

**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, 2022, as adopted on November 9, 2021.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Southshore Metropolitan District No. 2, Arapahoe County, Colorado, this 9<sup>th</sup> day of November, 2021.

DocuSigned by:  
*Jerry Richmond*  
BC051125E12A465...

( S E A L )

**SOUTHSHORE METROPOLITAN DISTRICT NO. 2**  
**2022**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2022 budget for the Southshore Metropolitan District No. 2.

The Southshore Metropolitan District No. 2 has adopted budgets for 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 2022 will be property taxes, specific ownership taxes, and system development fees. The district intends to impose a 49.000 mill levy on the property within the district in 2022, of which 4.000 mills will be dedicated to the General Fund and the balance of 45.000 mills will be allocated to the Debt Service Fund.

**Southshore Metropolitan District No. 2**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Amended <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ 71,783	\$ -	\$ 175,588	\$ 175,588	\$ -
Revenues:					
Property taxes	113,876	126,208	122,799	126,208	285,358
Specific ownership taxes	210,011	195,962	112,245	195,962	213,269
Interest income	4,991	3,500	132	2,242	3,500
Total revenues	<u>328,878</u>	<u>325,670</u>	<u>235,176</u>	<u>324,412</u>	<u>502,127</u>
Total funds available	<u>400,661</u>	<u>325,670</u>	<u>410,764</u>	<u>500,000</u>	<u>502,127</u>
Expenditures:					
Miscellaneous	-	100	-	2,992	100
Treasurer fees	1,711	1,894	1,841	1,894	4,320
Transfer to District No. 1	283,000	323,616	113,000	495,114	497,574
Emergency reserve (3%)	-	60	-	-	133
Total expenditures	<u>284,711</u>	<u>325,670</u>	<u>114,841</u>	<u>500,000</u>	<u>502,127</u>
Ending fund balance	<u>\$ 175,588</u>	<u>\$ -</u>	<u>\$ 295,923</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ 51,191,803</u>	<u>\$ 56,671,821</u>		<u>\$ 51,191,803</u>	<u>\$ 71,339,423</u>
Mill Levy	<u>2.227</u>	<u>2.227</u>		<u>2.227</u>	<u>4.000</u>

**Southshore Metropolitan District No. 2**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	- Amended Budget <u>2021</u>	Actual <u>6/30/2021</u>	Amended <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ 65,331	\$ 12,202,098	\$ 6,261,978	\$ 6,261,978	\$ 764,036
Revenues:					
Interest income	45,334	20,000	1,372	2,058	2,000
Bond proceeds	<u>62,045,000</u>	-	-	-	-
Total revenues	<u>62,090,334</u>	<u>20,000</u>	<u>1,372</u>	<u>2,058</u>	<u>2,000</u>
Total funds available	<u>62,155,665</u>	<u>12,222,098</u>	<u>6,263,350</u>	<u>6,264,036</u>	<u>766,036</u>
Expenditures:					
Bond Discount	515,394	-	-	-	-
Issuance costs	1,451,256	-	-	-	-
Transfer to District No. 1	15,387,468	12,222,098	5,153,621	5,500,000	766,036
Transfer to Debt Service	<u>38,539,569</u>	-	-	-	-
Total expenditures	<u>55,893,687</u>	<u>12,222,098</u>	<u>5,153,621</u>	<u>5,500,000</u>	<u>766,036</u>
Ending fund balance	<u>\$ 6,261,978</u>	<u>\$ 0</u>	<u>\$ 1,109,729</u>	<u>\$ 764,036</u>	<u>\$ -</u>

**Southshore Metropolitan District No. 2**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2022**

	Actual 2020	Adopted Budget 2021	Actual 6/30/2021	Amended 2021	Adopted Budget 2022
Beginning fund balance	\$ 2,081,476	\$ 3,102,856	\$ 3,446,861	\$ 3,446,861	\$ 4,131,517
Revenues:					
Property taxes	2,846,388	3,154,580	3,069,373	3,154,580	3,210,274
System development fees (210*2500)	722,522	545,000	220,000	545,000	526,136
Transfer from Capital Projects	38,479,931	-	-	-	-
Interest income	21,571	10,000	-	10,000	10,000
	<u>42,070,412</u>	<u>3,709,580</u>	<u>3,289,373</u>	<u>3,709,580</u>	<u>3,746,410</u>
Total revenues					
	<u>42,070,412</u>	<u>3,709,580</u>	<u>3,289,373</u>	<u>3,709,580</u>	<u>3,746,410</u>
Total funds available	<u>44,151,888</u>	<u>6,812,436</u>	<u>6,736,234</u>	<u>7,156,441</u>	<u>7,877,927</u>
Expenditures:					
Refunding escrow Series 2007	8,573,503	-	-	-	-
Refunding escrow Series 2015	15,778,930	-	-	-	-
Refunding escrow Series 2017	13,748,816	-	-	-	-
Bond principal - Series 2020 A-1	1,155,000	1,045,000	-	1,045,000	1,145,000
Bond interest - Series 2020 A-1	539,455	633,676	316,838	633,676	610,792
Bond principal - Series 2020 A-2	-	-	-	-	-
Bond interest - Series 2020 A-2	330,860	511,200	255,600	511,200	511,200
Bond principal - Series 2020 B	-	-	-	-	-
Bond interest - Series 2020 B	533,692	777,850	-	777,850	777,850
Miscellaneous exp	-	-	1,523	-	-
Treasurer's fees	42,771	47,198	46,005	47,198	48,463
Trustee / paying agent fees	2,000	10,000	9,000	10,000	10,000
	<u>40,705,027</u>	<u>3,024,924</u>	<u>628,966</u>	<u>3,024,924</u>	<u>3,103,305</u>
Total expenditures					
	<u>40,705,027</u>	<u>3,024,924</u>	<u>628,966</u>	<u>3,024,924</u>	<u>3,103,305</u>
Ending fund balance	<u>\$ 3,446,861</u>	<u>\$ 3,787,512</u>	<u>\$ 6,107,268</u>	<u>\$ 4,131,517</u>	<u>\$ 4,774,622</u>
Assessed valuation	<u>\$ 51,191,803</u>	<u>\$ 56,671,821</u>		<u>\$ 51,191,803</u>	<u>\$ 71,339,423</u>
Mill Levy	<u>55.664</u>	<u>55.664</u>		<u>55.664</u>	<u>45.000</u>
Total Mill Levy	<u>57.891</u>	<u>57.891</u>		<u>57.891</u>	<u>49.000</u>

**SOUTHSHORE 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 2022 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, 2021 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 9, 2021, 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:	\$ 502,127
Capital Projects Fund:	\$ 766,036
Debt Service Fund:	\$ 3,103,305
Total	\$4,371,468

2. That estimated revenues are as follows:

<u>General Fund:</u>	
From unappropriated surpluses	\$0
From fund transfers	\$0
From sources other than general property tax	\$216,769
From general property tax	\$285,358
Total	\$502,127

Capital Projects Fund:

From unappropriated surpluses	\$764,036
From fund transfers	\$0
From sources other than general property tax	\$2,000
<hr/> Total	<hr/> \$766,036

Debt Service Fund:

From unappropriated surpluses	\$4,131,517
From fund transfers	\$0
From sources other than general property tax	\$536,136
From general property tax	\$3,210,274
<hr/> Total	<hr/> \$7,877,927

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 \$285,358; and

WHEREAS, the amount of money from property taxes necessary to balance the budget for debt service expenses is \$3,210,274; and

WHEREAS, the 2022 valuation for assessment of the District, as certified by the County Assessor, is \$71,339,423.

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 2022 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 4.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$285,358.

2. That for the purpose of meeting all debt service expenses of the District during the 2022 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 45.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$3,210,274.

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.

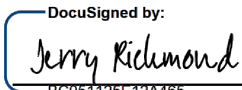
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Southshore Metropolitan District No. 2 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	\$ 502,127
Capital Projects Fund:	\$ 766,036
Debt Service Fund	\$3,103,305
Total	<hr/> \$4,371,468

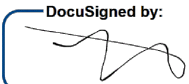


Adopted this 9<sup>th</sup> day of November, 2021.

SOUTHSHORE METROPOLITAN  
DISTRICT NO. 2

By:   
Chairman

ATTEST:

By:   
Secretary