

**SOUTH MERIDIAN METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024**

**SOUTH MERIDIAN METROPOLITAN DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31, 2024**

1/16/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 653,748	\$ 637,952	\$ 630,527
REVENUES			
Property taxes	477,692	497,954	503,303
Specific ownership taxes	43,327	46,166	45,297
Interest income	14,750	26,750	37,401
Other income	-	-	2,500
Total revenues	<u>535,769</u>	<u>570,870</u>	<u>588,501</u>
Total funds available	<u>1,189,517</u>	<u>1,208,822</u>	<u>1,219,028</u>
EXPENDITURES			
General Fund	244,105	265,958	262,786
Debt Service Fund	307,460	312,337	318,024
Total expenditures	<u>551,565</u>	<u>578,295</u>	<u>580,810</u>
Total expenditures and transfers out requiring appropriation	<u>551,565</u>	<u>578,295</u>	<u>580,810</u>
ENDING FUND BALANCES	<u>\$ 637,952</u>	<u>\$ 630,527</u>	<u>\$ 638,218</u>
EMERGENCY RESERVE	\$ 7,300	\$ 8,000	\$ 7,900
AVAILABLE FOR OPERATIONS	200	-	-
TOTAL RESERVE	<u>\$ 7,500</u>	<u>\$ 8,000</u>	<u>\$ 7,900</u>

No assurance provided. See summary of significant assumptions.

**SOUTH MERIDIAN METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31, 2024**

1/16/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION - 4408			
Residential	\$ 1,063,920	\$ 1,011,840	\$ 993,270
Commercial	12,982,910	13,004,120	15,549,740
State assessed	100	1,100	1,100
Vacant land	116,760	116,760	112,340
Personal property	1,705,450	2,007,680	1,893,770
Certified Assessed Value	<u>\$ 15,869,140</u>	<u>\$ 16,141,500</u>	<u>\$ 18,550,220</u>
MILL LEVY			
General	14.480	14.526	12.716
Debt Service	6.000	6.000	5.285
Refund and abatements	0.000	0.681	0.047
Total mill levy	<u>20.480</u>	<u>21.207</u>	<u>18.048</u>
PROPERTY TAXES			
General	\$ 229,785	\$ 234,471	\$ 235,885
Debt Service	95,215	96,849	98,038
Refund and abatements	-	10,992	872
Levied property taxes	<u>325,000</u>	<u>342,312</u>	<u>334,795</u>
Refunds and abatements	<u>(12,262)</u>	<u>-</u>	<u>-</u>
Budgeted property taxes	<u>\$ 312,738</u>	<u>\$ 342,312</u>	<u>\$ 334,795</u>
ASSESSED VALUATION - 4410			
Residential	\$ 19,542,560	\$ 18,718,280	\$ 23,475,260
State assessed	2,800	4,400	4,500
Personal property	515,270	479,010	511,370
Certified Assessed Value	<u>\$ 20,060,630</u>	<u>\$ 19,201,690</u>	<u>\$ 23,991,130</u>
MILL LEVY			
Debt Service	6.000	6.000	5.285
Refund and abatements	0.000	0.000	0.024
Total mill levy	<u>6.000</u>	<u>6.000</u>	<u>5.309</u>
PROPERTY TAXES			
Debt Service	120,364	115,210	126,793
Refund and abatements	-	-	576
Budgeted property taxes	<u>\$ 120,364</u>	<u>\$ 115,210</u>	<u>\$ 127,369</u>
ASSESSED VALUATION - 4416			
Residential	\$ 11,529,140	\$ 10,929,240	\$ 13,439,340
State assessed	2,000	2,800	2,800
Personal property	386,170	316,510	334,070
Certified Assessed Value	<u>\$ 11,917,310</u>	<u>\$ 11,248,550</u>	<u>\$ 13,776,210</u>
MILL LEVY			
Debt Service	0.000	0.000	0.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
PROPERTY TAXES			
Debt Service	-	-	-
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ASSESSED VALUATION - 4531			
Residential	\$ 6,993,770	\$ 6,357,660	\$ 7,052,760
State assessed	500	800	800
Personal property	437,470	380,240	380,290
Certified Assessed Value	<u>\$ 7,431,740</u>	<u>\$ 6,738,700</u>	<u>\$ 7,433,850</u>
MILL LEVY			
Debt Service	6.000	6.000	5.285
Refund and abatements	0.000	0.000	0.249
Total mill levy	<u>6.000</u>	<u>6.000</u>	<u>5.534</u>
PROPERTY TAXES			
Debt Service	44,590	40,432	39,288
Refund and abatements	-	-	1,851
Budgeted property taxes	<u>\$ 44,590</u>	<u>\$ 40,432</u>	<u>\$ 41,139</u>
BUDGETED PROPERTY TAXES			
General	\$ 222,835	\$ 242,250	\$ 236,500
Debt Service	254,857	255,704	266,803
Total	<u>\$ 477,692</u>	<u>\$ 497,954</u>	<u>\$ 503,303</u>

No assurance provided. See summary of significant assumptions.

**SOUTH MERIDIAN METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31, 2024**

1/16/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 7,299	\$ 7,500	\$ 8,000
REVENUES			
Property taxes	222,835	242,250	236,500
Specific ownership taxes	20,320	22,458	21,285
Interest income	1,151	1,750	2,401
Other income	-	-	2,500
Total revenues	<u>244,306</u>	<u>266,458</u>	<u>262,686</u>
Total funds available	<u>251,605</u>	<u>273,958</u>	<u>270,686</u>
EXPENDITURES			
General and administrative			
Board Support	4,800	5,500	6,000
County Treasurer's fee	3,330	3,635	3,548
Interest expense	-	100	-
Miscellaneous	-	-	3,000
Payroll taxes	367	421	459
Operating (MMD)	235,608	256,302	249,779
Total expenditures	<u>244,105</u>	<u>265,958</u>	<u>262,786</u>
Total expenditures and transfers out requiring appropriation	<u>244,105</u>	<u>265,958</u>	<u>262,786</u>
ENDING FUND BALANCES	<u>\$ 7,500</u>	<u>\$ 8,000</u>	<u>\$ 7,900</u>
EMERGENCY RESERVE	\$ 7,300	\$ 8,000	\$ 7,900
AVAILABLE FOR OPERATIONS	200	-	-
TOTAL RESERVE	<u>\$ 7,500</u>	<u>\$ 8,000</u>	<u>\$ 7,900</u>

No assurance provided. See summary of significant assumptions.

**SOUTH MERIDIAN METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31, 2024**

1/16/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 646,449	\$ 630,452	\$ 622,527
REVENUES			
Property taxes	254,857	255,704	266,803
Specific ownership taxes	23,007	23,708	24,012
Interest income	13,599	25,000	35,000
Total revenues	291,463	304,412	325,815
Total funds available	937,912	934,864	948,342
EXPENDITURES			
General and administrative			
County Treasurer's fee	3,819	3,836	4,002
Interest expense	-	40	-
Miscellaneous	-	-	1,000
Paying Agent Fees	300	300	300
Debt Service			
Bond interest	103,341	98,161	92,722
Bond principal	200,000	210,000	220,000
Total expenditures	307,460	312,337	318,024
Total expenditures and transfers out requiring appropriation	307,460	312,337	318,024
ENDING FUND BALANCES	\$ 630,452	\$ 622,527	\$ 630,318

No assurance provided. See summary of significant assumptions.

**SOUTH MERIDIAN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

South Meridian Metropolitan District (District) is a quasi-municipal corporation and political subdivision of the State of Colorado organized on November 12, 1999. The District's service area is located in Douglas County, Colorado. The District was organized to assist in the funding, integration and coordination of metropolitan district services and facilities within and without its boundaries, which consist of approximately 200 acres. The basic charge of the District is to pay off debt and fund operations per the Facilities Agreement. It will derive its revenue principally from general property taxes.

The District has no employees and contracts for all of its management and professional services.

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

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the 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.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

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

**SOUTH MERIDIAN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

The calculation of the taxes levied is displayed on the Property Tax Summary Information 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 9.00% of the property taxes collected by the District.

Net Investment Income

Interest earned on the District's available funds has been estimated based on current interest yields.

Expenditures

Operating and Administrative

The District entered into a Regional Facilities Agreement with Meridian Metropolitan District (Meridian). The agreement calls for Meridian to provide operation and maintenance services to the District for all facilities, as well as construction and administrative services for the District. In exchange the District will reimburse Meridian the net amount of operating revenue collected.

Debt Service

The debt service expenditures are for principal and interest payments related to the General Obligation Bonds Tax-Free Loan Issue, Series 2016.

Debt and Leases

\$4,980,000 General Obligation Refunding Bonds Series 2016, with an interest rate of 2.59% and a maturity date of June 30, 2036, were issued on July 18, 2016. The Bonds were issued by the District for the purpose of providing funds to refund the Series 2003B Bonds and the Series 2004 Bonds. The Bonds are subject to redemption at any date prior to December 1, 2026, at the option of the District, in whole or in part, at a redemption price equal to the par amount thereof, plus a Prepayment Fee, plus accrued interest at the redemption date.

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3.00% of the fiscal year spending for 2024, as defined under TABOR.

**SOUTH MERIDIAN METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Additional Information

Per the Service Plan: There is no debt service mill levy cap if the debt is issued to the public or “private third parties,” but is capped at 21.000 mills for debt issued to the “developer.” There is no mill levy cap for operations and maintenance. The Series 2016 Loan was issued to a private third party. The District is authorized to issue up to \$15,000,000 of debt.

Per the Series 2016 Loan: The District is permitted an unlimited mill levy as provided by the Colorado Revised Statutes.

Taxing Authorities: Taxes collected in taxing authorities 4410, 4416 and 4531 are limited exclusively for debt service payments. The taxpayers in authority 4416 are also included in 4410. In order to avoid duplicate taxation, taxing authority 4416’s mill levy is 0.000.

This information is an integral part of the accompanying budget.

**SOUTH MERIDIAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$ 4,980,000 General Obligation Refunding

Tax-Free Bond Issue - Series 2016

Dated July 20, 2016

Interest Rate - 2.59%

Interest Payable

June 1 and December 1

Principal Payable December 1

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2024	\$ 220,000	\$ 92,722	\$ 312,722
2025	225,000	87,024	312,024
2026	235,000	81,197	316,197
2027	245,000	75,110	320,110
2028	255,000	68,765	323,765
2029	260,000	62,160	322,160
2030	275,000	55,426	330,426
2031	280,000	48,304	328,304
2032	295,000	41,052	336,052
2033	305,000	33,411	338,411
2034	320,000	25,512	345,512
2035	325,000	17,224	342,224
2036	340,000	8,806	348,806
	<u>\$ 3,580,000</u>	<u>\$ 696,710</u>	<u>\$ 4,276,710</u>