

**RESOLUTION NO. 2023–11-02**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**TO ADOPT THE 2024 BUDGET AND APPROPRIATE SUMS OF MONEY**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 2 (“District”) has appointed the District Accountant to prepare and submit a proposed 2024 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2023, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 14, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denargo Market Metropolitan District No. 2:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Denargo Market Metropolitan District No. 2 for the 2024 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 14th day of November, 2023.

A handwritten signature in black ink, consisting of stylized, cursive letters, positioned above a horizontal line.

Secretary

EXHIBIT A  
(Budget)

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 286,485	\$ 524,838	\$ -
REVENUES			
Property taxes	1,271,761	1,588,707	2,339,237
Specific ownership taxes	65,135	79,435	116,962
Interest income	15,168	33,118	9,117
Other revenue	-	-	2,684
Transfers from District No. 3	-	10,000,000	-
Total revenues	<u>1,352,064</u>	<u>11,701,260</u>	<u>2,468,000</u>
TRANSFERS IN	<u>500,000</u>	-	-
Total funds available	<u>2,138,549</u>	<u>12,226,098</u>	<u>2,468,000</u>
EXPENDITURES			
General Fund	334,488	418,626	570,000
Debt Service Fund	779,223	11,285,564	1,898,000
Capital Projects Fund	-	521,908	-
Total expenditures	<u>1,113,711</u>	<u>12,226,098</u>	<u>2,468,000</u>
TRANSFERS OUT	<u>500,000</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>1,613,711</u>	<u>12,226,098</u>	<u>2,468,000</u>
ENDING FUND BALANCES	<u>\$ 524,838</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/23/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

**ASSESSED VALUATION**

Residential	\$ 27,204,790	\$ 27,969,040	\$ 39,687,930
Commercial	-	-	594,800
State assessed	457,300	5,159,300	-
Vacant land	435,790	588,850	30
Personal property	637,930	741,270	5,878,810
Certified Assessed Value	\$ 28,735,810	\$ 34,458,460	\$ 46,161,570

**MILL LEVY**

General	11.000	11.459	11.675
Debt Service	33.257	34.646	39.000
Total mill levy	44.257	46.105	50.675

**PROPERTY TAXES**

General	\$ 316,094	\$ 394,859	\$ 538,936
Debt Service	955,667	1,193,848	1,800,301
Levied property taxes	1,271,761	1,588,707	2,339,237
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	\$ 1,271,761	\$ 1,588,707	\$ 2,339,237

**BUDGETED PROPERTY TAXES**

<b>General</b>	<b>\$ 316,094</b>	<b>\$ 394,859</b>	<b>\$ 538,936</b>
<b>Debt Service</b>	<b>955,667</b>	<b>1,193,848</b>	<b>1,800,301</b>
	<b>\$ 1,271,761</b>	<b>\$ 1,588,707</b>	<b>\$ 2,339,237</b>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	316,094	394,859	538,936
Specific ownership taxes	16,189	19,743	26,947
Interest income	2,205	4,024	4,117
Total revenues	334,488	418,626	570,000
Total funds available	334,488	418,626	570,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	3,165	3,949	5,389
Contingency	-	-	4,117
Transfers to District No. 1	331,323	414,677	560,494
Total expenditures	334,488	418,626	570,000
Total expenditures and transfers out requiring appropriation	334,488	418,626	570,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 286,485	\$ 22,524	\$ -
<b>REVENUES</b>			
Property taxes	955,667	1,193,848	1,800,301
Specific ownership taxes	48,946	59,692	90,015
Interest income	10,649	9,500	5,000
Other revenue	-	-	2,684
Transfers from District No. 3	-	10,000,000	-
Total revenues	<u>1,015,262</u>	<u>11,263,040</u>	<u>1,898,000</u>
Total funds available	<u>1,301,747</u>	<u>11,285,564</u>	<u>1,898,000</u>
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's fee	9,567	11,938	18,003
Paying agent fees	4,500	4,500	-
Transfers to District No. 3	-	430,000	1,877,313
Contingency	-	490,471	2,684
Debt Service			
Loan Interest 2016A	327,375	322,151	-
Loan Interest 2016B	24,987	24,261	-
Loan Principal 2016A	150,000	9,400,000	-
Loan Principal 2016B	262,794	602,243	-
Total expenditures	<u>779,223</u>	<u>11,285,564</u>	<u>1,898,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,279,223</u>	<u>11,285,564</u>	<u>1,898,000</u>
ENDING FUND BALANCES	<u>\$ 22,524</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.



**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
 CAPITAL PROJECTS FUND  
 2024 BUDGET  
 WITH 2022 ACTUAL AND 2023 ESTIMATED  
 For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 502,314	\$ -
REVENUES			
Interest income	2,314	19,594	-
Total revenues	<u>2,314</u>	<u>19,594</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>500,000</u>	<u>-</u>	<u>-</u>
Total funds available	<u>502,314</u>	<u>521,908</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Transfers to District No. 1	-	521,908	-
Total expenditures	<u>-</u>	<u>521,908</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>521,908</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 502,314</u>	<u>\$ -</u>	<u>\$ -</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2024 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 2024, SB22-238 and SB23B-001 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  
2024 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 facilities fees and 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**

**Series 2023 Loan**

The District is entering into a Loan Agreement with District No. 3 and NBH Bank and Midwestone Bank, for the purposes of refunding the 2016 Loan, and to provide for the financing of public improvements.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2024 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**

I, David Solin, hereby certify that I am the duly appointed Secretary of the Denargo Market 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 Denargo Market Metropolitan District No. 2 held on November 14, 2023.

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

**RESOLUTION NO. 2023-11-03**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**TO SET MILL LEVIES**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 2 (“District”) has adopted the 2024 annual budget in accordance with the Local Government Budget Law on November 14, 2023; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2024 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Denargo Market Metropolitan District No. 2:

1. That for the purposes of meeting all general fund expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of City and County of Denver, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 14th day of November, 2023.



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Secretary

**EXHIBIT A**  
(Certification of Tax Levies)

# 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>	<input type="text"/> mills	\$ <input type="text"/>
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 ]	<input type="text"/> mills	\$ <input type="text"/>

Contact person: \_\_\_\_\_ Phone: ( 303)779-5710  
Signed:  Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates?  Yes  No

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.

I, David Solin, hereby certify that I am the duly appointed Secretary of the Denargo Market Metropolitan District No. 2, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Denargo Market Metropolitan District No. 2 held on November 14, 2023.



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Secretary