

**RESOLUTION**  
**ADOPTING BUDGET, APPROPRIATING SUMS OF MONEY AND CERTIFYING**  
**MILL LEVIES FOR THE CALENDAR YEAR 2025**

---

The Board of Directors of Southlands Metropolitan District No. 1 (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**District**”), held a special meeting, via teleconference on December 3, 2024, at the hour of 9:30 a.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

*[Remainder of Page Intentionally Left Blank]*

NOTICE AS TO PROPOSED 2025 BUDGET

## INVITATION TO BID

OWNER: Southlands  
Metropolitan District No. 1  
C/o Public Alliance  
405 Urban Street, Suite 310  
Lakewood, CO 80228  
720-213-6621  
Attn: Ann Finn

The Southlands Metropolitan District No. 1, Aurora, Colorado (the "District") is seeking bids for general maintenance services for the District, which services generally include, but are not limited to: (1) on-site physical coverage to deal with issues requiring immediate attention and perform daily inspections; (2) must be available 24/7 in case of emergencies; (3) maintain fountains, fire pit, banners on street lights; street lights and signs, streets, sidewalks, monuments, landscaping, irrigation, floral, holiday lighting and decor and site amenities and (4) general record keeping; maintenance of District's files; assistance in preparation of annual budgets and provision of periodic reports. A copy of the full Scope of Services to be performed may be obtained from Public Alliance LLC at the location above.

Sealed bids can be submitted to the District Manager, Ann Finn at [ann@publicalliancellc.com](mailto:ann@publicalliancellc.com) the until 9:00 a.m. on Monday, December 2, 2024. Any bids received after this time will not be accepted and will be returned unopened. The bid opening will be held on December 2, 2024 at 9:00 a.m. via Zoom and can be joined through the directions below:

<https://zoom.us/j/7848826891>  
Phone: 1 (719) 359-4580  
Meeting ID: 784 882 6891  
Passcode: 0000  
One tap mobile:  
+17193594580,,7848826891#

All bids that have been duly received will be opened.

The work to be performed shall be pursuant to an Independent Contractor's Agreement for General Maintenance Services ("Agreement") which term shall begin on January 1, 2025 and expire on December 31, 2027, subject to annual appropriation. Said Agreement generally describes the District/Manager relationship and specific services to be provided to the District. Copies of the Agreement in draft form will be available from Public Alliance LLC at the location above on and after November 14, 2024

All bids shall be submitted in the form of a written qualification statement which shall include a written demonstration of the bidder's ability to provide the services listed in the Scope of Services attached as Exhibit A to the form Independent Contractor's Agreement for General Maintenance Services and the cost of providing such services on an annual basis to be billed in twelve (12) monthly installments.

Basis of award will be the lowest responsive and responsible bid as determined by the District. All bidders must be familiar with Title 32 Metropolitan Districts and their governing statutes.

The District reserves the right to reject any and all bids or to accept that bid or combination of bids, if any, which in the sole and absolute judgment of the District will, under all circumstances, best serve the District's interest.

/s/ Board of Directors  
Southlands  
Metropolitan District No. 1

Publication: November 14, 2024  
Sentinel

WHEREAS, the Board has appointed its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final adoption of the budget by the Board.

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

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2025. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2025 as more specifically set out in the budget attached hereto.

Section 3. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut, or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant, or other designee to certify to the Board of County Commissioners of Arapahoe County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 7. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED DECEMBER 3, 2024.

**DISTRICT:**

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

By: DocuSigned by:  
Martin Liles  
\_\_\_\_\_  
Officer of the District

**ATTEST:**

By: Signed by:  
April Elliott  
\_\_\_\_\_  
2BB93CCC2ECD482...

**APPROVED AS TO FORM:**

**WHITE BEAR ANKELE TANAKA & WALDRON**  
Attorneys at Law

By: Signed by:  
[Signature]  
\_\_\_\_\_  
0924.0015;  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF ARAPAHOE  
SOUTHLANDS METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Tuesday, December 3, 2024, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 3<sup>rd</sup> day of December, 2024.

By: Signed by:  
April Elliott  
\_\_\_\_\_  
Signature  
2BB93CCC2ECD482...

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2025**



**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

1/30/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 4,343,143	\$ 4,610,001	\$ 4,757,184
REVENUES			
Property taxes	3,225,657	3,489,107	3,433,647
Specific ownership taxes	214,094	189,000	206,019
Interest Income	274,429	250,000	215,000
Reimbursed expenditures	14,315	20,000	20,000
Other Revenue	-	53,286	-
General operations fee	2,103,000	2,103,000	2,103,000
General operations fee - vacant lots	28,586	34,500	34,500
General operations fee - penalty and other	16,618	39,283	20,000
Permits and fees	1,000	-	1,000
Total revenues	<u>5,877,699</u>	<u>6,178,176</u>	<u>6,033,166</u>
TRANSFERS IN	<u>13,429</u>	<u>130,000</u>	<u>1,100,000</u>
Total funds available	<u>10,234,271</u>	<u>10,918,177</u>	<u>11,890,350</u>
EXPENDITURES			
General Fund	324,582	381,038	435,000
General Operations Fee Fund	2,323,414	2,512,000	2,900,000
Debt Service Fund	2,949,416	3,007,955	3,005,000
Capital Projects Fund	13,429	130,000	800,000
Total expenditures	<u>5,610,841</u>	<u>6,030,993</u>	<u>7,140,000</u>
TRANSFERS OUT	<u>13,429</u>	<u>130,000</u>	<u>1,100,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,624,270</u>	<u>6,160,993</u>	<u>8,240,000</u>
ENDING FUND BALANCES	<u>\$ 4,610,001</u>	<u>\$ 4,757,184</u>	<u>\$ 3,650,350</u>
EMERGENCY RESERVE	\$ 83,900	\$ 90,000	\$ 105,800
GENERAL RESERVE	750,000	750,000	750,000
GOF RESERVE	1,024,567	805,331	443,731
SERIES 2017 A-1 RESERVE	1,687,625	1,687,625	1,687,625
SERIES 2017 A-2 RESERVE	149,750	149,750	149,750
SERIES 2017 SURPLUS	300,000	300,000	300,000
TOTAL RESERVE	<u>\$ 5,020,409</u>	<u>\$ 4,588,037</u>	<u>\$ 3,880,637</u>

No assurance provided. See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/30/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
<b>ASSESSED VALUATION</b>			
Commercial	\$ 74,364,291	\$ 74,871,852	\$ 78,346,840
State assessed	696,730	671,380	884,560
Vacant land	530,059	637,360	637,360
Certified Assessed Value	<u>\$ 75,591,080</u>	<u>\$ 76,180,592</u>	<u>\$ 79,868,760</u>
<b>MILL LEVY</b>			
General	6.500	8.000	15.000
Debt Service Fund - Series 2017 A-1	32.000	30.500	23.500
Debt Service Fund - Series 2017 A-2	3.500	3.500	3.500
Total mill levy	<u>42.000</u>	<u>42.000</u>	<u>42.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 491,342	\$ 609,445	\$ 1,198,031
Debt Service Fund - Series 2017 A-1	2,418,915	2,323,508	1,876,916
Debt Service Fund - Series 2017 A-2	264,569	266,632	279,541
Levied property taxes	<u>3,174,826</u>	<u>3,199,585</u>	<u>3,354,488</u>
Adjustments to actual/rounding	(49,323)	187,325	-
Budgeted property taxes	<u>\$ 3,125,503</u>	<u>\$ 3,386,910</u>	<u>\$ 3,354,488</u>
<b>ASSESSED VALUATION</b>			
Commercial	\$ 2,730,234	\$ 2,968,527	\$ 2,968,527
State assessed	80	15,400	35,630
Vacant land	145	140	140
Personal property	399,340	366,643	364,189
Certified Assessed Value	<u>\$ 3,129,799</u>	<u>\$ 3,350,710</u>	<u>\$ 3,368,486</u>
<b>MILL LEVY</b>			
Debt Service Fund - Series 2017 A-1	32.000	30.500	23.500
Total mill levy	<u>32.000</u>	<u>30.500</u>	<u>23.500</u>
<b>PROPERTY TAXES</b>			
Debt Service	\$ 100,154	\$ 102,197	\$ 79,159
Budgeted property taxes	<u>\$ 100,154</u>	<u>\$ 102,197</u>	<u>\$ 79,159</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 483,631	\$ 645,126	\$ 1,198,031
Debt Service	2,742,026	2,843,981	2,235,616
Total	<u>\$ 3,225,657</u>	<u>\$ 3,489,107</u>	<u>\$ 3,433,647</u>

No assurance provided. See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

1/30/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 670,218	\$ 883,229	\$ 1,119,422
REVENUES			
Property taxes	483,631	645,126	1,198,031
Specific ownership taxes	32,261	35,000	71,882
Permits and fees	1,000	-	1,000
Interest Income	34,130	40,000	35,000
Other Revenue	-	27,105	-
Total revenues	<u>551,022</u>	<u>747,231</u>	<u>1,305,913</u>
Total funds available	<u>1,221,240</u>	<u>1,630,460</u>	<u>2,425,335</u>
EXPENDITURES			
General and administrative			
Accounting	69,876	80,000	84,000
Auditing	6,000	6,500	6,500
County Treasurer's Fee	7,258	10,153	17,970
Directors' fees	2,000	3,000	3,000
Dues and Membership	550	872	1,200
Insurance	49,577	53,513	65,000
District management	68,656	77,000	80,000
Legal	44,937	68,000	70,000
Miscellaneous	863	2,000	5,000
Public events	54,185	60,000	60,000
Billing services	18,452	20,000	21,000
Election	2,228	-	10,000
Contingency	-	-	11,330
Total expenditures	<u>324,582</u>	<u>381,038</u>	<u>435,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>13,429</u>	<u>130,000</u>	<u>1,100,000</u>
Total expenditures and transfers out requiring appropriation	<u>338,011</u>	<u>511,038</u>	<u>1,535,000</u>
ENDING FUND BALANCES	<u>\$ 883,229</u>	<u>\$ 1,119,422</u>	<u>\$ 890,335</u>
EMERGENCY RESERVE	\$ 16,600	\$ 22,500	\$ 39,200
GENERAL RESERVE	750,000	750,000	750,000
TOTAL RESERVE	<u>\$ 766,600</u>	<u>\$ 772,500</u>	<u>\$ 789,200</u>

No assurance provided. See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**GENERAL OPERATIONS FEE FUND**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/30/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 1,172,471	\$ 1,091,867	\$ 872,831
<b>REVENUES</b>			
General operations fee	2,103,000	2,103,000	2,103,000
General operations fee - vacant lots	28,586	34,500	34,500
General operations fee - penalty and other	16,618	39,283	20,000
Interest Income	80,291	70,000	60,000
Reimbursed expenditures	14,315	20,000	20,000
Other Revenue	-	26,181	-
Total revenues	<u>2,242,810</u>	<u>2,292,964</u>	<u>2,237,500</u>
<b>TRANSFERS IN</b>			
Transfers from other funds	-	-	300,000
Total funds available	<u>3,415,281</u>	<u>3,384,831</u>	<u>3,410,331</u>
<b>EXPENDITURES</b>			
Operations and maintenance			
Pest control	6,000	10,000	10,000
Security	118,137	150,000	225,000
Snow removal	310,670	350,000	400,000
Utilities	112,851	130,000	150,000
Floral	465,318	380,000	380,000
Monthly cleaning	222,111	260,000	260,000
Property maintenance	118,860	120,000	140,000
Landscape maintenance & irrigation repair	333,904	350,000	400,000
Property management	21,083	-	-
Signage	11,919	40,000	25,000
Holiday decor	199,421	220,000	220,000
Site Lighting	122,217	125,000	130,000
Street repairs/sidewalk	107,580	75,000	75,000
Street sweeping	16,380	18,000	20,000
Traffic signals maintenance	1,202	2,000	5,000
Repairs and maintenance	155,761	-	-
Banners	-	40,000	40,000
Retaining wall repairs/replace caps	-	50,000	100,000
Tree replacement/removal/care	-	100,000	200,000
Fountains/chemicals	-	17,000	20,000
Detention pond	-	20,000	20,000
Playground inspections/repairs	-	-	25,000
Irrigation system upgrade	-	25,000	25,000
Locates	-	10,000	10,000
Contingency/other	-	20,000	20,000
Total expenditures	<u>2,323,414</u>	<u>2,512,000</u>	<u>2,900,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,323,414</u>	<u>2,512,000</u>	<u>2,900,000</u>
ENDING FUND BALANCES	<u>\$ 1,091,867</u>	<u>\$ 872,831</u>	<u>\$ 510,331</u>
EMERGENCY RESERVE	\$ 67,300	\$ 67,500	\$ 66,600
GOF RESERVE	1,024,567	805,331	443,731
TOTAL RESERVE	<u>\$ 1,091,867</u>	<u>\$ 872,831</u>	<u>\$ 510,331</u>

No assurance provided. See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
2025 BUDGET  
WITH 2023 ACTUAL AND 2024 ESTIMATED  
For the Years Ended and Ending December 31,**

1/30/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 2,500,454	\$ 2,634,905	\$ 2,764,931
REVENUES			
Property taxes	2,742,026	2,843,981	2,235,616
Specific ownership taxes	181,833	154,000	134,137
Interest Income	160,008	140,000	120,000
Total revenues	<u>3,083,867</u>	<u>3,137,981</u>	<u>2,489,753</u>
Total funds available	<u>5,584,321</u>	<u>5,772,886</u>	<u>5,254,684</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	41,141	42,955	33,534
Paying agent fees	6,000	6,000	6,000
Contingency	-	-	7,541
Debt Service			
Bond interest - Series 2017 A-1	2,055,500	2,034,150	2,010,175
Bond interest - Series 2017 A-2	181,775	179,850	177,750
Bond principal - Series 2017 A-1	610,000	685,000	705,000
Bond principal - Series 2017 A-2	55,000	60,000	65,000
Total expenditures	<u>2,949,416</u>	<u>3,007,955</u>	<u>3,005,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,949,416</u>	<u>3,007,955</u>	<u>3,005,000</u>
ENDING FUND BALANCES	<u>\$ 2,634,905</u>	<u>\$ 2,764,931</u>	<u>\$ 2,249,684</u>
SERIES 2017 A-1 RESERVE	\$1,687,625	\$1,687,625	\$1,687,625
SERIES 2017 A-2 RESERVE	149,750	149,750	149,750
SERIES 2017 SURPLUS	300,000	300,000	300,000
TOTAL RESERVE	<u>\$ 2,137,375</u>	<u>\$ 2,137,375</u>	<u>\$ 2,137,375</u>

No assurance provided. See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
 CAPITAL PROJECTS FUND  
 2025 BUDGET  
 WITH 2023 ACTUAL AND 2024 ESTIMATED  
 For the Years Ended and Ending December 31,**

1/30/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
TRANSFERS IN			
Transfers from other funds	13,429	130,000	800,000
Total funds available	13,429	130,000	800,000
EXPENDITURES			
Other projects	13,429	-	800,000
Median renovation project	-	130,000	-
Total expenditures	13,429	130,000	800,000
Total expenditures and transfers out requiring appropriation	13,429	130,000	800,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
2025 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  
2025 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.

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>		<b>Category</b>	<b>Rate</b>		<b>Actual Value Reduction</b>	<b>Amount</b>
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

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 6% 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.



**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
2025 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**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.

**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.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
2025 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

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.

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 2025, 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>
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>\$ 40,895,000</u>	<u>\$ 30,926,950</u>	<u>\$ 71,821,950</u>

No assurance provided. See summary of significant assumptions.

**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>
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>\$ 3,615,000</u>	<u>\$ 2,735,000</u>	<u>\$ 6,350,000</u>

No assurance provided. See summary of significant assumptions.

**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>
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>\$ 44,510,000</u>	<u>\$ 33,661,950</u>	<u>\$ 78,171,950</u>

No assurance provided. See summary of significant assumptions.