

## 2022 ANNUAL INFORMATION REPORT

### SBC METROPOLITAN DISTRICT

Information and documents required under the District's Amended and Restated Service Plan, dated March 27, 2007, and modified effective August 1, 2011, Section X *Required Notices/Documentation/Coordination with City* are as follows:

- (a) A copy of the 2023 Budget is attached hereto as Exhibit A.
- (b) Construction Schedules – There was no construction during 2022.
- (c) The December 31, 2022 unaudited financial statements of the District are attached hereto as Exhibit B. The 2022 Audit will be provided upon completion.
- (d) Following the issuance of General Obligation Bonds, Series 2012 in the amount of \$4,880,000 and the General Obligation Refunding and Improvement Bonds, Series 2016 in the amount of \$19,225,000, the District's total debt outstanding is \$21,620,000. The current authorized but unissued debt is \$49,882,802 of new money and \$57,215,000 of refunding authorization remaining from the 1998 Election and the 2005 Election.
- (e) As of December 31, 2022, the names and terms of the members of the current Board of Directors and Officers are as follows:

Kieffer Garton	President	May 2025
Tom Martin	Treasurer	May 2025
VACANT		May 2025
VACANT		May 2023
VACANT		May 2023
Ann E. Finn, SDMS, Inc.	Secretary	

- (f) The District did not adopt any Rules and Regulations.
- (g) The District entered into no new Intergovernmental Agreements in 2022.
- (h) The did not entered into no new service contracts during 2022.
- (i) A copy of the bond insurance policy for the General Obligation Refunding and Improvement Bonds, Series 2016 was attached to the 2016 Annual Report.
- (j) A copy of the disclosure documents for the General Obligation Refunding and Improvement Bonds, Series 2016 was attached to the 2016 Annual Report.
- (k) A copy of the Modification to Amended and Restated Service Plan effective August 1, 2011 was attached to the 2011 Annual Report.
- (l) A copy of the debt service schedule for the General Obligation Refunding and Improvement Bonds, Series 2016 was attached to the 2016 Annual Report.

## **EXHIBIT A**

**SBC METROPOLITAN DISTRICT  
ANNUAL BUDGET  
FOR YEAR ENDING DECEMBER 31, 2023**

**SBC METROPOLITAN DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 9,600,782	\$ 9,925,636	\$ 10,511,013
<b>REVENUES</b>			
Property taxes	167,854	177,671	175,842
Specific ownership taxes	137,651	136,184	133,367
Net investment income	8,793	55,000	195,547
Property taxes remitted by DURA	2,347,379	2,546,026	2,491,501
Total revenues	<u>2,661,677</u>	<u>2,914,881</u>	<u>2,996,257</u>
 Total funds available	 <u>12,262,459</u>	 <u>12,840,517</u>	 <u>13,507,270</u>
<b>EXPENDITURES</b>			
General Fund	598,837	559,533	593,000
Debt Service Fund	1,737,986	1,769,971	1,800,000
Capital Projects Fund	-	-	1,495,569
Total expenditures	<u>2,336,823</u>	<u>2,329,504</u>	<u>3,888,569</u>
 Total expenditures and transfers out requiring appropriation	 <u>2,336,823</u>	 <u>2,329,504</u>	 <u>3,888,569</u>
 ENDING FUND BALANCES	 <u><b>\$ 9,925,636</b></u>	 <u><b>\$ 10,511,013</b></u>	 <u><b>\$ 9,618,701</b></u>
 EMERGENCY RESERVE	 25,400	 28,100	 29,800
DEBT SERVICE RESERVE - SERIES 2012	478,167	478,167	478,167
DEBT SERVICE RESERVE - SERIES 2016	870,625	870,625	870,625
CAPITAL PROJECTS RESERVE	450,000	450,000	-
TOTAL RESERVE	<u>1,824,192</u>	<u>1,826,892</u>	<u>1,378,592</u>

No assurance provided. See summary of significant assumptions.

**SBC METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Commercial	\$ 92,489,490	\$ 105,253,890	\$ 104,911,080
Personal property	21,974,770	18,550,520	16,331,760
	<u>114,464,260</u>	<u>123,804,410</u>	<u>121,242,840</u>
LESS TIF District Assessed Value	(106,834,874)	(115,728,436)	(113,250,035)
Certified Assessed Value	<u>\$ 7,629,386</u>	<u>\$ 8,075,974</u>	<u>\$ 7,992,805</u>
<b>MILL LEVY</b>			
General	7.000	7.000	7.000
Debt Service	15.000	15.000	15.000
Total mill levy	<u>22.000</u>	<u>22.000</u>	<u>22.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 53,406	\$ 56,531	\$ 55,950
Debt Service	114,441	121,140	119,892
Adjustments to actual/rounding	7	-	-
Budgeted property taxes	<u>\$ 167,854</u>	<u>\$ 177,671</u>	<u>\$ 175,842</u>
<b>ASSESSED VALUATION - Due on Increment</b>			
TIF District Increment	\$ 106,834,874	\$ 115,728,436	\$ 113,250,035
Certified Assessed Value	<u>\$ 106,834,874</u>	<u>\$ 115,728,436</u>	<u>\$ 113,250,035</u>
<b>MILL LEVY</b>			
General	7.000	7.000	7.000
Debt Service	15.000	15.000	15.000
Total mill levy	<u>22.000</u>	<u>22.000</u>	<u>22.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 747,844	\$ 810,099	\$ 792,750
Debt Service	1,602,524	1,735,927	1,698,751
Levied property taxes	2,350,368	2,546,026	2,491,501
Adjustments to actual/rounding	2,988	-	-
Budgeted property taxes	<u>\$ 2,353,356</u>	<u>\$ 2,546,026</u>	<u>\$ 2,491,501</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 801,250	\$ 866,630	\$ 848,699
Debt Service	1,716,964	1,857,066	1,818,643
	<u>\$ 2,518,214</u>	<u>\$ 2,723,696</u>	<u>\$ 2,667,342</u>

No assurance provided. See summary of significant assumptions.

**SBC METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 4,496,045	\$ 4,742,531	\$ 5,118,459
<b>REVENUES</b>			
106320 Property taxes	53,408	56,531	55,950
106340 Specific ownership taxes	43,798	43,331	42,435
106360 Net investment income	3,324	25,500	101,547
106800 Property taxes remitted by DURA	744,793	810,099	792,750
Total revenues	845,323	935,461	992,682
Total funds available	5,341,368	5,677,992	6,111,141
<b>EXPENDITURES</b>			
General and administrative			
107000 Accounting	27,510	22,000	26,000
107020 Audit	4,300	4,300	4,900
107200 County Treasurer's fee	7,982	8,666	8,487
107350 Dues and licenses	698	709	800
107360 Insurance and bonds	6,836	17,755	18,000
107440 District management	39,362	33,000	36,000
107460 Legal services	7,952	21,000	23,000
107480 Miscellaneous	12,610	6,000	6,000
107581 Election	-	1,341	3,000
107890 Contingency	-	-	14,813
Operations and maintenance			
107582 City of Denver maintenance fee	3,000	3,000	3,000
107584 Locates	2,003	6,000	3,000
107585 Landscape - repairs and maintenance	36,880	40,000	50,000
107586 Landscape - contract	110,203	110,000	126,000
107587 Landscape - floral	3,580	9,262	10,000
107588 Landscape - water	16,120	6,000	8,000
107589 Mosquito abatement	900	3,000	3,000
107590 Snowplowing and sweeping	5,040	13,000	15,000
107595 Storm drainage	16,816	12,500	14,000
107701 Utilities	43,046	32,000	35,000
107720 Trash Collection	-	-	5,000
107802 Tree Replacement	213,304	60,000	50,000
107803 Irrigation Repairs	31,371	30,000	35,000
107804 Detention Pond Maintenance	744	120,000	45,000
107805 Security	8,580	-	50,000
Total expenditures	598,837	559,533	593,000
Total expenditures and transfers out requiring appropriation	598,837	559,533	593,000
ENDING FUND BALANCES	\$ 4,742,531	\$ 5,118,459	\$ 5,518,141
EMERGENCY RESERVE	\$ 25,400	\$ 28,100	\$ 29,800
TOTAL RESERVE	\$ 25,400	\$ 28,100	\$ 29,800

No assurance provided. See summary of significant assumptions.

**SBC METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 3,645,882	\$ 3,723,536	\$ 3,925,985
<b>REVENUES</b>			
Property taxes	114,446	121,140	119,892
Specific ownership taxes	93,853	92,853	90,932
Net investment income	4,755	22,500	65,000
Property taxes remitted by DURA	1,602,586	1,735,927	1,698,751
Total revenues	1,815,640	1,972,420	1,974,575
Total funds available	5,461,522	5,695,956	5,900,560
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's fee	17,186	18,571	18,186
Contingency	-	-	27,214
Debt Service			
Bond interest - Series 2012	195,200	195,200	195,200
Bond interest - Series 2016	789,550	760,150	728,350
Bond principal - Series 2016	735,000	795,000	830,000
Paying agent fees	1,050	1,050	1,050
Total expenditures	1,737,986	1,769,971	1,800,000
Total expenditures and transfers out requiring appropriation	1,737,986	1,769,971	1,800,000
ENDING FUND BALANCES	\$ 3,723,536	\$ 3,925,985	\$ 4,100,560
DEBT SERVICE RESERVE - SERIES 2012	\$ 478,167	\$ 478,167	\$ 478,167
DEBT SERVICE RESERVE - SERIES 2016	870,625	870,625	870,625
TOTAL RESERVE	\$ 1,348,792	\$ 1,348,792	\$ 1,348,792

No assurance provided. See summary of significant assumptions.

**SBC METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 1,458,855	\$ 1,459,569	\$ 1,466,569
REVENUES			
Net Investment Income	714	7,000	29,000
Total revenues	<u>714</u>	<u>7,000</u>	<u>29,000</u>
Total funds available	<u>1,459,569</u>	<u>1,466,569</u>	<u>1,495,569</u>
Capital Projects			
Capital outlay	-	-	1,495,569
Total expenditures	<u>-</u>	<u>-</u>	<u>1,495,569</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>1,495,569</u>
ENDING FUND BALANCES	<u>\$ 1,459,569</u>	<u>\$ 1,466,569</u>	<u>\$ -</u>
CAPITAL PROJECTS RESERVE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.



**SBC METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

In accordance with its Amended and Restated Service Plan approved by the City and County of Denver City Council on March 27, 2007, as modified on August 1, 2011, the District was established to provide for the design, construction, installation, financing and acquisition of certain street, traffic and safety controls, water, sanitation, park and recreation improvements and mosquito control.

The District was formed on May 26, 1998. The election approved an increase in taxes of \$1,000,000 annually for general operations and maintenance; general obligation indebtedness of \$12,840,000 for streets; \$1,653,000 for safety controls; \$2,058,000 for water facilities; \$9,060,000 for sewer and storm drainage facilities; and \$4,389,000 for parks (for a total debt authorization of \$30,000,000); and \$30,000,000 for refunding debt at higher interest rates. The voters also approved the District's ability to annually collect and retain \$1,000,000 of revenue from fees or charges and interest thereon. In addition, on November 1, 2005, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$50,000,000. This includes an additional \$10,000,000 each for streets, safety controls, water facilities, sewer and storm drainage facilities, and parks. Also, the electors authorized the refunding of up to \$50,000,000 in general obligation bonds at a higher interest rate. During 2005, the District utilized \$22,785,000 of the \$50,000,000 of refunding authorization.

During 2000 the District negotiated a Cooperation Agreement with the Denver Urban Renewal Development Authority (DURA) to reimburse the District for taxes diverted to DURA as a result of tax incremental financing within the Stapleton Urban Redevelopment Plan which overlays property within the District.

Per the Service Plan, the District is limited to issuing \$23,600,000 in debt. However, on March 27, 2007, an amendment to the Service Plan of the District was approved by the City and County of Denver. The purpose of amending the Service Plan is to allow the District to issue additional General Obligation Bonds for improvements to be completed on land that will be included into the District. Per the amended Service Plan, the maximum amount of General Obligation Bonds the District may issue shall be increased by \$182,000 per acre for each acre of land within the future inclusion area that is included into the District.

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.

**SBC METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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.

Pursuant to the District's 2016 and 2012 Bond Documents, the District may levy, without limitation, an amount necessary to meet their annual debt service requirements against all taxable property within the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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. The taxes include those subject to the DURA Cooperation Agreement as displayed.

**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 forecast assumes that the District's share will be equal to approximately 5% of the property taxes collected by the General Fund and Debt Service Fund. The estimate also includes property taxes under the DURA Cooperation Agreement.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of 2.00%.

**SBC METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operation Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as accounting and audit, insurance, legal and management expenses. Operation expenditures include the street, sidewalk and landscaping maintenance. These expenditures are based on estimates of the District's Board of Directors and consultants.

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2012 General Obligation Bonds and the Series 2016 General Obligation Refunding and Improvement Bonds.

**Capital Outlay**

The District's capital expenditures are shown on the Capital Projects Fund page of the Budget.

**Debt and Leases**

On December 19, 2012, the District issued \$4,880,000 General Obligation Bonds, Series 2012, with an interest rate of 4.0%, consisting of term bonds due December 1, 2037. Such term bonds are subject to mandatory sinking fund redemption.

The 2012 Bonds are secured by and are payable from all taxable property in the District which is subject to an ad valorem property tax. Additionally, the 2012 bonds are secured by funds in the 2012 Reserve account as well as the Mill Levy Stabilization account.

On October 27, 2016 the District issued \$19,225,000 General Obligation Refunding and Improvements Bonds, Series 2016, with an interest rate varying from 3.0%-5.0%. Such bonds are subject to redemption prior to maturity at the option of the District and are also subject to mandatory sinking fund redemption.

The 2016 Bonds are secured by and are payable from all taxable property in the District which is subject to an ad valorem property tax. Additionally, the 2016 bonds are secured by funds in the 2016 Reserve account as well as the Mill Levy Stabilization account.

The District has no operating or capital leases.

**SBC METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserve Funds**

**Debt Service Reserve**

The District is required to maintain an initial debt service reserve of \$478,167 for the Series 2012 Bonds as well as a reserve of \$870,625 for the Series 2016 Bonds.

**Emergency Reserve**

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending as defined under TABOR.

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

**SBC METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$ 4,880,000.00**

**General Obligation Bonds**

**Series 2012, Dated December 19, 2012**

**Interest Rate of 4.00%**

**Interest Payable June 1 and December 1,**

**Principal Due December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	-	195,200	195,200
2024	-	195,200	195,200
2025	-	195,200	195,200
2026	-	195,200	195,200
2027	-	195,200	195,200
2028	-	195,200	195,200
2029	-	195,200	195,200
2030	-	195,200	195,200
2031	-	195,200	195,200
2032	-	195,200	195,200
2033	-	195,200	195,200
2034	-	195,200	195,200
2035	1,390,000	195,200	1,585,200
2036	1,475,000	139,600	1,614,600
2037	2,015,000	80,600	2,095,600
	<u>\$ 4,880,000</u>	<u>\$ 3,538,600</u>	<u>\$ 8,418,600</u>

No assurance provided. See summary of significant assumptions.

**SBC METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$ 19,225,000.00**

**General Obligation Refunding and Improvement Bonds**

**Series 2016, Dated October 27, 2016**

**Interest Rate Varying from 3.00% - 5.00%**

**Interest Payable June 1 and December 1,**

**Principal Due December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	830,000	728,350	1,558,350
2024	895,000	695,150	1,590,150
2025	920,000	674,250	1,594,250
2026	1,000,000	628,250	1,628,250
2027	1,050,000	578,250	1,628,250
2028	1,140,000	525,750	1,665,750
2029	1,195,000	468,750	1,663,750
2030	1,295,000	409,000	1,704,000
2031	1,360,000	344,250	1,704,250
2032	1,465,000	276,250	1,741,250
2033	1,535,000	203,000	1,738,000
2034	2,525,000	126,250	2,651,250
	<u>\$ 18,090,000</u>	<u>\$ 8,868,500</u>	<u>\$ 26,958,500</u>

No assurance provided. See summary of significant assumptions.

**SBC METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<u>Year Ended December 31,</u>	<u>Total</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	830,000	923,550	1,753,550
2024	895,000	890,350	1,785,350
2025	920,000	869,450	1,789,450
2026	1,000,000	823,450	1,823,450
2027	1,050,000	773,450	1,823,450
2028	1,140,000	720,950	1,860,950
2029	1,195,000	663,950	1,858,950
2030	1,295,000	604,200	1,899,200
2031	1,360,000	539,450	1,899,450
2032	1,465,000	471,450	1,936,450
2033	1,535,000	398,200	1,933,200
2034	2,525,000	321,450	2,846,450
2035	1,390,000	195,200	1,585,200
2036	1,475,000	139,600	1,614,600
2037	2,015,000	80,600	2,095,600
	<u>\$22,970,000</u>	<u>\$ 12,407,100</u>	<u>\$ 35,377,100</u>

No assurance provided. See summary of significant assumptions.

## **EXHIBIT B**