

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 HELD NOVEMBER 19, 2019

A Regular 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 19th day of November, 2019, at 9:00 a.m., at the Southlands Shopping Center, 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
Skye Bailey
Michael Sandhoff
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

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: Ms. Finn noted that a quorum was present. Attorney Waldron advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Attorney Waldron reported that disclosures for those directors with 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 Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

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

Minutes: The Board reviewed the Minutes of the September 26, 2019 Special Meeting and October 22, 2019 Work Session.

Following discussion, upon motion duly made by Director Rocha, seconded by Director Elliott and, upon vote, unanimously carried, the Minutes of the September 26, 2019 Special Meeting and October 22, 2019 Work Session were approved, as presented.

2020 Annual Administrative Resolution: The Board entered into discussion regarding the 2020 Annual Administrative Resolution.

Following discussion, upon motion duly made by Director Liles, seconded by Director Sandhoff and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-01; 2020 Annual Administrative Resolution. A copy of the Resolution is attached hereto and incorporated herein by this reference.

2020 Regular Meeting Dates: Following discussion, the Board determined to meet on the third Tuesday of each month, at 9:00 a.m. at the regular meeting location.

PUBLIC COMMENTS

There were no public comments at this time.

FINANCIAL MATTERS

Claims: Ms. Finn reviewed with the Board the payment of claims for the periods ending September 30, 2019 totaling \$165,512 and October 31, 2019 totaling \$117,911.60.

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

Reimbursement Request: Director Rocha requested that the Board consider sponsorship of the holiday parade in the amount of \$13,089.

Following discussion, upon motion duly made by Director Liles, seconded by Director Rocha and, upon vote, carried with Directors Liles, Rocha, Bailey and

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Elliott voting “Yes” and Director Sandhoff voting “No”, the Board approved the sponsorship of the holiday parade, in the amount of \$13,089 and authorized reimbursement to M&J Wilkow in the same amount for the sponsorship.

Financial Statements: Ms. Dam reviewed with the Board the unaudited financial statements of the District for the period ending September 30, 2019, Cash Position Schedule, updated November 7, 2019 and Operations Fee Report.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Sandhoff and, upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District for the period ending September 30, 2019, Cash Position Schedule, updated November 7, 2019 and Operations Fee Report.

2019 Audit: The Board reviewed an engagement letter from Dazzio & Associates, Inc. to perform the 2019 Audit.

Following discussion, upon motion duly made by Director Liles seconded by Director Elliott and, upon vote, unanimously carried, the Board approved the engagement of Dazzio & Associates, Inc. to perform the 2019 Audit, for an amount not to exceed \$5,500.

2019 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2019 Budget.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following discussion, the Board determined that a 2019 Budget Amendment was not needed.

2020 Budget Hearing: The President opened the Public Hearing to consider the proposed 2020 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and location of the Public Hearing was made in a newspaper having general circulation within the District.

No written objections were received prior to the Public Hearing. No public comments were received and the Public Hearing was closed.

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Ms. Dam reviewed the estimated 2019 expenditures and the proposed 2020 expenditures.

Following discussion, the Board considered adoption of Resolution No. 2019-11-02; Resolution to Adopt the 2020 Budget and Appropriate Sums of Money, and Resolution No. 2019-11-03; Resolution to Set Mill Levies (for the General Fund at 7.000 mills, Debt Service Fund at 35.500 mills, for a total mill levy of 42.500 mills). Upon motion duly made by Director Liles, seconded by Director Rocha and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Ms. Finn was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County and the Division of Local Government not later than December 15, 2019. Ms. Finn was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Liles, seconded by Director Rocha and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

LEGAL MATTERS

Detention Pond 950: Ms. Finn advised the Board that she has not received a response from the Pronghorn developer regarding access to Detention Pond 950 for operations and maintenance purposes. Director Liles informed the Board that the street access into the District will be for emergency vehicles only and he has requested a copy of the civil plans from the developer. No action was taken by the Board at this time.

Resolution No. 2019-11-04 to Call the May 5, 2020 Regular Election: The Board discussed the upcoming election and Resolution No. 2019-11-04; Resolution Calling a Regular Election for Directors on May 5, 2020.

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Following discussion, upon motion duly made by Director Liles, seconded by Director Rocha and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-04 and appointed Ashley Frisbie as the Designated Election Official and authorized her to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

OPERATIONS AND MAINTENANCE

M & J Wilkow's Maintenance Report:

Holiday Lighting and Décor: Director Bailey noted that the holiday lights and décor have been installed and he is working on some electrical issues.

Maintenance Report (SDMS):

Detention Pond: Ms. Finn noted for the Board that the survey work has been completed and presented Work Order No. 2 from and Dewberry | J3 to resolve detention facility deficiencies, median renovations and to oversee work by outside contractors, in the amount of \$21,000.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Sandhoff and, upon vote, unanimously carried, the Board approved Work Order No. 2 from and Dewberry | J3 to resolve detention facility deficiencies, median renovations and to oversee work by outside contractors, for an amount not to exceed \$21,000.

Medians: Ms. Finn noted for the Board that the engineer is working on a landscape design for the medians.

Floral Program: Ms. Finn reported to the Board that the 2020 floral program is being publicly bid and that the contractors will be attending the December 17, 2019 Board meeting to present their proposals.

CAPITAL IMPROVEMENTS

2020 Capital Improvement Project: Director Liles reported to the Board that civil plans for the HUB and Landscaping Improvements should be completed by December 1, 2020.

Consultant Agreement with 505 Designs, Inc.: The Board deferred discussion.

Site Plan Amendment from the City of Aurora: Director Liles reported to the Board that approval from the City of Aurora for the site plan modifications for the upcoming improvements will take 5-7 weeks.

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Timing for Phasing Work and Bidding Process: The Board discussed the timing for phasing the work and bidding the projects.

Public Art Requirements: The Board entered into discussion regarding the public art requirement, per the District's Service Plan. It was noted that the fountain located in the plaza is currently part of the District's public art and is planned for demolition so additional art will need to be acquired by the District.


OTHER MATTERS

There were no other matters to discuss at this time.

ADJOURNMENT

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

Respectfully submitted,

By: 
Secretary for the Meeting

Resolution No. 2019-11-01

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1
ANNUAL ADMINISTRATIVE RESOLUTION
(2020)**

At the regular meeting of the Board of Directors (the “**Board**”) of the Southlands Metropolitan District No. 1 (the “**District**”), held at 9:00 a.m., on November 19, 2019, at 6155 S Main Street, Suite 260, Aurora, Colorado, it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of Arapahoe, Colorado (the “**County**”) and is located entirely within the City of Aurora, Colorado; and

WHEREAS, the Board has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs Special District Management Services, Inc. (the “**District Manager**”) to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (“**Division**”) and to be filed in accordance with § 32-1-306, C.R.S.

2. The Board directs the District Manager to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number and business address of the District, as required by § 32-1-104(2), C.R.S.

3. The Board directs the District Manager to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.

4. The Board directs the District’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, *et seq.*, C.R.S.

5. The Board directs the District’s accountant to: 1) obtain proposals for auditors to be presented to the Board; 2) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and 3) to cause the audit to be filed with the State Auditor by July 31st, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31st in accordance with § 29-1-604, C.R.S.

6. The Board directs the District Manager, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, the District's audit report or a copy of its application for exemption from audit in accordance with § 29-1-606(7), C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15th, to prepare the final budget and budget message, including any amendments thereto, if necessary, and directs the District Manager to schedule a public hearing on the proposed budget and/or amendments, and to post or publish notices thereof, to prepare all budget resolutions and to file the budget, budget resolution and budget message with the Division on or before January 30th, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs the District's accountant to monitor expenditures and contracted expenditures and, if necessary, to notify the District Manager, legal counsel and the Board when expenditures or contracted expenditures are expected to exceed appropriated amounts, and directs legal counsel to prepare all budget amendment resolutions and directs the District Manager to schedule a public hearing on a proposed budget amendment and to post or publish notices thereof and to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

9. The Board directs the District Manager to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1st if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

10. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's accountant to file the mill levy certification forms with the Board of County Commissioners on or before December 15th, in accordance with § 39-5-128, C.R.S.

11. The Board designates the *Aurora Sentinel* as a newspaper of general circulation within the boundaries of the District and directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S., in the *Aurora Sentinel*, unless otherwise designated by the Board or legal counsel.

12. The Board determines that each director shall receive compensation for their services as directors subject to the limitations set forth in §§ 32-1-902(3)(a)(I) & (II), C.R.S.

13. The District hereby acknowledges, in accordance with § 32-1-902, C.R.S., the following officers for the District:

Chairman/President:	Martin Liles
Vice President:	Skye Bailey
Treasurer:	Michael Sandhoff
Secretary:	Joyce Rocha

Assistant Secretary: April Elliott
Recording Secretary: District Manager

14. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with §§ 32-1-902(3)(b) and 18-8-308, C.R.S. Written disclosures provided by Board members required to be filed with the governing body in accordance with § 18-8-308, C.R.S. shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

15. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

16. The Board hereby appoints the the District Manager as the official custodian for the maintenance, care and keeping of all public records of the District, in accordance with §§ 24-72-202, *et seq.*, C.R.S. The Board hereby directs its legal counsel, accountant, manager and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

17. Pursuant to § 32-1-903(2) and § 24-6-402(2)(c), C.R.S., the Board hereby designates www.colorado.gov/southlandsmd1 as the District's website for the posting of its regular and special meeting notices at least twenty-four (24) hours in advance of the meeting, and hereby directs the District Manager, to the extent feasible, to make the notices accessible at no charge to the public, searchable by the type of meeting, date of meeting, time of meeting, agenda contents, and any other categories deemed appropriate by the Board and the District Manager and to consider linking the notice to any appropriate social media accounts of the District. The Board also hereby designates S. Aurora Parkway and Orchard Road as the location the District will post notices of meetings at least twenty-four (24) hours prior to the meeting in the event of exigent or emergency circumstances which prevent the District from posting notice of the meeting on the District's website. The Board directs the District Manager to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

18. The Board determines to hold regular meetings on third Tuesday of each month, at 9:00 a.m. at 6155 S Main Street, Suite 260, Aurora, Colorado. Notice of the time and place for all regular meetings shall be posted in accordance with § 24-6-402, C.R.S.

19. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such

emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

20. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

21. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints Ashley B. Frisbie, of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, as the Designated Election Official (the “DEO”) of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

22. In accordance with § 1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to § 32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the district and file a copy of such certification with the Division of Securities.

23. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with § 32-1-1604, C.R.S.

24. The Board directs the District Manager to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

25. The Board directs the District Manager to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S., an annual report, if requested, in accordance with § 32-1-207(3)(c), C.R.S.

26. The Board directs the District Manager to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District’s liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District’s accountant to pay the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner. The Board appoints the District Manager to designate the proxy for the SDA Annual meeting for voting and quorum purposes.

26. The Board hereby opts to include elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs the District Manager to obtain workers’ compensation coverage for the District.

27. The Board hereby directs the District Manager to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly. Further, the Board hereby designates the following website as the District's official website for the purposes thereof: www.colorado.gov/southlandsmd1.

28. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by § 32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

29. The Board directs the District's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

30. The Board directs legal counsel to monitor, and inform the Board of, any legislative changes that may occur throughout the year.

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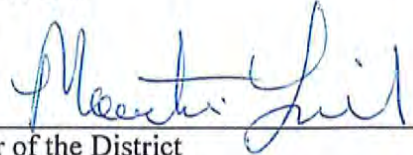
ADOPTED this 19th day of November, 2019.

**SOUTHLANDS
DISTRICT NO. 1**

METROPOLITAN

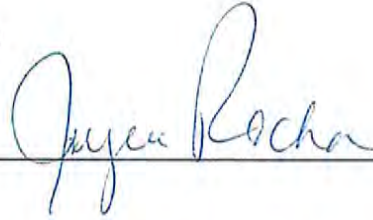
By: _____

Officer of the District



Attest:

By: _____



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

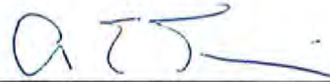


General Counsel to the District

CERTIFICATION OF RESOLUTION

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on November 19, 2019, at 6155 S Main Street, Suite 260, Aurora, Colorado.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 19th day of November, 2019.



Signature

Ann Finn

Printed Name

RESOLUTION NO. 2019 - 11 - 02

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SBC METROPOLITAN DISTRICT
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the SBC Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 22, 2019, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the SBC Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the SBC Metropolitan District for the 2020 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

EXHIBIT A
(Budget)



CliftonLarsonAllen LLP
CLAconnect.com

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Accountant's Compilation Report

Board of Directors
SBC Metropolitan District

Management is responsible for the accompanying budget of revenues expenditures and fund balances of SBC Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to SBC Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 13, 2019



An independent member of Nexia International

**SBC METROPOLITAN DISTRICT
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 7,848,229	\$ 6,817,434	\$ 8,465,505
REVENUES			
Property taxes	231,964	228,257	211,200
Specific ownership taxes	183,818	250,104	186,153
Net investment income	195,106	186,098	94,600
Property taxes remitted by DURA	2,944,351	2,990,385	2,891,364
Developer advance	1,813,291	-	-
Park Creek MD reimbursements	235,976	-	-
Total revenues	<u>5,604,506</u>	<u>3,654,844</u>	<u>3,383,317</u>
TRANSFERS IN	<u>452,507</u>	<u>-</u>	<u>1,414,949</u>
Total funds available	<u>13,905,242</u>	<u>10,472,278</u>	<u>13,263,771</u>
EXPENDITURES			
General Fund	278,369	293,055	445,000
Debt Service Fund	1,702,485	1,713,718	1,745,000
Capital Projects Fund	4,654,447	-	2,875,069
Total expenditures	<u>6,635,301</u>	<u>2,006,773</u>	<u>5,065,069</u>
TRANSFERS OUT	<u>452,507</u>	<u>-</u>	<u>1,414,949</u>
Total expenditures and transfers out requiring appropriation	<u>7,087,808</u>	<u>2,006,773</u>	<u>6,480,018</u>
ENDING FUND BALANCES	<u>\$ 6,817,434</u>	<u>\$ 8,465,505</u>	<u>\$ 6,783,753</u>
EMERGENCY RESERVE	\$ 41,700	\$ 43,600	\$ 48,900
DEBT SERVICE RESERVE - SERIES 2012	478,167	478,167	478,167
DEBT SERVICE RESERVE - SERIES 2016	870,625	870,625	870,625
TOTAL RESERVE	<u>\$ 1,390,492</u>	<u>\$ 1,392,392</u>	<u>\$ 1,397,692</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SBC METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION			
Commercial	\$ 90,927,420	\$ 74,265,730	\$ 90,949,500
Personal property	-	17,695,480	16,035,480
	<u>90,927,420</u>	<u>91,961,210</u>	<u>106,984,980</u>
LESS TIF District Assessed Value	(84,299,886)	(85,439,574)	(99,702,214)
Certified Assessed Value	<u>\$ 6,627,534</u>	<u>\$ 6,521,636</u>	<u>\$ 7,282,766</u>
MILL LEVY			
General	14.000	14.000	14.000
Debt Service	21.000	21.000	15.000
Total mill levy	<u>35.000</u>	<u>35.000</u>	<u>29.000</u>
PROPERTY TAXES			
General	\$ 92,786	\$ 91,303	\$ 101,959
Debt Service	139,178	136,954	109,241
Budgeted property taxes	<u>\$ 231,964</u>	<u>\$ 228,257</u>	<u>\$ 211,200</u>
ASSESSED VALUATION - Due on Increment			
TIF District Increment	\$ 84,299,866	\$ 85,439,574	\$ 99,702,214
Certified Assessed Value	<u>\$ 84,299,866</u>	<u>\$ 85,439,574</u>	<u>\$ 99,702,214</u>
MILL LEVY			
General	14.000	14.000	14.000
Debt Service	21.000	21.000	15.000
Total mill levy	<u>35.000</u>	<u>35.000</u>	<u>29.000</u>
PROPERTY TAXES			
General	\$ 1,180,198	\$ 1,196,154	\$ 1,395,831
Debt Service	1,770,298	1,794,232	1,495,533
Levied property taxes	<u>2,950,496</u>	<u>2,990,386</u>	<u>2,891,364</u>
Adjustments to actual/rounding	(6,145)	-	-
Budgeted property taxes	<u>\$ 2,944,351</u>	<u>\$ 2,990,386</u>	<u>\$ 2,891,364</u>
BUDGETED PROPERTY TAXES			
General	\$ 1,270,526	\$ 1,287,457	\$ 1,497,790
Debt Service	1,905,789	1,931,185	1,604,774
	<u>\$ 3,176,315</u>	<u>\$ 3,218,642</u>	<u>\$ 3,102,564</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SBC METROPOLITAN DISTRICT
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 1,507,678	\$ 2,163,491	\$ 3,322,341
REVENUES			
Property taxes	92,786	91,303	101,959
Specific ownership taxes	73,560	100,042	89,867
Net investment income	42,603	64,406	39,825
Property taxes remitted by DURA	1,177,740	1,196,154	1,395,831
Total revenues	<u>1,386,689</u>	<u>1,451,905</u>	<u>1,627,482</u>
Total funds available	<u>2,894,367</u>	<u>3,615,396</u>	<u>4,949,823</u>
EXPENDITURES			
General and administrative			
Accounting	27,482	25,000	25,000
Audit	3,900	4,100	4,100
County Treasurer's fee	12,713	19,312	14,978
Director fees	400	800	1,600
Dues and licenses	1,238	350	1,300
Insurance and bonds	6,455	7,385	7,755
District management	28,307	29,568	30,000
Legal services	9,077	8,500	10,000
Miscellaneous	2,516	5,000	3,000
Payroll taxes	31	60	120
Election	859	-	1,000
Contingency	-	-	1,647
Operations and maintenance			
City of Denver maintenance fee	3,000	3,000	3,000
Landscape - repairs and maintenance	24,202	53,500	50,000
Landscape - contract	99,766	75,000	100,000
Landscape - floral	-	5,000	5,000
Landscape - water	16,977	-	-
Mosquito abatement	1,500	1,300	1,500
Utilities	32,695	15,000	30,000
Storm drainage	5,828	6,500	10,000
Tree Replacement	-	500	30,000
Irrigation Repairs	-	15,000	15,000
Detention pond maintenance	-	-	50,000
Snowplowing and sweeping	1,423	6,500	10,000
Security	-	11,680	40,000
Total expenditures	<u>278,369</u>	<u>293,055</u>	<u>445,000</u>
TRANSFERS OUT			
Transfers to other funds	<u>452,507</u>	-	<u>1,414,949</u>
Total expenditures and transfers out requiring appropriation	<u>730,876</u>	<u>293,055</u>	<u>1,859,949</u>
ENDING FUND BALANCES	<u>\$ 2,163,491</u>	<u>\$ 3,322,341</u>	<u>\$ 3,089,874</u>
EMERGENCY RESERVE	<u>\$ 41,700</u>	<u>\$ 43,600</u>	<u>\$ 48,900</u>
TOTAL RESERVE	<u>\$ 41,700</u>	<u>\$ 43,600</u>	<u>\$ 48,900</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SBC METROPOLITAN DISTRICT
DEBT SERVICE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 2,845,840	\$ 3,239,441	\$ 3,691,944
REVENUES			
Property taxes	139,178	136,954	109,241
Specific ownership taxes	110,258	150,062	96,286
Net investment income	80,039	84,974	45,875
Property taxes remitted by DURA	1,766,611	1,794,231	1,495,533
Total revenues	<u>2,096,086</u>	<u>2,166,221</u>	<u>1,746,935</u>
Total funds available	<u>4,941,926</u>	<u>5,405,662</u>	<u>5,438,879</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	19,068	28,968	16,048
Contingency	-	-	10,002
Debt Service			
Bond interest - Series 2012	195,200	195,200	195,200
Bond interest - Series 2016	862,300	843,550	817,750
Bond principal - Series 2016	625,000	645,000	705,000
Paying agent fees	917	1,000	1,000
Total expenditures	<u>1,702,485</u>	<u>1,713,718</u>	<u>1,745,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,702,485</u>	<u>1,713,718</u>	<u>1,745,000</u>
ENDING FUND BALANCES	<u>\$ 3,239,441</u>	<u>\$ 3,691,944</u>	<u>\$ 3,693,879</u>
DEBT SERVICE RESERVE - SERIES 2012	\$ 478,167	\$ 478,167	\$ 478,167
DEBT SERVICE RESERVE - SERIES 2016	870,625	870,625	870,625
TOTAL RESERVE	<u>\$ 1,348,792</u>	<u>\$ 1,348,792</u>	<u>\$ 1,348,792</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SBC METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 3,494,711	\$ 1,414,502	\$ 1,451,220
REVENUES			
Net Investment Income	72,464	36,718	8,900
Developer advance	1,813,291	-	-
Park Creek MD reimbursements	235,976	-	-
Total revenues	<u>2,121,731</u>	<u>36,718</u>	<u>8,900</u>
TRANSFERS IN			
Transfers from other funds	<u>452,507</u>	-	<u>1,414,949</u>
Total funds available	<u>6,068,949</u>	<u>1,451,220</u>	<u>2,875,069</u>
Capital Projects			
Repay Developer Advance - Interest	577,060	-	-
Repay Developer Advance - Principal	1,813,291	-	-
Engineering	2,678	-	50,000
Capital outlay	1,813,291	-	2,825,069
56th Avenue improvements	448,127	-	-
Total expenditures	<u>4,654,447</u>	<u>-</u>	<u>2,875,069</u>
Total expenditures and transfers out requiring appropriation	<u>4,654,447</u>	<u>-</u>	<u>2,875,069</u>
ENDING FUND BALANCES	<u>\$ 1,414,502</u>	<u>\$ 1,451,220</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SBC METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

**SBC METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget using the adopted mill levy imposed by the District. The taxes include those subject to the DURA Cooperation Agreement as displayed.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The forecast assumes that the District's share will be equal to approximately 6% of the property taxes collected by the General Fund and Debt Service Fund. The estimate also includes property taxes under the DURA Cooperation Agreement.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of 1.25%.

Expenditures

Administrative and Operation Expenditures

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

Debt Service

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

Capital Outlay

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

**SBC METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On December 18, 2012, the District issued \$4,880,000 General Obligation Bonds, Series 2012, with an interest rate of 4.0%, consisting of term bonds due December 1, 2037. Such term bonds are subject to mandatory sinking fund redemption.

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

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

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

The District has no operating or capital leases.

Reserve Funds

Debt Service Reserve

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

Emergency Reserve

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

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

**SBC METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2020**

\$ 4,880,000.00

General Obligation Bonds

Series 2012, Dated December 19, 2012

Interest Rate of 4.00%

Interest Payable June 1 and December 1,

Principal Due December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ -	\$ 195,200	\$ 195,200
2021	-	195,200	195,200
2022	-	195,200	195,200
2023	-	195,200	195,200
2024	-	195,200	195,200
2025	-	195,200	195,200
2026	-	195,200	195,200
2027	-	195,200	195,200
2028	-	195,200	195,200
2029	-	195,200	195,200
2030	-	195,200	195,200
2031	-	195,200	195,200
2032	-	195,200	195,200
2033	-	195,200	195,200
2034	-	195,200	195,200
2035	1,390,000	195,200	1,585,200
2036	1,475,000	139,600	1,614,600
2037	2,015,000	80,600	2,095,600
	<u>\$ 4,880,000</u>	<u>\$ 3,343,400</u>	<u>\$ 8,223,400</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SBC METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2020**

\$ 19,225,000.00

**General Obligation Refunding and Improvement Bonds
Series 2016, Dated October 27, 2016
Interest Rate Varying from 3.00% - 5.00%
Interest Payable June 1 and December 1,
Principal Due December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 705,000	\$ 817,750	\$ 1,522,750
2021	735,000	789,550	1,524,550
2022	795,000	760,150	1,555,150
2023	830,000	728,350	1,558,350
2024	895,000	695,150	1,590,150
2025	920,000	674,250	1,594,250
2026	1,000,000	628,250	1,628,250
2027	1,050,000	578,250	1,628,250
2028	1,140,000	525,750	1,665,750
2029	1,195,000	468,750	1,663,750
2030	1,295,000	409,000	1,704,000
2031	1,360,000	344,250	1,704,250
2032	1,465,000	276,250	1,741,250
2033	1,535,000	203,000	1,738,000
2034	2,525,000	126,250	2,651,250
	<u>\$ 17,445,000</u>	<u>\$ 8,024,950</u>	<u>\$ 25,469,950</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

SBC METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2020

<u>Year Ended December 31,</u>	<u>Total</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 705,000	\$ 1,012,950	\$ 1,717,950
2021	735,000	984,750	1,719,750
2022	795,000	955,350	1,750,350
2023	830,000	923,550	1,753,550
2024	895,000	890,350	1,785,350
2025	920,000	869,450	1,789,450
2026	1,000,000	823,450	1,823,450
2027	1,050,000	773,450	1,823,450
2028	1,140,000	720,950	1,860,950
2029	1,195,000	663,950	1,858,950
2030	1,295,000	604,200	1,899,200
2031	1,360,000	539,450	1,899,450
2032	1,465,000	471,450	1,936,450
2033	1,535,000	398,200	1,933,200
2034	2,525,000	321,450	2,846,450
2035	1,390,000	195,200	1,585,200
2036	1,475,000	139,600	1,614,600
2037	2,015,000	80,600	2,095,600
	<u>\$ 22,325,000</u>	<u>\$ 11,368,350</u>	<u>\$ 33,693,350</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

RESOLUTION NO. 2019 - 11 - 03

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SBC METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the SBC Metropolitan District ("District") has adopted the 2020 annual budget in accordance with the Local Government Budget Law on November 22, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the SBC Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

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

ADOPTED this 22nd day of November, 2019.



Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of DENVER COUNTY, Colorado.

On behalf of the SBC METROPOLITAN DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS,
(governing body)^B

of the SBC METROPOLITAN DISTRICT,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 106,984,980 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 7,282,766 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/09/2019 for budget/fiscal year 2020.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>14.000</u> mills	\$ <u>101,959</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	14.000 mills	\$ 101,959
3. General Obligation Bonds and Interest ^J	<u>15.000</u> mills	\$ <u>109,241</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	29.000 mills	\$ 211,200

Contact person: Jason Carroll Daytime phone: (303) 779-5710
(print)
Signed: Jason Carroll Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|------------------------------------|
| 1. | Purpose of Issue: | Infrastructure Development |
| | Series: | 2012 |
| | Date of Issue: | December 18, 2012 |
| | Coupon Rate: | 4.00% |
| | Maturity Date: | December 18, 2037 |
| | Levy: | 1.704 |
| | Revenue: | \$12,410 |
| | | |
| 2. | Purpose of Issue: | Refunding and Capital Improvements |
| | Series: | 2016 |
| | Date of Issue: | October 27, 2016 |
| | Coupon Rate: | 3.00%-5.00% |
| | Maturity Date: | December 1, 2034 |
| | Levy: | 13.296 |
| | Revenue: | \$96,831 |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Resolution No. 2019-11-04

RESOLUTION OF BOARD OF DIRECTORS
CALLING ELECTION

SOUTHLANDS METROPOLITAN DISTRICT NO. 1

§§ 32-1-804, 1-1-111(2), 1-13.5-1103(1), and 1-13.5-513(1)

At a meeting of the Board of Directors (the “**Board**”) of the Southlands Metropolitan District No. 1 (the “**District**”), it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to §§ 32-1-101, *et seq.*, C.R.S. (the “**Special District Act**”); and

WHEREAS, the District is located entirely within Arapahoe County, Colorado (the “**County**”); and

WHEREAS, pursuant to § 32-1-804, C.R.S., the Board governs the conduct of regular and special elections for the District; and

WHEREAS, the Board anticipates holding a regular election on May 5, 2020, for the purpose of electing directors, and desires to take all actions necessary and proper for the conduct thereof (the “**Election**”); and

WHEREAS, the Election shall be conducted pursuant to the Special District Act, the Colorado Local Government Election Code and the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, including any amendments thereto, and shall also comply with Article X, § 20 of the Colorado Constitution (“**TABOR**”), as necessary; and

WHEREAS, pursuant to § 1-1-111(2), C.R.S., the Board is authorized to designate an election official (the “**Designated Election Official**”) to exercise authority of the Board in conducting the Election; and

WHEREAS, pursuant to § 1-13.5-513(1), C.R.S., the Board can authorize the Designated Election Official to cancel the Election upon certain conditions.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby calls the Election for the purpose of electing directors. The Election shall be conducted as an independent mail ballot election in accordance with § 1-13.5-1101, *et seq.*, C.R.S.

2. The Board names Ashley B. Frisbie of the law firm of White Bear Ankele Tanaka & Waldron as the Designated Election Official for the Election. The Designated Election Official shall

act as the primary contact with the County and shall be primarily responsible for ensuring the proper conduct of the Election.

3. Without limiting the foregoing, the following specific determinations also are made:

- a. The Board hereby directs general counsel to the District to approve the final form of the ballot to be submitted to the eligible electors of the District and authorizes the Designated Election Official to certify those questions and take any required action therewith.
- b. The Board hereby directs general counsel to the District to oversee the general conduct of the Election and authorizes the Designated Election Official to take all action necessary for the proper conduct thereof and to exercise the authority of the Board in conducting the Election, including, but not limited to, causing the call for nominations; appointment, training and setting compensation of election judges and a board of canvassers, as necessary; all required notices of election, including notices required pursuant to TABOR; printing of ballots; supervision of the counting of ballots and certification of election results; and all other appropriate actions.

4. The District shall be responsible for the payment of any and all costs associated with the conduct of the Election, including its cancellation, if permitted.

5. The Board hereby ratifies any and all actions taken to date by general counsel and the Designated Election Official in connection with the Election.

6. The Board hereby authorizes and directs the Designated Election Official to cancel the Election and to declare the candidates elected if, at the close of business on the sixty-third day before the Election, or at any time thereafter, there are not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, and so long as the only ballot questions are for the election of candidates. The Board further authorizes and directs the Designated Election Official to publish and post notice of the cancellation as necessary and file such notice and cancellation resolutions with the County Clerk and Recorder and with the Division of Local Government, as required. The Designated Election Official shall also notify the candidates that the Election was canceled and that they were elected by acclamation.

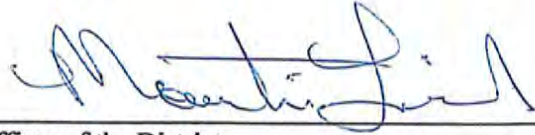
7. This Resolution shall remain in full force and effect until repealed or superseded by subsequent official action of the Board.

[Remainder of Page Intentionally Left Blank]

ADOPTED THIS 19TH DAY OF NOVEMBER, 2019.

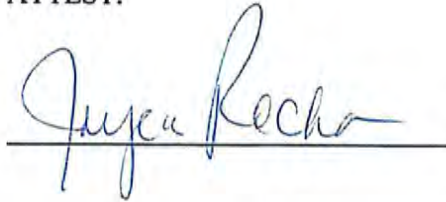
SOUTHLANDS METROPOLITAN DISTRICT NO.

1



Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District