

SOUTHLANDS METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: (303) 987-0835
Fax: (303) 987-2032
Website: <https://southlandsmd1.colorado.gov/>

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expires:</u>
Martin Liles	President	2023/May 2023
Joyce Rocha	Secretary	2025/May 2025
April Elliott	Treasurer	2025/May 2025
VACANT		2025/May 2023
VACANT		2023/May 2023

DATE: **June 28, 2022**
TIME: 9:30 a.m.
PLACE: Southlands Shopping Center
Management Office
6155 South Main Street, Suite 260
Aurora, Colorado 80016

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of Potential Conflicts of Interest.

- B. Approve Agenda; confirm location of the meeting and posting of meeting notice.

- C. Review and approve Minutes of the April 5, 2022 and May 10, 2022 Special Meetings (enclosures).

- D. Consider authorizing interested Board Members to attend the 2022 Special District Association's Annual Conference in Keystone on September 13, 14 and 15, 2022.

II. PUBLIC COMMENTS

- A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes.

III. 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 in the Regular Agenda.

- Ratify approval of proposal from Full Spectrum Lighting, Inc. to replace the failed pumps in the pump room for the fountain (enclosure).
- Ratify approval of proposal from Keesen Landscape Management, Inc. for the addition of weed barrier to all islands (enclosure).
- Ratify approval of proposal from Keesen Landscape Management, Inc. for additional flower baskets (enclosure).

IV. FINANCIAL MATTERS

A. Review and ratify approval of the payment of claims for the periods ending as follows (enclosures):

Fund	Period Ending Feb. 28, 2022	Period Ending March 31, 2022	Period Ending April 30, 2022	Period Ending May 31, 2022
General	\$ 187,528.69	\$ 52,432.88	\$ 118,240.09	\$ 369,668.60
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ 745.69	\$ 3,295.58	\$ 4,871.94	\$ 586.25
Total Claims	\$ 188,274.38	\$ 55,728.46	\$ 123,112.03	\$ 370,254.86

Fund	Special Payment May 25, 2022	Period Ending June 30, 2022
General	\$ 1,524.38	\$ 82,974.85
Debt Service	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ 2,865.00
Total Claims	\$ 1,524.38	\$ 85,839.85

B. Review and accept unaudited financial statements for the period ending April 30, 2022 and accept Cash Position Schedule, dated April 30, 2022, updated April 30, 2022 and Operations Fee Report (enclosure).

C. Review and consider approval of 2021 Audit and authorize execution of Representations Letter (draft audit – enclosed).

V. LEGAL MATTERS

- A. Discuss status of a License Agreement concerning the E-470 monument signs.
-

VI. OPERATIONS AND MAINTENANCE

- A. Discuss status of the Special Events Permit from M&J Wilkow.
-
- B. Discuss cost sharing of irrigation supplies between the District and M&J Wilkow.
-
- C. Review and consider approval of Independent Contractor Agreement between Collins Engineers of Illinois, Inc. d/b/a Collins Engineering, Inc. and the District for retaining wall inspections (enclosure).
-
- D. Review and consider approval of a proposal from Keesen Landscape Management, Inc. for tree and shrub replacements (to be distributed).
-
- E. Discuss proposal from CAM Services for increasing street sweeping services (enclosure).
-

VII. CAPITAL IMPROVEMENTS

- A. Discuss status of the installation of the Cub Hub sign.
-
- B. Discuss status of the Median Landscape Renovation Project.
-

VIII. OTHER MATTERS

- A. _____
-

IX. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR AUGUST 16, 2022**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 HELD APRIL 5, 2022

A Special Meeting of the Board of Directors (referred to hereafter as “Board”) of the Southlands Metropolitan District No. 1 (referred to hereafter as “District”) was convened on Tuesday, the 5th day of April, 2022, at 9:30 a.m. at the Southlands Management Office, 6155 South Main Street, Suite 260, Aurora, Colorado 80016. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Martin Liles
Joyce Rocha
April Elliott

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Clint C. Waldron, Esq.; White Bear Ankele Tanaka & Waldron P.C.

Thuy Dam; CliftonLarsonAllen, LLP

Lesanne Dominguez; The Architerra Group (for a portion of the meeting)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: Ms. Finn noted that a quorum was present. Attorney Waldron reported that disclosures for those Directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State’s Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Attorney Waldron asked the Board whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn noted she had distributed for the Board’s review and approval a proposed Agenda for the District’s Special Meeting.

RECORD OF PROCEEDINGS

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

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted at least 24 hours prior to each meeting on the District's website at: <https://southlandsmid1.colorado.gov> or if posting on the website is unavailable, notice will be posted at the entrance of the intersection of Orchard Road and South Aurora Parkway.

Minutes: The Board reviewed the Minutes of the February 15, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Rocha, seconded by Director Elliott and, upon vote, unanimously carried, the Minutes of the February 15, 2022 Special Meeting were approved, as amended.

May 3, 2022 Election: Attorney Waldron advised the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors

PUBLIC COMMENTS There were no public comments at this time.

CONSENT AGENDA The Board considered the following actions:

- Cancel the April 19, 2022 Board meeting.
- Ratify approval of Independent Contractor Agreement with Millard Mall Services, Inc. for Common Area Cleaning Services.
- Ratify approval of Independent Contractor Agreement with Collins Engineering, Inc. for retaining wall inspections.

Following discussion, upon motion duly made by Director Liles, seconded by Director Rocha and, upon vote, unanimously carried, the Board determined to not cancel the April 19, 2022 Board meeting and approved and/or ratified approval of the remaining Consent Agenda items.

RECORD OF PROCEEDINGS

FINANCIAL MATTERS

Claims: The Board considered ratifying approval of the payment of claims for the period ending as follows:

Fund	Period Ending Feb. 28, 2022	Period Ending March 31, 2022
General	\$ 187,528.69	\$ 52,432.88
Debt Service	\$ -0-	\$ -0-
Capital Projects	\$ 745.69	\$ 3,295.58
Total Claims	\$ 188,274.38	\$ 55,728.46

Following review, upon motion duly made by Director Liles seconded by Director Rocha and, upon vote, unanimously carried, the Board ratified approval of claims, as presented.

Financial Statements: Ms. Dam reviewed with the Board the unaudited financial statements of the District for the period ending February 28, 2022, Schedule of Cash Position, updated as of March 29, 2022, and Operations Fee Report.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha and, upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District for the period ending February 28, 2022, Schedule of Cash Position, updated as of March 29, 2022, and Operations Fee Report.

Operations Fee Reconciliation: Ms. Dam reviewed with the Board the Operations Fee Reconciliation.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha and, upon vote, unanimously carried, the Board approved the Operations Fee Reconciliation.

First Amended and Restated Resolution Authorizing the Issuance of Debit Cards: Attorney Waldron reviewed with the Board a First Amended and Restated Resolution Authorizing the Issuance of Debit Cards.

Following discussion, upon motion duly made by Director Liles, seconded by Director Rocha and, upon vote, unanimously carried, the Board approved the First Amended and Restated Resolution Authorizing the Issuance of Debit Cards.

Issuance of Debit Card: The Board entered into discussion regarding the issuance of a debit card to Director Lile.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha and, upon vote, unanimously carried, the Board authorized the issuance of a debit card to Director Liles.

RECORD OF PROCEEDINGS

LEGAL MATTERS

Independent Contractor Agreement between YESCO LLC and the District for the installation of the Cub Hub sign at The Hub: The Board reviewed an Independent Contractor Agreement between YESCO LLC and the District for the installation of the Cub Hub sign at The Hub.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha and, upon vote, unanimously carried, the Board ratified approval of the Independent Contractor Agreement between YESCO LLC and the District for the installation of the Cub Hub sign at The Hub.

Timing and Acceptance of the Cub Hub Sign: Director Liles noted for the Board that it will take six (6) weeks to fabricate the sign and an additional two (2) weeks for installation.

Ownership and Maintenance Responsibilities for the Three (3) Monuments Along the E-470 Highway: The Board entered into discussion regarding ownership and maintenance responsibilities for the three (3) monuments along the E-470 Highway. Attorney Waldron informed the Board that Alberta Development Partners, LLC (“Alberta”) currently owns the monuments. Following discussion, the Board authorized Attorney Waldron to work with Alberta on a possible Partial Assignment of License Agreement assigning maintenance responsibilities for the monuments to the District.

Rules and Regulations Regarding Signage: Attorney Waldron discussed with the Board the Rules and Regulations concerning signage. Following discussion, the Board directed Attorney Waldron to prepare draft Rules and Regulations regarding signage.

OPERATIONS AND MAINTENANCE

Special Events Permit from M&J Wilkow: Director Rocha noted that she is working on obtaining a Certificate of Insurance for the 2022 special use permit and the first event is scheduled for May 7, 2022.

Repair Work by Service Street: Ms. Finn noted that Service Street is agreeable to receiving payment for the damage to their landscaping from the retaining wall failure once they complete the repair work.

Dead Tree Investigation: Ms. Finn reported to the Board on the results of the dead tree investigation. She noted the tree failure is due to apple borer and not lack of watering. It was determined the apple borer infested the trees prior to the trees being planted. No action was taken by the Board at this time.

Tree Care Program: Ms. Finn reviewed proposals for 2022 Tree Care Services with the Board. Following discussion, the Board authorized Director Liles to

RECORD OF PROCEEDINGS

discuss a tree care program with Keesen Landscape Management, Inc., the District current landscape maintenance contractor.

2022 - 2025 Property Maintenance Services: Ms. Finn noted that only one bid was received for the 2022 - 2025 property maintenance services.

Bids: The Board reviewed the bid from M&J Wilkow.

Award Contract and Independent Contractor Agreement: Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha and, upon vote, carried with Directors Elliot and Rocha voting aye and Director Liles abstaining, the Board approved the Independent Contractor Agreement between M&J Wilkow and the District for 2022 - 2025 property maintenance services.

CAPITAL IMPROVEMENTS

Median Landscape Renovation Project (“Project”): Ms. Dominguez noted for the Board that only one bid was received for the Project.

Bids: The Board reviewed a bid from Keesen Landscape Management, Inc. in the amount of \$448,191.85.

Notice of Award and Notice to Proceed: Following discussion, upon motion duly made by Director Rocha, seconded by Director Elliot and, upon vote, unanimously carried, the Board authorized Director Liles to extend the bid deadline so additional bids can be considered. The Board further directed Ms. Dominguez to obtain additional bids for the Project.

Contract for Construction of a Small Project: The Board deferred discussion.

Modification of the Drive Lane on Southlands Parkway: Ms. Finn noted the modification of the drive lane on Southlands Parkway is complete.

OTHER MATTERS

Security Services: No action was taken by the Board.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 HELD MAY 10, 2022

A Special Meeting of the Board of Directors (referred to hereafter as “Board”) of the Southlands Metropolitan District No. 1 (referred to hereafter as “District”) was convened on Tuesday, the 10th day of May, 2022, at 9:30 a.m. via Zoom Meeting. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Martin Liles
Joyce Rocha
April Elliott

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Clint C. Waldron, Esq.; White Bear Ankele Tanaka & Waldron P.C.

Lesanne Dominguez; The Architerra Group

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: Ms. Finn noted that a quorum was present. Attorney Waldron reported that disclosures for those Directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State’s Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Attorney Waldron asked the Board whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn noted she had distributed for the Board’s review and approval a proposed Agenda for the District’s Special Meeting.

Following discussion, upon motion duly made by Director Rocha, seconded by Director Elliott and, upon vote, unanimously carried, the Agenda was approved, as presented.

RECORD OF PROCEEDINGS

May 3, 2022 Election: Attorney Waldron advised the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Directors Elliott and Rocha were each deemed elected to 3-year terms ending in May, 2025.

Appointment of Officers: The Board entered into discussion regarding appointment of officers.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha and, upon vote, unanimously carried, the following slate of officers were appointed:

President	Martin Liles
Treasurer	April Elliott
Secretary	Joyce Rocha

PUBLIC COMMENTS There were no public comments at this time.

CONSENT AGENDA There were no items on the Consent Agenda to approve.

LEGAL MATTERS **2022 New Legislation Concerning Special Districts:** Attorney Waldron discussed with the Board 2022 new legislation concerning special districts.

License Agreement: Attorney Waldron noted that he is working with Director Saran on the Assignment of the License Agreement for the monument signs to the District.

OPERATIONS AND MAINTENANCE **Mulch Proposal:** Director Liles discussed with the Board the need for mulching certain areas within the District.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Rocha and, upon vote, unanimously carried, the Board authorized Director Liles to obtain and approve a proposal for mulch, for an amount not to exceed \$10,000.

Proposal from MR/Westco Inc. for Graffiti Removal: The Board reviewed a proposal from MR/Westco Inc. for graffiti removal.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Rocha, seconded by Director Elliott and, upon vote, unanimously carried, the Board approved the proposal from MR/Westco Inc. for graffiti removal, in the amount of \$920.

CAPITAL IMPROVEMENTS

Median Landscape Renovation Project (“Project”):

Bids: Ms. Dominguez reviewed three bids for the Project.

Notice of Award, Notice to Proceed and Contract: Following review and discussion, the Board determined to award the contract to Keesen Landscape Management, Inc. and authorized Ms. Dominguez to issue a Notice of Award and Notice to Proceed.

Following discussion, upon motion duly made by Director Liles, seconded by Director Elliott and, upon vote, unanimously carried, the Board approved the Construction Agreement between the District and Keesen Landscape Management, Inc, in an amount not to exceed \$500,

OTHER MATTERS

There were no other matters.

ADJOURNMENT

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

Respectfully submitted,

By: _____
Secretary for the Meeting

Full Spectrum Lighting, Inc.

1630 W 54th Pl.
303-204-0949

Estimate

Date	Estimate #
6/6/2022	1377

Name / Address
M & J Wilkow Kevin McGlynn 6155 South Main Street Aurora, Co. 80016 0830

			Project
Description	Qty	Cost	Total
Electrical, sump pump replacement, Float switch 2 tech's	14	80.00	1,120.00
Materials,3x float switch,2x Cast Iron Effluent pump	1	3,353.00	3,353.00
2x new sump pumps and 3x new float switch's in the fountain room.			
Colorado State		2.90%	0.00
Total			\$4,473.00

Customer Signature _____



June 03, 2022

WORK ORDER #84958.1

PROPOSAL FOR

NICK MONCADA
SPECIAL DISTRICT MANAGEMENT SERVICES
SOUTHLANDS METROPOLITAN DISTRICT NO. 1
E. COMMONS AVE. & S. AURORA PARKWAY
AURORA, CO 80016

Thank you for allowing us to provide you a quote to perform the work we discussed. We will work out a schedule with you to complete the work once you sign and return this proposal. You may send it via email to service@keesenlandscape.com or fax it to (303) 761-3466. While we do not anticipate any changes to the total cost, Keesen Landscape Management, Inc. does reserve the right to review any proposal that is over 30 days old.

DESCRIPTION OF WORK TO BE PERFORMED

Southlands #1 Planting Improvements

****Pricing on this proposal will not exactly match pricing sheet supplied by customer but totals will match.****

Renovation of 9 islands on E Smokyhill Rd, S Aurora Parkway, S Main st, Southlands Pkwy and E Common Ave.

Pricing is based on landscape plans L-1 to L-12 and D-1 dated 3/11/22.

Includes labor, equipment and materials as laid out on the plans and scope of work.

We will be substituting Cimarron Granite for the Wyoming Red Granite which is not currently available.

We will be substituting Bearberry for Kinnikinnik.

We will be substituting Stella D'Oro Daylily for the Yellow Hyperion Daylily

We will be substituting Magnus Coneflower for Rubinstern Coneflower

Pricing assumes static water pressure to all islands within the work area. Irrigation is limited to new valves, drip pipe, emitters, and distribution tubing.

Exclusions

Irrigation controllers, control wire, mainline, boring, sleeving, backflows, stop and waste.

Change Order 1 - Weed barrier for all 9 renovated islands

Sale	\$19,088.89
Sales Tax	\$0.00
Total	\$19,088.89

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
WORK ORDER SUMMARY**

INCLUDED SERVICES	SALES TAX	TOTAL COST
Island 1	\$0.00	\$5,249.44
Island 2	\$0.00	\$851.81
Island 3	\$0.00	\$6,280.24
Island 4	\$0.00	\$3,283.29
Island 5	\$0.00	\$1,581.67
Island 6	\$0.00	\$601.29
Island 7	\$0.00	\$183.89
Island 8	\$0.00	\$190.89
Island 9	\$0.00	\$866.37
	\$0.00	\$19,088.89

PAYMENT SCHEDULE

SCHEDULE	PRICE	SALES TAX	TOTAL PRICE
	\$0.00		
	\$0.00	\$0.00	\$0.00

Note: Unless otherwise specified, supplemental watering is not included in this proposal. If additional watering is necessary to protect plant material warranty, a separate proposal will be submitted.

Note: New plant material will be covered by a 1 year/1 replacement warrant. This does not cover any plant material not connected to working irrigation, owner negligence or circumstances beyond our control including freeze and rodent damage. This includes trees, shrubs and perennial plant material only.

Force Majeure and Delays

Landscape Contractor’s installation and warranty obligations under this work order are accepted subject to strikes, labor troubles (including strikes or labor troubles affecting any suppliers of Landscape Contractor), floods, fires, acts of God, accidents, delays, shortages of equipment, contingencies of transportation, and other causes of like or different character beyond the control of the Landscape Contractor. Impossibility of performance by reason of any legislative, executive, or judicial act of any government authority shall excuse performance of or delay in performance of this work order.

By _____
Patrick Atkinson

Date 6/3/2022

**Keesen Landscape Management,
Inc.**

By _____

Date _____

**SPECIAL DISTRICT
MANAGEMENT SERVICES**

as Agent for

SOUTHLANDS
METROPOLITAN DISTRICT
NO. 1

Note: Unless otherwise specified in the work order, all required irrigation repairs/modifications will be done at a time and materials rate of \$68.00 per man hour.



June 06, 2022

WORK ORDER #85172

PROPOSAL FOR

Southlands Metropolitan District No. 1
E. Commons Ave. & S. Aurora Parkway
Aurora, CO 80016

Thank you for allowing us to provide you a quote to perform the work we discussed. We will work out a schedule with you to complete the work once you sign and return this proposal. You may send it via email to service@keesenlandscape.com or fax it to (303) 761-3466. While we do not anticipate any changes to the total cost, Keesen Landscape Management, Inc. does reserve the right to review any proposal that is over 30 days old.

DESCRIPTION OF WORK TO BE PERFORMED

Additional 14 Hanging Baskets

Hang an additional 14 baskets on the south side of Dicks and Barnes and Noble.

Sale	\$2,053.75
Sales Tax	\$0.00
Total	\$2,053.75

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
WORK ORDER SUMMARY**

INCLUDED SERVICES	SALES TAX	TOTAL COST
Summer Flowers	\$0.00	\$2,053.75
	\$0.00	\$2,053.75

Note: Unless otherwise specified, supplemental watering is not included in this proposal. If additional watering is necessary to protect plant material warranty, a separate proposal will be submitted.

Note: New plant material will be covered by a 1 year/1 replacement warrant. This does not cover any plant material not connected to working irrigation, owner negligence or circumstances beyond our control including freeze and rodent damage. This includes trees, shrubs and perennial plant material only.

Force Majeure and Delays

Landscape Contractor’s installation and warranty obligations under this work order are accepted subject to strikes, labor troubles (including strikes or labor troubles affecting any suppliers of Landscape Contractor), floods, fires, acts of God, accidents, delays, shortages of equipment, contingencies of transportation, and other causes of like or different character beyond the control of the Landscape Contractor. Impossibility of performance by reason of any legislative, executive, or judicial act of any government authority shall excuse performance of or delay in performance of this work order.

By _____
Patrick Atkinson

By _____

Date 6/6/2022

Date _____

**Keesen Landscape Management,
Inc.**

SOUTHLANDS
METROPOLITAN DISTRICT
NO. 1

Note: Unless otherwise specified in the work order, all required irrigation repairs/modifications will be done at a time and materials rate of \$70.00 per man hour.

**Southlands Metropolitan District No. 1
February-22**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Allied Universal	12298984	1/27/2022	2/26/2022	\$ 4,908.80	Security	117806
Brody Chemical	INV08192	2/1/2022	3/3/2022	\$ 2,372.29	Repairs and maintenance	117582
Brody Chemical	INV08133	1/31/2022	3/2/2022	\$ 104.99	Repairs and maintenance	117582
Brody Chemical	INV08344	2/4/2022	3/6/2022	\$ 4,815.29	Repairs and maintenance	117582
City of Aurora	151230 1/22	2/10/2022	3/2/2022	\$ 18.20	Utilities	117701
City of Aurora	150518 1/22	2/10/2022	3/2/2022	\$ 18.20	Utilities	117701
City of Aurora	152426 1/22	2/10/2022	3/2/2022	\$ 39.37	Utilities	117701
City of Aurora	146396 1/22	2/10/2022	3/2/2022	\$ 70.16	Utilities	117701
City of Aurora	146452 1/22	2/10/2022	3/2/2022	\$ 39.37	Utilities	117701
City of Aurora	151226 1/22	2/10/2022	3/2/2022	\$ 18.20	Utilities	117701
City of Aurora	146368 1/22	2/10/2022	3/2/2022	\$ 39.37	Utilities	117701
City of Aurora	151228 1/22	2/10/2022	3/2/2022	\$ 18.20	Utilities	117701
City of Aurora	142090 1/22	2/10/2022	3/2/2022	\$ 39.37	Utilities	117701
CliftonLarsonAllen LLP	3123469	12/31/2021	12/31/2021	\$ 4,855.63	Accounting	107000
Common Area Maintenance Services	M02012442	2/1/2022	2/1/2022	\$ 1,092.00	Street sweeping	117808
Consolidated Divisions Inc.	2003197	1/31/2022	3/2/2022	\$ 357.00	Snow removal	117807
Consolidated Divisions Inc.	2002641	12/31/2021	1/30/2022	\$ 15,532.30	Snow removal	117807
Consolidated Divisions Inc.	2003196	1/31/2022	3/2/2022	\$ 19,072.20	Snow removal	117807
Consolidated Divisions Inc.	2003193	1/31/2022	3/2/2022	\$ 14,648.90	Snow removal	117807
Consolidated Divisions Inc.	2003195	1/31/2022	3/2/2022	\$ 3,061.80	Snow removal	117807
Consolidated Divisions Inc.	2003198	1/31/2022	3/2/2022	\$ 18,179.70	Snow removal	117807
Consolidated Divisions Inc.	2003199	1/31/2022	3/2/2022	\$ 25,530.40	Snow removal	117807
Diversified Underground, Inc	25180	1/31/2022	3/2/2022	\$ 75.00	Repairs and maintenance	117582
Full Spectrum Lighting, Inc	2112102	2/6/2022	2/6/2022	\$ 80.00	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	2111463	8/25/2021	8/25/2021	\$ 415.00	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	2112100	11/3/2021	2/18/2022	\$ 265.00	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	2112086	1/4/2022	1/4/2022	\$ 16,109.31	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	2112079	1/27/2022	1/27/2022	\$ 1,047.77	Street lighting/ striping	117855
Keesen Landscape Management, Inc.	177838	2/1/2022	3/3/2022	\$ 16,235.00	Landscape maintenance & irrigation repair	117585
M & J Wilkow Properties, LLC	26830	2/1/2022	3/3/2022	\$ 9,616.33	Property maintenance	117804
Millard Mall Services	81649	2/2/2022	3/4/2022	\$ 13,799.67	Monthly cleaning	117802
SavATree	9764814	1/14/2022	1/14/2022	\$ 995.00	Landscape maintenance & irrigation repair	117585
Special District Management Services, Inc.	PM 01/2022	1/31/2022	1/31/2022	\$ 3,032.07	Property management	117805
Special District Management Services, Inc.	DM 01/2022	1/31/2022	1/31/2022	\$ 418.00	Traffic signals maintenance	117809
Special District Management Services, Inc.	DM 01/2022	1/31/2022	1/31/2022	\$ 3,615.47	District management	107440
Utility Notification Center of Colorado	222011283-68330	1/31/2022	1/31/2022	\$ 6.50	Repairs and maintenance	117582
White, Bear & Ankele PC	20529	1/31/2022	1/31/2022	\$ 745.69	Medians	307863
White, Bear & Ankele PC	20529	1/31/2022	1/31/2022	\$ 3,075.28	Legal services	107460
Xcel Energy	768046986	2/15/2022	2/15/2022	\$ 3,911.55	Utilities	117701

\$188,274.38

Southlands Metropolitan District No. 1
February-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 183,316.70		\$ 745.69	\$ 184,062.39
Xcel - Auto Pay	\$ 3,911.55	\$ -	\$ -	\$ 3,911.55
Aurora Water - Auto Pay	\$ 300.44	\$ -	\$ -	\$ 300.44
Total Disbursements from Checking Acct	<u>\$ 187,528.69</u>	<u>\$ -</u>	<u>\$ 745.69</u>	<u>\$ 188,274.38</u>

Southlands Metropolitan District No. 1
March-22

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Allied Universal	12399964	2/24/2022	3/26/2022	\$ 4,908.80	Security	117806
Aurora Media Group	102015	1/31/2022	2/15/2022	\$ 111.50	Repairs and maintenance	117582
Brody Chemical	INV08911	2/17/2022	3/19/2022	\$ 2,242.69	Repairs and maintenance	117582
Brody Chemical	INV09321	2/28/2022	3/30/2022	\$ 4,664.59	Repairs and maintenance	117582
Brody Chemical	INV09204	2/28/2022	3/30/2022	\$ 104.99	Repairs and maintenance	117582
City of Aurora	151228 2-22	3/14/2022	3/14/2022	\$ 18.20	Utilities	117701
City of Aurora	146452 2-22	3/14/2022	3/14/2022	\$ 39.37	Utilities	117701
City of Aurora	152426 2-22	3/14/2022	3/14/2022	\$ 39.37	Utilities	117701
City of Aurora	151230 2-22	3/14/2022	3/14/2022	\$ 18.20	Utilities	117701
City of Aurora	146396 2-22	3/14/2022	3/14/2022	\$ 70.16	Utilities	117701
City of Aurora	142090 2-22	3/14/2022	3/14/2022	\$ 39.37	Utilities	117701
City of Aurora	150518 2-22	3/14/2022	3/14/2022	\$ 18.20	Utilities	117701
City of Aurora	151226 2-22	3/14/2022	3/14/2022	\$ 18.20	Utilities	117701
City of Aurora	146368 2-22	3/14/2022	3/14/2022	\$ 39.37	Utilities	117701
CliftonLarsonAllen LLP	3145033	1/31/2022	1/31/2022	\$ 2,868.27	Accounting	107000
Common Area Maintenance Services	M03012454	3/1/2022	3/1/2022	\$ 1,092.00	Street sweeping	117808
Diversified Underground, Inc	25301	2/28/2022	3/30/2022	\$ 150.00	Repairs and maintenance	117582
Dodge Data & Analytics	A40038798	2/3/2022	2/3/2022	\$ 162.40	Repairs and maintenance	117582
Integrated Wall Solutions, LLC	2	1/31/2022	1/31/2022	\$ 7,223.80	Repairs and maintenance	117582
Millard Mall Services	81789	2/28/2022	3/30/2022	\$12,108.99	Monthly cleaning	117802
SavATree	9764815	2/25/2022	2/25/2022	\$ 995.00	Landscape maintenance & irrigation repair	117585
Special District Association	SDA- 2022	2/24/2022	2/24/2022	\$ 545.25	Dues and licenses	107350
Special District Management Services, Inc.	DM- 02/2022	2/28/2022	2/28/2022	\$ 361.00	Medians	307863
Special District Management Services, Inc.	DM- 02/2022	2/28/2022	2/28/2022	\$ 4,226.22	District management	107440
Special District Management Services, Inc.	PM 02/2022	2/28/2022	2/28/2022	\$ 3,000.00	Property management	117805
Utility Notification Center of Colorado	222021317	2/28/2022	2/28/2022	\$ 2.60	Repairs and maintenance	117582
White, Bear & Ankele PC	20816	2/28/2022	2/28/2022	\$ 892.26	Election expense	107581
White, Bear & Ankele PC	20816	2/28/2022	2/28/2022	\$ 2,934.58	Medians	307863
White, Bear & Ankele PC	20816	2/28/2022	2/28/2022	\$ 3,355.64	Legal services	107460
Xcel Energy	772002192	3/21/2022	3/21/2022	\$ 3,477.44	Utilities	117701

\$55,728.46

Southlands Metropolitan District No. 1
March-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 48,655.00		\$ 3,295.58	\$ 51,950.58
Xcel - Auto Pay	\$ 3,477.44	\$ -	\$ -	\$ 3,477.44
Aurora Water - Auto Pay	\$ 300.44	\$ -	\$ -	\$ 300.44
Total Disbursements from Checking Acct	<u>\$ 52,432.88</u>	<u>\$ -</u>	<u>\$ 3,295.58</u>	<u>\$ 55,728.46</u>

Southlands Metropolitan District No. 1
April-22

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Allied Universal	12557763	3/31/2022	4/30/2022	\$ 6,136.00	Security	117806
Aurora Media Group	102453	3/14/2022	3/29/2022	\$ 80.05	Property maintenance	117804
Brody Chemical	INV10598	3/31/2022	4/30/2022	\$ 104.99	Repairs and maintenance	117582
City of Aurora	142090 3-22	4/13/2022	4/13/2022	\$ 39.37	Utilities	117701
City of Aurora	151226 3-22	4/13/2022	4/13/2022	\$ 33.12	Utilities	117701
City of Aurora	151228 3-22	4/13/2022	4/13/2022	\$ 18.20	Utilities	117701
City of Aurora	146396 3-22	4/13/2022	4/13/2022	\$ 70.16	Utilities	117701
City of Aurora	146452 3-22	4/13/2022	4/13/2022	\$ 39.37	Utilities	117701
City of Aurora	151230 3-22	4/13/2022	4/13/2022	\$ 18.20	Utilities	117701
City of Aurora	152426 3-22	4/13/2022	4/13/2022	\$ 39.37	Utilities	117701
City of Aurora	150518 3-22	4/13/2022	4/13/2022	\$ 18.20	Utilities	117701
City of Aurora	146368 3-22	4/13/2022	4/13/2022	\$ 39.37	Utilities	117701
CliftonLarsonAllen LLP	3176035	2/28/2022	2/28/2022	\$ 5,718.58	Accounting	107000
Common Area Maintenance Services	M04012453	4/1/2022	4/1/2022	\$ 1,221.90	Street sweeping	117808
Consolidated Divisions Inc.	2003888	2/17/2022	3/19/2022	\$ 15,938.99	Snow removal	117807
Consolidated Divisions Inc.	2003887	2/13/2022	3/15/2022	\$ 17,267.25	Snow removal	117807
Diversified Underground, Inc	25452	3/31/2022	4/30/2022	\$ 75.00	Repairs and maintenance	117582
Full Spectrum Lighting, Inc	2112259	3/10/2022	3/10/2022	\$ 750.00	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	2112294	3/15/2022	3/15/2022	\$ 1,665.00	Street lighting/ striping	117855
Lumin8 Transportation Technologies LLC	Pay App 1	3/14/2022	4/30/2022	\$ 29,810.50	Traffic signals maintenance	117809
M & J Wilkow Properties, LLC	27048	3/1/2022	3/31/2022	\$ 9,616.33	Property maintenance	117804
Metco Landscape, Inc	SM212240	12/1/2021	12/1/2021	\$ 13,047.00	Landscape maintenance & irrigation repair	117585
SavATree	9764816	3/14/2022	3/14/2022	\$ 995.00	Landscape maintenance & irrigation repair	117585
Special District Management Services, Inc.	DM 03/2022	3/31/2022	3/31/2022	\$ 570.00	Medians	307863
Special District Management Services, Inc.	DM 03/2022	3/31/2022	3/31/2022	\$ 5,104.37	District management	107440
Special District Management Services, Inc.	PM 03/2022	3/31/2022	3/31/2022	\$ 3,000.00	Property management	117805
The Architerra Group, Inc.	7221	4/5/2022	5/5/2022	\$ 1,207.46	Medians	307863
Utility Notification Center of Colorado	222031363	3/31/2022	3/31/2022	\$ 14.30	Repairs and maintenance	117582
White, Bear & Ankele PC	21354	3/31/2022	3/31/2022	\$ 168.10	Election expense	107581
White, Bear & Ankele PC	21354	3/31/2022	3/31/2022	\$ 3,094.48	Medians	307863
White, Bear & Ankele PC	21354	3/31/2022	3/31/2022	\$ 4,285.54	Legal services	107460
Xcel Energy	775976509	4/15/2022	4/15/2022	\$ 2,925.83	Utilities	117701

\$123,112.03

Southlands Metropolitan District No. 1
April-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 114,998.90		\$ 4,871.94	\$ 119,870.84
Xcel - Auto Pay	\$ 2,925.83	\$ -	\$ -	\$ 2,925.83
Aurora Water - Auto Pay	\$ 315.36	\$ -	\$ -	\$ 315.36
Total Disbursements from Checking Acct	<u>\$ 118,240.09</u>	<u>\$ -</u>	<u>\$ 4,871.94</u>	<u>\$ 123,112.03</u>

**Southlands Metropolitan District No. 1
May-22**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Allied Universal	12674016	4/28/2022	5/28/2022	\$ 4,663.36	Security	117806
Brody Chemical	INV11142	4/12/2022	5/12/2022	\$ 7,744.03	Repairs and maintenance	117582
Brody Chemical	INV11912	4/30/2022	5/30/2022	\$ 104.99	Repairs and maintenance	117582
City of Aurora	146396 4-22	4/30/2022	4/30/2022	\$ 70.16	Utilities	117701
City of Aurora	151230 4-22	4/30/2022	4/30/2022	\$ 33.12	Utilities	117701
City of Aurora	142090 4-22	4/30/2022	4/30/2022	\$ 203.49	Utilities	117701
City of Aurora	151228 4-22	4/30/2022	4/30/2022	\$ 48.04	Utilities	117701
City of Aurora	146368 4-22	4/30/2022	4/30/2022	\$ 128.89	Utilities	117701
City of Aurora	152426 4-22	4/30/2022	4/30/2022	\$ 91.59	Utilities	117701
City of Aurora	150518 4-22	4/30/2022	4/30/2022	\$ 115.18	Utilities	117701
City of Aurora	146452 4-22	4/30/2022	4/30/2022	\$ 69.21	Utilities	117701
City of Aurora	151226 4-22	4/30/2022	4/30/2022	\$ 18.20	Utilities	117701
CliftonLarsonAllen LLP	3220960	3/31/2022	3/31/2022	\$ 6,539.79	Accounting	107000
Common Area Maintenance Services	M05012457	5/1/2022	5/1/2022	\$ 1,221.90	Street sweeping	117808
Consolidated Divisions Inc.	2004207	3/21/2022	4/20/2022	\$ 400.40	Snow removal	117807
Consolidated Divisions Inc.	2004205	3/10/2022	4/9/2022	\$ 27,854.62	Snow removal	117807
Consolidated Divisions Inc.	2004203	3/1/2022	3/31/2022	\$ 21,186.20	Snow removal	117807
Consolidated Divisions Inc.	2004206	3/18/2022	4/17/2022	\$ 19,543.38	Snow removal	117807
Consolidated Divisions Inc.	2004210	3/1/2022	3/31/2022	\$ 483.00	Snow removal	117807
Diversified Underground, Inc	25607	4/30/2022	5/30/2022	\$ 75.00	Repairs and maintenance	117582
Fast Signs	INV-86526	2/18/2022	3/20/2022	\$ 366.60	Signage and decor	107587
Full Spectrum Lighting, Inc	2112429	4/18/2022	4/18/2022	\$ 1,145.00	Street lighting/ striping	117855
IMS Printing & Signs	43878	4/21/2022	5/6/2022	\$ 12,640.00	Signage and decor	117587
Keesen Landscape Management, Inc.	CEN 181416	3/1/2022	3/31/2022	\$ 16,235.00	Landscape maintenance & irrigation repair	117585
Keesen Landscape Management, Inc.	CEN 185366	5/1/2022	5/31/2022	\$ 164,250.42	Floral	117801
Keesen Landscape Management, Inc.	184069	4/1/2022	5/1/2022	\$ 16,235.00	Landscape maintenance & irrigation repair	117585
Keesen Landscape Management, Inc.	CEN 185365	5/1/2022	5/31/2022	\$ 16,235.00	Landscape maintenance & irrigation repair	117585
M & J Wilkow Properties, LLC	27686	5/31/2022	5/31/2022	\$ 9,616.33	Property maintenance	117804
M & J Wilkow Properties, LLC	27394	4/30/2022	4/30/2022	\$ 9,616.33	Property maintenance	117804
Millard Mall Services	81917	3/31/2022	4/30/2022	\$ 16,796.87	Monthly cleaning	117802
Special District Management Services, Inc.	PM 04/2022	4/30/2022	4/30/2022	\$ 3,000.00	Property management	117805
Special District Management Services, Inc.	DM 04/2022	4/30/2022	4/30/2022	\$ 494.00	Medians	307863
Special District Management Services, Inc.	DM 04/2022	4/30/2022	4/30/2022	\$ 4,373.41	District management	107440
Utility Notification Center of Colorado	222041406	4/30/2022	4/30/2022	\$ 35.10	Repairs and maintenance	117582
White, Bear & Ankele PC	21621	4/30/2022	4/30/2022	\$ 307.50	Election expense	107581
White, Bear & Ankele PC	21621	4/30/2022	4/30/2022	\$ 92.25	Medians	307863
White, Bear & Ankele PC	21621	4/30/2022	4/30/2022	\$ 5,235.30	Legal services	107460
Xcel Energy	780040566	5/31/2022	5/31/2022	\$ 2,986.19	Utilities	117701

\$ 370,254.85

Southlands Metropolitan District No. 1
May-22

	General	Debt	Capital	Totals
Disbursements	\$ 365,904.53		\$ 586.25	\$ 366,490.78
Xcel - Auto Pay	\$ 2,986.19	\$ -	\$ -	\$ 2,986.19
Aurora Water - Auto Pay	\$ 777.88	\$ -	\$ -	\$ 777.88
Total Disbursements from Checking Acct	\$ 369,668.60	\$ -	\$ 586.25	\$ 370,254.85

Southlands Metropolitan District No. 1

May-22

Special Payment

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Freenotes Harmony Park	QUO0243290	5/25/2022	5/25/2022	\$ 1,524.38	Repairs and maintenance	117582

\$ 1,524.38

Southlands Metropolitan District No.1
May-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 1,524.38		\$ \$	1,524.38
			\$ -	-
Total Disbursements from Checking Acct	1,524.38	\$0.00		1,524.38

**Southlands Metropolitan District No. 1
June-22**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Allied Universal	12791488	5/26/2022	6/25/2022	\$ 4,908.80	Security	117806
Brody Chemical	INV13233	5/31/2022	6/30/2022	\$ 104.99	Repairs and maintenance	117582
City of Aurora	151230 May22	6/13/2022	6/13/2022	\$ 749.28	Utilities	117701
City of Aurora	152426 May22	6/13/2022	6/13/2022	\$ 1,732.79	Utilities	117701
City of Aurora	146368 May22	6/13/2022	6/13/2022	\$ 1,173.29	Utilities	117701
City of Aurora	146452 May22	6/13/2022	6/13/2022	\$ 1,792.83	Utilities	117701
City of Aurora	151228 May22	6/13/2022	6/13/2022	\$ 846.26	Utilities	117701
City of Aurora	151226 May22	6/13/2022	6/13/2022	\$ 667.22	Utilities	117701
City of Aurora	146396 May22	6/13/2022	6/13/2022	\$ 1,450.26	Utilities	117701
City of Aurora	142090 May22	6/13/2022	6/13/2022	\$ 1,322.49	Utilities	117701
City of Aurora	150518 May22	6/19/2022	6/19/2022	\$ 167.40	Utilities	117701
CliftonLarsonAllen LLP	3283081	4/30/2022	4/30/2022	\$ 7,532.25	Accounting	107000
Common Area Maintenance Services	M06012443	6/1/2022	6/1/2022	\$ 1,221.90	Street sweeping	117808
DBC Irrigation Supply	S4543437.001 & S4568280.001	5/31/2022	5/31/2022	\$ 541.95	Landscape maintenance & irrigation repair	117585
Diversified Underground, Inc	25786	5/31/2022	6/30/2022	\$ 150.00	Repairs and maintenance	117582
Freenotes Harmony Park	SO#0196771	5/1/2022	5/1/2022	\$ 958.56	Repairs and maintenance	117582
Full Spectrum Lighting, Inc	30059	5/27/2022	5/27/2022	\$ 160.00	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	30058	5/27/2022	5/27/2022	\$ 320.00	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	30061	5/27/2022	5/27/2022	\$ 360.00	Street lighting/ striping	117855
Full Spectrum Lighting, Inc	30057	5/27/2022	5/27/2022	\$ 1,365.00	Street lighting/ striping	117855
Keesen Landscape Management, Inc.	CEN 187486	6/1/2022	7/1/2022	\$ 16,235.00	Landscape maintenance & irrigation repair	117585
Keesen Landscape Management, Inc.	CEN 186057	5/4/2022	6/3/2022	\$ 324.62	Landscape maintenance & irrigation repair	117585
M & J Wilkow Properties, LLC	27960	6/30/2022	6/30/2022	\$ 9,616.33	Property maintenance	117804
Millard Mall Services	82045	5/20/2022	6/19/2022	\$ 17,259.03	Monthly cleaning	117802
Special District Management Services, Inc.	DM 05/2022	5/31/2022	5/31/2022	\$ 988.00	Medians	307863
Special District Management Services, Inc.	DM 05/2022	5/31/2022	5/31/2022	\$ 2,928.54	District management	107440
Special District Management Services, Inc.	PM 05/2022	5/31/2022	5/31/2022	\$ 3,000.00	Property management	117805
The Architerra Group, Inc.	7276	6/6/2022	6/30/2022	\$ 770.00	Medians	307863
Utility Notification Center of Colorado	222051408	5/31/2022	5/31/2022	\$ 23.40	Repairs and maintenance	117582
White, Bear & Ankele PC	307863	5/31/2022	5/31/2022	\$ 232.68	Election expense	107581
White, Bear & Ankele PC	307863	5/31/2022	5/31/2022	\$ 1,107.00	Medians	307863
White, Bear & Ankele PC	307863	5/31/2022	5/31/2022	\$ 2,588.94	Legal services	107460
Xcel Energy	784041874	6/15/2022	7/6/2022	\$ 3,241.04	Utilities	117701
				\$ 85,839.85		

Southlands Metropolitan District No. 1
June-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 69,831.99		\$ 2,865.00	\$ 72,696.99
Xcel - Auto Pay	\$ 3,241.04	\$ -	\$ -	\$ 3,241.04
Aurora Water - Auto Pay	\$ 9,901.82	\$ -	\$ -	\$ 9,901.82
Total Disbursements from Checking Acct	<u>\$ 82,974.85</u>	<u>\$ -</u>	<u>\$ 2,865.00</u>	<u>\$ 85,839.85</u>

SOUTHLANDS METROPOLITAN DISTRICT NO.1

FINANCIAL STATEMENTS

APRIL 30, 2022

SOUTHLANDS METROPOLITAN DISTRICT NO.1
BALANCE SHEET - GOVERNMENTAL FUNDS
APRIL 30, 2022

	<u>General</u>	<u>General Operations Fee</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS					
Cash - Checking	\$ 7,673	\$ 608,499	\$ -	\$ 5,458	\$ 621,630
Colostrust	1,087,988	821,512	141,091	-	2,050,591
UMB Series 2017 A-1 Bond Fund	-	-	1,425,028	-	1,425,028
UMB Series 2017 A-2 Bond Fund	-	-	276,447	-	276,447
UMB Series 2017 A-1 Reserve Fund	-	-	1,687,742	-	1,687,742
UMB Series 2017 A-2 Reserve Fund	-	-	149,760	-	149,760
General Operations Fee receivable	-	117,519	-	-	117,519
Receivable from County Treasurer	110,705	-	605,565	-	716,270
TOTAL ASSETS	<u>\$ 1,206,366</u>	<u>\$ 1,547,530</u>	<u>\$ 4,285,633</u>	<u>\$ 5,458</u>	<u>\$ 7,044,987</u>
LIABILITIES AND FUND BALANCES					
CURRENT LIABILITIES					
Accounts payable	\$ 39,265	\$ 278,663	\$ -	\$ 5,458	\$ 323,386
Unearned General Operations Fee	-	64,373	-	-	64,373
Total Liabilities	<u>39,265</u>	<u>343,036</u>	<u>-</u>	<u>5,458</u>	<u>387,759</u>
FUND BALANCES					
Total Fund Balances	<u>1,167,101</u>	<u>1,204,494</u>	<u>4,285,633</u>	<u>-</u>	<u>6,657,228</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,206,366</u>	<u>\$ 1,547,530</u>	<u>\$ 4,285,633</u>	<u>\$ 5,458</u>	<u>\$ 7,044,987</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.

SOUTHLANDS METROPOLITAN DISTRICT NO.1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ 500	\$ 812	\$ 312
Permits and fees	5,000	-	(5,000)
Property taxes	507,927	311,201	(196,726)
Specific ownership tax	35,555	12,772	(22,783)
TOTAL REVENUES	548,982	324,785	(224,197)
EXPENDITURES			
Accounting	57,000	19,467	37,533
Auditing	6,000	-	6,000
Billing services	13,000	3,192	9,808
Contingency	9,381	-	9,381
County Treasurer's fee	7,619	4,668	2,951
Directors' fees	4,000	600	3,400
District management	68,000	17,281	50,719
Dues and licenses	2,000	545	1,455
Election expense	3,000	1,406	1,594
Insurance and bonds	45,000	36,928	8,072
Legal services	50,000	15,952	34,048
Miscellaneous	5,000	46	4,954
Public Events	50,000	-	50,000
TOTAL EXPENDITURES	320,000	100,085	219,915
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	228,982	224,700	(4,282)
OTHER FINANCING SOURCES (USES)			
Transfers to other fund	(700,000)	(11,232)	688,768
TOTAL OTHER FINANCING SOURCES (USES)	(700,000)	(11,232)	688,768
NET CHANGE IN FUND BALANCES	(471,018)	213,468	684,486
FUND BALANCES - BEGINNING	941,998	953,633	11,635
FUND BALANCES - ENDING	\$ 470,980	\$ 1,167,101	\$ 696,121

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.

**SOUTHLANDS METROPOLITAN DISTRICT NO.1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022**

GENERAL OPERATIONS FEE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
General operations fee	\$ 2,103,000	\$ 701,000	\$ (1,402,000)
General operations fee - penalty and other	2,000	7,054	5,054
General operations fee - vacant lots	25,000	-	(25,000)
Interest income	1,000	710	(290)
TOTAL REVENUES	<u>2,131,000</u>	<u>708,764</u>	<u>(1,422,236)</u>
EXPENDITURES			
Floral	190,000	-	190,000
Landscape maintenance & irrigation repair	250,000	65,089	184,911
Monthly cleaning	230,000	59,502	170,498
Holiday Decor	115,000	-	115,000
Pest control	10,000	-	10,000
Property maintenance	120,000	38,545	81,455
Property management	40,000	12,032	27,968
Repairs and maintenance	380,000	22,966	357,034
Security	75,000	20,617	54,383
Signage	100,000	13,007	86,993
Snow removal	350,000	178,159	171,841
Street lighting/ striping	75,000	20,797	54,203
Street repairs/sidewalk	45,000	-	45,000
Street sweeping	15,000	5,311	9,689
Traffic signals maintenance	35,000	30,229	4,771
Utilities	180,000	16,124	163,876
TOTAL EXPENDITURES	<u>2,210,000</u>	<u>482,378</u>	<u>1,727,622</u>
NET CHANGE IN FUND BALANCES	(79,000)	226,386	305,386
FUND BALANCES - BEGINNING	<u>729,000</u>	<u>978,107</u>	<u>249,107</u>
FUND BALANCES - ENDING	<u>\$ 650,000</u>	<u>\$ 1,204,493</u>	<u>\$ 554,493</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.

SUPPLEMENTARY INFORMATION

**SOUTHLANDS METROPOLITAN DISTRICT NO.1
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022**

DEBT SERVICE FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ 700	\$ -	\$ (700)
Property taxes	2,873,318	1,749,354	(1,123,964)
Specific ownership tax	201,132	71,859	(129,273)
TOTAL REVENUES	3,075,150	1,821,213	(1,253,937)
EXPENDITURES			
Bond interest - Series 2017 A-1	2,073,200	-	2,073,200
Bond interest - Series 2017 A-2	183,275	-	183,275
Bond principal - Series 2017 A-1	590,000	-	590,000
Bond principal - Series 2017 A-2	50,000	-	50,000
Contingency	9,425	25	9,400
County Treasurer's fee	43,100	26,239	16,861
Paying agent fees	6,000	-	6,000
TOTAL EXPENDITURES	2,955,000	26,264	2,928,736
NET CHANGE IN FUND BALANCES	120,150	1,794,949	1,674,799
FUND BALANCES - BEGINNING	2,503,308	2,490,685	(12,623)
FUND BALANCES - ENDING	\$ 2,623,458	\$ 4,285,634	\$ 1,662,176

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**SOUTHLANDS METROPOLITAN DISTRICT NO.1
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022**

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
TOTAL REVENUES			
EXPENDITURES			
Medians	400,000	11,232	388,768
Signage	300,000	-	300,000
TOTAL EXPENDITURES	<u>700,000</u>	<u>11,232</u>	<u>688,768</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(700,000)	(11,232)	688,768
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	700,000	11,232	(688,768)
TOTAL OTHER FINANCING SOURCES (USES)	<u>700,000</u>	<u>11,232</u>	<u>(688,768)</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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.

SOUTHLANDS METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized by court order dated December 3, 2002, to provide financing for the design, acquisition, construction and installation of essential public-purpose facilities such as water, streets, traffic and safety controls, parks, open space and recreation, and sewer and drainage facilities, and the operation and maintenance of the District. The District's service area is located entirely in Arapahoe County, Colorado in the City of Aurora.

The District operates under the Service Plan as approved by the City of Aurora.

On November 5, 2002, the electorate authorized general obligation debt in the amount of \$63,000,000, refunding debt of \$49,000,000 and \$1,000,000 debt for operating expenditures. Debt is subject to the terms of the Service Plan. On November 5, 2002, the electorate also approved the removal of limitations imposed by the TABOR Amendment and any other law that purports to limit the District's revenue or expenditures and a \$130,000 annual property tax increase for operations.

On November 4, 2008, the electorate approved general obligation debt in the amount of \$440,000,000 for District improvements, \$40,000,000 for the purpose of refunding, refinancing or defeasing any of the District's debt, \$40,000,000 in multi-year intergovernmental agreements, \$40,000,000 in multi-year agreements with a regional authority and \$40,000,000 in other multi-year financial obligations. Additionally, on November 4, 2008, the electorate approved \$5,000,000 annually for the District's administrative and operating costs from property taxes as well as from fees. The electorate also approved \$5,000,000 in additional property taxes for intergovernmental agreements, \$5,000,000 in additional property taxes for the costs of regional improvements and \$5,000,000 in additional property taxes for private contracts. The electorate also authorized the District to collect, retain and spend the full amount of taxes and fees without regard to the limitation of TABOR.

The First Amendment to the Service Plan, approved by the City of Aurora on July 16, 2007, authorized the District to impose an unlimited mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance.

Pursuant to the District's First Amendment to the Service Plan as approved by the City of Aurora on July 16, 2007, the amount of debt that can be issued is \$60,000,000. On January 11, 2016, the City Council approved the Second Amendment to the Service Plan which increases the debt issuance limitation to \$125,000,000.

The District has no employees and all administrative functions are contracted.

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.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
2022 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.

The First Amendment to the Service Plan, approved by the City of Aurora on July 16, 2007, authorized the District to impose an unlimited mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance.

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 7% of the property taxes collected by both the General Fund and the Debt Service Fund. The budget assumes that specific ownership taxes allocable to property taxes collected by the Debt Service Fund will be pledged to debt service on the bonds during the term bonds are outstanding.

Interest Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

General Operations Fee

The general operations fee is being determined by the amount needed to cover operations and maintenance costs. The District bills its property owners monthly for the general operations fee. The general operations fee is recorded as revenue for budget purposes with no future obligation of repayment.

Expenditures

General and Administrative Expenditures

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Operations and Maintenance

Operations and maintenance expenditures have been provided based on estimates of the District's Board of Directors and consultants and include costs associated with the operations and maintenance of certain facilities and improvements throughout the District.

Debt Service

The principal and interest payments are provided based on the debt amortization schedules from the General Obligation Refunding Bonds, Series 2017A-1 and Series 2017A-2 (discussed under Debt and Leases).

Debt and Leases

On December 1, 2017, the District refunded its General Obligation Refunding and Improvement Bonds, Series 2007 (the 2007 Bonds) and General Obligation Loan, Series 2016 (the 2016 Loan) by the issuances of \$44,690,000 General Obligation Refunding Bonds, Series 2017A-1, and \$3,945,000 General Obligation Refunding Bonds, Series 2017A-2, respectively (the 2017 Bonds). The proceeds were used for the purposes of (i) refunding the 2007 Bonds and 2016 Loan, (ii) funding the debt service reserve requirement (the 2017A-1 Reserve Fund and the 2017A-2 Reserve Fund); and (iii) paying costs of issuance of the 2017 Bonds.

The 2017 Bonds, mature on December 1, 2047 with an interest rates of 3.000% - 5.000%, are payable semi-annually on June 1 and December 1. The 2017 Bonds maturing on or after December 1, 2047 are subject to redemption prior to maturity, at the option of the District, as whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2047 and on any date thereafter, at a redemption price equal to the par amount thereof plus accrued interest to the redemption date.

The 2017 Bonds are general obligations of the District secured by and payable from the Pledged Revenue consisting of moneys derived by the District from the following sources, net of any costs of collection: (i) the Unlimited Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Unlimited Mill Levy; and (iii) any other legally available moneys of the District deposited in the Bond Fund or the Reserve Fund.

Approximately 11.5 acres, generally encompassing the Lowe's Home Improvement Warehouse, were excluded from the boundaries of the District on November 7, 2007 (the Excluded Property). Accordingly, the Excluded Property is subject to ad valorem taxes by the District to pay the Series 2017A-1 Bonds but will not be subject to ad valorem taxes to pay the Series 2017A-2 Bonds.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases– (continued)

For the purposes of paying the principal and interest on the Bonds, the Board is to annually determine and certify to the County each year in which the 2017 Bonds remain outstanding, in addition to all other taxes, the Unlimited Mill Levy. The 2017 Bonds are not secured by property lying within the District, but rather by, among other things, the District's obligation to annually determine and certify a rate of levy for ad valorem property taxes in an amount sufficient to pay, along with other legally available revenues, the principal and interest on the 2017 Bonds.

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

Debt Service Reserve

At time of issuance of the 2017 Bonds, the 2017A-1 Reserve Fund and the 2017A-2 Reserve Fund have been established for the purpose of paying the principal and/or interest on Series 2017A-1 and Series 2017A-2 to the extent the moneys in the Fond Fund are insufficient for such purpose. The 2017A-1

Reserve Fund and 2017A-2 Reserve Fund are required to be maintained at all times in the amounts of \$1,687,625 and \$149,750, respectively.

This information is an integral part of the accompanying budget.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
SCHEDULE OF OUTSTANDING BONDED DEBT SERVICE
REQUIREMENTS TO MATURITY**

**\$44,690,000 General Obligation Refunding Bonds,
Series 2017 A-1
Dated December 1, 2017
Interest - 3.000% - 5.000%
Payable June 1 and December 1
Principal Due December 1**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 590,000	\$ 2,073,200	\$ 2,663,200
2023	610,000	2,055,500	2,665,500
2024	685,000	2,034,150	2,719,150
2025	705,000	2,010,175	2,715,175
2026	785,000	1,985,500	2,770,500
2027	815,000	1,958,025	2,773,025
2028	895,000	1,929,500	2,824,500
2029	940,000	1,884,750	2,824,750
2030	1,045,000	1,837,750	2,882,750
2031	1,100,000	1,785,500	2,885,500
2032	1,210,000	1,730,500	2,940,500
2033	1,270,000	1,670,000	2,940,000
2034	1,390,000	1,606,500	2,996,500
2035	1,460,000	1,537,000	2,997,000
2036	1,595,000	1,464,000	3,059,000
2037	1,675,000	1,384,250	3,059,250
2038	1,820,000	1,300,500	3,120,500
2039	1,910,000	1,209,500	3,119,500
2040	2,070,000	1,114,000	3,184,000
2041	2,170,000	1,010,500	3,180,500
2042	2,345,000	902,000	3,247,000
2043	2,460,000	784,750	3,244,750
2044	2,650,000	661,750	3,311,750
2045	2,780,000	529,250	3,309,250
2046	2,985,000	390,250	3,375,250
2047	4,820,000	241,000	5,061,000
	<u>\$ 42,780,000</u>	<u>\$ 37,089,800</u>	<u>\$ 79,869,800</u>

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**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
SCHEDULE OF OUTSTANDING BONDED DEBT SERVICE
REQUIREMENTS TO MATURITY**

**\$3,945,000 General Obligation Refunding Bonds,
Series 2017 A-2
Dated December 1, 2017
Interest - 3.000% - 5.000%
Payable June 1 and December 1
Principal Due December 1**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 50,000	\$ 183,275	\$ 233,275
2023	55,000	181,775	236,775
2024	60,000	179,850	239,850
2025	65,000	177,750	242,750
2026	70,000	175,475	245,475
2027	65,000	173,025	238,025
2028	80,000	170,750	250,750
2029	85,000	166,750	251,750
2030	95,000	162,500	257,500
2031	95,000	157,750	252,750
2032	105,000	153,000	258,000
2033	110,000	147,750	257,750
2034	125,000	142,250	267,250
2035	130,000	136,000	266,000
2036	140,000	129,500	269,500
2037	150,000	122,500	272,500
2038	160,000	115,000	275,000
2039	170,000	107,000	277,000
2040	185,000	98,500	283,500
2041	190,000	89,250	279,250
2042	205,000	79,750	284,750
2043	220,000	69,500	289,500
2044	235,000	58,500	293,500
2045	245,000	46,750	291,750
2046	265,000	34,500	299,500
2047	425,000	21,250	446,250
	<u>\$ 3,780,000</u>	<u>\$ 3,279,900</u>	<u>\$ 7,059,900</u>

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**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
SCHEDULE OF OUTSTANDING BONDED DEBT SERVICE
REQUIREMENTS TO MATURITY**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 640,000	\$ 2,256,475	\$ 2,896,475
2023	665,000	2,237,275	2,902,275
2024	745,000	2,214,000	2,959,000
2025	770,000	2,187,925	2,957,925
2026	855,000	2,160,975	3,015,975
2027	880,000	2,131,050	3,011,050
2028	975,000	2,100,250	3,075,250
2029	1,025,000	2,051,500	3,076,500
2030	1,140,000	2,000,250	3,140,250
2031	1,195,000	1,943,250	3,138,250
2032	1,315,000	1,883,500	3,198,500
2033	1,380,000	1,817,750	3,197,750
2034	1,515,000	1,748,750	3,263,750
2035	1,590,000	1,673,000	3,263,000
2036	1,735,000	1,593,500	3,328,500
2037	1,825,000	1,506,750	3,331,750
2038	1,980,000	1,415,500	3,395,500
2039	2,080,000	1,316,500	3,396,500
2040	2,255,000	1,212,500	3,467,500
2041	2,360,000	1,099,750	3,459,750
2042	2,550,000	981,750	3,531,750
2043	2,680,000	854,250	3,534,250
2044	2,885,000	720,250	3,605,250
2045	3,025,000	576,000	3,601,000
2046	3,250,000	424,750	3,674,750
2047	5,245,000	262,250	5,507,250
	<u>\$ 46,560,000</u>	<u>\$ 40,369,700</u>	<u>\$ 86,929,700</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.

SOUTHLANDS METROPOLITAN DISTRICT # 1
Schedule of Cash Position
April 30, 2022
Updated as of June 14, 2022

	<u>General Fund</u>	<u>Operations Fee Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>FirstBank - Checking Account</u>					
Balance as of 04/30/22	\$ 7,673.24	\$ 608,498.86	\$ -	5,458.19	\$ 621,630.29
Subsequent activities:					
05/04/22 - Aurora Water, EFT	-	(315.36)	-	-	(315.36)
05/06/22 - Xcel, EFT	-	(2,925.83)	-	-	(2,925.83)
05/12/22 - Vouchers payable	-	(1,099.99)	-	-	(1,099.99)
05/13/22 - Directors fees	(322.95)	-	-	-	(322.95)
05/13/22 - Vouchers payable	(15,276.59)	(98,622.32)	-	(4,871.94)	(118,770.85)
05/31/22 - Deposit - Xcel Reimbursement	-	1,600.00	-	-	1,600.00
05/31/22 - Transfer from CT	50,000.00	-	-	-	50,000.00
May GOF Deposit	-	136,448.99	-	-	136,448.99
06/02/22 - Aurora Water, EFT	-	(777.88)	-	-	(777.88)
06/03/22 - Deposit - NWSL Outparcel	-	17,604.71	-	-	17,604.71
06/07/22 - Xcel, EFT	-	(2,986.19)	-	-	(2,986.19)
06/08/22 - Vouchers payable	(16,822.60)	(184,831.51)	-	(586.25)	(202,240.36)
June GOF Deposit	-	21,460.08	-	-	21,460.08
June Debit Card Purchase	-	(2,250.79)	-	-	(2,250.79)
Anticipated Vouchers payable	-	(165,774.80)	-	-	(165,774.80)
<i>Anticipated Balance</i>	<u>25,251.10</u>	<u>472,593.48</u>	<u>-</u>	<u>-</u>	<u>497,844.58</u>
<u>Colostrust</u>					
Balance as of 04/30/22	1,087,987.56	821,511.56	141,091.21	-	2,050,590.33
Subsequent activities:					
05/05/22 - Transfer to A-1 Bond Fund	-	-	(127,236.02)	-	(127,236.02)
05/05/22 - Transfer to A-2 Bond Fund	-	-	(13,855.19)	-	(13,855.19)
05/10/22 - Tax distribution	110,705.34	-	605,564.64	-	716,269.98
05/27/22 - Transfer to 1st Bank	(50,000.00)	-	-	-	(50,000.00)
05/31/22 - Interest Income	880.02	664.48	114.12	-	1,658.62
06/07/22 - Transfer to A-1 Bond Fund	-	-	(546,057.00)	-	(546,057.00)
06/07/22 - Transfer to A-2 Bond Fund	-	-	(59,621.76)	-	(59,621.76)
06/10/22 - Tax distribution	155,060.63	-	847,727.60	-	1,002,788.23
Anticipated Transfer to A-1 Bond Fund	-	-	(764,233.46)	-	(764,233.46)
Anticipated Transfer to A-2 Bond Fund	-	-	(83,494.14)	-	(83,494.14)
<i>Anticipated Balance</i>	<u>1,304,633.55</u>	<u>822,176.04</u>	<u>-</u>	<u>-</u>	<u>2,126,809.59</u>
<u>UMB - 2017 A-1 Bond Fund</u>					
Balance as of 04/30/22	-	-	1,425,028.29	-	1,425,028.29
Subsequent activities:					
05/05/22 - Transfer from CT	-	-	127,236.02	-	127,236.02
05/31/22 - Interest Income	-	-	11.70	-	11.70
06/07/22 - Transfer from CT	-	-	546,057.00	-	546,057.00
Anticipated 06/01 DS Payment - Series 2017 A-1	-	-	(1,036,600.00)	-	(1,036,600.00)
Anticipated Transfer from CT	-	-	764,233.46	-	764,233.46
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>1,825,966.47</u>	<u>-</u>	<u>1,825,966.47</u>
<u>UMB - 2017 A-1 Reserve Fund</u>					
Balance as of 04/30/22	-	-	1,687,742.47	-	1,687,742.47
Subsequent activities:					
05/31/22 - Interest Income	-	-	13.80	-	13.80
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>1,687,756.27</u>	<u>-</u>	<u>1,687,756.27</u>
<u>UMB - 2017 A-2 Bond Fund</u>					
Balance as of 04/30/22	-	-	276,447.49	-	276,447.49
Subsequent activities:					
05/05/22 - Transfer from CT	-	-	13,855.19	-	13,855.19
05/31/22 - Interest Income	-	-	2.40	-	2.40
06/07/22 - Transfer from CT	-	-	59,621.76	-	59,621.76
Anticipated 06/01 DS Payment - Series 2017 A-2	-	-	(91,637.50)	-	(91,637.50)
Anticipated Transfer from CT	-	-	83,494.14	-	83,494.14
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>341,783.48</u>	<u>-</u>	<u>341,783.48</u>
<u>UMB - 2017 A-2 Reserve Fund</u>					
Balance as of 04/30/22	-	-	149,760.28	-	149,760.28
Subsequent activities:					
05/31/22 - Interest Income	-	-	1.20	-	1.20
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>149,761.48</u>	<u>-</u>	<u>149,761.48</u>
<i>Anticipated Balances</i>	<u>\$ 1,329,884.65</u>	<u>\$ 1,294,769.52</u>	<u>\$ 4,005,267.70</u>	<u>\$ -</u>	<u>\$ 6,629,921.87</u>

Current Yield - 05/31/22

Colostrust - 0.7911%
UMB (Invested in Fidelity money market) - 0.01%

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.

SOUTHLANDS METROPOLITAN DISTRICT #1
Property Tax Reconciliation Schedule
2022

	Current Year								Prior Year			
	Property Taxes	Net Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County	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	\$ -	\$ -	\$ 16,721.37	\$ -	\$ -	\$ -	\$ 16,721.37	0.00%	0.00%	\$ 21,527.98	0.02%	0.02%
February	1,213,296.93	-	19,240.87	-	(18,199.45)	-	1,214,338.35	35.88%	35.88%	291,082.63	8.51%	8.54%
March	150,134.00	-	19,075.51	(142.91)	(2,249.87)	-	166,816.73	4.44%	40.32%	1,201,116.53	36.42%	44.95%
April	697,123.49	-	29,593.79	9.69	(10,456.99)	-	716,269.98	20.62%	60.94%	393,640.78	11.59%	56.54%
May	-	-	-	-	-	-	-	0.00%	60.94%	882,800.50	26.75%	83.29%
June	-	-	-	-	-	-	-	0.00%	60.94%	519,683.51	15.46%	98.75%
July	-	-	-	-	-	-	-	0.00%	60.94%	21,871.57	0.05%	98.80%
August	-	-	-	-	-	-	-	0.00%	60.94%	39,830.50	0.64%	99.44%
September	-	-	-	-	-	-	-	0.00%	60.94%	22,882.71	0.07%	99.51%
October	-	-	-	-	-	-	-	0.00%	60.94%	18,758.58	0.02%	99.53%
November	-	-	-	-	-	-	-	0.00%	60.94%	19,220.97	0.02%	99.55%
December	-	-	-	-	-	-	-	0.00%	60.94%	19,161.66	0.02%	99.57%
	<u>\$ 2,060,554.42</u>	<u>\$ -</u>	<u>\$ 84,631.54</u>	<u>\$ (133.22)</u>	<u>\$ (30,906.31)</u>	<u>\$ -</u>	<u>\$ 2,114,146.43</u>	<u>60.94%</u>	<u>60.94%</u>	<u>\$ 3,451,577.92</u>	<u>99.57%</u>	<u>99.57%</u>

	Taxes Levied	% of Levied	Property Tax Collected	% Collected to Amt. Levied
Property Tax				
General Fund	\$ 507,927	15.48%	\$ 311,200.77	61.27%
Debt Service (2017 A-1)	2,500,561	76.19%	1,532,063.69	61.27%
Debt Service (2017 A-2)	273,499	8.33%	167,569.55	61.27%
Debt Only (2017 A-1)	99,258	100.00%	49,720.41	50.09%
	<u>\$ 3,381,245</u>		<u>\$ 2,060,554.42</u>	<u>60.94%</u>
Specific Ownership Tax				
General Fund	\$ 35,555	15.48%	\$ 12,772.22	35.90%
Debt Service (2017 A-1)	175,039	76.19%	62,878.57	35.90%
Debt Service (2017 A-2)	19,145	8.33%	6,877.34	35.90%
Debt Only (2017 A-1)	6,948	100.00%	2,103.41	30.30%
	<u>\$ 236,687</u>		<u>\$ 84,631.54</u>	<u>35.76%</u>
Treasurer's Fees				
General Fund	\$ (7,619)	15.48%	\$ (4,667.70)	61.30%
Debt Service (2017 A-1)	(37,508)	76.19%	(22,979.43)	61.30%
Debt Service (2017 A-2)	(4,102)	8.33%	(2,513.38)	61.30%
Debt Only (2017 A-1)	(1,490)	100.00%	(745.80)	50.10%
	<u>\$ (50,719)</u>		<u>\$ (30,906.31)</u>	<u>60.94%</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.

SOUTHLANDS METRO DISTRICT NO. 1
City of Aurora, Arapahoe County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

**SOUTHLANDS METRO DISTRICT NO. 1
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YEAR ENDED DECEMBER 31, 2021**

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INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

SOUTHLANDS METRO DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 1,936,151
Cash and Investments - Restricted	2,550,797
General Operations Fee Receivable	78,700
Prepaid Expenses	41,743
Receivable from County Treasurer	19,161
Property Taxes Receivable	3,381,245
Capital Assets, Net:	
Streets	6,964,157
Park and Recreation Improvements	2,245,667
Capital Assets, Not Being Depreciated	991,074
Total Assets	<u>18,208,695</u>
DEFERRED OUTFLOWS OF RESOURCES	
Cost of Refunding	2,014,326
Total Deferred Outflows of Resources	<u>2,014,326</u>
LIABILITIES	
Accounts Payable	183,367
Retainage Payable	7,224
Unearned General Operations Fee	13,536
Accrued Interest Payable	188,040
Noncurrent Liabilities:	
Due Within One Year	783,182
Due in More than One Year	48,338,430
Total Liabilities	<u>49,513,779</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	3,381,245
Total Deferred Inflows of Resources	<u>3,381,245</u>
NET POSITION	
Net Investment in Capital Assets	(20,353,394)
Restricted for:	
Emergency Reserves	76,400
Debt Service	465,269
Unrestricted	<u>(12,860,278)</u>
Total Net Position	<u><u>\$ (32,672,003)</u></u>

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METRO DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 3,479,238	\$ 2,017,888	\$ -	\$ -	\$ (1,461,350)
Interest and Related Costs on Long-Term Debt	2,428,774	-	-	-	(2,428,774)
Total Governmental Activities	\$ 5,908,012	\$ 2,017,888	\$ -	\$ -	(3,890,124)
 GENERAL REVENUES					
Property Taxes					3,272,883
Specific Ownership Taxes					226,541
Net Investment Income					2,716
					3,502,140
 CHANGE IN NET POSITION					
					(387,984)
Net Position - Beginning of Year					(32,284,019)
NET POSITION - END OF YEAR					\$ (32,672,003)

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METRO DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General	General Operations Fee	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 908,883	\$ 1,001,129	\$ -	\$ 26,139	\$ 1,936,151
Cash and Investments - Restricted	16,000	60,400	2,474,397	-	2,550,797
General Operations Fee Receivable	-	78,700	-	-	78,700
Prepaid Expenses	41,743	-	-	-	41,743
Receivable from County Treasurer	2,874	-	16,287	-	19,161
Property Taxes Receivable	507,927	-	2,873,318	-	3,381,245
	\$ 1,477,427	\$ 1,140,229	\$ 5,364,002	\$ 26,139	\$ 8,007,797
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 15,867	\$ 141,361	\$ -	\$ 26,139	\$ 183,367
Retainage Payable	-	7,224	-	-	7,224
Unearned General Operations Fee	-	13,536	-	-	13,536
Total Liabilities	15,867	162,121	-	26,139	204,127
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	507,927	-	2,873,318	-	3,381,245
Total Deferred Inflows of Resources	507,927	-	2,873,318	-	3,381,245
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	41,743	-	-	-	41,743
Restricted for:					
Emergency Reserves	16,000	60,400	-	-	76,400
Debt Service	-	-	2,490,684	-	2,490,684
Committed:					
Operating Reserves	-	917,708	-	-	917,708
Assigned to:					
Subsequent Year's Expenditures	471,018	-	-	-	471,018
Unassigned:					
General Government	424,872	-	-	-	424,872
Total Fund Balances	953,633	978,108	2,490,684	-	4,422,425
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,477,427	\$ 1,140,229	\$ 5,364,002	\$ 26,139	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets, Net	10,200,898
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Long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported in the funds.

Bonds Payable and Bond Premium	(49,121,612)
Cost of Refunding	2,014,326
Accrued Interest on Bonds Payable	(188,040)

Net Position of Governmental Activities	\$ (32,672,003)
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See accompanying Notes to Basic Financial Statements.

SOUTHLANDS METRO DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General	General Operations Fee	Debt Service	Capital Projects	Total Governmental Funds
REVENUES					
Property Taxes	\$ 490,327	\$ -	\$ 2,782,556	\$ -	\$ 3,272,883
Specific Ownership Taxes	33,944	-	192,597	-	226,541
General Operations Fee	-	2,010,000	-	-	2,010,000
General Operations Fee - Penalty	-	1,738	-	-	1,738
Net Investment Income	664	567	1,485	-	2,716
Permits and Fees	6,150	-	-	-	6,150
Total Revenues	<u>531,085</u>	<u>2,012,305</u>	<u>2,976,638</u>	<u>-</u>	<u>5,520,028</u>
EXPENDITURES					
General:					
Accounting	51,363	-	-	-	51,363
Audit	5,800	-	-	-	5,800
Billing Services	10,279	-	-	-	10,279
County Treasurer's Fees	7,358	-	41,754	-	49,112
Directors' Fees	2,900	-	-	-	2,900
District Management	59,769	-	-	-	59,769
Dues and Membership	1,238	-	-	-	1,238
Insurance	39,333	-	-	-	39,333
Legal	43,196	-	-	-	43,196
Miscellaneous	602	-	-	-	602
Public Events	36,094	-	-	-	36,094
Operations:					
Floral	-	148,500	-	-	148,500
Landscape Maintenance and Irrigation Repair	-	241,517	-	-	241,517
Monthly Cleaning	-	201,460	-	-	201,460
Pest Control	-	15,225	-	-	15,225
Property Maintenance	-	115,393	-	-	115,393
Property Management	-	36,529	-	-	36,529
Repairs and Maintenance	-	204,930	-	-	204,930
Security	-	62,869	-	-	62,869
Signage and Décor	-	127,855	-	-	127,855
Snow Removal	-	260,347	-	-	260,347
Street Repair/Sidewalk	-	37,746	-	-	37,746
Street Lighting/Striping	-	42,340	-	-	42,340
Street Sweeping	-	22,860	-	-	22,860
Traffic Signal Maintenance	-	12,925	-	-	12,925
Utilities	-	153,701	-	-	153,701
Debt Service:					
Bond Interest - Series 2017 A-1	-	-	2,088,950	-	2,088,950
Bond Interest - Series 2017 A-2	-	-	184,625	-	184,625
Bond Principal - Series 2017 A-1	-	-	525,000	-	525,000
Bond Principal - Series 2017 A-2	-	-	45,000	-	45,000
Paying Agent Fees	-	-	6,000	-	6,000
Capital Outlay					
Monument	-	-	-	178,225	178,225
Medians	-	-	-	12,568	12,568
Total Expenditures	<u>257,932</u>	<u>1,684,197</u>	<u>2,891,329</u>	<u>190,793</u>	<u>5,024,251</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	273,153	328,108	85,309	(190,793)	495,777
OTHER FINANCING SOURCES (USES)					
Transfer (To)/From Other Fund	(190,793)	-	-	190,793	-
Total Other Financing Sources	<u>(190,793)</u>	<u>-</u>	<u>-</u>	<u>190,793</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	82,360	328,108	85,309	-	495,777
Fund Balances - Beginning of Year	<u>871,273</u>	<u>650,000</u>	<u>2,405,375</u>	<u>-</u>	<u>3,926,648</u>
FUND BALANCES - END OF YEAR	<u>\$ 953,633</u>	<u>\$ 978,108</u>	<u>\$ 2,490,684</u>	<u>\$ -</u>	<u>\$ 4,422,425</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METRO DISTRICT NO. 1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ 495,777

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Depreciation Expense	(1,537,109)
Capital Outlay	190,793

The issuance of long-term debt (e.g., bonds, receipt of Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond Principal Payment - Series 2017 A-1	525,000
Bond Principal Payment - Series 2017 A-2	45,000
Amortization of Bond Premium	144,267
Amortization of Cost of Refunding	(253,136)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest on Bonds - Change in Liability	1,424
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Change in Net Position of Governmental Activities	\$ (387,984)
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See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METRO DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 492,519	\$ 490,327	\$ (2,192)
Specific Ownership Taxes	34,475	33,944	(531)
Net Investment Income	5,000	664	(4,336)
Permits and Fees	-	6,150	6,150
Total Revenues	<u>531,994</u>	<u>531,085</u>	<u>(909)</u>
EXPENDITURES			
Accounting	63,000	51,363	11,637
Audit	6,000	5,800	200
Billing Services	12,000	10,279	1,721
Contingency	8,612	-	8,612
County Treasurer's Fees	7,388	7,358	30
Directors' Fees	6,000	2,900	3,100
District Management	70,000	59,769	10,231
Dues and Membership	2,000	1,238	762
Insurance	38,000	39,333	(1,333)
Legal	65,000	43,196	21,804
Miscellaneous	5,000	602	4,398
Public Events	45,000	36,094	8,906
Total Expenditures	<u>328,000</u>	<u>257,932</u>	<u>70,068</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	203,994	273,153	69,159
OTHER FINANCING SOURCES (USES)			
Transfer to Other Fund	(460,000)	(190,793)	269,207
Total Other Financing Sources (Uses)	<u>(460,000)</u>	<u>(190,793)</u>	<u>269,207</u>
NET CHANGE IN FUND BALANCE	(256,006)	82,360	338,366
Fund Balance - Beginning of Year	<u>841,758</u>	<u>871,273</u>	<u>29,515</u>
FUND BALANCE - END OF YEAR	<u>\$ 585,752</u>	<u>\$ 953,633</u>	<u>\$ 367,881</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METRO DISTRICT NO. 1
GENERAL OPERATIONS FEE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
General Operations Fee	\$ 2,010,000	\$ 2,010,000	\$ -
General Operations Fee - Penalty	5,000	1,738	(3,262)
Net Investment Income	5,000	567	(4,433)
Total Revenues	<u>2,020,000</u>	<u>2,012,305</u>	<u>(7,695)</u>
EXPENDITURES			
Floral	250,000	148,500	101,500
Landscape Maintenance and Irrigation Repair	170,000	241,517	(71,517)
Monthly Cleaning	187,000	201,460	(14,460)
Pest Control	10,000	15,225	(5,225)
Property Maintenance	116,000	115,393	607
Property Management	45,000	36,529	8,471
Repairs and Maintenance	335,000	204,930	130,070
Security	70,000	62,869	7,131
Signage and Décor	105,000	127,855	(22,855)
Snow Removal	400,000	260,347	139,653
Street Repair/Sidewalk	42,000	37,746	4,254
Street Lighting/Striping	100,000	42,340	57,660
Street Sweeping	25,000	22,860	2,140
Traffic Signal Maintenance	5,000	12,925	(7,925)
Utilities	160,000	153,701	6,299
Total Expenditures	<u>2,020,000</u>	<u>1,684,197</u>	<u>335,803</u>
NET CHANGE IN FUND BALANCE	-	328,108	328,108
Fund Balance - Beginning of Year	<u>650,000</u>	<u>650,000</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 650,000</u></u>	<u><u>\$ 978,108</u></u>	<u><u>\$ 328,108</u></u>

See accompanying Notes to Basic Financial Statements.

SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 DEFINITION OF REPORTING ENTITY

Southlands Metro District No. 1 (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 18, 2002, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in the City of Aurora, Arapahoe County, Colorado. The District was established to provide financing for the design, acquisition, construction and installation of public facilities such as water, streets, traffic and safety controls, parks, open space and recreation, sewer and drainage facilities, and the operations and maintenance of the District.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees and all operations and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as a functional expense on the statement of activities. Expenditures for property, plant, and equipment are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The General Operations Fee Fund accounts for general operations fees collected from property owners and payments for operations and maintenance expenses.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities

Budgets

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets of the District's net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Streets	20 Years
Park and Recreation Improvements	20 Years

Accounts Receivable

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Resolution Concerning the Imposition of a General Operations Fee

On August 4, 2011, the District adopted the Resolution Concerning the Imposition of a General Operations Fee whereby the District fixed and imposed fees, rates, tolls, charges, and penalties for services or facilities provided by the District. Any fee that is not paid in full within 15 days after the scheduled due date is assessed a late fee of \$15 or up to 5% per month, or a fraction thereof, not to exceed a total of 25% of the amount due. Interest accrues on any outstanding fee, exclusive of assessed late fees and interest, at the rate of 18% per year.

On March 13, 2014, the District amended the above named resolution to clarify the funding of an operations reserve and capital reserve, capital replacement costs, as well as costs associated with providing the services, in order that the public facilities may be properly provided and maintained and that the health, safety, and welfare of the District and its inhabitants may be safeguarded. Excess fees at year-end are reflected as committed fund balance.

SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Amortization

Bond Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Cost of Bond Refunding

In the government-wide financial statements, the deferred cost of bond refunding is being amortized using the interest method over the life of the refunded bonds. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *cost of refunding*, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 1,936,151
Cash and Investments - Restricted	<u>2,550,797</u>
Total Cash and Investments	<u><u>\$ 4,486,948</u></u>

Cash and investments as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	\$ 316,048
Investments	<u>4,170,900</u>
Total Cash and Investments	<u><u>\$ 4,486,948</u></u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2021, the District's cash deposits had a bank balance and a carrying balance of \$316,048.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- * Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2021, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted Average under 60 Days	\$ 1,696,503
Fidelity Treasury Fund - Class III	Weighted Average under 60 Days	2,474,397
Total		<u>\$ 4,170,900</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAm by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

Fidelity Investments

Debt service monies included in the trust accounts at UMB were invested in the Fidelity Treasury Fund Class III (the Fund). This portfolio is a money market mutual fund which invests in U.S. government securities, which are fully guaranteed as to principal and interest by the United States, with maturities of 38 days or less and repurchase agreements collateralized by U.S. government securities. The Fund is rated AAA-mf by Moody's and AAAm by Standard & Poor's. The Fund records its investments at amortized cost and the District records its investments in the Fund using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021 follows:

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
<u>Primary Government:</u>				
Capital Assets, Not Being Depreciated:				
Construction in Progress:	\$ 800,281	\$ 190,793	\$ -	\$ 991,074
Total Capital Assets, Not Being Depreciated	800,281	190,793	-	991,074
Capital Assets, Being Depreciated:				
Streets	22,218,636	-	-	22,218,636
Park and Recreation Improvements	8,523,542	-	-	8,523,542
Total Capital Assets, Being Depreciated	30,742,178	-	-	30,742,178
Less Accumulated Depreciation:				
Streets	(14,143,547)	(1,110,932)	-	(15,254,479)
Park and Recreation Improvements	(5,851,698)	(426,177)	-	(6,277,875)
Total Accumulated Depreciation	(19,995,245)	(1,537,109)	-	(21,532,354)
Total Capital Assets, Being Depreciated, Net	10,746,933	(1,537,109)	-	9,209,824
Capital Assets, Net	<u>\$ 11,547,214</u>	<u>\$ (1,346,316)</u>	<u>\$ -</u>	<u>\$ 10,200,898</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

General Government	<u>\$ 1,537,109</u>
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**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2021:

	Balance at December 31, 2020	Additions	Retirements	Balance at December 31, 2021	Due Within One Year
G.O. Refunding Bonds - Series 2017 A-1	\$ 43,305,000	\$ -	\$ 525,000	\$ 42,780,000	\$ 590,000
G.O. Refunding Bonds - Series 2017 A-2	3,825,000	-	45,000	3,780,000	50,000
Unamortized Bond Premium Series 2017 A-1	2,485,860	-	132,542	2,353,318	131,543
Unamortized Bond Premium Series 2017 A-2	220,019	-	11,725	208,294	11,639
Total	<u>\$ 49,835,879</u>	<u>\$ -</u>	<u>\$ 714,267</u>	<u>\$ 49,121,612</u>	<u>\$ 783,182</u>

The details of the District's long-term obligations are as follows:

General Obligation Bonds – Series 2017

On December 1, 2017, the District refunded its General Obligation Refunding and Improvement Bonds, Series 2007 (the 2007 Bonds) and General Obligation Loan, Series 2016 (the 2016 Loan) by the issuance of \$44,690,000 General Obligation Refunding Bonds, Series 2017A-1, and \$3,945,000 General Obligation Refunding Bonds, Series 2017A-2, respectively (the 2017 Bonds). The proceeds were used for the purposes of (i) refunding the 2007 Bonds and 2016 Loan, (ii) funding the debt service reserve requirement (the 2017A-1 Reserve Fund in the amount of \$1,687,625 and the 2017A-2 Reserve Fund in the amount of \$149,750); and (iii) paying costs of issuance of the 2017 Bonds.

The 2017 Bonds, maturing on December 1, 2047 with interest rates of 3.000% - 5.000%, are payable semi-annually on June 1 and December 1. The 2017 Bonds maturing on or after December 1, 2037 are subject to redemption prior to maturity, at the option of the District, as whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2027 and on any date thereafter, at a redemption price equal to the par amount thereof plus accrued interest to the redemption date.

The 2017 Bonds are general obligations of the District secured by and payable from the Pledged Revenue consisting of moneys derived by the District from the following sources, net of any costs of collection: (i) the Unlimited Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Unlimited Mill Levy; and (iii) any other legally available moneys of the District deposited in the Bond Fund or the Reserve Fund.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds – Series 2017 (Continued)

Approximately 11.5 acres, generally encompassing the Lowe’s Home Improvement Warehouse, were excluded from the boundaries of the District on November 7, 2007 (the Excluded Property). Accordingly, the Excluded Property is subject to ad valorem taxes by the District to pay the Series 2017A-1 Bonds but will not be subject to ad valorem taxes to pay the Series 2017A-2 Bonds.

For the purposes of paying the principal and interest on the Bonds, the Board is to annually determine and certify to the County each year in which the 2017 Bonds remain outstanding, in addition to all other taxes, the Unlimited Mill Levy. The 2017 Bonds are not secured by property lying within the District, but rather by, among other things, the District’s obligation to annually determine and certify a rate of levy for ad valorem property taxes in an amount sufficient to pay, along with other legally available revenues, the principal and interest on the 2017 Bonds.

The District’s Series 2017A-1 Bonds principal and interest will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 590,000	\$ 2,073,200	\$ 2,663,200
2023	610,000	2,055,500	2,665,500
2024	685,000	2,034,150	2,719,150
2025	705,000	2,010,175	2,715,175
2026	785,000	1,985,500	2,770,500
2027-2031	4,795,000	9,395,525	14,190,525
2032-2036	6,925,000	8,008,000	14,933,000
2037-2041	9,645,000	6,018,750	15,663,750
2042-2046	13,220,000	3,268,000	16,488,000
2047	4,820,000	241,000	5,061,000
Total	<u>\$ 42,780,000</u>	<u>\$ 37,089,800</u>	<u>\$ 79,869,800</u>

The District’s Series 2017A-2 Bonds principal and interest will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 50,000	\$ 183,275	\$ 233,275
2023	55,000	181,775	236,775
2024	60,000	179,850	239,850
2025	65,000	177,750	242,750
2026	70,000	175,475	245,475
2027-2031	420,000	830,775	1,250,775
2032-2036	610,000	708,500	1,318,500
2037-2041	855,000	532,250	1,387,250
2042-2046	1,170,000	289,000	1,459,000
2047	425,000	21,250	446,250
Total	<u>\$ 3,780,000</u>	<u>\$ 3,279,900</u>	<u>\$ 7,059,900</u>

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization

On July 16, 2007, the City Council approved an amendment to the service plan, which permits the District to impose an unlimited mill levy and to increase its debt limit to \$60,000,000. On January 11, 2016, the City Council approved a second amendment to the service plan which increases the debt issuance limitation to \$125,000,000.

In November 2002, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$113,000,000 at an interest rate not to exceed 18% per annum. In November 2008, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$560,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2021, the District had authorized but unissued indebtedness in the following amount for the following purposes:

	Amount Authorized on November 5, 2002	Amount Authorized on November 4, 2008	Authorization Used				Authorized But Unissued
			Series 2004	Series 2007	Series 2016	Series 2017	
			Bonds	Bonds	Loan	Bonds	
Street Improvements	\$ 41,400,000	\$ 40,000,000	\$ 27,310,000	\$ 12,679,958	\$ 4,250,000	\$ -	\$ 37,160,042
Sewer Improvements	4,885,000	40,000,000	1,494,000	210,000	-	-	43,181,000
Park and Recreation Improvements	7,625,000	40,000,000	6,150,000	897,000	-	-	40,578,000
Traffic and Safety Protection Improvements	1,995,000	40,000,000	285,000	-	-	-	41,710,000
Public Transportation	2,505,000	40,000,000	-	-	-	-	42,505,000
Water Improvements	4,590,000	40,000,000	1,270,000	-	-	-	43,320,000
Mosquito Control	-	40,000,000	-	-	-	-	40,000,000
Fire Protection	-	40,000,000	-	-	-	-	40,000,000
Television Relay and Transmission	-	40,000,000	-	-	-	-	40,000,000
Security Services	-	40,000,000	-	-	-	-	40,000,000
Operations and Maintenance	1,000,000	40,000,000	-	-	-	-	41,000,000
Intergovernmental Contracts	-	40,000,000	-	-	-	-	40,000,000
Public Improvements Operations and Maintenance	-	40,000,000	-	-	-	-	40,000,000
Debt Refunding	49,000,000	40,000,000	-	8,644,042	-	3,945,000	76,410,958
Totals	\$ 113,000,000	\$ 560,000,000	\$ 36,509,000	\$ 22,431,000	\$ 4,250,000	\$ 3,945,000	\$ 605,865,000

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$125,000,000.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

The 2017A-1 Bonds do not consume any authorized amount because they were issued at a lower interest rate than the Bonds they refunded.

**SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 NET POSITION

The District has net position consisting of three components - net investment in capital assets, restricted, and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the District had the following net investment in capital assets, calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 10,200,898
Current Portion of Long-Term Obligations	(506,080)
Noncurrent Portion of Long-Term Obligations	(31,235,538)
Portion of Debt Related to Restricted Cash and Investments	1,187,326
Net Investment in Capital Assets	\$ (20,353,394)

The restricted component of net position consists of restricted assets that are restricted for use either externally by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position at December 31, 2021, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 76,400
Debt Service	465,269
Total Restricted Net Position	\$ 541,669

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 7 INTERFUND TRANSFERS

The transfers from the General Fund to the Capital Projects Fund was the result of amounts due to the Capital Projects Fund to pay for Capital expenditures and projects.

SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 8 RELATED PARTY

M & J Wilkow Properties, LLC, is contracted to provide property management service to the District. Four members of the Board of Directors are employees or contractors directly hired by M & J Wilkow Properties, LLC. M & J Wilkow Properties, LLC owns property at Southlands under the following entities: Southlands TC, LLC and Southlands PC, LLC. These entities and their affiliates may have conflicts of interest in dealing with the District.

NOTE 9 AGREEMENTS

District IGA

The District and Southlands Metropolitan District No. 2 (District No. 2) entered into an Intergovernmental Agreement dated June 30, 2004, and amended pursuant to a first amendment dated December 7, 2004, and second amendment dated August 24, 2007 (the District IGA), concerning the manner in which the Districts are to coordinate the financing, construction, operation and maintenance of certain Regional Improvements contemplated in the Service Plans. The District IGA sets forth the agreement of the Districts with respect to the equitable allocation of costs associated with certain regional improvements, including improvements to Aurora Parkway, Smoky Hill Road, and certain bridge widening and landscape improvements (Regional Improvements). The District IGA indicates that the District and District No. 2 (collectively, the Districts) made a determination that, because development had not yet commenced in District No. 2, the District shall undertake the construction of the Regional Improvements and it is District No. 2's intent to reimburse the District for District No. 2's equitable share of the costs associated with the Regional Improvements upon District No. 2's issuance of bonds in an amount sufficient to reimburse the District, and the Districts agree that it is appropriate to utilize all or a portion of net bond proceeds for reimbursement.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, workers compensation, and property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

SOUTHLANDS METRO DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

In November 2002, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitation under TABOR. At the November 2008 election, the District's electors authorized the District to collect, retain, and spend the full amount of taxes, tax increment revenues, tap fees, park fees, facility fees, service charges, inspection charges, administrative charges, grants or any other fees collected or received by the District prior to, through and during 2008 and each fiscal year thereafter, without regard to any limitation under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**SOUTHLANDS METRO DISTRICT NO. 1
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 2,794,526	\$ 2,782,556	\$ (11,970)
Specific Ownership Taxes	195,600	192,597	(3,003)
Net Investment Income	10,000	1,485	(8,515)
Total Revenues	<u>3,000,126</u>	<u>2,976,638</u>	<u>(23,488)</u>
EXPENDITURES			
Bond Interest - Series 2017 A-1	2,088,950	2,088,950	-
Bond Interest - Series 2017 A-2	184,625	184,625	-
Bond Principal - Series 2017 A-1	525,000	525,000	-
Bond Principal - Series 2017 A-2	45,000	45,000	-
County Treasurer's Fees	41,918	41,754	164
Contingency	8,507	-	8,507
Paying Agent Fees	6,000	6,000	-
Total Expenditures	<u>2,900,000</u>	<u>2,891,329</u>	<u>8,671</u>
NET CHANGE IN FUND BALANCE	100,126	85,309	(14,817)
Fund Balance - Beginning of Year	<u>2,524,903</u>	<u>2,405,375</u>	<u>(119,528)</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,625,029</u>	<u>\$ 2,490,684</u>	<u>\$ (134,345)</u>

**SOUTHLANDS METRO DISTRICT NO. 1
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Monument	160,000	178,225	(18,225)
Medians	300,000	12,568	287,432
Total Expenditures	<u>460,000</u>	<u>190,793</u>	<u>269,207</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(460,000)	(190,793)	269,207
OTHER FINANCING SOURCES (USES)			
Transfer from Other Fund	460,000	190,793	(269,207)
Total Other Financing Sources (Uses)	<u>460,000</u>	<u>190,793</u>	<u>(269,207)</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER INFORMATION

SOUTHLANDS METRO DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2021

Bonds and Interest Maturing in the Year Ending December 31,	\$44,690,000 General Obligation Refunding Bonds Series 2017 A-1 Dated December 1, 2017 Interest at 3.000%-5.000% Payable June 1 and December 1 Principal Due December 1			\$3,945,000 General Obligation Refunding Bonds Series 2017 A-2 Dated December 1, 2017 Interest at 3.000%-5.000% Payable June 1 and December 1 Principal Due December 1			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2022	\$ 590,000	\$ 2,073,200	\$ 2,663,200	\$ 50,000	\$ 183,275	\$ 233,275	\$ 640,000	\$ 2,256,475
2023	610,000	2,055,500	2,665,500	55,000	181,775	236,775	665,000	2,237,275	2,902,275
2024	685,000	2,034,150	2,719,150	60,000	179,850	239,850	745,000	2,214,000	2,959,000
2025	705,000	2,010,175	2,715,175	65,000	177,750	242,750	770,000	2,187,925	2,957,925
2026	785,000	1,985,500	2,770,500	70,000	175,475	245,475	855,000	2,160,975	3,015,975
2027	815,000	1,958,025	2,773,025	65,000	173,025	238,025	880,000	2,131,050	3,011,050
2028	895,000	1,929,500	2,824,500	80,000	170,750	250,750	975,000	2,100,250	3,075,250
2029	940,000	1,884,750	2,824,750	85,000	166,750	251,750	1,025,000	2,051,500	3,076,500
2030	1,045,000	1,837,750	2,882,750	95,000	162,500	257,500	1,140,000	2,000,250	3,140,250
2031	1,100,000	1,785,500	2,885,500	95,000	157,750	252,750	1,195,000	1,943,250	3,138,250
2032	1,210,000	1,730,500	2,940,500	105,000	153,000	258,000	1,315,000	1,883,500	3,198,500
2033	1,270,000	1,670,000	2,940,000	110,000	147,750	257,750	1,380,000	1,817,750	3,197,750
2034	1,390,000	1,606,500	2,996,500	125,000	142,250	267,250	1,515,000	1,748,750	3,263,750
2035	1,460,000	1,537,000	2,997,000	130,000	136,000	266,000	1,590,000	1,673,000	3,263,000
2036	1,595,000	1,464,000	3,059,000	140,000	129,500	269,500	1,735,000	1,593,500	3,328,500
2037	1,675,000	1,384,250	3,059,250	150,000	122,500	272,500	1,825,000	1,506,750	3,331,750
2038	1,820,000	1,300,500	3,120,500	160,000	115,000	275,000	1,980,000	1,415,500	3,395,500
2039	1,910,000	1,209,500	3,119,500	170,000	107,000	277,000	2,080,000	1,316,500	3,396,500
2040	2,070,000	1,114,000	3,184,000	185,000	98,500	283,500	2,255,000	1,212,500	3,467,500
2041	2,170,000	1,010,500	3,180,500	190,000	89,250	279,250	2,360,000	1,099,750	3,459,750
2042	2,345,000	902,000	3,247,000	205,000	79,750	284,750	2,550,000	981,750	3,531,750
2043	2,460,000	784,750	3,244,750	220,000	69,500	289,500	2,680,000	854,250	3,534,250
2044	2,650,000	661,750	3,311,750	235,000	58,500	293,500	2,885,000	720,250	3,605,250
2045	2,780,000	529,250	3,309,250	245,000	46,750	291,750	3,025,000	576,000	3,601,000
2046	2,985,000	390,250	3,375,250	265,000	34,500	299,500	3,250,000	424,750	3,674,750
2047	4,820,000	241,000	5,061,000	425,000	21,250	446,250	5,245,000	262,250	5,507,250
Totals	\$ 42,780,000	\$ 37,089,800	\$ 79,869,800	\$ 3,780,000	\$ 3,279,900	\$ 7,059,900	\$ 46,560,000	\$ 40,369,700	\$ 86,929,700

**SOUTHLANDS METRO DISTRICT NO. 1
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND
PROPERTY TAXES COLLECTED
DECEMBER 31, 2021**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Total Mills Levied		Total Property Taxes		Percent Collected to Levied	Abatements	Collected Less Abatements	Percent Collected Less Abatements to Levied
		General Operations	Debt Service	Levied	Collected				
2017	\$ 67,882,968 (a)	3.548	58.000	\$ 4,167,252	\$ 4,116,296	98.78 %	\$ (5,086)	\$ 4,111,210	98.66 %
2018	73,934,787 (b)	3.000	36.750	2,918,678	2,824,863	96.79	2,207	2,827,070	96.86
2019	71,858,462 (c)	7.000	37.500	3,165,381	3,149,415	99.50	3,705	3,153,120	99.61
2020	82,560,167 (d)	7.000	35.500	3,475,004	3,330,974	95.86	(80,775)	3,250,199	93.53
2021	79,041,336 (e)	6.500	35.500	3,287,045	3,272,883	99.57	-	3,272,883	99.57

Estimated for
year ending
December 31,
2022 \$ 81,244,362 (f) 6.500 35.500 \$ 3,381,245

NOTE:

Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessment.

- (a) - Certified Assessed Value of \$3,046,494 is for Arapahoe County debt only.
- (b) - Certified Assessed Value of \$3,236,755 is for Arapahoe County debt only.
- (c) - Certified Assessed Value of \$3,078,108 is for Arapahoe County debt only.
- (d) - Certified Assessed Value of \$3,219,321 is for Arapahoe County debt only.
- (e) - Certified Assessed Value of \$3,269,181 is for Arapahoe County debt only.
- (f) - Certified Assessed Value of \$3,101,819 is for Arapahoe County debt only.

SOUTHLANDS METRO DISTRICT NO. 1
ASSESSED VALUATION OF CLASSES OF PROPERTY OF THE DISTRICT
DECEMBER 31, 2021
(UNAUDITED)

<u>Class</u>	Total Assessed Valuation	Percent of Total Assessed Valuation
Commercial	\$ 74,112,835	91.22%
Vacant Land	415,327	0.51
Personal Property	6,710,340	8.26
State Assessed	5,860	0.01
Total	\$ 81,244,362	100.00%

**SOUTHLANDS METRO DISTRICT NO. 1
TAXPAYERS IN THE DISTRICT
DECEMBER 31, 2021
(UNAUDITED)**

Taxpayers Within The District

<u>Taxpayer Name</u>	<u>2021 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation (1)</u>
NWSL TOWN CENTER LLC	\$ 25,936,150	31.92 %
WAL-MART REAL ESTATE BUSINESS	5,173,089	6.37
NWSL POWER CENTER LLC	4,818,350	5.93
SAM'S CLUB REAL ESTATE	3,524,532	4.34
AGREE LIMITED PARTNERSHIP	2,458,040	3.03
LOWES HOME IMPROVEMENT WAREHOUSE *	3,351,821	4.13
QWEST CORPORATION	456,500	0.56
AMERICAN MULTI - CINEMA	383,030	0.47
BENT BARLEY BREWING COMPANY	255,320	0.31
J.C. PENNEY PROPERTIES INC	189,684	0.23
Total	<u>\$ 46,546,516</u>	<u>57.29%</u>

(1) Based on a 2021 certified assessed valuation of \$78,142,543.

* Note: Debt only (not in the District)

Taxpayers Within The Excluded Property

<u>Taxpayer Name</u>	<u>2021 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation (1)</u>
LOWES HOME IMPROVEMENT WAREHOUSE	\$ 3,071,078	99.01 %
VERDANT COMMERCIAL CAPITAL LLC	14,393	0.46
QWEST CORPORATION	7,300	0.24
PUBLIC SERVICES OF COLORADO	5,290	0.17
HILLMAN GROUP INC	3,683	0.12
COMPASS FROUP USA INC	75	0.00
Total	<u>\$ 3,101,819</u>	<u>100.00%</u>

(1) Based on a 2021 certified assessed valuation of \$3,101,819.

SOUTHLANDS METRO DISTRICT NO. 1
ESTIMATED OVERLAPPING GENERAL OBLIGATION DEBT
DECEMBER 31, 2021
(UNAUDITED)

Entity	2021 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Attributed to the District	
			Percent	Debt
City of Aurora	\$ 6,029,470,069	None	1.35%	None
Cherry Creek School District #5	\$ 7,634,110,120	\$ 514,280,000	1.06%	\$ 5,473,113
				<u>\$ 5,473,113</u>

Exclusion Adjusted Taxing Area Historical Debt Ratios

	Years Ended December 31				
	2017	2018	2019	2020	2021
General Obligation Debt Outstanding	\$ 44,690,000	\$ 44,260,000	\$ 43,815,000	\$ 43,305,000	\$ 42,780,000
Assessed Value - Exclusion Adjusted Taxing Area	\$ 73,934,787	\$ 71,858,462	\$ 82,560,167	\$ 79,041,336	\$ 81,244,362
Ratio of Debt to Assessed Value	60.45%	61.59%	53.07%	54.79%	52.66%

INDEPENDENT CONTRACTOR AGREEMENT
(ENGINEERING SERVICES – RETAINING WALL INSPECTION)

This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the 4th day of April, 2022, by and between SOUTHLANDS METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and COLLINS ENGINEERS OF ILLINOIS, INC., D/B/A COLLNS ENGINEERING, INC., an Illinois corporation (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

RECITALS

WHEREAS, the District was organized pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq.*, C.R.S. for the purpose of constructing, financing, operating and maintaining certain public facilities and improvements for itself, its taxpayers, residents and users; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the District is empowered to enter into contracts and agreements affecting the affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire and retain agents, employees, engineers and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill and resources to perform the services, as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and stipulations set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

TERMS AND CONDITIONS

1. SCOPE OF SERVICES; PERFORMANCE STANDARDS. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) ~~in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services;~~ (b) ~~within the time period and pursuant to the Scope of Services specified in said **Exhibit A**;~~ and (c) using reasonable commercial efforts to minimize any annoyance, interference or disruption to the residents, tenants, occupants and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District

in any manner whatsoever, except to the extent specifically provided in this Agreement (including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of the dated date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 20 hereof; (ii) completion of the Services; or (iii) December 31, 2022.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in ~~connection with~~ the Services and shall provide ~~all~~ reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience ~~and skill to perform the Services and that the Services shall be performed in accordance with the standards of care, skill and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement.~~ If competent professionals find that the

Contractor's performance of the Services does not meet this standard, the Contractor shall, at the District's request, re-perform the Services not meeting this standard without additional compensation.

b. The Contractor shall use reasonable commercial efforts to perform and complete the Services in a timely manner. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

recommend changing
"all" to "applicable"

c. The Services provided under this Agreement shall be adequate and sufficient for the intended purposes and shall be completed in a ~~good and workmanlike manner~~.

d. The Contractor agrees that it has and will continue to comply with ~~all~~ Laws while providing Services under this Agreement. "Laws" means: (i) federal, state, county and local or municipal body or agency laws, statutes, ordinances and regulations; (ii) any licensing bonding, and permit requirements; (iii) any laws relating to storage, use or disposal of hazardous wastes, substances or materials; (iv) rules, regulations, ordinances and/or similar directives regarding business permits, certificates and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws.

e. The responsibilities and obligations of the Contractor under this Agreement shall not be relieved or affected in any respect by the presence of any agent, consultant, sub-consultant or employee of the District. Review, acceptance or approval by the District of the Services performed or any documents prepared by the Contractor shall not relieve the Contractor of any responsibility for deficiencies, omissions or errors in said Services or documents, nor shall it be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25th of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("**Monthly Report**").

7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit A** of this Agreement, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or

any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) (“**W-9**”). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B**.

b. Invoices. Invoices for the Services shall be submitted monthly, by the 10th of each month, during the term of this Agreement and shall contain the following information:

- i. An itemized statement of the Services performed.
- ii. Any other reasonable information required by the District to process payment of the invoice, including project and/or cost codes as provided in any applicable written service/work order.

The District shall be charged only for the actual time and direct costs incurred for the performance of the Services. Invoices received by the District after the 10th of each month may be processed the following month.

8. CONTRACTOR RULES OF BUSINESS AND CONDUCT. The Contractor agrees to perform the Services in accordance with the Contractor Rules of Business and Conduct attached hereto as **Exhibit E**.

9. CONTRACTOR RULES AND REGULATIONS. The Contractor agrees to perform the Services in accordance with the Rules and Regulations attached hereto as **Exhibit F**. All references within **Exhibit F** to “Owners” shall be understood to include the District.

10. TIME FOR PAYMENT. Payment for the Services shall be made by the District within thirty (30) days of receipt of: (i) a timely, satisfactory and detailed invoice in the form required by Section 7; and (ii) if applicable, a reasonably satisfactory and detailed Monthly Report, for that portion of the Services performed and not previously billed. The District may determine to waive or extend the deadline for filing the Monthly Report, or may make payment for Services to the Contractor notwithstanding a delay in filing the Monthly Report, upon reasonable request of the Contractor, if it is in the interest of the District to do so. In the event a Board meeting is not scheduled in time to review payment of an invoice, the Board hereby authorizes payment for Services, subject to the appropriation and budget requirements under Section 29 hereof, without the need for additional Board approval, so long as any payment required to be made does not exceed the amounts appropriated for such Services as set forth in the District’s approved budget. Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.

11. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor shall have full power and authority to select the means, manner and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The

District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income or other tax contributions, insurance contributions (e.g. FICA taxes), workers' compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits or insurance. The Contractor shall be responsible for its safety, and the safety of its employees, sub-contractors, **agents**, and representatives. All personnel furnished by the Contractor will be deemed employees or sub-contractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

12. EQUAL OPPORTUNITY / EMPLOYMENT ELIGIBILITY. This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

The Contractor hereby states that it does not knowingly employ or contract with a worker without authorization and that the Contractor has participated in or has attempted to participate in the E-Verify Program or Department Program (formerly known as the Basic Pilot Program) (as defined in § 8-17.5-101, C.R.S.) in order to verify that it does not employ any worker without authorization. The Contractor affirmatively makes the follow declarations:

a. The Contractor shall not knowingly employ or contract with a worker without authorization who will perform work under the public contract for services contemplated in this Agreement and will participate in the E-Verify Program or Department Program (as defined in § 8-17.5-101, C.R.S.) in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for Services contemplated in this Agreement.

b. The Contractor shall not knowingly enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with a worker without authorization to perform the services contemplated in this Agreement.

c. The Contractor has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services through participation in either the E-Verify Program or the Department Program.

d. The Contractor is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

e. If the Contractor obtains actual knowledge that a subcontractor performing the services under this Agreement knowingly employs or contracts with a worker without authorization, the Contractor shall be required to:

i. Notify the subcontractor and the District within three (3) days that the Contractor has actual knowledge that the subcontractor is employing or contracting with a worker without authorization.

ii. Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required above the subcontractor does not stop employing or contracting with the worker without authorization; except that the Contractor shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization.

f. The Contractor shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation involving matters under this Section 12 that such Department is undertaking pursuant to the authority established in § 8-17.5-102, C.R.S.

g. If the Contractor violates a provision of this Agreement pursuant to which § 8-17.5-102, C.R.S., applies the District may terminate this Agreement upon three (3) days written notice to the Contractor. If this Agreement is so terminated, the Contractor shall be liable for actual ~~and consequential~~ damages to the District.

13. CONTRACTOR'S INSURANCE.

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees and agents is required for Commercial General Liability and Workers Compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in

excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement; nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.

14. CONFIDENTIALITY AND CONFLICTS.

a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. "**Personal Identifying Information**" means a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver's license or identification card number; a government passport number; biometric data, as defined in § 24-73-103(1)(a), C.R.S.; an employer, student, or military identification number; or a financial transaction device, as defined in § 18-5-701(3), C.R.S. In compliance with § 24-73-102, C.R.S., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

c. Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the District of conflicts known to the Contractor that impact the Contractor's provision of Services to the District.

15. OWNERSHIP OF DOCUMENTS. All documents produced by or on behalf of the Contractor pursuant to this Agreement, including, but not limited to, all maps, plans,

drawings, specifications, reports, electronic files and other documents, in whatever form, shall remain the property of the District under all circumstances, upon payment to the Contractor of the invoices representing the work by which such materials were produced. At the District's request the Contractor will provide the District with all documents produced by or on behalf of the Contractor pursuant to this Agreement. The Contractor shall maintain electronic and reproducible copies on file of any such instruments of service involved in the Services for a period of two (2) years after termination of this Agreement, shall make them available for the District's use and shall provide such copies to the District upon request at no cost.

16. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, or any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated in this Agreement. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute a sworn affidavit respecting the payment and lien releases of all subcontractors, suppliers and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed, materials supplied or used by the Contractor and/or any other person in connection with the Services undertaken by the Contractor, in accordance with Section 17, below.

recommend deleting "defend", and "agents and consultants"

17. INDEMNIFICATION.

a. The Contractor shall defend, indemnify and hold harmless the District and each of its directors, officers, contractors, employees, agents and consultants (collectively, the "District Indemnitees"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "Claims"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees, directly, in whole or in part, out of the errors or omissions, negligence, willful or wanton act or omission of the Contractor or any of its subcontractors, officers, agents or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation or benefits payable by or for the Contractor under workers' compensation acts, disability acts or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

recommend changing to state that liability shall be limited to no more than insurance proceeds.

~~b. In the event the Contractor fails to assume the defense of any Claims under this Section 17 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the~~

~~Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.~~

~~c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth in Section 17. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.~~

18. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

19. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

20. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days prior written notice to the District and by the District by giving the Contractor thirty (30) days prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 21. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District

or its designees. ~~All time, fees and costs associated with such transition shall not be billed by the Contractor to the District.~~

21. DEFAULT. If either Party fails to perform in accordance with the terms, covenants and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 22 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the non-defaulting party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

22. NOTICES. Any notice or communication required under this Agreement must be in writing, and may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received on the first to occur of: (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent; or (ii) three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight carrier service, a notice will be deemed to have been given and received on the first to occur of: (i) one business day after being deposited with a nationally recognized overnight air courier service; or (ii) delivery to the party to whom it is addressed. Any party hereto may at any time, by giving written notice to the other party hereto as provided in this Section 22 of this Agreement, designate additional persons to whom notices or communications will be given, and designate any other address in substitution of the address to which such notice or communication will be given. Such notices or communications will be given to the parties at their addresses set forth below:

District:	Southlands Metropolitan District No. 1 c/o Special District Management Services, Inc. 141 Union Blvd., Suite 150 Lakewood, Colorado 80228 Attention: Ann Finn Phone: (303) 987-0835 Email: afinn@sdmsi.com
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With a Copy to:	WHITE BEAR ANKELE TANAKA & WALDRON 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122
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Attention: Clint Waldron, Esq.
Phone: (303) 858-1800
E-mail: cwaldron@wbapc.com

Contractor: Collins Engineers of Illinois, Inc. d/b/a Collins
Engineers, Inc.
550 W. Jackson Suite 1200
Chicago, IL 60661
Attention: Alex Saltzgaver, P.E.
Phone: (720) 439-8706
Email: asaltzgaver@collinsengr.com

23. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

24. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

25. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

26. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

27. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado.

c. Litigation. ~~At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability.~~ The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act in a timely manner or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

28. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

29. SUBJECT TO ANNUAL APPROPRIATION AND BUDGET. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this Agreement shall be construed or interpreted as a delegation of governmental powers by the District, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the District or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

30. GOVERNMENTAL IMMUNITY. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

31. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed to the preparation of this Agreement.

32. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the

intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

33. NO THIRD PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

34. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

35. STANDARD OF CARE. In providing Services under this Agreement, the Contractor shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time.

36. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

37. COUNTERPART EXECUTION. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

[Signature pages follow].

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

DISTRICT:
SOUTHLANDS METROPOLITAN
DISTRICT NO. 1, a quasi-municipal
corporation and political subdivision of the
State of Colorado

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel for the District

*District's Signature Page to Independent Contractor Agreement for Engineering Services –
Retaining Wall Inspection with Collins Engineers of Illinois, Inc. d/b/a Collins Engineers,
Inc., dated April 4, 2022*

EXHIBIT A

SCOPE OF SERVICES/COMPENSATION SCHEDULE

COLLINS ENGINEERS INC.

March 21, 2022

Robert Graham
Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, CO 80228

Re: Southlands Metropolitan District No. 1
Southlands Mall – Retaining Wall Inspection
Aurora, Colorado

Dear Robert,

We are pleased to submit our proposed Agreement for professional civil engineering services in connection with the retaining wall investigation project located adjacent to Smoky Hill Road between S. Main Street and S. Aurora Pkwy in Aurora, Colorado.

“Services” will include a topographic exhibit survey including independent underground utility location services and a retaining wall inspection and report in accordance with the Colorado Department of Transportation Retaining and Noise Wall Manual.

Following is a summary of scope of services that COLLINS ENGINEERS, INC. (COLLINS) anticipates performing:

I. SERVICES:

- A. TOPOGRAPHIC SURVEY EXHIBIT - COLLINS will contract with Flatirons Inc. to prepare a Topographic Exhibit with 1’ contours of the existing wall area located along Smoky Hill Road between S. Main Street and S. Aurora Pkwy at Southlands Mall. Flatirons will measure the topographic site features, locate visible evidence of utilities, walls (top, bottom, any depressions behind the walls), topo approximately 20’ in front of the walls into the parking lots, topo above the walls extending to 5’ past the curb and gutter in the road and utilities within the survey area and other major improvements. Additionally, Flatirons will provide some detailed topography of the sidewalk in areas to be marked by Collins. Vertical datum will be NAVD88. Boundary determination is not a part of the above-described scope of services, and it is understood that this is not a Land Survey Plat in accordance with CRS 38-51-102.
- B. RETAINING WALL INSPECTION AND REPORT - COLLINS will perform wall inspections, in accordance with the Colorado Department of Transportation Retaining and Noise Wall Manual. The area in question, located at the Southlands, supports E. Smoky Hill Rd. with a parking lot located below, is a tiered wall system which is constructed of (3) retaining walls. Collins Engineers will perform an element level inspection, provide an inspection report as well as repair recommendations for the (3) retaining wall structures

II. SERVICES NOT INCLUDED:

The following services are not included as part of this proposal. If requested, these services will be performed on an hourly, time and materials basis according to the Collins Engineers Rate Schedule.

- A. This proposal anticipates the fees necessary for the initial site investigations of the existing retaining walls.
- B. Drainage analysis and the development of construction/maintenance drawings to mitigated drainage effects to the existing walls is not included.
- C. Submittals of construction and/or permitting plans to local agencies is not included.
- D. Engineering services related to project scope changes beyond COLLINS' control.
- E. Services in connection with change in government requirements instituted after the date of this Agreement.
- F. Preparing documents for alternate bids or out-of-sequence services.
- G. Making revisions to drawings, specifications, or other documents when such revisions are inconsistent with prior approvals or instructions.
- H. Services made necessary by contractor's default or by defects in the work of the contractor.
- I. Providing more representation and/or observation at the work site during construction (at the request of Owner, Contractor, or Architect), than listed under "Services."
- J. Providing services in connection with future facilities, systems or equipment, which are not intended to be constructed as part of this project.
- K. Design of any off-site improvements such as lane widening to adjacent streets or extending utility or drainage mains to the site.
- L. Detailed layout data for landscape features.
- M. Coordination of regulated utilities.
- N. Easements for public utilities.
- O. Record drawings and field survey for As-Builts.

III. COMPENSATION

A. "Services," upon which compensation is based, were determined from conversations with Robert Graham.

B. "Services" for the will be provided for a **lump sum** fee as follows:

- Topographic Survey: \$7,700
- Retaining Wall Inspection and Report: \$2,000

TOTAL FEES **\$9,700**

C. Services not included will be provided on an hourly basis following the Schedule of Rates and Charges listed below.

Classification	Rate / Hour
Principal (E6)	\$230.00
Senior Project Manager/Senior Project Engineer (E5)	\$210.00
Project Manager/Project Engineer (E4)	\$170.00
Engineer (E3)	\$150.00
Junior Engineer (E2)	\$135.00
Junior Engineer (E1)	\$105.00
Senior Engineering Technician, Designer (T3, D3)	\$140.00
Technician (T2, D2)	\$105.00
Junior Technician (T1, D1)	\$80.00
Clerical	\$85.00

These rates are subject to change at the beginning of each year.

D. If COLLINS is required to provide services under this Agreement beyond December 31, 2022, compensation will be increased 5% per six month period beyond that date.

E. Other consultant or professional services provided by others but furnished by COLLINS under this Agreement at a multiple of 1.1 times amount billed to COLLINS.

This Agreement, together with the "COLLINS Terms and Conditions" and any other Attachments and Exhibits hereto and made a part hereof, represents the entire Agreement and supersedes all prior negotiations, representations, or agreements, whether written or oral. Amendment shall be by written instrument only, signed by all parties.

If this Agreement is satisfactory, please sign below and return one copy to COLLINS as authorization to proceed. If you have any questions regarding this proposal, please feel free to contact Bryant Walters at 303-447-0090.

EXHIBIT B

CONTRACTOR'S COMPLETED W-9

EXHIBIT C

INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 13 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$1,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
 - a. premises operations;
 - b. personal injury liability without employment exclusion;
 - c. limited contractual;
 - d. broad form property damages, including completed operations;
 - e. medical payments;
 - f. products and completed operations;
 - g. independent consultants coverage;
 - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant; and

This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**
4. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.
5. Professional liability insurance in the amount of \$2,000,000.00 each occurrence.

EXHIBIT C-1

CERTIFICATE(S) OF INSURANCE

EXHIBIT D

CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE

**OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO**

CERTIFICATE OF FACT OF GOOD STANDING

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

COLLINS ENGINEERS, INCORPORATED

is an entity formed or registered under the law of Illinois, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 19971075505 and has provided the assumed entity name for use in Colorado

COLLINS ENGINEERS OF ILLINOIS, INC.

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 03/31/2022 that have been posted, and by documents delivered to this office electronically through 04/01/2022 @ 17:04:48 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 04/01/2022 @ 17:04:48 in accordance with applicable law. This certificate is assigned Confirmation Number 13915996



Jena Griswold

Secretary of State of the State of Colorado

*****End of Certificate*****
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

EXHIBIT E

CONTRACTOR RULES OF BUSINESS AND CONDUCT

METRO DISTRICT

CONTRACTOR RULES OF BUSINESS AND CONDUCT

1. METRO DISTRICT HIRED CONTRACTORS AND THEIR SUB-CONTRACTORS, WHEN PERFORMING SERVICES ON BEHALF OF THE METRO DISTRICT, MUST WORK ONLY ON METRO DISTRICT PROPERTY. IF ACCESS IS REQUIRED TO PROPERTY NOT OWNED BY THE DISTRICT THEN ACCESS MUST BE APPROVED BY THE APPROPRIATE MANAGEMENT COMPANY.
2. WHEN PERFORMING SERVICES ON BEHALF OF THE METRO DISTRICT, METRO DISTRICT HIRED CONTRACTORS MUST WEAR UNIFORMS THAT IDENTIFY THE COMPANY FOR WHOM THEY WORK.
3. ALL SERVICES PROVIDED BY METRO DISTRICT HIRED CONTRACTORS MUST BE PRECEDED BY EITHER AN APPROVED, SIGNED CONTRACT, OR AN APPROVED, SIGNED PURCHASE ORDER. EMAIL APPROVALS WILL BE ACCEPTED IN TIME SENSITIVE SITUATIONS.
4. NO EQUIPMENT OR SUPPLIES BELONGING TO METRO DISTRICT HIRED CONTRACTORS SHALL BE STORED IN OR PLACED ON OTHER THAN A PRE-APPROVED LOCATION. APPROVAL SHALL BE GIVEN BY THE METRO DISTRICT MANAGERS IN ADVANCE OF WORK COMMENCEMENT.
5. ALL METRO DISTRICT HIRED CONTRACTORS WILL, AT ALL TIMES WHEN PERFORMING SERVICES FOR THE METRO DISTRICT, CONDUCT THEMSELVES IN A PROFESSIONAL MANNER AND REFRAIN FROM THE FOLLOWING:
 - CONSUMPTION OF ALCOHOL ON THE PREMISES OR BE UNDER THE INFLUENCE OF ALCOHOL WHILE WORKING ON THE PREMISES.
 - CONSUMPTION OF CONTROLLED SUBSTANCES OR BEING UNDER THE INFLUENCE OF CONTROLLED SUBSTANCES WHILE WORKING ON THE PREMISES..
 - CARRYING FIREARMS WHILE ON ANY PORTION OF THE ENTIRE SOUTHLANDS SITE.
 - USING PROFANITY WHILE ON THE PREMISES.
 - COMMITTING ANY OTHER ACT THAT MAY BE DEEMED UNLAWFUL AND SUBJECT TO PROSECUTION PER STATE AND LOCAL STATUTES.
6. ALL METRO DISTRICT HIRED CONTRACTORS ARE PROHIBITED FROM SPEAKING WITH THE MEDIA ON ISSUES RELATING TO SOUTHLANDS. ALL MEDIA REQUESTS ARE TO BE REFERRED TO METRO DISTRICT MANAGEMENT.
7. METRO DISTRICT HIRED CONTRACTORS WHO ARE REQUESTED BY INDIVIDUAL TENANTS TO PERFORM SERVICES FOR SAID TENANTS MUST SIGN AN AGREEMENT WITH THE TENANTS IN ADVANCE OF PERFORMING ANY WORK. THE AGREEMENT MUST CLEARLY STATE THAT THE CONTRACTOR IS PROVIDING THE SERVICES INDEPENDENT OF ITS ASSOCIATION WITH THE METRO DISTRICT AND INDEPENDENT OF LANDLORD. PRIOR TO PERFORMING ANY WORK FOR TOWN CENTER OR VALUE RETAIL TENANTS, CONTRACTOR MUST HAVE A VALID CERTIFICATE OF INSURANCE ON FILE WITH THE LANDLORD.
8. ANY VIOLATIONS OF THE FOREGOING ARE SUBJECT TO IMMEDIATE NOTICE OF CONTRACT TERMINATION BETWEEN THE METRO DISTRICT AND THE METRO DISTRICT HIRED CONTRACTOR.

EXHIBIT F

CONTRACTOR RULES AND REGULATIONS

RULES AND REGULATIONS

Contractor agrees as follows:

- 1) All loading and unloading of goods shall be done at such times, in the areas, and through the entrances designed for such purposes by Owner.
- 2) The delivery or shipping of merchandise, supplies, equipment and fixtures to and from the area of Work shall be subject to such rules and regulations as in the judgment of Owner are necessary for the proper operation of the Shopping Center.
- 3) All garbage and refuse shall be kept in the kind of container specified by Owner, and shall be disposed of in the manner and at the times and places specified by Owner. If Owner shall provide or designate a service for picking up refuse and garbage, Contractor shall use same at Contractor's cost. Contractor shall pay the cost of removal of any of Contractor's refuse or rubbish.
- 4) No radio or television or other similar device shall be installed without first obtaining, in each instance, Owner's consent in writing. No serial shall be erected on the roof, exterior walls of the Shopping Center or on the grounds without, in each instance, the written consent of Owner. Any serial so installed without such written consent shall be subject to removal without notice at any time.
- 5) No loud speakers, televisions, phonographs, radios or other devices shall be used in a manner as to be heard or seen outside the area of Work without the prior written consent of Owner.
- 6) If the area of Work is equipped with heating facilities separate from those in the remainder of the Shopping Center, Contractor shall keep the area of Work at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
- 7) The exterior areas immediately adjoining the area of Work shall be kept clean and free from dirt and rubbish by Contractor at the satisfaction of Owner, and Contractor shall not place or permit any obstructions, including but not limited to supplies, equipment and fixtures, in such areas.
- 8) Contractor and Contractor's employees shall park their cars only in those parking areas designated for that purpose by Owner. In the event that Contractor or it's employees fail to park their cars in designated parking areas as aforesaid, the Owner, at its option, shall charge Contractor _____ per day per car parked in any area other than those designated, as and for liquidated damage. Oversized trucks may park _____
No parking will be permitted in the loading zones at any time. Any vehicle found in violation of this policy is subject to being ticketed and/or towed at the owner's risk and expense.
- 9) The plumbing facilities shall not be used for any other purpose than for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from violation of this provision shall be paid by Contractor who shall, or whose employees, agents or invitees shall have caused it.
- 10) Contractor shall not burn any trash or garbage of any kind in or about the area of Work, the Shopping Center, or within one (1) mile of the outside property lines of the Shopping Center.
- 11) Contractor shall not make noises, cause disturbances, or create odors which may be offensive to other users or tenants of the Shopping Center or their officers, employees, agents, servants, customers or invitees when the Shopping Center is in operation.
- 12) All signage, if applicable, shall be done professionally. No handwritten signs shall be posted.
- 13) Contractor to provide written notification of employees staying late or arriving early to the Shopping Center.
- 14) Contractor must furnish proper evidence of required insurance coverage.
- 15) Contractor at its sole cost and expense, shall obtain, prior to the commencement of Work all building or other permits required by law to perform Work (if applicable).
- 16) Any and all Work or services to be performed in the common areas of the Shopping Center must be authorized by Owner and must begin after 10:00pm and conclude before 10:00am or as further determined by Owner from time to time. No equipment or materials may be moved across the common area of the Shopping Center when the Shopping Center is open to the public, without the express written consent of Owner.

PROPOSAL SUBMITTED TO: Special District Management Services, Inc.
ADDRESS: Southlands Metropolitan District No. 1
 141 Union Boulevard, Ste 150
 Lakewood, CO 80228

CONTACT: Ann Finn
PHONE: 303-987-0835
EMAIL: afinn@sdmsi.com

DATE: Wednesday, June 22, 2022
JOB NAME AND ADDRESS: Southlands Shopping Center / Metro District
 (E. Smoky Hill & Main St., Aurora, CO 80016)
 July 1, 2022 – December 31, 2022

Power Sweeping

\$1,365 /mth

Sweep and detail (power blow) drive lanes, inside and outside curb lines and all corners.

Power Sweeping includes the following;

- 3x /week service – between 11:pm – 7:am
 - Tuesday night – into Wednesday morning
 - Friday night – into Saturday morning
 - Saturday night - into Sunday morning
- All labor and equipment necessary to complete the above specification.
- Equipment used will be capable of removing all trash, debris, and sand by means of air vacuum with dust control.
- All areas not accessible to mechanical equipment will be blown free of trash and debris by hand held blowers.
- All trash, debris, and sand will be disposed of offsite unless otherwise agreed upon.
 - *no dumping available onsite*
- Service schedule to be agreed upon by both parties.
- Additional work will be at an additional cost.

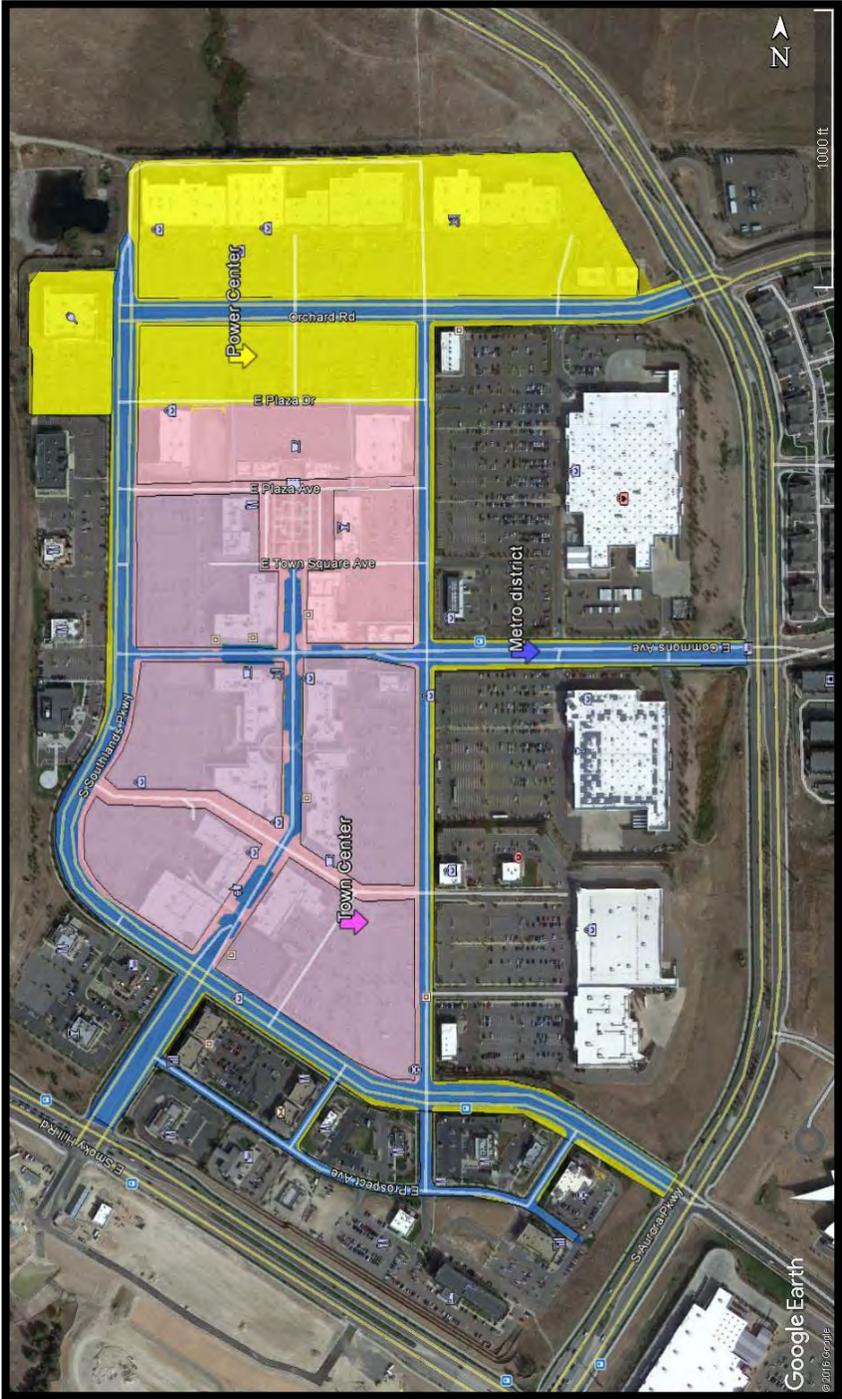
Southlands Metropolitan District Roads to include;

- East Orchard Rd.
- Prospect Avenue
- South Central Street
- South Southlands Parkway
 - (Includes Main Street Shops and Parking (South Main Street & East Commons Avenue).
- Refer to map (attached)

This pricing assumes contracts with both the Power Center and Town Center portions of Southlands, as well as, Southlands Metro District.

Upon signing above, I issue my personal guarantee of payment, which will be remitted upon invoice. Additional charges of 3.5% for credit card usage. All invoices are due and payable upon receipt. In the event the amount of an invoice is not paid within 30 days from the date of the invoice, the account shall be deemed to be in default and Contractor reserves the right to cease any further work until the account is brought current. Any invoice not paid within 30 days from the date of the invoice shall accrue interest at the maximum lawful rate of 1-1/2% per month, not to exceed 19% per annum. Owner/Customer agrees to indemnify the Contractor harmless from any costs or expenses incurred in the collection of the defaulted account, or in any part thereof, including all reasonable attorney fees, court cost, etc.

All services in Denver County subject to Denver County Tax



initial

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