

**ANNUAL INFORMATION REPORT**  
**for the year 2025**  
**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**

(Pursuant to § 32-1-207(3)(c), C.R.S. and Section VI of the Service Plan for Southlands Metropolitan District No. 1 (the “District”), approved by the City of Aurora (“City”), Colorado, on September 9, 2002, (the “Service Plan”) and Section 8 of the Intergovernmental Agreement between the City and the District dated December 2, 2002)

- (1) No boundary changes were made or proposed during 2025.
- (2) The District did not enter into or propose any new intergovernmental agreements in 2025.
- (3) There were changes in the District’s policies in 2025.
  - a. Right-of-Way Permit Procedure
  - b. Digital Accessibility Policy
- (4) There were no changes in the District’s operations during 2025.
- (5) There were no material changes in the financial status of the District during 2025. A copy of the 2025 audited financial statements of the District will be sent upon completion.
- (6) There was no litigation which involved the District during 2025.
- (7) The District will continue to maintain District improvements in 2026.
- (8) The District is planning to complete a flower bed renovation project in 2026.
- (9) In 2025, no new facilities and improvements were constructed by the District that have been dedicated to and accepted by the City.
- (10) A copy of the 2026 Budget and 2025 Certification of Assessed Valuation from Arapahoe County is attached hereto as **Exhibit B**.
- (11) The District did not have any uncured defaults existing for more than 90 days under any debt instrument of the District.
- (12) For the financial information required by Section VI., Subsection B., numbers 1 through 8 of the Service Plan and Section 8 of the Intergovernmental Agreement, please see the attached table.

**2025 SUMMARY OF UNAUDITED FINANCIAL INFORMATION  
SOUTHLANDS METROPOLITAN DISTRICT NO. 1**

	Projected in 2002 for 2025	Year-End Estimated-2025*	Variance between 2002 projections and Year End Estimated 2025
Assessed Value of the District	\$71,991,216	\$83,662,037	(\$11,670,821)
Total acreage of property in the District	224 acres	201 acres	20 acres
District indebtedness outstanding (principal only)	\$5,765,000 (Series 2004) \$7,30,000 (Series 2007) \$9,993,000 (Series 2010) \$-0- (Series 2016) \$-0- (Series 2017)	\$-0- (Series 2004) \$**-0- (Series 2007) \$***-0- (Series 2010) \$****-0- (Series 2016) \$*****43,740,000 (Series 2017 A-1 & A-2)	\$5,765,000 (Series 2004) \$**7,330,000 (Series 2007) \$***9,993,000 (Series 2010) \$****-0- (Series 2016) \$*****43,740,000 (Series 2017 A-1 & A-2))
District debt service payment (principal only)	\$440,000 (Series 2004) \$365,000 (Series 2007) \$360,000 (Series 2010) \$-0- (Series 2016) \$-0- (Series 2017)	\$-0- (Series 2004) \$**-0- (Series 2007) \$***-0- (Series 2010) \$****-0- (Series 2016) \$*****770,000 (Series 2017 A-1 & A-2)	\$440,000 (Series 2004) \$**365,000 (Series 2007) \$***360,000 (Series 2010) \$****-0- (Series 2016) \$*****770,000 (Series 2017)
District tax revenue (debt service)	\$2,751,504	\$2,237,893	\$513,611
Other revenues of the District (debt service)	\$275,150	\$240,056	\$35,094
Public improvement expenditures (capital)	\$-0-	\$188,325	(\$188,325)
Other District expenditures (admin. and operations & maintenance)	\$100,490 (administrative only)	\$404,359 (admin.) \$2,721,690(maintenance)	(\$303,869) (admin.) (\$2,721,690) (maintenance)

\*The 2025 report summarizes financial data from the 2026 Budget, see attached **Exhibit A**.

\*\* On July 16, 2007, the District obtained approval of a First Amendment to Service Plan from the City of Aurora and issued \$58,940,000 General Obligation Refunding and Improvement Bonds whereby the Series 2004 Bonds were refunded.

\*\*\* The Series 2010 Bonds were never issued.

\*\*\*\* On January 11, 2016, the District obtained approval of a Second Amendment to Service Plan from the City of Aurora and issued \$4,250,000 Unlimited General Obligation Loan, Series 2016.

\*\*\*\*\* In 2017 the District issued General Obligation Refunding Bonds, Series 2017A-1, in the approximate, principal amount of \$44,690,000, and (ii) General Obligation Refunding Bonds, Series 2017A-2, in the approximate, principal amount of \$3,945,000.

### § 32-1-207(3) Statutory Requirements

**1. Boundary changes made.**

There were no boundary changes made to the District's boundaries in 2025.

**2. Intergovernmental Agreements entered into or terminated with other governmental entities.**

The District did not enter into or terminate any intergovernmental agreements in 2025.

**3. Access information to obtain a copy of rules and regulations adopted by the board.**

<https://southlandsmid1.org/>

**4. A summary of litigation involving public improvements owned by the District.**

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2025.

**5. The status of the construction of public improvements by the District.**

The District is planning to complete a flower bed renovation project in 2026.

**6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.**

The District did not construct any facilities or improvements dedicated to or accepted by the City in 2025.

**7. The final assessed valuation of the District as of December 31<sup>st</sup> of the reporting year.**

The District's 2025 final assessed valuation is attached hereto as **Exhibit B**.

**8. A copy of the current year's budget.**

The 2026 budget is attached hereto as **Exhibit C**.

**9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

The 2024 Audit is attached hereto as **Exhibit A**.

**10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

The District did not receive notice of any uncured defaults existing for more than ninety (90) days under any Debt instrument of the District.

**11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

There was not any inability of the District to pay its obligations as they came due under any obligation which continued beyond a ninety (90) day period.

**EXHIBIT A**  
**2024 Audit**

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

**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2024**

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
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Dazzio & Associates, PC

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Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Southlands Metropolitan District No. 1  
City of Aurora, Arapahoe County, Colorado

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Southlands Metropolitan District No. 1 (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2024, and the respective changes in financial position and the respective budgetary comparisons for the General Fund and the General Operations Fee Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the Other Information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Dussio & Associates, P.C.*

June 11, 2025

## **BASIC FINANCIAL STATEMENTS**

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
STATEMENT OF NET POSITION  
DECEMBER 31, 2024**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 1,788,770
Cash and Investments - Restricted	2,889,653
Accounts Receivable	35,139
General Operations Fees Receivable	549,692
Prepaid Insurance	63,416
Property Tax Receivable	3,433,647
Capital Assets:	
Capital Assets, Net of Depreciation	<u>6,062,027</u>
Total Assets	<u>14,822,344</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Cost of Refunding, Net	<u>1,326,168</u>
Total Deferred Outflows of Resources	<u>1,326,168</u>
<b>LIABILITIES</b>	
Accounts Payable	357,504
Unearned General Operations Fee	45,619
Due to County Treasurer	42,111
Accrued Interest	182,328
Noncurrent Liabilities:	
Due Within One Year	908,832
Due in More Than One Year	<u>45,737,147</u>
Total Liabilities	<u>47,273,541</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	<u>3,433,647</u>
Total Deferred Inflows of Resources	<u>3,433,647</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	(22,562,485)
Restricted for:	
Emergency Reserve	91,500
Debt Service	741,556
Unrestricted	<u>(12,829,246)</u>
Total Net Position	<u>\$ (34,558,675)</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2024**

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
<b>FUNCTIONS/PROGRAMS</b>					
Primary Government:					
Governmental Activities:					
General Government	\$ 4,404,625	\$ 2,193,135	\$ 22,248	\$ -	\$ (2,189,242)
Interest on Long-Term Debt and Related Costs	2,333,449	-	-	-	(2,333,449)
Total Governmental Activities	\$ 6,738,074	\$ 2,193,135	\$ 22,248	\$ -	(4,522,691)
<b>GENERAL REVENUES</b>					
Property Taxes					3,444,630
Specific Ownership Taxes					194,397
Interest Income					279,750
Other Revenue					40,160
Total General Revenues					3,958,937
<b>CHANGES IN NET POSITION</b>					(563,754)
Net Position - Beginning of Year					(33,994,921)
<b>NET POSITION - END OF YEAR</b>					\$ (34,558,675)

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2024**

	General	General Operations Fee	Debt Service	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 1,153,824	\$ 634,946	\$ -	\$ 1,788,770
Cash and Investments - Restricted	22,500	69,000	2,798,153	2,889,653
General Operations Fees Receivable	-	549,692	-	549,692
Accounts Receivable	-	35,139	-	35,139
Prepaid Insurance	63,416	-	-	63,416
Property Tax Receivable	1,198,031	-	2,235,616	3,433,647
Total Assets	\$ 2,437,771	\$ 1,288,777	\$ 5,033,769	\$ 8,760,317
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 61,523	\$ 289,981	\$ 6,000	\$ 357,504
Unearned General Operations Fee	-	45,619	-	45,619
Due to County Treasurer	8,216	-	33,894	42,110
Total Liabilities	69,739	335,600	39,894	445,233
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Tax Revenue	1,198,031	-	2,235,616	3,433,647
Total Deferred Inflows of Resources	1,198,031	-	2,235,616	3,433,647
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Expense	63,416	-	-	63,416
Restricted for:				
Emergency Reserves	22,500	69,000	-	91,500
Debt Service	-	-	2,758,259	2,758,259
Committed:				
Operations	-	884,177	-	884,177
Assigned to:				
Subsequent Year's Expenditures	229,087	-	-	229,087
Unassigned	854,998	-	-	854,998
Total Fund Balances	1,170,001	953,177	2,758,259	4,881,437
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,437,771	\$ 1,288,777	\$ 5,033,769	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				6,062,027
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.				1,326,168
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				(182,328)
Accrued Interest				(182,328)
Bonds Payable and Bond Premium				(46,645,979)
Net Position of Governmental Activities				\$ (34,558,675)

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2024**

	General	General Operations Fee	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>					
Property Taxes	\$ 646,951	\$ -	\$ 2,797,679	\$ -	\$ 3,444,630
Specific Ownership Taxes	35,882	-	158,515	-	194,397
General Operations Fee	-	2,101,311	-	-	2,101,311
General Operations Fee - Vacant Lots	-	34,505	-	-	34,505
General Operations Fee - Penalty And Other	-	57,319	-	-	57,319
Interest Income	50,378	55,323	174,049	-	279,750
Reimbursed Expenditures	-	22,248	-	-	22,248
Other Revenue	13,979	26,181	-	-	40,160
Total Revenues	<u>747,190</u>	<u>2,296,887</u>	<u>3,130,243</u>	<u>-</u>	<u>6,174,320</u>
<b>EXPENDITURES</b>					
General and Administrative:					
Accounting	85,413	-	-	-	85,413
Auditing	6,500	-	-	-	6,500
Contingency/Other	-	12,864	-	-	12,864
County Treasurer's Fee	9,495	-	41,889	-	51,384
Directors' Fees	2,700	-	-	-	2,700
District Management	63,749	-	-	-	63,749
Dues And Membership	872	-	-	-	872
Billing Services	18,773	-	-	-	18,773
Insurance	53,982	-	-	-	53,982
Legal	53,646	-	-	-	53,646
Miscellaneous	461	-	-	-	461
Public Events	54,283	-	-	-	54,283
Operations And Maintenance:					
Banners	-	41,011	-	-	41,011
Detention Pond	-	19,633	-	-	19,633
Floral	-	300,708	-	-	300,708
Fountains/Chemicals	-	18,039	-	-	18,039
Holiday Decor	-	246,762	-	-	246,762
Landscape Maintenance & Irrigation Repair	-	314,946	-	-	314,946
Locates	-	1,515	-	-	1,515
Monthly Cleaning	-	248,888	-	-	248,888
Pest Control	-	650	-	-	650
Property Maintenance	-	118,860	-	-	118,860
Retaining Wall Repairs/Replace Caps	-	2,746	-	-	2,746
Security	-	144,275	-	-	144,275
Signage	-	34,180	-	-	34,180
Site Lighting	-	162,572	-	-	162,572
Snow Removal	-	478,290	-	-	478,290
Street Repairs/Sidewalk	-	43,367	-	-	43,367
Street Sweeping	-	18,335	-	-	18,335
Traffic Signals Maintenance	-	733	-	-	733
Tree Replacement/Removal/Care	-	73,073	-	-	73,073
Utilities	-	154,129	-	-	154,129
Debt Service:					
Paying Agent Fees	-	-	6,000	-	6,000
Bond Interest - Series 2017 A-1	-	-	2,034,150	-	2,034,150
Bond Interest - Series 2017 A-2	-	-	179,850	-	179,850
Bond Principal - Series 2017 A-1	-	-	685,000	-	685,000
Bond Principal - Series 2017 A-2	-	-	60,000	-	60,000
Capital Projects:					
Median Renovation Project	-	-	-	110,338	110,338
Total Expenditures	<u>350,081</u>	<u>2,435,576</u>	<u>3,006,889</u>	<u>110,338</u>	<u>5,902,884</u>
<b>EXCESS OF REVENUES OVER (UNDER)</b>					
<b>EXPENDITURES</b>	397,109	(138,689)	123,354	(110,338)	271,436
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer (To)/From Other Funds	(110,338)	-	-	110,338	-
Total Other Financing Sources (Uses)	<u>(110,338)</u>	<u>-</u>	<u>-</u>	<u>110,338</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	286,771	(138,689)	123,354	-	271,436
Fund Balances - Beginning of Year	883,230	1,091,866	2,634,905	-	4,610,001
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,170,001</u>	<u>\$ 953,177</u>	<u>\$ 2,758,259</u>	<u>\$ -</u>	<u>\$ 4,881,437</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ 271,436

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

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital Outlay	110,338
Depreciation Expense	(1,618,968)

Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Bond Principal Payments	745,000
Amortization of Bond Premium	140,487
Amortization of Cost of Bond Refunding	(214,219)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the fund financial statements.

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

Accrued Interest Payable - Change in Liability	2,172
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Changes in Net Position of Governmental Activities	\$ (563,754)
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**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	Budgets		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 609,445	\$ 609,445	\$ 646,951	\$ 37,506
Specific Ownership Taxes	36,567	36,567	35,882	(685)
Interest Income	33,000	33,000	50,378	17,378
Permits And Fees	2,000	2,000	-	(2,000)
Other Revenue	-	-	13,979	13,979
Total Revenues	<u>681,012</u>	<u>681,012</u>	<u>747,190</u>	<u>66,178</u>
<b>EXPENDITURES</b>				
Accounting	70,000	70,000	85,413	(15,413)
Auditing	6,500	6,500	6,500	-
Contingency	10,358	26,396	-	26,396
County Treasurer's Fee	9,142	9,142	9,495	(353)
Directors' Fees	3,000	3,000	2,700	300
District Management	65,000	65,000	63,749	1,251
Dues And Membership	1,000	1,000	872	128
Insurance	55,000	55,000	53,982	1,018
Legal	60,000	60,000	53,646	6,354
Miscellaneous	5,000	5,000	461	4,539
Payroll Taxes	-	-	207	(207)
Billing Services	20,000	20,000	18,773	1,227
Public Events	60,000	60,000	54,283	5,717
Total Expenditures	<u>365,000</u>	<u>381,038</u>	<u>350,081</u>	<u>30,957</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	316,012	299,974	397,109	97,135
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers To Other Funds	(800,000)	(800,000)	(110,338)	689,662
Total Other Financing Sources (Uses)	<u>(800,000)</u>	<u>(800,000)</u>	<u>(110,338)</u>	<u>689,662</u>
<b>NET CHANGE IN FUND BALANCE</b>	(483,988)	(500,026)	286,771	786,797
Fund Balance - Beginning of Year	<u>767,883</u>	<u>767,883</u>	<u>883,230</u>	<u>115,347</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 283,895</u>	<u>\$ 267,857</u>	<u>\$ 1,170,001</u>	<u>\$ 902,144</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
GENERAL OPERATIONS FEE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Interest Income	\$ 70,000	\$ 55,323	\$ (14,677)
General Operations Fee	2,103,000	2,101,311	(1,689)
General Operations Fee - Vacant Lots	34,500	34,505	5
General Operations Fee - Penalty And Other	20,000	57,319	37,319
Reimbursed Expenditures	10,000	22,248	12,248
Other Revenue	-	26,181	26,181
Total Revenues	<u>2,237,500</u>	<u>2,296,887</u>	<u>59,387</u>
<b>EXPENDITURES</b>			
Floral	380,000	300,708	79,292
Holiday Decor	220,000	246,762	(26,762)
Landscape Maintenance & Irrigation Repair	350,000	314,946	35,054
Monthly Cleaning	260,000	248,888	11,112
Pest Control	10,000	650	9,350
Property Maintenance	120,000	118,860	1,140
Property Management	40,000	-	40,000
Security	400,000	144,275	255,725
Signage	20,000	34,180	(14,180)
Site Lighting	125,000	162,572	(37,572)
Snow Removal	350,000	478,290	(128,290)
Street Repairs/Sidewalk	250,000	43,367	206,633
Street Sweeping	20,000	18,335	1,665
Traffic Signals Maintenance	5,000	733	4,267
Tree Replacement/Removal/Care	125,000	73,073	51,927
Utilities	150,000	154,129	(4,129)
Repairs and Maintenance:			
Banners	40,000	41,011	(1,011)
Contingency/Other	10,000	12,864	(2,864)
Detention Pond	20,000	19,633	367
Fountains/Chemicals	15,000	18,039	(3,039)
Irrigation System Upgrade	25,000	-	25,000
Locates	10,000	1,515	8,485
Playground Inspections/Repairs	10,000	-	10,000
Retaining Wall Repairs/Replace Caps	100,000	2,746	97,254
Total Expenditures	<u>3,055,000</u>	<u>2,435,576</u>	<u>619,424</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(817,500)	(138,689)	678,811
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers From Other Funds	100,000	-	100,000
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>-</u>	<u>100,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	(717,500)	(138,689)	778,811
Fund Balance - Beginning of Year	<u>980,471</u>	<u>1,091,866</u>	<u>(111,395)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 262,971</u>	<u>\$ 953,177</u>	<u>\$ 690,206</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

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

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

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

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Government-Wide and Fund Financial Statements**

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

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

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

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

The District reports the following major governmental funds:

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

**Budgets**

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

The District has amended its annual budget for the year ended December 31, 2024.

**Pooled Cash and Investments**

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

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

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

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

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

Streets	20 Years
Park and Recreation Improvements	20 Years
Equipment and Vehicles	5 Years
Landscape, Medians, and Monument	20 Years

**Accounts Receivable**

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

**Resolutions Concerning the Imposition of a General Operations Fee**

On August 4, 2011, the District adopted the Resolution Concerning the Imposition of a General Operations Fee whereby the District fixed and imposed fees, rates, tolls, charges, and penalties for services or facilities provided by the District. On March 13, 2014, the District amended this resolution to clarify the funding of an operations reserve and capital reserve, capital replacement costs, as well as costs associated with providing the services, in order that the public facilities may be properly provided and maintained and that the health, safety, and welfare of the District and its inhabitants may be safeguarded. Excess fees at year-end are reflected as committed fund balance.

On November 16, 2021, the District adopted the Resolution Concerning the Imposition of a General Operations Fee for Vacant Lots. The fee, to be charged against each vacant lot, shall be due and payable each year within 45 days of the invoice date.

Any fee from the above resolutions that is not paid in full within 15 days after the scheduled due date is assessed a late fee of \$15 or up to 5% per month, or a fraction thereof, not to exceed a total of 25% of the amount due. Interest accrues on any outstanding fee, exclusive of assessed late fees and interest, at the rate of 18% per year.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Amortization**

**Bond Premium**

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

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

**Cost of Bond Refunding**

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

**Deferred Inflows/Outflows of Resources**

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

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

**Equity**

**Net Position**

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance**

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

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

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

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

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

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2024 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 1,788,770
Cash and Investments - Restricted	<u>2,889,653</u>
Total Cash and Investments	<u><u>\$ 4,678,423</u></u>

Cash and investments as of December 31, 2024 consist of the following:

Deposits with Financial Institutions	\$ 540,058
Investments	<u>4,138,365</u>
Total Cash and Investments	<u><u>\$ 4,678,423</u></u>

**Deposits with Financial Institutions**

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

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

At December 31, 2024, the District's cash deposits had a bank balance and a carrying balance of \$540,058.

**Investments**

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

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

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

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

As of December 31, 2024, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	Weighted-Average Under 60 Days	\$ 1,340,232
Fidelity Treasury Fund - Class III	Weighted-Average Under 60 Days	2,798,133
		<u>\$ 4,138,365</u>

**COLOTRUST**

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**COLOTRUST (Continued)**

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by FitchRatings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**Fidelity Investments**

Debt service monies included in the trust accounts at UMB were invested in the Fidelity Treasury Fund Class III (the Fund). This portfolio is a money market mutual fund which invests in U.S. government securities, which are fully guaranteed as to principal and interest by the United States, with maturities of 60 days or less and repurchase agreements collateralized by U.S. government securities. The Fund is rated AAA-mf by Moody's and AAAM by Standard & Poor's. The Fund records its investments at amortized cost and the District records its investments in the Fund using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 4 CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2024 follows:

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
<b>Governmental Activities:</b>				
Capital Assets, Being Depreciated:				
Streets	\$ 22,218,636	\$ -	\$ -	\$ 22,218,636
Parks and Recreation	8,523,542	-	-	8,523,542
Equipment and Vehicles	12,993	-	-	12,993
Landscape, Medians and Monument	1,539,234	110,338	-	1,649,572
Total Capital Assets, Being Depreciated	32,294,405	110,338	-	32,404,743
Less Accumulated Depreciation for:				
Streets	17,476,341	1,110,932	-	18,587,273
Parks and Rec	7,130,232	426,177	-	7,556,409
Equipment and Vehicles	1,732	2,599	-	4,331
Landscape, Medians and Monument	115,443	79,260	-	194,703
Total Accumulated Depreciation	24,723,748	1,618,968	-	26,342,716
 Total Capital Assets, Being Depreciated, Net	 7,570,657	 (1,508,630)	 -	 6,062,027
 Governmental Activities Capital Assets, Net	 <u>\$ 7,570,657</u>	 <u>\$ (1,508,630)</u>	 <u>\$ -</u>	 <u>\$ 6,062,027</u>

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

General Government	<u>\$ 1,618,968</u>
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**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 5 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2024:

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Bonds Payable:					
G.O. Refunding Bonds - Series 2017 A-1	\$ 41,580,000	\$ -	\$ 685,000	\$ 40,895,000	\$ 705,000
G.O. Refunding Bonds - Series 2017 A-2	<u>3,675,000</u>	<u>-</u>	<u>60,000</u>	<u>3,615,000</u>	<u>65,000</u>
Subtotal Bonds Payable	45,255,000	-	745,000	44,510,000	770,000
Bond Premium/Discount:					
Unamortized Bond Premium Series 2017 A-1	2,091,355	-	129,065	1,962,290	127,544
Unamortized Bond Premium Series 2017 A-2	<u>185,111</u>	<u>-</u>	<u>11,422</u>	<u>173,689</u>	<u>11,288</u>
Subtotal Bond Premium / Discount	<u>2,276,466</u>	<u>-</u>	<u>140,487</u>	<u>2,135,979</u>	<u>138,832</u>
Total Long-Term Obligations	<u>\$ 47,531,466</u>	<u>\$ -</u>	<u>\$ 885,487</u>	<u>\$ 46,645,979</u>	<u>\$ 908,832</u>

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

**General Obligation Bonds – Series 2017**

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

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Bonds – Series 2017 (Continued)**

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

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

Unused Lines of Credit

The Series 2017 Bonds do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the Series 2017 Bonds.

Events of Default

Events of default occur if:

- (a) The District fails to pay the principal of or interest on the Series 2017 Bonds when due;
- (b) The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Indenture or the Bond Resolution, and fails to remedy the same after notice thereof pursuant to the Indenture; or
- (c) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2017 Bonds.

Termination Events

The Series 2017 Bonds are not subject to early termination.

Acceleration

The series 2017 Bonds are not subject to acceleration.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Bonds – Series 2017 (Continued)**

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2030-2034	6,015,000	8,630,250	14,645,250
2035-2039	8,460,000	6,895,250	15,355,250
2040-2044	11,695,000	4,473,000	16,168,000
2045-2047	10,585,000	1,160,500	11,745,500
Total	<u>\$ 40,895,000</u>	<u>\$ 30,926,950</u>	<u>\$ 71,821,950</u>

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2030-2034	530,000	763,250	1,293,250
2035-2039	750,000	610,000	1,360,000
2040-2044	1,035,000	395,500	1,430,500
2045-2047	935,000	102,500	1,037,500
Total	<u>\$ 3,615,000</u>	<u>\$ 2,735,000</u>	<u>\$ 6,350,000</u>

**Debt Authorization**

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Debt Authorization (Continued)**

In November 2002, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$113,000,000 at an interest rate not to exceed 18% per annum. In November 2008, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$560,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2024, the District had authorized but unissued indebtedness in the following amount for the following purposes:

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

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

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 6 NET POSITION**

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

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2024, the District had the following net investment in capital assets, calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 6,062,027
Current Portion of Long-Term Obligations	(598,284)
Noncurrent Portion of Long-Term Obligations	(30,108,764)
Portion of Debt Related to Restricted Cash and Investments	2,082,536
Net Investment in Capital Assets	\$ (22,562,485)

The restricted component of net position consists of restricted assets that are restricted for use either externally by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position at December 31, 2024 as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserve	\$ 91,500
Debt Service	741,556
Total Restricted Net Position	\$ 833,056

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

**NOTE 7 INTERFUND TRANSFERS**

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 8 RELATED PARTY**

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

**NOTE 9 AGREEMENTS**

**District IGA**

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

**NOTE 10 RISK MANAGEMENT**

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

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

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS**

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

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

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

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

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

## **SUPPLEMENTARY INFORMATION**

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 2,692,337	\$ 2,797,679	\$ 105,342
Specific Ownership Taxes	161,540	158,515	(3,025)
Interest Income	100,000	174,049	74,049
Total Revenues	<u>2,953,877</u>	<u>3,130,243</u>	<u>176,366</u>
<b>EXPENDITURES</b>			
County Treasurer's Fee	40,385	41,889	(1,504)
Paying Agent Fees	6,000	6,000	-
Bond Interest - Series 2017 A-1	2,034,150	2,034,150	-
Bond Interest - Series 2017 A-2	179,850	179,850	-
Bond Principal - Series 2017 A-1	685,000	685,000	-
Bond Principal - Series 2017 A-2	60,000	60,000	-
Contingency	12,615	-	12,615
Total Expenditures	<u>3,018,000</u>	<u>3,006,889</u>	<u>11,111</u>
<b>NET CHANGE IN FUND BALANCE</b>	(64,123)	123,354	187,477
Fund Balance - Beginning of Year	<u>2,659,061</u>	<u>2,634,905</u>	<u>(24,156)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 2,594,938</u>	<u>\$ 2,758,259</u>	<u>\$ 163,321</u>

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Total Revenues	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Other Projects	570,000	-	570,000
Median Renovation Project	130,000	110,338	19,662
Total Expenditures	<u>700,000</u>	<u>110,338</u>	<u>589,662</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(700,000)	(110,338)	589,662
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers From Other Funds	700,000	110,338	(589,662)
Total Other Financing Sources (Uses)	<u>700,000</u>	<u>110,338</u>	<u>(589,662)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## **OTHER INFORMATION**

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2024**

Bonds/Loans and Interest Maturing in the Year Ending December 31,	\$44,690,000 General Obligation Refunding Bonds Series 2017 A-1, Dated December 1, 2017 Interest at 3.000%-5.000% Interest Payable June 1 and December 1 Principal Payable December 1			\$3,945,000 General Obligation Refunding Bonds Series 2017 A-2, Dated December 1, 2017 Interest at 3.000%-5.000% Interest Payable June 1 and December 1 Principal Payable December 1			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2025	\$ 705,000	\$ 2,010,175	\$ 2,715,175	\$ 65,000	\$ 177,750	\$ 242,750	\$ 770,000	\$ 2,187,925
2026	785,000	1,985,500	2,770,500	70,000	175,475	245,475	855,000	2,160,975	3,015,975
2027	815,000	1,958,025	2,773,025	65,000	173,025	238,025	880,000	2,131,050	3,011,050
2028	895,000	1,929,500	2,824,500	80,000	170,750	250,750	975,000	2,100,250	3,075,250
2029	940,000	1,884,750	2,824,750	85,000	166,750	251,750	1,025,000	2,051,500	3,076,500
2030	1,045,000	1,837,750	2,882,750	95,000	162,500	257,500	1,140,000	2,000,250	3,140,250
2031	1,100,000	1,785,500	2,885,500	95,000	157,750	252,750	1,195,000	1,943,250	3,138,250
2032	1,210,000	1,730,500	2,940,500	105,000	153,000	258,000	1,315,000	1,883,500	3,198,500
2033	1,270,000	1,670,000	2,940,000	110,000	147,750	257,750	1,380,000	1,817,750	3,197,750
2034	1,390,000	1,606,500	2,996,500	125,000	142,250	267,250	1,515,000	1,748,750	3,263,750
2035	1,460,000	1,537,000	2,997,000	130,000	136,000	266,000	1,590,000	1,673,000	3,263,000
2036	1,595,000	1,464,000	3,059,000	140,000	129,500	269,500	1,735,000	1,593,500	3,328,500
2037	1,675,000	1,384,250	3,059,250	150,000	122,500	272,500	1,825,000	1,506,750	3,331,750
2038	1,820,000	1,300,500	3,120,500	160,000	115,000	275,000	1,980,000	1,415,500	3,395,500
2039	1,910,000	1,209,500	3,119,500	170,000	107,000	277,000	2,080,000	1,316,500	3,396,500
2040	2,070,000	1,114,000	3,184,000	185,000	98,500	283,500	2,255,000	1,212,500	3,467,500
2041	2,170,000	1,010,500	3,180,500	190,000	89,250	279,250	2,360,000	1,099,750	3,459,750
2042	2,345,000	902,000	3,247,000	205,000	79,750	284,750	2,550,000	981,750	3,531,750
2043	2,460,000	784,750	3,244,750	220,000	69,500	289,500	2,680,000	854,250	3,534,250
2044	2,650,000	661,750	3,311,750	235,000	58,500	293,500	2,885,000	720,250	3,605,250
2045	2,780,000	529,250	3,309,250	245,000	46,750	291,750	3,025,000	576,000	3,601,000
2046	2,985,000	390,250	3,375,250	265,000	34,500	299,500	3,250,000	424,750	3,674,750
2047	4,820,000	241,000	5,061,000	425,000	21,250	446,250	5,245,000	262,250	5,507,250
Total	<u>\$ 40,895,000</u>	<u>\$ 30,926,950</u>	<u>\$ 71,821,950</u>	<u>\$ 3,615,000</u>	<u>\$ 2,735,000</u>	<u>\$ 6,350,000</u>	<u>\$ 44,510,000</u>	<u>\$ 33,661,950</u>	<u>\$ 78,171,950</u>

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
DECEMBER 31, 2024**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy		Total Mills Levied		Total Property Taxes		Percent Collected to Levied	Abatement	Collected Less Abatements	Percent Collected Less Abatements to Levied
			General	Debt	Total Property Taxes					
			Operations	Service	Levied	Collected				
2020	\$ 82,560,167	(a)	7.000	35.500	\$ 3,475,004	\$ 3,330,974	95.86 %	\$ (80,775)	\$ 3,250,199	93.53 %
2021	79,041,336	(b)	6.500	35.500	3,287,045	3,272,883	99.57 %	-	3,272,883	99.57 %
2022	81,244,362	(c)	6.500	35.500	3,381,245	3,339,380	98.76 %	(118,430)	3,220,950	95.26 %
2023	78,720,879	(d)	6.500	35.500	3,274,979	3,212,677	98.10 %	-	3,212,677	98.10 %
2024	79,531,302	(e)	8.000	34.000	3,301,782	3,530,734	106.93 %	(98,822)	3,431,912	103.94 %
Estimated for Year Ending December 31, 2025	\$ 83,237,246	(f)	15.000	27.000	\$ 3,433,647					

Note:

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

- (a) - Certified Assessed Value of \$3,219,321 is for Arapahoe County debt only.
- (b) - Certified Assessed Value of \$3,269,181 is for Arapahoe County debt only.
- (c) - Certified Assessed Value of \$3,101,819 is for Arapahoe County debt only.
- (d) - Certified Assessed Value of \$3,129,799 is for Arapahoe County debt only.
- (e) - Certified Assessed Value of \$3,350,710 is for Arapahoe County debt only.
- (f) - Certified Assessed Value of \$3,368,486 is for Arapahoe County debt only.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**ASSESSED VALUATION OF CLASSES OF PROPERTY OF THE DISTRICT**  
**DECEMBER 31, 2024**  
**(UNAUDITED)**

<u>Class</u>	<u>Total Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Commercial	\$ 75,397,525	90.58 %
Personal Property	7,177,771	8.62
Vacant Land	637,500	0.77
State Assessed	24,450	0.03
Total	<u>\$ 83,237,246</u>	<u>100.00 %</u>

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
TAXPAYERS IN THE DISTRICT  
DECEMBER 31, 2024  
(UNAUDITED)**

**Taxpayers Within The District**

<u>Taxpayer Name</u>	<u>2024 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation (1)</u>
SOUTHLANDS TC LLC	\$ 25,981,596	32.53 %
SOUTHLANDS PC LLC	5,138,901	6.43
WAL-MART REAL ESTATE BUSINESS	4,652,484	5.83
SAM'S CLUB REAL ESTATE	3,351,762	4.20
SAFARI HOTEL FUND DEN-2018 LLC	2,383,218	2.98
QWEST CORPORATION	561,200	0.70
BENT BARLEY BREWING COMPANY	467,829	0.59
NORDSTROM RACK	432,940	0.54
AMERICAN MULTI - CINEMA	270,154	0.34
PUBLIC SERVICE CO OF COLORADO (XCEL)	323,360	0.40
Total	<u>\$ 43,563,444</u>	<u>54.54%</u>

(1) Based on a 2024 certified assessed valuation of \$79,868,760

**Taxpayers Within The Excluded Property**

<u>Taxpayer Name</u>	<u>2024 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation (1)</u>
LOWES HOME IMPROVEMENT WAREHOUSE	\$ 3,301,084	98.00 %
PUBLIC SERVICES OF COLORADO	26,730	0.79
LEVOLOR INC	14,386	0.43
VERDANT COMMERCIAL CAPITAL LLC	12,585	0.37
QWEST CORPORATION	8,900	0.26
HILLMAN GROUP INC	2,284	0.07
DE LAGE LANDEN FINANCIAL SERVICES, INC.	1,348	0.04
READY ICE LLC	607	0.02
GRAYHAWK LEASING LLC	562	0.02
Total	<u>\$ 3,368,486</u>	<u>100.00 %</u>

(1) Based on a 2024 certified assessed valuation of \$3,368,486

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**ESTIMATED OVERLAPPING GENERAL OBLIGATION DEBT**  
**DECEMBER 31, 2024**  
**(UNAUDITED)**

Entity	2024 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Attributed to the District	
			Percent	Debt
Cherry Creek School District #5	\$ 8,989,744,310	\$ 546,140,000	0.93%	\$ 5,056,783
				<u>\$ 5,056,783</u>

**Exclusion Adjusted Taxing Area Historical Debt Ratios**

	Years Ended December 31				
	2020	2021	2022	2023	2024
General Obligation Debt Outstanding	\$ 43,305,000	\$ 42,780,000	\$ 42,190,000	\$ 41,580,000	\$ 40,895,000
Assessed Value - Exclusion					
Adjusted Taxing Area	\$ 79,041,336	\$ 81,244,362	\$ 78,720,879	\$ 79,531,302	\$ 83,237,246
Ratio of Debt to Assessed Value	54.79%	52.66%	53.59%	52.28%	49.13%

**EXHIBIT B**  
**2025 Assessed Valuation**



**ARAPAHOE COUNTY**

November 25, 2025

AUTH 4646 SOUTHLANDS METRO #1 BOND  
PUBLIC ALLIANCE  
C/O ANN FINN  
405 URBAN ST UNIT 310  
LAKEWOOD CO 80228

**PK Kaiser, MBA, MS**

Assessor

OFFICE OF THE ASSESSOR  
5334 S. Prince Street  
Littleton, CO 80120-1136  
Phone: 303-795-4600  
TDD: Relay-711  
Fax:303-797-1295  
[www.arapahoeco.gov/assessor](http://www.arapahoeco.gov/assessor)  
[assessor@arapahoegov.com](mailto:assessor@arapahoegov.com)

Code # 4646

**CERTIFICATION OF VALUATION**

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2025 of:

**\$3,208,222**

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

**PK Kaiser, MBA, MS**  
Arapahoe County Assessor

enc

## CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity  YES  NO

Date: November 25, 2025

**NAME OF TAX ENTITY:** SOUTHLANDS MET DIS #1 BND

### USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	3,368,486
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	3,208,222
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	3,208,222
5. NEW CONSTRUCTION: *	5.	\$	3
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ☉	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	61

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution

\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

☉ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

### USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	10,670,713
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**ADDITIONS TO TAXABLE REAL PROPERTY**

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	11
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

**DELETIONS FROM TAXABLE REAL PROPERTY**

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$	0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$	0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

\* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	0
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IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **		\$	166
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\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

**USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25%" LIMIT) 29-1-1703, C.R.S.**

IN ACCORDANCE WITH 39-5-121(2)(A) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	3,208,222
2. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	\$	0
3. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	\$	3,208,222
4. NEW CONSTRUCTION:	4.	\$	3
5. ANNEXATIONS/INCLUSIONS:	5.	\$	0
6. PREVIOUSLY EXEMPT PROPERTY:	6.	\$	0
7. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	7.	\$	0
8. INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION:	8.	\$	0
9. TAXES ABATED AND REFUNDED AS OF AUG.1 (29-1-301(1)(A), C.R.S.) and (39-10-114(1)(a)(1)(B), C.R.S.):	9.	\$	61
10. TOTAL VALUATION FOR ASSESSMENT FROM PRODUCING MINES OR LANDS OR LEASEHOLDS PRODUCING OIL OR GAS:	10.	\$	0
11. REVENUE INCREASE FROM EXPIRED TIF:	11.	\$	0

**Notes:**

The property tax limit will apply to all property taxing entities with the exception of school districts, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist in taxing entities with the calculation of the property tax limit available online here (<https://dlg.colorado.gov/budget-information-and-resources>). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

### CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners<sup>1</sup> of \_\_\_\_\_, Colorado.

On behalf of the \_\_\_\_\_  
(taxing entity)<sup>A</sup>  
the \_\_\_\_\_  
(governing body)<sup>B</sup>  
of the \_\_\_\_\_  
(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ \_\_\_\_\_ assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ \_\_\_\_\_ (NET<sup>G</sup> 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: \_\_\_\_\_ for budget/fiscal year \_\_\_\_\_  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< _____ > mills	\$ < _____ >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<input type="text"/> mills	\$ <input type="text"/>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<input type="text"/> mills	\$ <input type="text"/>

Contact person: \_\_\_\_\_ Daytime phone: ( ) \_\_\_\_\_  
(print)  
Signed: \_\_\_\_\_ Title: \_\_\_\_\_

*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.*

<sup>1</sup> 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.  
<sup>2</sup> 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<sup>J</sup>:**

1. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
2. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

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.

Notes:

<sup>A</sup> **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity*'s boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government<sup>C</sup>.

<sup>B</sup> **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity*'s mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

<sup>C</sup> **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

<sup>D</sup> **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a "tax increment financing" entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity*'s total mills upon the *taxing entity*'s *Gross Assessed Value* found on Line 2 of Form DLG 57.

<sup>E</sup> **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25<sup>th</sup> each year and may amend it, one time, prior to December 10<sup>th</sup>. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

<sup>F</sup> **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use "tax increment financing" to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity*'s mill levy applied against the *taxing entity*'s gross assessed value after subtracting the *taxing entity*'s revenues derived from its mill levy applied against the net assessed value.

<sup>G</sup> **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

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**<sup>H</sup> General Operating Expenses (DLG 70 Page 1 Line 1)**—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

**<sup>I</sup> Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)**—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

**<sup>J</sup> General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)**—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

**<sup>K</sup> Contractual Obligation (DLG 70 Page 1 Line 4)**—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

**<sup>L</sup> Capital Expenditures (DLG 70 Page 1 Line 5)**—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

**<sup>M</sup> Refunds/Abatements (DLG 70 Page 1 Line 6)**—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

**<sup>N</sup> Other (DLG 70 Page 1 Line 7)**—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

**EXHIBIT C**  
**2026 Budget**

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2026**

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 4,610,001	\$ 4,881,437	\$ 4,614,467
REVENUES			
Property taxes	3,444,630	3,437,223	3,616,468
Specific ownership taxes	194,397	184,356	198,905
Interest Income	279,750	219,000	190,000
Facilities fees	-	16,888	-
Reimbursed expenditures	22,248	-	-
Other Revenue	40,160	-	-
General operations fee	2,101,311	2,103,000	2,103,000
General operations fee - vacant lots	34,505	34,439	34,500
General operations fee - penalty and other	57,319	45,000	30,000
Permits and fees	-	5,000	5,000
Total revenues	<u>6,174,320</u>	<u>6,044,906</u>	<u>6,177,873</u>
TRANSFERS IN	<u>110,338</u>	<u>188,325</u>	<u>1,185,000</u>
Total funds available	<u>10,894,659</u>	<u>11,114,668</u>	<u>11,977,340</u>
EXPENDITURES			
General Fund	350,081	404,359	430,000
General Operations Fee Fund	2,435,576	2,721,690	3,003,000
Debt Service Fund	3,006,889	2,997,502	3,075,000
Capital Projects Fund	110,338	188,325	305,000
Total expenditures	<u>5,902,884</u>	<u>6,311,876</u>	<u>6,813,000</u>
TRANSFERS OUT	<u>110,338</u>	<u>188,325</u>	<u>1,185,000</u>
Total expenditures and transfers out requiring appropriation	<u>6,013,222</u>	<u>6,500,201</u>	<u>7,998,000</u>
ENDING FUND BALANCES	<u>\$ 4,881,437</u>	<u>\$ 4,614,467</u>	<u>\$ 3,979,340</u>
EMERGENCY RESERVE	\$ 91,500	\$ 107,100	\$ 89,200
GENERAL RESERVE	750,000	750,000	750,000
GOF RESERVE	884,177	371,726	436,726
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>\$ 3,863,052</u>	<u>\$ 3,366,201</u>	<u>\$ 3,413,301</u>

See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>			
Commercial	\$ 69,272,838	\$ 72,428,998	\$ 75,690,738
State assessed	3,420	23,450	2,920
Vacant land	637,360	637,360	825,238
Personal property	6,266,974	6,778,952	7,143,141
Certified Assessed Value	<u>\$ 76,180,592</u>	<u>\$ 79,868,760</u>	<u>\$ 83,662,037</u>
<b>MILL LEVY</b>			
General	8.000	15.000	8.000
Debt Service Fund - Series 2017 A-1	30.500	23.500	32.000
Debt Service Fund - Series 2017 A-2	3.500	3.500	2.000
Total mill levy	<u>42.000</u>	<u>42.000</u>	<u>42.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 609,445	\$ 1,198,031	\$ 669,296
Debt Service Fund - Series 2017 A-1	2,323,508	1,876,916	2,677,185
Debt Service Fund - Series 2017 A-2	266,632	279,541	167,324
Levied property taxes	<u>3,199,585</u>	<u>3,354,488</u>	<u>3,513,805</u>
Adjustments to actual/rounding	142,848	3,637	-
Budgeted property taxes	<u>\$ 3,342,433</u>	<u>\$ 3,358,125</u>	<u>\$ 3,513,805</u>
<b>ASSESSED VALUATION</b>			
Commercial	\$ 2,968,527	\$ 2,968,527	\$ 2,880,868
State assessed	80	35,630	90
Vacant land	140	140	135
Personal property	381,963	364,189	327,129
Certified Assessed Value	<u>\$ 3,350,710</u>	<u>\$ 3,368,486</u>	<u>\$ 3,208,222</u>
<b>MILL LEVY</b>			
Debt Service Fund - Series 2017 A-1	30.500	23.500	32.000
Total mill levy	<u>30.500</u>	<u>23.500</u>	<u>32.000</u>
<b>PROPERTY TAXES</b>			
Debt Service	\$ 102,197	\$ 79,159	\$ 102,663
Refunds and abatements	-	(61)	-
Budgeted property taxes	<u>\$ 102,197</u>	<u>\$ 79,098</u>	<u>\$ 102,663</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 646,951	\$ 1,199,330	\$ 669,296
Debt Service	2,797,679	2,237,893	2,947,172
Total	<u>\$ 3,444,630</u>	<u>\$ 3,437,223</u>	<u>\$ 3,616,468</u>

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 883,230	\$ 1,170,001	\$ 1,937,835
REVENUES			
Property taxes	646,951	1,199,330	669,296
Specific ownership taxes	35,882	64,300	36,811
Permits and fees	-	5,000	5,000
Interest Income	50,378	75,000	70,000
Facilities fees	-	16,888	-
Other Revenue	13,979	-	-
Total revenues	<u>747,190</u>	<u>1,360,518</u>	<u>781,107</u>
Total funds available	<u>1,630,420</u>	<u>2,530,519</u>	<u>2,718,942</u>
EXPENDITURES			
General and administrative			
Accounting	85,412	87,000	90,000
Auditing	6,500	6,500	7,000
County Treasurer's Fee	9,495	17,995	10,039
Directors' fees	2,700	3,000	3,000
Dues and Membership	872	610	1,200
Insurance	53,982	55,954	65,000
District management	63,749	68,000	75,000
Legal	53,646	58,000	65,000
Miscellaneous	669	1,000	1,000
Public events	54,283	65,000	75,000
Billing services	18,773	26,000	26,000
Payroll taxes	-	300	300
Election	-	15,000	-
Contingency	-	-	11,461
Total expenditures	<u>350,081</u>	<u>404,359</u>	<u>430,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>110,338</u>	<u>188,325</u>	<u>1,185,000</u>
Total expenditures and transfers out requiring appropriation	<u>460,419</u>	<u>592,684</u>	<u>1,615,000</u>
ENDING FUND BALANCES	<u>\$ 1,170,001</u>	<u>\$ 1,937,835</u>	<u>\$ 1,103,942</u>
EMERGENCY RESERVE	\$ 22,500	\$ 40,900	\$ 23,500
GENERAL RESERVE	750,000	750,000	750,000
TOTAL RESERVE	<u>\$ 772,500</u>	<u>\$ 790,900</u>	<u>\$ 773,500</u>

See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
GENERAL OPERATIONS FEE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 1,091,866	\$ 953,177	\$ 437,926
REVENUES			
General operations fee	2,101,311	2,103,000	2,103,000
General operations fee - vacant lots	34,505	34,439	34,500
General operations fee - penalty and other	57,319	45,000	30,000
Interest Income	55,323	24,000	20,000
Reimbursed expenditures	22,248	-	-
Other Revenue	26,181	-	-
Total revenues	<u>2,296,887</u>	<u>2,206,439</u>	<u>2,187,500</u>
TRANSFERS IN			
Transfers from other funds	-	-	880,000
Total funds available	<u>3,388,753</u>	<u>3,159,616</u>	<u>3,505,426</u>
EXPENDITURES			
Operations and maintenance			
Pest control	650	3,000	10,000
Security	144,275	150,000	185,000
Snow removal	478,290	400,000	400,000
Utilities	154,129	190,000	170,000
Floral	300,708	380,000	380,000
Monthly cleaning	248,888	250,000	260,000
Property maintenance	118,860	120,000	120,000
Landscape maintenance & irrigation repair	314,946	330,000	350,000
Signage	34,180	20,000	40,000
Holiday decor	246,762	240,000	250,000
Site Lighting	162,572	165,000	170,000
Street repairs/sidewalk	43,367	30,000	75,000
Street sweeping	18,335	20,000	23,000
Traffic signals maintenance	733	5,000	5,000
Repairs and maintenance			
Banners	41,011	40,000	40,000
Retaining wall repairs/replace caps	2,746	20,000	80,000
Tree replacement/removal/care	73,073	200,000	200,000
Fountains/chemicals	18,039	40,000	35,000
Detention pond	19,633	5,000	50,000
Playground inspections/repairs	-	48,690	100,000
Irrigation system upgrade	-	-	40,000
Locates	1,515	5,000	10,000
Contingency/other	12,864	60,000	10,000
Total expenditures	<u>2,435,576</u>	<u>2,721,690</u>	<u>3,003,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,435,576</u>	<u>2,721,690</u>	<u>3,003,000</u>
ENDING FUND BALANCES	<u>\$ 953,177</u>	<u>\$ 437,926</u>	<u>\$ 502,426</u>
EMERGENCY RESERVE	\$ 69,000	\$ 66,200	\$ 65,700
GOF RESERVE	884,177	371,726	436,726
TOTAL RESERVE	<u>\$ 953,177</u>	<u>\$ 437,926</u>	<u>\$ 502,426</u>

See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 2,634,905	\$ 2,758,259	\$ 2,238,706
REVENUES			
Property taxes	2,797,679	2,237,893	2,947,172
Specific ownership taxes	158,515	120,056	162,094
Interest Income	174,049	120,000	100,000
Total revenues	<u>3,130,243</u>	<u>2,477,949</u>	<u>3,209,266</u>
Total funds available	<u>5,765,148</u>	<u>5,236,208</u>	<u>5,447,972</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	41,889	33,577	44,208
Paying agent fees	6,000	6,000	6,000
Contingency	-	-	8,817
Debt Service			
Bond interest - Series 2017 A-1	2,034,150	2,010,175	1,985,500
Bond interest - Series 2017 A-2	179,850	177,750	175,475
Bond principal - Series 2017 A-1	685,000	705,000	785,000
Bond principal - Series 2017 A-2	60,000	65,000	70,000
Total expenditures	<u>3,006,889</u>	<u>2,997,502</u>	<u>3,075,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,006,889</u>	<u>2,997,502</u>	<u>3,075,000</u>
ENDING FUND BALANCES	<u>\$ 2,758,259</u>	<u>\$ 2,238,706</u>	<u>\$ 2,372,972</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>

See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
TRANSFERS IN			
Transfers from other funds	110,338	188,325	305,000
Total funds available	110,338	188,325	305,000
EXPENDITURES			
Capital Projects			
Other projects	-	-	100,000
Median renovation project	110,338	-	-
Monument Landscaping Renovation	-	15,000	80,000
Paving	-	165,000	125,000
Shade Sail	-	8,325	-
Total expenditures	110,338	188,325	305,000
Total expenditures and transfers out requiring appropriation	110,338	188,325	305,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

See summary of significant assumptions.

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1**  
**2026 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  
2026 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 2026, HB24B-1001 set the assessment rates as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		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 5.5% of the property taxes collected by both the General Fund and the Debt Service Fund. The budget assumes that specific ownership taxes allocable to property taxes collected by the Debt Service Fund will be pledged to debt service on the bonds during the term bonds are outstanding.

**Interest Income**

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

**SOUTHLANDS METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**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  
2026 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 2026, 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>
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>\$ 40,190,000</u>	<u>\$ 28,916,775</u>	<u>\$ 69,106,775</u>

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>
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>\$ 3,550,000</u>	<u>\$ 2,557,250</u>	<u>\$ 6,107,250</u>

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>
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>\$ 43,740,000</u>	<u>\$ 31,474,025</u>	<u>\$ 75,214,025</u>

See summary of significant assumptions.