



Shareholders

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Paralegals

Micki Mills
Sarah Luetjen

December 19, 2022

Division of Local Government
1313 Sherman Street
Suite 521
Denver, Colorado 80203

Via e-portal

**Re: Southern Metropolitan District
2023 Budget**

Dear Sir or Madam:

Enclosed are the 2023 Budget, Budget Resolution and Certification of Tax Levies for the Southern Metropolitan District of Arapahoe County, Colorado, submitted pursuant to Section 29-1-113(1), C.R.S.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in blue ink that reads 'Micki'.

Micki L. Mills
Paralegal

Enclosure

cc: Mr. Ed Quinn (***via email***)

CERTIFICATION OF 2023 BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Southern Metropolitan District, for the budget year ending December 31, 2023, as adopted on December 7, 2022.

IN WITNESS WHEREOF, I have hereunto set my hand as President of the Southern Metropolitan District in Arapahoe County, Colorado, this 7th day of December, 2022.



Edward Quinn, Chairman

THE SOUTHERN METROPOLITAN DISTRICT

Adopted Budget

2023

GENERAL FUND	Actual	Estimated	Adopted
2023 Adopted Budget	2021	2022	Budget
			2023
Beginning Balance, January 1	\$ 380,156.39	\$ 493,161.32	\$ 559,501.41
Adopted Budget			
Revenues:			
2021 Property taxes (3.500)	189,595.52		
2022 Property taxes (3.500)		198,784.14	
2023 Property taxes (3.500)			202,318.24
Specific ownership tax	13,609.05	13,520.17	15,000.00
Interest	405.79	3,381.62	14,000.00
Senior Exempt State Reimbursement	7,856.80	8,207.04	8,500.00
Other Income			
Total revenues and beginning balance	591,623.55	717,054.29	799,319.65
Expenditures:			
Legal	5,158.05	7,694.44	7,800.00
Insurance	5,065.00	5,097.96	5,250.00
Meetings	170.67	200.04	700.00
Repairs and maintenance	69,559.69	120,150.84	90,000.00
Capital improvements	0.00	0.00	657,672.58
Utilities	9,420.04	13,535.83	16,800.00
Miscellaneous	0.00	1,388.55	600.00
Treasurer's fee and allowance for uncollectible taxes	2,964.76	3,111.04	3,034.77
Director's fees	800.00	800.00	3,500.00
Accounting and audit	5,262.82	5,512.98	6,500.00
Payroll tax expense	61.20	61.20	267.75
Election costs - direct	0.00	0.00	0.00
Total expenditures	98,462.23	157,552.88	792,125.10
Total Revenues Over Expenditures	493,161.32	559,501.41	7,194.54
Ending Balance, December 31	\$ 493,161.32	\$ 559,501.41	\$ 7,194.54
Tabor Restricted Reserve Balance	6,344.01	6,716.79	7,194.55
Unrestricted Balance, December 31	\$ 486,817.31	\$ 552,784.62	\$ (0.00)

BUDGET MESSAGE

2023 Adopted Budget

The District was established to develop and construct the arterial and major roadways within the District. These roadways were improved to Arapahoe County standards and, after completion, were dedicated to the County for perpetual maintenance. The maintenance of the right-of-way improvements remained the responsibility of the District. These are the services that will continue to be provided in the budget year 2023.

The modified accrual basis of accounting is followed in the governmental fund types in the preparation of this budget. Revenue is recorded when susceptible to accrual and expenditures are recorded when the liability is incurred.

**GENERAL FUND
REVENUES**

Property Taxes

Property tax is based on assessed valuation of \$57,816,750 and a total mill levy of 3.500, 100% of which is in the general fund.

Property tax revenue for 2023 was computed as follows:

1) Funds necessary to balance General Fund	\$	199,283.46
2) Add: Estimated uncollectible		0.00
3) Add: County Treasurer's fees		3,034.77
4) Total property tax revenue	\$	<u>202,318.24</u>
5) Assessed valuation	\$	<u>57,805,211.00</u>
6) Mill levy		<u><u>3.50</u></u>

Specific Ownership Tax

Specific Ownership Tax for 2023 is estimated at \$15,000 based on 2022 estimated collections of \$13,520

Interest Income

The estimated interest income for 2023 is \$14,000 of which 100% is allocated to the general fund.

Senior Exempt State Reimbursement

The estimated senior exempt state reimbursement for 2023 is \$8,500 of which 100% is allocated to the general fund.

BUDGET MESSAGE

2023 Adopted Budget

EXPENDITURES

Legal

Legal fees for 2023 are estimated to be \$650 per month.

Insurance

The cost of property, general liability, automobile, workman's compensation, and directors' bond is estimated as follows:

	Actual 2021 cost	Actual 2022 cost	Budget 2023 cost
Workman's Compensation	\$ 445.00	\$ 445.00	\$ 450.00
Public Officials, General, Property and Auto Liability	<u>4,460.00</u>	<u>4,620.00</u>	<u>4,800.00</u>
Total	<u>\$ 4,905.00</u>	<u>\$ 5,065.00</u>	<u>\$ 5,250.00</u>

Meetings

The estimate for 2023 is based on 7 meetings at a cost of \$100 per meeting.

Repairs and Maintenance

The District is responsible for the maintenance and landscaping of community owned grounds lying adjacent to Dry Creek Road, Colorado Boulevard, County Line Road, and certain median areas. Landscape maintenance is estimated to be \$90,000.

Capital Improvements

There are no capital improvement projects planned at this time. The district is building cash reserves as it considers Adopted improvements.

BUDGET MESSAGE

2023 Adopted Budget

Utilities

Utilities for 2023 are estimated to average \$1,400 per month for power and water.

Miscellaneous

Miscellaneous expenses are estimated at \$600 for 2023.

Treasurer's Fees and Allowance for Uncollectible Taxes

Treasurer's fees are calculated at 1.5% of property taxes. The allowance for uncollectible taxes is estimated at 0%.

Directors' Fees

The Directors' fees estimate for 2023 is based on five directors for 6 meetings at \$100 per director per meeting. Additionally, we have budgeted 1 special meeting of five directors at \$100 per director per meeting.

Accounting and Audit

The cost of the audit is estimated at \$1,400 for 2023. Accounting services are estimated to be \$350 per month. Budget preparation and preparation for the audit and other miscellaneous services are budgeted at \$900 for the year.

Payroll Tax Expense

The expense to the District for Social Security and Medicare is 7.65% of estimated directors fees for 2022.

BUDGET MESSAGE

2023 Adopted Budget

RESERVE FUND

Restricted Balance

Emergency reserves pursuant to Article X, Section 20 of the Colorado Constitution.

SOUTHERN METROPOLITAN DISTRICT

INTEREST INCOME WORKSHEET

Interest is calculated as an average of beginning and ending cash balance plus the estimated capital fund, times the rate. Approximate 2023 annual yield estimated to be 2.25%

SOUTHERN METRO DISTRICT
 2022 Property Tax Distributions
 (September through December are Based on 2021 Collections)

Month	Total Received	GENERAL FUND				Senior Exmpt State Reimb
		Curr Tax	<Treas Fee>	Spec Own	Interest	
January	\$ 2,500.79	\$ 1,501.41	\$ (22.52)	\$ 1,021.90	\$ 0.00	\$ 0.00
February	\$ 73,017.65	\$ 72,935.82	\$ (1,094.04)	\$ 1,175.87	\$ 0.00	\$ 0.00
March	\$ 12,666.71	\$ 11,671.01	\$ (175.14)	\$ 1,165.77	\$ 5.07	\$ 0.00
Qtr 1 Totals	\$ 88,185.15	\$ 86,108.24	\$ (1,291.70)	\$ 3,363.54	\$ 5.07	\$ 0.00
April	\$ 47,050.79	\$ 38,269.95	\$ (697.16)	\$ 1,270.92	\$ 0.04	\$ 8,207.04
May	\$ 14,235.76	\$ 13,461.09	\$ (206.22)	\$ 962.00	\$ 18.89	\$ 0.00
June	\$ 57,925.03	\$ 57,746.88	\$ (866.38)	\$ 1,032.40	\$ 12.13	\$ 0.00
Qtr 2 Totals	\$ 119,211.58	\$ 109,477.92	\$ (1,769.76)	\$ 3,265.32	\$ 31.06	\$ 8,207.04
July	\$ 2,946.54	\$ 1,918.39	\$ (29.43)	\$ 1,013.78	\$ 43.80	\$ 0.00
August	\$ 1,846.23	\$ 506.27	\$ (7.87)	\$ 1,329.40	\$ 18.43	\$ 0.00
September	\$ 1,476.17	\$ 102.72	\$ (1.61)	\$ 1,370.57	\$ 4.49	\$ 0.00
Qtr 3 Totals	\$ 6,268.94	\$ 2,527.38	\$ (38.91)	\$ 3,713.75	\$ 66.72	\$ 0.00
October	\$ 650.74	\$ (756.56)	\$ 12.19	\$ 1,451.51	\$ (56.40)	\$ 0.00
November	\$ 2,145.02	\$ 994.42	\$ (15.96)	\$ 1,096.95	\$ 69.61	\$ 0.00
December	\$ 976.95	\$ 0.00	\$ 0.00	\$ 976.95	\$ 0.00	\$ 0.00
Qtr 4 Totals	\$ 3,772.71	\$ 237.86	\$ (3.77)	\$ 3,525.41	\$ 13.21	\$ 0.00
YTD TOTALS	\$ 217,438.38	\$ 198,351.40	\$ (3,104.14)	\$ 13,868.02	\$ 116.06	\$ 8,207.04

SOUTHERN METROPOLITAN DISTRICT
Cash Disbursement Journal
Three Year Comparison 2022/2022/2021
General Fund
(Sept thru Dec are estimates based on 2022)

Month	1505 Accounting & Auditing			1510 Director's Fee			1513 Election Costs			1515 Insurance		
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
YTD Aug 31	4,151.73	3,901.57	4,023.00	400.00	400.00	800.00	0.00	0.00	0.00	3,409.64	3,376.68	3,324.99
September	453.75	453.75	330.00	0.00	0.00	0.00	0.00	0.00	0.00	422.08	422.08	446.87
October	343.75	343.75	495.00	0.00	0.00	0.00	0.00	0.00	0.00	422.08	422.08	446.87
November	275.00	275.00	357.50	400.00	400.00	600.00	0.00	0.00	0.00	422.08	422.08	446.87
December	288.75	288.75	261.25	0.00	0.00	0.00	0.00	0.00	0.00	422.08	422.08	446.87
Totals	5,512.98	5,262.82	5,466.75	800.00	800.00	1,400.00	0.00	0.00	0.00	5,097.96	5,065.00	5,112.47
Month	1520 Legal			1525 Meetings			1530 Miscellaneous			1540 Payroll Taxes		
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
YTD Aug 31	5,527.94	2,991.55	4,576.76	115.51	86.14	201.72	1,388.55	0.00	35.00	30.60	30.60	61.20
September	247.50	247.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
October	394.08	394.08	400.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
November	1,174.92	1,174.92	1,239.64	84.53	84.53	0.00	0.00	0.00	0.00	30.60	30.60	45.90
December	350.00	350.00	68.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	7,694.44	5,158.05	6,285.92	200.04	170.67	201.72	1,388.55	0.00	35.00	61.20	61.20	107.10
Month	1545 Treasures Fees			1550 Utilities			1600 Capital Improvements			1605 Repairs & Maintenance		
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
YTD Aug 31	3,098.76	2,952.48	2,974.78	11,268.53	7,152.74	11,074.53	0.00	0.00	0.00	109,997.27	59,406.12	42,329.02
September	1.70	1.70	1.61	1,242.75	1,242.75	2,201.03	0.00	0.00	0.00	2,725.89	2,725.88	1,248.00
October	5.00	5.00	(12.19)	652.96	652.96	2,024.92	0.00	0.00	0.00	4,128.43	4,128.43	1,507.00
November	5.58	5.58	15.96	149.76	149.76	256.08	0.00	0.00	0.00	1,348.50	1,348.50	1,248.00
December	0.00	0.00	0.00	221.83	221.83	230.25	0.00	0.00	0.00	1,950.76	1,950.76	4,341.41
Totals	3,111.04	2,964.76	2,980.16	13,535.83	9,420.04	15,786.81	0.00	0.00	0.00	120,150.85	69,559.69	50,673.43

SOUTHERN METROPOLITAN DISTRICT

ACCOUNTING FEES

	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Act+Budget
Audit	2,950.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,927.50	1,330.32	1,552.98
Bookkeeping	7,380.81	7,544.87	8,388.10	5,536.25	4,763.00	3,759.96	3,539.25	3,932.50	3,746.25
Total	10,330.81	8,544.87	9,388.10	6,536.25	5,763.00	4,759.96	5,466.75	5,262.82	5,299.23

RESOLUTION OF SOUTHERN METROPOLITAN DISTRICT

TO ADOPT BUDGET

WHEREAS, the Board of Directors of the Southern Metropolitan District has appointed a budget committee to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted a proposed budget to this Board for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on December 7, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

1. That estimated expenditures for each fund are as follows:

General Fund:	\$792,125
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2. That estimated revenues are as follows:

General Fund:

From Fund Balance	\$559,501
From sources other than general property tax	\$ 37,500
From the general property tax levy	<u>\$202,318</u>
Total	<u>\$799,319</u>

3. That reserves have been or are hereby established for each appropriate fund or combined as a single reserve fund as set forth in the Budget in order to preserve the spending exemption for reserves under TABOR, and all such reserves shall be transferred or expended within any fund as set forth in the budget.

4. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of Southern Metropolitan District for the 2023 fiscal year.

5. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of District to all appropriate agencies and is made a part of the public records of District.

TO SET MILL LEVIES

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$202,318; and

WHEREAS, the 2022 valuation for assessment for District, as certified by the Arapahoe County Assessor, is \$57,805,211.

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

1. That for the purposes of meeting all general operating expenses of District during the 2023 budget year, there is hereby levied a tax of 3.500 mills upon each dollar of the total valuation for assessment of all taxable property within District, to raise \$202,318 in revenue.

2. That the Treasurer and/or President of District is hereby authorized and directed to immediately certify to the County Commissioners of Arapahoe County, Colorado, the mill levies for District as hereinabove determined and set.

TO APPROPRIATE SUMS OF MONEY

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

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully

set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Southern Metropolitan District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

General Fund:

\$792,125

Adopted this 7th day of December, 2022.

SOUTHERN METROPOLITAN DISTRICT

By  _____
Edward Quinn, Chairman

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the Southern Metropolitan District (taxing entity)^A, the Board of Directors (governing body)^B of the Southern Metropolitan District (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 57,805,211 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 57,805,211 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/6/22 for budget/fiscal year 2023 (not later than Dec. 15) (mm/dd/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY², REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, and various bond and obligation categories.

Contact person: (print) David A. Greher Daytime phone: (303) 218-7206 Signed: [Signature] Title: Attorney

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