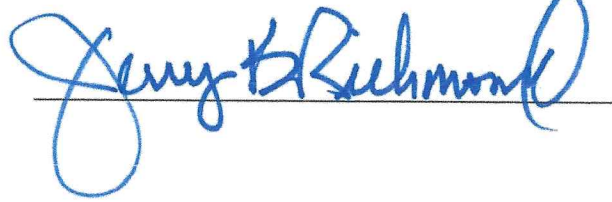


**CERTIFICATION OF BUDGET**

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Southshore Metropolitan District No. 2, for the budget year ending December 31, 2021, as adopted on December 10, 2020.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Southshore Metropolitan District No. 2, Arapahoe County, Colorado, this 10<sup>th</sup> day of November, 2020.

A handwritten signature in blue ink, reading "Jerry B. Richmond", is written over a horizontal line.

(SEAL)

**SOUTHSHORE METROPOLITAN DISTRICT NO. 2**  
**2021**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2021 budget for the Southshore Metropolitan District No. 2.

The Southshore Metropolitan District No. 2 has adopted three funds, a General Fund to provide for transfers to Southshore Metropolitan District No. 1 to be used for the payment of operating and maintenance expenditures; a Capital Projects Fund to provide for transfers to Southshore Metropolitan District No. 1 to be used for the estimated infrastructure costs that are to be built for the benefit of the District, and a transfer to the Debt Service Fund; and a Debt Service Fund to provide for payments on the general obligation bonds.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2021 will be property taxes, specific ownership taxes, and system development fees. The District intends to impose a 57.891 mill levy on the property within the District in 2021, of which 2.277 mills will be dedicated to the General Fund and the balance of 55.664 mills will be allocated to the Debt Service Fund.

**Southshore Metropolitan District No. 2**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2021**

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 37,610	\$ 120,830	\$ 71,783	\$ 71,783	\$ -
Revenues:					
Property taxes	63,869	114,004	111,821	114,004	126,208
Transfer from other fund			59,638	59,638	-
Specific ownership taxes	126,562	176,949	97,180	176,949	195,962
Interest income	6,846	3,500	4,162	6,243	3,500
Total revenues	<u>197,277</u>	<u>294,453</u>	<u>272,801</u>	<u>356,834</u>	<u>325,670</u>
Total funds available	<u>234,887</u>	<u>415,283</u>	<u>344,584</u>	<u>428,617</u>	<u>325,670</u>
Expenditures:					
Miscellaneous	-	94	-	100	100
Treasurer fees	958	1,711	1,678	1,711	1,894
Transfer to District No. 1	162,146	413,424	163,000	426,806	323,616
Emergency reserve (3%)	-	54	-	-	60
Total expenditures	<u>163,104</u>	<u>415,283</u>	<u>164,678</u>	<u>428,617</u>	<u>325,670</u>
Ending fund balance	\$ <u>71,783</u>	\$ -	\$ 179,906	\$ -	\$ -
Assessed valuation		\$ <u>51,191,803</u>		\$ <u>51,191,803</u>	\$ <u>56,671,821</u>
Mill Levy		<u>2.227</u>		<u>2.227</u>	<u>2.227</u>

**Southshore Metropolitan District No. 2**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2021**

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimate <u>2020</u>	- Amended Budget <u>2021</u>
Beginning fund balance	\$ 4,252,389	\$ -	\$ 65,331	\$ 65,331	\$ 12,202,098
Revenues:					
Interest income	64,534	20,000	31,532	47,298	20,000
Bond proceeds	-	33,560,000	62,045,000	62,045,000	-
Total revenues	<u>64,534</u>	<u>33,580,000</u>	<u>62,076,532</u>	<u>62,092,298</u>	<u>20,000</u>
Total funds available	<u>4,316,923</u>	<u>33,580,000</u>	<u>62,141,863</u>	<u>62,157,629</u>	<u>12,222,098</u>
Expenditures:					
Bond Discount	-	-	515,394	515,394	-
Issuance costs	-	1,010,800	1,490,567	1,490,567	-
Transfer to District No. 1	4,274,037	19,879,220	7,528,423	9,410,529	12,222,098
Transfer to Debt Service	-	-	38,539,041	38,539,041	-
Transfer to refunding escrow	-	12,689,980	-	-	-
Total expenditures	<u>4,274,037</u>	<u>33,580,000</u>	<u>48,073,425</u>	<u>49,955,531</u>	<u>12,222,098</u>
Ending fund balance	<u>\$ 42,886</u>	<u>\$ -</u>	<u>\$ 14,068,438</u>	<u>\$ 12,202,098</u>	<u>\$ 0</u>

**Southshore Metropolitan District No. 2**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2021**

	Actual <u>2019</u>	Adopted Budget 2020	Actual 6/30/2020	Estimate 2020	Adopted Budget 2021
Beginning fund balance	\$ 1,698,847	\$ 2,048,348	\$ 2,081,476	\$ 2,081,477	\$ 3,102,856
Revenues:					
Property taxes	1,550,489	2,849,541	2,795,008	2,849,541	3,154,580
System development fees (218*25)	572,500	587,500	102,500	383,363	545,000
Transfer from Capital Projects	-	7,287,500	38,479,403	38,479,403	-
Interest income	46,928	730	14,634	21,951	10,000
Total revenues	<u>2,169,917</u>	<u>10,725,271</u>	<u>41,391,545</u>	<u>41,734,258</u>	<u>3,709,580</u>
Total funds available	<u>3,868,764</u>	<u>12,773,619</u>	<u>43,473,021</u>	<u>43,815,735</u>	<u>6,812,436</u>
Expenditures:					
Bond interest - Series 2007	493,875	476,406	-	-	-
Bond principal - Series 2007	325,000	400,000	-	-	-
Refunding escrow Series 2007	-	-	8,573,503	8,573,503	-
Bond interest - Series 2015	936,650	936,650	-	-	-
Refunding escrow Series 2015	-	-	15,778,930	15,778,930	-
Refunding escrow Series 2017	-	-	13,748,816	13,748,816	-
Bond principal - Series 2020 A-1	-	-	-	1,155,000	1,045,000
Bond interest - Series 2020 A-1	-	-	122,709	539,456	633,676
Bond principal - Series 2020 A-2	-	-	-	-	-
Bond interest - Series 2020 A-2	-	-	75,260	330,860	511,200
Bond principal - Series 2020 B	-	-	-	-	-
Bond interest - Series 2020 B	-	-	-	533,692	777,850
Treasurer's fees	23,262	42,622	41,968	42,622	47,198
Trustee / paying agent fees	8,500	10,000	2,000	10,000	10,000
Total expenditures	<u>1,787,287</u>	<u>1,865,678</u>	<u>38,343,186</u>	<u>40,712,879</u>	<u>3,024,924</u>
Ending fund balance	\$ <u>2,081,477</u>	\$ <u>10,907,941</u>	\$ <u>5,129,835</u>	\$ <u>3,102,856</u>	\$ <u>3,787,512</u>
Assessed valuation		\$ <u>51,191,803</u>		\$ <u>51,191,803</u>	\$ <u>56,671,821</u>
Mill Levy		<u>55.664</u>		<u>55.664</u>	<u>55.664</u>
Total Mill Levy		<u>57.891</u>		<u>57.891</u>	<u>57.891</u>



## **SOUTHSORE METROPOLITAN DISTRICT NO. 2**

### **RESOLUTION TO ADOPT BUDGET**

WHEREAS, the Board of Directors (“Board”) of Southshore Metropolitan District No. 2 (“District”) has appointed a budget committee to prepare and submit a proposed 2021 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board on or before October 15, 2020 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 10, 2020 and continued to November 20, 2020, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer 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 decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

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

1. That estimated expenditures for each fund are as follows:

General Fund:	\$ 325,670
Capital Projects Fund:	\$ 12,222,098
Debt Service Fund:	\$ 3,024,924
Total	\$15,572,692

2. That estimated revenues are as follows:

General Fund:

From unappropriated surpluses	\$0
From fund transfers	\$0
From sources other than general property tax	\$199,462
From general property tax	\$126,208
Total	\$325,670

Capital Projects Fund:

From unappropriated surpluses	\$12,202,098
From fund transfers	\$0
From sources other than general property tax	\$20,000
Total	\$12,222,098

Debt Service Fund:

From unappropriated surpluses	\$3,102,856
From fund transfers	\$0
From sources other than general property tax	\$555,000
From general property tax	\$3,154,580
Total	\$3,024,924

3. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

**TO SET MILL LEVIES**

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$126,208; and

WHEREAS, the amount of money from property taxes necessary to balance the budget for debt service expenses is \$3,154,580; and

WHEREAS, the 2021 valuation for assessment of the District, as certified by the County Assessor, is \$56,671,821.

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

1. That for the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 2.227 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$126,208.

2. That for the purpose of meeting all debt service expenses of the District during the 2021 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 55.664 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$3,154,580.

3. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Arapahoe County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

### TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; 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 inter-fund transfers listed therein, so as not to impair the operations of District.

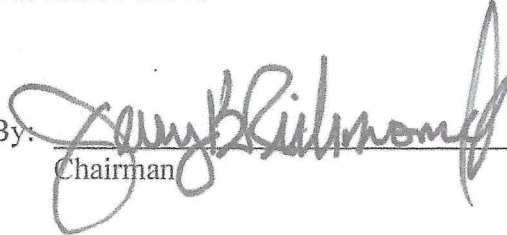
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Southshore Metropolitan District No. 2 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	\$ 325,670
Capital Projects Fund:	\$12,222,098
Debt Service Fund	\$ 3,024,924
Total	<hr/> \$15,572,692

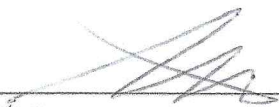


Adopted this 10<sup>th</sup> day of November, 2020.

SOUTHSORE METROPOLITAN  
DISTRICT NO. 2

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

ATTEST:

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