested parties.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare the Certification and for Director Newman to execute same for transmittal to the Denver Assessor and other interested parties. The Board further authorized Director Newman to approve bank fund transfers.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: Following review, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote, unanimously carried, the Board adopted the Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan.

CliftonLarsonAllen LLP Statements of Work by and between the District and CliftonLarsonAllen LLP for 2023 Accounting Services: The Board reviewed the CliftonLarsonAllen LLP Statements of Work.

RECORD OF PROCEEDINGS

Following review, upon motion duly made by Director Wenskoski, seconded by Director Newman and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP Statements of Work by and between the District and CliftonLarsonAllen LLP for 2023 Accounting Services.

2022 Audit: The Board reviewed the proposal from Dazzio & Associates, P.C. to perform the 2022 Audit.

Following discussion, upon motion duly made by Director Jones, seconded by Director Davidson and, upon vote, unanimously carried, the Board approved the engagement of Dazzio & Associates, P.C. to perform the 2022 Audit, for an amount not to exceed \$4,700.

2024 Budget Preparation: The Board discussed the preparation of the 2024 Budget.

Following discussion, upon motion duly made by Director Jones, seconded by Director Davidson and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget.

LEGAL MATTERS

Resolution Calling a Regular Election on May 2, 2023, Appointing the Designated Election Official (“DEO”), and Authorizing the DEO to Perform all Tasks Required for the Conduct of Mail Ballot Election (“Election Resolution”): The Board discussed the Election Resolution.

Following discussion, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote, unanimously carried, the Board adopted the Election Resolution. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Service Plan Amendment: Attorney Williams updated the Board regarding timing for submittal of the proposed Service Plan Amendment for review by the City Council of the City and County of Denver.

OPERATION AND MAINTENANCE

None.

OTHER MATTERS

Pennrose, LLC (2700 Wewatta Way) Project: Ms. Cox Baker updated the Board regarding the status of the Pennrose, LLC (2700 Wewatta Way) Project, noting the closing on the property is scheduled for December 8, 2022 with construction to begin December 12, 2022.

RECORD OF PROCEEDINGS

Relocation of Xcel/Comcast/District pedestals onto the City and County of Denver ROW: The Board entered into discussion regarding the relocation of the District's pedestal.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote carried, with Director Wenskoski abstaining, the Board authorized the District to engage Hooper Corporation, or another contractor to relocate the District's pedestal, for an amount not to exceed \$15,000.

Establishment of a Construction Committee: The Board entered into discussion regarding the establishment of a Construction Committee.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote carried, with Director Wenskoski abstaining, the Board appointed Directors Newman and Davidson to the Construction Committee.

Construction Oversight/Site Inspections/Development Application Reviews (Triunity): Mr. Kuyper updated the Board regarding status of recent plan reviews for the 2700 Wewatta Project.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote unanimously carried, the Regular Meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

DENARGO MARKET METROPOLITAN DISTRICT NO. 2

FINANCIAL STATEMENTS

DECEMBER 31, 2022

DENARGO MARKET METROPOLITAN DISTRICT NO. 2
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	Debt Service	Capital Projects	Total
ASSETS				
Zion - 2016B Loan Payment Account	\$ -	\$ 70	\$ -	\$ 70
Colotrust	3,035	9,177	-	12,212
Zion - Capitalized Interest Fund	-	1	-	1
Zion - 2016B Project Fund	-	-	502,314	502,314
Zion - Loan Payment Account	-	715	-	715
Zion - Loan Fees Fund	-	2,684	-	2,684
Zion - Surplus Fund	-	6,821	-	6,821
Receivable from County Treasurer	1,011	3,056	-	4,067
Property Tax receivable	394,859	1,193,848	-	1,588,707
TOTAL ASSETS	\$ 398,905	\$ 1,216,372	\$ 502,314	\$ 2,117,591
LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Deferred property tax	\$ 394,859	\$ 1,193,848	\$ -	\$ 1,588,707
Due to District No. 1	4,046	-	-	4,046
Total Liabilities	398,905	1,193,848	-	1,592,753
FUND BALANCES				
Total Fund Balances	-	22,524	502,314	524,838
TOTAL LIABILITIES AND FUND BALANCES	\$ 398,905	\$ 1,216,372	\$ 502,314	\$ 2,117,591

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

DENARGO MARKET METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022

GENERAL FUND

	Amended Budget	Year to Date Actual	Variance
REVENUES			
Property taxes	\$ 316,094	\$ 316,094	\$ -
Specific ownership tax	15,805	16,189	384
Interest income	1,500	2,205	705
Other revenue	11,601	-	(11,601)
TOTAL REVENUES	345,000	334,488	(10,512)
EXPENDITURES			
Transfers to District No. 1	330,234	331,323	(1,089)
County Treasurer's fee	3,165	3,165	-
Contingency	11,601	-	11,601
TOTAL EXPENDITURES	345,000	334,488	10,512
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

DENARGO MARKET METROPOLITAN DISTRICT NO. 2
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022

DEBT SERVICE FUND

	Amended Budget	Year to Date Actual	Variance
REVENUES			
Property taxes	\$ 955,667	\$ 955,667	\$ -
Specific ownership tax	47,783	48,946	1,163
Interest income	5,500	10,649	5,149
TOTAL REVENUES	<u>1,008,950</u>	<u>1,015,262</u>	<u>6,312</u>
EXPENDITURES			
Paying Agent Fees	4,500	4,500	-
Bond Interest - 2016A	328,089	327,375	714
Bond Interest - 2016B	25,000	24,987	13
Contingency	4,434	-	4,434
County Treasurer's fee	9,567	9,567	-
Bond principal 2016A	150,000	150,000	-
Bond principal 2016B	268,327	262,794	5,533
TOTAL EXPENDITURES	<u>789,917</u>	<u>779,223</u>	<u>10,694</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	219,033	236,039	17,006
OTHER FINANCING SOURCES (USES)			
Transfers to other fund	(500,000)	(500,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(280,967)	(263,961)	17,006
FUND BALANCES - BEGINNING	<u>286,485</u>	<u>286,485</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 5,518</u>	<u>\$ 22,524</u>	<u>\$ 17,006</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

DENARGO MARKET METROPOLITAN DISTRICT NO. 2
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022

CAPITAL PROJECTS FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ -	\$ 2,314	\$ 2,314
TOTAL REVENUES	-	2,314	2,314
EXPENDITURES			
TOTAL EXPENDITURES	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	2,314	2,314
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	500,000	500,000
TOTAL OTHER FINANCING SOURCES (USES)	-	500,000	500,000
NET CHANGE IN FUND BALANCES	-	502,314	502,314
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ -	\$ 502,314	\$ 502,314

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DENARGO MARKET METROPOLITAN DISTRICT NO. 2
Schedule of Cash Position
December 31, 2022
Updated as of February 20, 2023

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>Colostrust</u>				
Balance as of 12/31/22	\$ 3,035.20	\$ 9,176.89	\$ -	\$ 12,212.09
Subsequent activities:				
01/10/23 - Ptax distribution	1,010.88	3,056.24	-	4,067.12
01/31/23 - Interest Income	14.55	43.99	-	58.54
02/10/23 - Ptax distribution	-	-	-	-
Anticipated activities:				
Anticipated Transfer to Denargo No. 1	(4,060.63)	-	-	(4,060.63)
Anticipated Transfer to Zions Pledged Rev Acct	-	(12,277.12)	-	(12,277.12)
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Zions Bank - Pledged Revenue Account</u>				
Balance as of 12/31/22	-	-	-	-
Subsequent activities:				
01/31/23 - Interest Income	-	170.41	-	170.41
Anticipated activities:				
Anticipated Transfer from ColoTrust	-	12,277.12	-	12,277.12
<i>Anticipated Balance</i>	<u>-</u>	<u>12,447.53</u>	<u>-</u>	<u>12,447.53</u>
<u>Zions - Loan Payment Account</u>				
Balance as of 12/31/22	-	714.91	-	714.91
Subsequent activities:				
01/31/23 - Interest Income	-	2.03	-	2.03
<i>Anticipated Balance</i>	<u>-</u>	<u>716.94</u>	<u>-</u>	<u>716.94</u>
<u>Zions Bank - 2016 Surplus Fund</u>				
Balance as of 12/31/22	-	6,821.04	-	6,821.04
Subsequent activities:				
01/31/23 - Interest Income	-	18.45	-	18.45
<i>Anticipated Balance</i>	<u>-</u>	<u>6,839.49</u>	<u>-</u>	<u>6,839.49</u>
<u>Zions Bank - 2016 Loan Fees Fund</u>				
Balance as of 12/31/22	-	2,684.00	-	2,684.00
Subsequent activities:				
01/23/23 - Paying Agent Fees	-	(1,500.00)	-	(1,500.00)
01/31/23 - Interest Income	-	7.66	-	7.66
<i>Anticipated Balance</i>	<u>-</u>	<u>1,191.66</u>	<u>-</u>	<u>1,191.66</u>
<u>Zions Bank - 2016B Cap Interest Account</u>				
Balance as of 12/31/22	-	0.60	-	0.60
Subsequent activities:				
<i>Anticipated Balance</i>	<u>-</u>	<u>0.60</u>	<u>-</u>	<u>0.60</u>
<u>Zions Bank - 2016B Project Fund</u>				
Balance as of 12/31/22	-	-	502,313.57	502,313.57
Subsequent activities:				
01/31/23 - Interest Income	-	-	1,350.47	1,350.47
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>503,664.04</u>	<u>503,664.04</u>
<u>Zions Bank - 2016B Loan Payment Account</u>				
Balance as of 12/31/22	-	70.27	-	70.27
Subsequent activities:				
01/31/23 - Interest Income	-	0.18	-	0.18
<i>Anticipated Balance</i>	<u>-</u>	<u>70.45</u>	<u>-</u>	<u>70.45</u>
<i>Anticipated Balances</i>	<u>\$ -</u>	<u>\$ 21,266.67</u>	<u>\$ 503,664.04</u>	<u>\$ 524,930.71</u>

Yield information:

Colostrust - 4.5569% (1/31/23)

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

DENARGO MARKET METROPOLITAN DISTRICT #2
Property Taxes Reconciliation
2022

	Current Year						Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 6,235.47	\$ -	\$ -	6,235.47	0.00%	0.00%	4,515.50	0.00%	0.00%
February	144,089.75	-	5,594.48	-	(1,440.89)	148,243.34	11.33%	11.33%	147,782.83	13.29%	13.29%
March	454,884.76	-	6,834.24	-	(4,548.84)	457,170.16	35.77%	47.10%	329,810.99	30.14%	43.43%
April	319,126.18	-	5,649.08	-	(3,191.26)	321,584.00	25.09%	72.19%	313,163.06	28.57%	72.00%
May	20,301.16	-	5,053.04	0.40	(203.00)	25,151.60	1.60%	73.79%	24,212.79	1.83%	73.83%
June	333,359.01	-	4,267.21	1,442.52	(3,348.01)	335,720.73	26.21%	100.00%	286,698.07	26.17%	100.00%
July	-	-	5,535.59	-	-	5,535.59	0.00%	100.00%	5,338.79	0.00%	100.00%
August	-	-	6,536.82	-	-	6,536.82	0.00%	100.00%	6,153.22	0.00%	100.00%
September	-	-	5,399.65	-	-	5,399.65	0.00%	100.00%	4,933.09	0.00%	100.00%
October	-	-	5,168.14	-	-	5,168.14	0.00%	100.00%	5,055.38	0.00%	100.00%
November	-	-	4,794.28	-	-	4,794.28	0.00%	100.00%	5,634.53	0.00%	100.00%
December	-	-	4,067.12	-	-	4,067.12	0.00%	100.00%	4,102.66	0.00%	100.00%
	\$ 1,271,760.86	\$ -	\$ 65,135.12	\$ 1,442.92	\$ (12,732.00)	\$ 1,325,606.90	100.00%	100.00%	\$ 1,137,400.91	100.00%	100.00%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
\$ 316,094.00	24.85%	\$ 316,093.97	100.00%
955,667.00	75.15%	955,666.89	100.00%
\$ 1,271,761.00	100.00%	\$ 1,271,760.86	100.00%

Property Tax

General Fund
Debt Service

Specific Ownership Tax

General Fund
Debt Service

Treasurer's Fees

General Fund
Debt Service

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

RESOLUTION NO. 2023-03-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF
DENARGO MARKET METROPOLITAN DISTRICT NO. 2 REGARDING
CONTINUING DISCLOSURE POLICIES AND PROCEDURES**

A. The Denargo Market Metropolitan District No. 2, City and County of Denver, Colorado (the “**District**”) has entered into the continuing disclosure undertaking(s) set forth in **Exhibit A** attached hereto (referred to collectively herein, whether one or more than one, the “**Continuing Disclosure Undertaking**”).

B. The Board of Directors of the District (the “**Board**”) desires to adopt policies and procedures in an effort to ensure compliance by the District with its obligations set forth in the Continuing Disclosure Undertaking (the “**Continuing Disclosure Policy**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2, CITY AND COUNTY OF DENVER, COLORADO:

1. The Continuing Disclosure Policy, as hereby approved, adopted and made a part of the public records of the District, shall be to impose the procedures set forth in **Exhibit B** attached hereto (the “**Compliance Procedures**”).

2. The Board hereby delegates the tasks and responsibilities set forth in the Compliance Procedures to the responsible parties as set forth therein.

3. The Continuing Disclosure Policy is intended to supplement any previous post-issuance compliance procedures that may have been adopted by the District and any procedures evidenced in writing by any Official Statement or continuing disclosure undertaking heretofore or hereafter issued, entered into or executed and delivered by the District or on its behalf.

4. The Board may revise the Continuing Disclosure Policy from time to time as the Board deems necessary or desirable to comply with federal and state securities laws or otherwise as the Board may determine in its sole discretion.

5. Prior to the engagement of the responsible parties listed in the Compliance Procedure, and other consultants as may be applicable with respect to the Continuing Disclosure Undertaking, such responsible parties and consultants shall be required to review and comply with the Continuing Disclosure Policy, including, without limitation, the responsibilities set forth in the Compliance Procedures.

6. Within thirty (30) days, or earlier if necessary, of entering into any new continuing disclosure undertaking and/or with respect to any changes or modifications to the Continuing Disclosure Undertaking, the responsible parties and consultants shall meet with bond counsel and disclosure counsel to review the continuing disclosure compliance requirements and develop a process for compliance with respect to such new and/or changed continuing disclosure undertaking.

RESOLUTION APPROVED AND ADOPTED ON MARCH 14, 2023.

**DENARGO MARKET METROPOLITAN
DISTRICT NO. 2**

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT A

Continuing Disclosure Undertaking

See the following page for Section 5.07 of the Loan Agreement between the District and ZB, N.A. dba Vectra Bank Colorado relating to the District's \$10,000,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan Series Loan, Series 2016A.

Section 5.07. Reporting Requirements.

(a) The District shall provide the following to the Bank at the times and in the manner provided below:

(i) as soon as available, but not later than 210 days following the end of each Fiscal Year, the District shall furnish to the Bank its financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and audited by a firm of independent Certified Public Accountants selected by the District and satisfactory to the Bank;

(ii) as soon as available, but in no event later than January 30 of each Fiscal Year, the District shall furnish to the Bank the District's annual budget for such Fiscal Year and, as soon as available, shall furnish a copy of any proposed amendments thereto, which budget (and amendments, if applicable) shall include as separate line items all projected Pledged Revenue expected to be received in such Fiscal Year;

(iii) as soon as available, but in no event later than 90 days after the end of each calendar quarter, the District shall furnish to the Bank the District's unaudited financial statements prepared by the District Accountant, which shall include, without limitation, a schedule of all District revenues and expenditures for each of the District's funds and accounts, a schedule of the District's assets and liabilities, and other significant detail with respect to the District's financial position for the relevant calendar quarter and Fiscal Year to date;

(iv) promptly upon certification of the Required Mill Levy by the District each year (which the District shall certify at the time required by applicable law) but in no event later than December 31 each year, the District shall furnish to the Bank a certificate of an authorized officer of the District setting forth the amount of such Required Mill Levy so certified;

(v) as soon as available, but in no event later than September 1 of each year, the District shall furnish to the Bank the preliminary certified "actual value" and assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy) for such calendar year;

(vi) as soon as available, but in no event later than December 31 of each year, the District shall furnish to the Bank the final certified assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy), as calculated, recorded and certified by the Assessor on or before December 15 of such calendar year; and

(vii) promptly upon request of the Bank, the District shall furnish to the Bank such other reports or information regarding the Collateral securing the obligations of the District hereunder or the assets, financial condition, business or operations of the District, as the Bank may reasonably request.

(b) The District shall notify the Bank, as soon as possible after the District acquires knowledge thereof, of all interim litigation or administrative proceedings, threatened or pending, against the District which could, if adversely determined, in the reasonable judgment of the District, have a material adverse effect on the financial condition of the District or affect the ability of the District to perform its obligations under this Agreement or under any other Financing Documents.

(c) The District shall notify the Bank, as soon as possible after the District acquires knowledge thereof, of the occurrence of any other event which, in the reasonable judgment of the District, is likely to have a material adverse effect on the financial condition of the District or affect the ability of the District to perform its obligations under this Agreement or under any other Financing Documents.

(d) The District shall promptly notify the Bank of any Event of Default of which the District has knowledge, setting forth the details of such Event of Default and any action which the District proposes to take with respect thereto.

(e) The District shall immediately notify the Bank of any resignation of the Custodian.

AND

See below for Section 5.07 Requirements of the Loan Agreement between the District and ZB, N.A. dba Vectra Bank Colorado relating to the District's up to \$8,000,000 Limited Tax (Convertible to Unlimited Tax) Taxable General Obligation Advancing Improvement Loan, Series 2016B.

Section 5.07. Reporting Requirements.

(a) The District shall provide the following to the Bank at the times and in the manner provided below:

(i) as soon as available, but not later than 210 days following the end of each Fiscal Year, the District shall furnish to the Bank its financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and audited by a firm of independent Certified Public Accountants selected by the District and satisfactory to the Bank;

(ii) as soon as available, but in no event later than January 30 of each Fiscal Year, the District shall furnish to the Bank the District's annual budget for such Fiscal Year and, as soon as available, shall furnish a copy of any proposed

continued on next page

amendments thereto, which budget (and amendments, if applicable) shall include as separate line items all projected Pledged Revenue expected to be received in such Fiscal Year;

(iii) as soon as available, but in no event later than 90 days after the end of each calendar quarter, the District shall furnish to the Bank the District's unaudited financial statements prepared by the District Accountant, which shall include, without limitation, a schedule of all District revenues and expenditures for each of the District's funds and accounts, a schedule of the District's assets and liabilities, and other significant detail with respect to the District's financial position for the relevant calendar quarter and Fiscal Year to date;

(iv) promptly upon certification of the Required Mill Levy by the District each year (which the District shall certify at the time required by applicable law) but in no event later than December 31 each year, the District shall furnish to the Bank a certificate of an authorized officer of the District setting forth the amount of such Required Mill Levy so certified;

(v) as soon as available, but in no event later than August 30 of each year, the District shall furnish to the Bank the preliminary certified "actual value" and assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy) for such calendar year;

(vi) as soon as available, but in no event later than December 31 of each year, the District shall furnish to the Bank the final certified assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy), as calculated, recorded and certified by the Assessor on or before December 15 of such calendar year; and

(vii) promptly upon request of the Bank, the District shall furnish to the Bank such other reports or information regarding the Collateral securing the obligations of the District hereunder or the assets, financial condition, business or operations of the District, as the Bank may reasonably request.

(b) The District shall notify the Bank, as soon as possible after the District acquires knowledge thereof, of all interim litigation or administrative proceedings, threatened or pending, against the District which could, if adversely determined, in the reasonable judgment of the District, have a material adverse effect on the financial condition of the District or affect the ability of the District to perform its obligations under this Agreement or under any other Financing Documents.

(c) The District shall notify the Bank, as soon as possible after the District acquires knowledge thereof, of the occurrence of any other event which, in the reasonable judgment of the District, is likely to have a material adverse effect on the

financial condition of the District or affect the ability of the District to perform its obligations under this Agreement or under any other Financing Documents.

(d) The District shall promptly notify the Bank of any Event of Default of which the District has knowledge, setting forth the details of such Event of Default and any action which the District proposes to take with respect thereto.

(e) The District shall immediately notify the Bank of any resignation of the Custodian.

EXHIBIT B

COMPLIANCE PROCEDURE

Denargo Market Metropolitan District No. 2, City and County of Denver, Colorado
 \$10,000,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan, Series 2016A; and

\$8,000,000 Limited Tax General Obligation Advancing Improvement Loan, Series 2016B

Subject to SEC Rule 15c2-12: NO

FINANCIAL DISCLOSURES	
Submittal Date to Bank	Required Documentation Prepared By:
ASAP but no later than 210 days following end of each Fiscal Year	Financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and audited by a firm of independent CPAs selected by District and satisfactory to Bank
ASAP but no later than January 30 th of each Fiscal Year	District's annual budget for such Fiscal Year and, as soon as available, a copy of any proposed amendments thereto, which budget (and amendments, if applicable) shall include as separate line items all projected Pledged Revenue expected to be received in such Fiscal Year.
ASAP but no later than 90 days after end of each calendar quarter	District's unaudited financial statements prepared by District Accountant, which shall include, without limitation, a schedule of all District revenues and expenditures for each of the District's funds and accounts, a schedule of District's assets and liabilities, and other significant detail with respect to District's financial position for relevant calendar quarter and Fiscal Year to date
Promptly upon certification but in no event later than December 31 st of each year	A certificate of authorized officer of District setting forth amount of Required Mill Levy certified
ASAP but no later than August 30 th of each year	Preliminary certified "actual value" and assessed valuation of all property subject to Required Mill Levy (including taxable property within District and excluded property subject to Required Mill Levy) for such calendar year
ASAP but no later than December 31 st of each year	Final certified assessed valuation of all property subject to Required Mill Levy (including taxable property within District and excluded property subject to Required Mill Levy) as calculated, recorded and certified by Assessor on or before December 15 th of such calendar year
Promptly upon request	Such other reports or information regarding Collateral securing District's obligations under Loan Agreement or assets, financial condition, business or operations of District, as Bank may reasonable request

*If any submittal date falls on a day which is not a Business Day, the report will be provided to the Bank on the next succeeding Business Days.

Procedure:

1. Accountant will prepare first draft of the report due.
2. Accountant will transmit report to McGeady Becher to review and provide comment ten (10) days prior to submittal date.
3. McGeady Becher to transmit comments/revisions to report back to Accountant five (5) days prior to submittal date.

4. Accountant to submit report to Bank on applicable submittal date.

NOTICE OF MATERIAL EVENT		
Reporting / Submittal Deadlines	Responsible Party to Report Event of Default	Party Responsible to Notify Bank of Event of Default
District shall promptly notify Bank of any Event of Default of which the District has knowledge, setting forth details of such Event of Default and any action which the District proposes to take with respect theretoftrust	District, McGeady Becher, Accountant, District Manager, or anyone who has actual knowledge of an material event	Accountant

AMENDED AND RESTATED RESOLUTION NO. 2023-03-02

**AN AMENDED AND RESTATED RESOLUTION OF THE BOARD OF DIRECTORS
OF
DENARGO MARKET METROPOLITAN DISTRICT NO. 2
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 2, 2023**

A. Denargo Market Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes; and

B. The District adopted Resolution No. 2022-11-06; Resolution of the Board of Directors (“**Board**”) of the District Calling a Regular Election for Directors May 2, 2023 on November 15, 2022 (“**Original Resolution**”); and

C. The District desires to amend and restate the Original Resolution in its entirety to remove consideration of questions relating to the issuance of debt and approving other matters in connection therewith; and

D. The term of the office of Director Newman shall expire upon the election of her successor at the regular election, to be held on May 2, 2023 (“**Election**”), and upon such successor taking office.

E. The terms of the offices to which Directors Davidson and Wenskoski have previously been appointed expire upon their re-election, or the election of their successors at the Election, and upon such successor taking office.

F. A vacancy currently exists on the Board of Directors of the District.

G. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect two (2) Directors to serve until the next regular election, to occur May 6, 2025, and two (2) Directors to serve until the second regular election, to occur May 4, 2027.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denargo Market Metropolitan District No. 2 (the “**District**”) of the City and County of Denver, Colorado:

1. Amendment and Restatement. The Board hereby amends and restates the Original Resolution in its entirety.

2. Date and Time of Election. The Election shall be held on May 2, 2023, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the next regular election, to occur May 6, 2025, and two (2) Directors shall be elected to serve until the second regular election, to occur May 4, 2027.

3. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.
4. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.
5. Designated Election Official. Sarah E.E. Shepherd shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Amended and Restated Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.
6. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.
7. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Circuit Rider of Colorado, LLC, 1100 W. Littleton Blvd., #101, Littleton, Colorado 80120, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).
8. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from Designated Election Official for the District, c/o Circuit Rider of Colorado, LLC, at: info@ccrider.us; Telephone: 303-482-1002; and on the District's website at <https://denargo.colorado.gov>.
9. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on February 28, 2023, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.
10. Severability. If any part or provision of this Amended and Restated Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Amended and Restated Resolution, it being the Board of Director's intention that the various provisions hereof are severable.
11. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Amended and Restated Resolution are hereby repealed to the extent only of such inconsistency or conflict.

12. Effective Date. The provisions of this Amended and Restated Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

AMENDED AND RESTATED RESOLUTION APPROVED AND ADOPTED ON MARCH 14, 2023.

**DENARGO MARKET METROPOLITAN
DISTRICT NO. 2**

By: _____
President

Attest:

Secretary