

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
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NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Kevin Amolsch	President	2025/May 2025
Jared Seidenberg	Secretary/Treasurer	2025/May 2025
Ronald Meier	Assistant Secretary	2025/May 2025
Justin Cooper	Assistant Secretary	2027/May 2027
Vacant		2027/May 2027

DATE: October 25, 2023

TIME: 11:00 A.M.

PLACE: Via Zoom

<https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUjZZc1VMWTJFZjFHdz09>

Meeting ID: 862 6755 0643

Passcode: 987572

Dial in: 1-719-359-4580

I. ADMINISTRATIVE MATTERS

A. Call to Order/Declaration of Quorum.

B. Present Disclosures of Potential Conflicts of Interest.

C. Approve Agenda, confirm location of the meeting and posting of meeting notices.

II. FINANCIAL MATTERS

A. Ratify the payment of claims for the period beginning August 1, 2023 through October 19, 2023, in the amount of \$ 256,400.15 (enclosure).

B. Review and accept the Unaudited Financial Statements through the period ending August 31, 2023 (enclosure).

C. Consider engagement of Dazzio & Associates, PC. to prepare the 2023 Audit, for an amount not-to-exceed \$5,400.00 (enclosure).

- D. Conduct Public Hearing to consider Amendment to 2023 Budget and consider adoption of Resolution to Amend the 2023 Budget and Appropriate Expenditures.
-

- E. Conduct Public Hearing on the proposed 2024 Budget and consider adoption of Resolutions to Adopt the 2024 Budget and Appropriate Sums of Money and Set Mill Levies (for General Fund ___, Debt Service Fund ___ and Other Fund(s)___) (enclosures – preliminary assessed valuation, Resolutions and 2024 Budget).
-

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

III. LEGAL MATTERS

- A. Consider adoption of 2024 Annual Administrative Resolution (enclosure).
-

IV. STATUS OF DEVELOPMENT

- A. Update on status of Development.
-

V. OTHER BUSINESS

- A. _____
-

VI. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2023.**

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.

Village at SouthGate Metropolitan District

Check Detail

August 21 through October 19, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	Bill.com	09/07/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (2,972.39)
Bill	Acct 6000030293	07/31/2023		4-5076 · Water - Openspace - SRF	\$ 2,972.39
					\$ 2,972.39
Bill Pmt -Check	Bill.com	09/07/2023	Special District Management Services, Inc	1072 · Bill.com Money Out Clearing	\$ (4,088.27)
Bill	7/31/2023	07/31/2023		1-5017 · Management services	\$ 1,437.69
				4-5017 · Management and Billing - SRF	\$ 2,650.58
					\$ 4,088.27
Bill Pmt -Check	Bill.com	09/07/2023	Dazzio & Associates, PC	1072 · Bill.com Money Out Clearing	\$ (4,900.00)
Bill	643	08/21/2023		1-5015 · Audit	\$ 4,900.00
					\$ 4,900.00
Bill Pmt -Check	Bill.com	09/07/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (4,900.00)
Bill	3837	08/01/2023		4-5066 · Monthly landscape contract	\$ 4,900.00
					\$ 4,900.00
Bill Pmt -Check	Bill.com	09/07/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (696.04)
Bill	3841	08/01/2023		4-5067 · Irrigation system repairs	\$ 696.04
					\$ 696.04
Bill Pmt -Check	Bill.com	09/07/2023	Miller Law pllc	1072 · Bill.com Money Out Clearing	\$ (389.50)
Bill	785	07/31/2023		1-5005 · Legal	\$ 389.50
					\$ 389.50
Bill Pmt -Check	Bill.com	09/07/2023	Schilling & Company, Inc.	1072 · Bill.com Money Out Clearing	\$ (575.08)

Village at SouthGate Metropolitan District

Check Detail

August 21 through October 19, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill	13757	07/31/2023		1-5010 · Accounting	\$ 575.08
					\$ 575.08
Bill Pmt -Check	Bill.com	09/07/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (2,500.00)
Bill	3855	08/13/2023		4-5068 · Special projects/other	\$ 2,500.00
					\$ 2,500.00
Bill Pmt -Check	Bill.com	09/07/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (2,812.59)
Bill	Acct 6000030294	07/31/2023		4-5076 · Water - Openspace - SRF	\$ 2,812.59
					\$ 2,812.59
Bill Pmt -Check	Bill.com	09/07/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (2.59)
Bill	Acct 6000031723	07/31/2023		4-5076 · Water - Openspace - SRF	\$ 2.59
					\$ 2.59
Bill Pmt -Check	Bill.com	09/07/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (1,689.46)
Bill	3852	08/09/2023		4-5067 · Irrigation system repairs	\$ 1,689.46
					\$ 1,689.46
Bill Pmt -Check	Bill.com	09/07/2023	Ethan Watkins and Mallory Grubbs	1072 · Bill.com Money Out Clearing	\$ (181.00)
Bill	Cust 22170.02	08/31/2023		4-4200 · Operations & Maintenance Fees	\$ 181.00
					\$ 181.00
Bill Pmt -Check	Bill.com	09/07/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (4,507.12)
Bill	Acct 6000030296	07/31/2023		4-5076 · Water - Openspace - SRF	\$ 4,507.12
					\$ 4,507.12
Bill Pmt -Check	Bill.com	09/07/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (2,355.11)

Village at SouthGate Metropolitan District
Check Detail
August 21 through October 19, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill	Acct 6000030295	07/31/2023		4-5076 · Water - Openspace - SRF	\$ 2,355.11
					<u>\$ 2,355.11</u>
Bill Pmt -Check	Bill.com	09/28/2023	UMB Bank	1072 · Bill.com Money Out Clearing	\$ (172,340.01)
Bill	June Taxes	09/23/2023		2-1050 · Property & SO Tax Clearing	\$ 172,340.01
					<u>\$ 172,340.01</u>
Bill Pmt -Check	Bill.com	09/28/2023	Miller Law pllc	1072 · Bill.com Money Out Clearing	\$ (4,004.78)
Bill	826	08/31/2023		1-5005 · Legal	\$ 4,004.78
					<u>\$ 4,004.78</u>
Bill Pmt -Check	Bill.com	09/28/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (1,919.00)
Bill	3780	07/05/2023		4-5067 · Irrigation system repairs	\$ 1,919.00
					<u>\$ 1,919.00</u>
Bill Pmt -Check	Bill.com	09/28/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (2.59)
Bill	Acct 6000031723	09/11/2023		4-5076 · Water - Openspace - SRF	\$ 2.59
					<u>\$ 2.59</u>
Bill Pmt -Check	Bill.com	09/28/2023	UMB Bank	1072 · Bill.com Money Out Clearing	\$ (2,364.75)
Bill	July Taxes	09/23/2023		2-1050 · Property & SO Tax Clearing	\$ 2,364.75
					<u>\$ 2,364.75</u>
Bill Pmt -Check	Bill.com	09/28/2023	Special District Management Services, Inc	1072 · Bill.com Money Out Clearing	\$ (8,019.80)
Bill	8/31/2023	08/31/2023		1-5017 · Management services	\$ 3,141.72
				4-5017 · Management and Billing - SRF	\$ 4,878.08
					<u>\$ 8,019.80</u>

Village at SouthGate Metropolitan District

Check Detail

August 21 through October 19, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	Bill.com	09/28/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (3,800.00)
Bill	3899	09/01/2023		4-5068 · Special projects/other	\$ 3,800.00
					\$ 3,800.00
Bill Pmt -Check	Bill.com	09/28/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (5,000.00)
Bill	3895	09/01/2023		4-5066 · Monthly landscape contract	\$ 5,000.00
					\$ 5,000.00
Bill Pmt -Check	Bill.com	09/28/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (4,195.20)
Bill	3898	09/01/2023		4-5067 · Irrigation system repairs	\$ 4,195.20
					\$ 4,195.20
Bill Pmt -Check	Bill.com	09/28/2023	Colorado Special Districts Property and L	1072 · Bill.com Money Out Clearing	\$ (2,076.00)
Bill	24PL-61436-1459	09/05/2023		1-1300 · Prepaid expenses	\$ 2,076.00
					\$ 2,076.00
Bill Pmt -Check	Bill.com	09/28/2023	Eleanor & Jesus Rodriquez	1072 · Bill.com Money Out Clearing	\$ (200.00)
Bill	Barn Deposit Refund	08/31/2023		4-4300 · Barn & Silo Rental Fees	\$ 200.00
					\$ 200.00
Bill Pmt -Check	Bill.com	09/28/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (2,845.57)
Bill	Acct 6000030293	09/11/2023		4-5076 · Water - Openspace - SRF	\$ 2,845.57
					\$ 2,845.57
Bill Pmt -Check	Bill.com	09/28/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (1,761.55)
Bill	3914	09/10/2023		4-5067 · Irrigation system repairs	\$ 1,761.55

Village at SouthGate Metropolitan District

Check Detail

August 21 through October 19, 2023

Type	Num	Date	Name	Account	Paid Amount
					\$ 1,761.55
Bill Pmt -Check	Bill.com	09/28/2023	Neighborhood Lawn Care Inc	1072 · Bill.com Money Out Clearing	\$ (375.00)
Bill	3909	09/10/2023		4-5068 · Special projects/other	\$ 375.00
					\$ 375.00
Bill Pmt -Check	Bill.com	09/28/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (3,507.45)
Bill	Acct 6000030295	09/11/2023		4-5076 · Water - Openspace - SRF	\$ 3,507.45
					\$ 3,507.45
Bill Pmt -Check	Bill.com	09/28/2023	UMB Bank	1072 · Bill.com Money Out Clearing	\$ (2,545.99)
Bill	August Taxes	09/23/2023		2-1050 · Property & SO Tax Clearing	\$ 2,545.99
					\$ 2,545.99
Bill Pmt -Check	Bill.com	09/28/2023	T. Charles Wilson Ins. Service	1072 · Bill.com Money Out Clearing	\$ (595.00)
Bill	13244	09/14/2023		1-1300 · Prepaid expenses	\$ 595.00
					\$ 595.00
Bill Pmt -Check	Bill.com	09/28/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (2,692.11)
Bill	Acct 6000030294	09/11/2023		4-5076 · Water - Openspace - SRF	\$ 2,692.11
					\$ 2,692.11
Bill Pmt -Check	Bill.com	09/28/2023	City of Brighton	1072 · Bill.com Money Out Clearing	\$ (4,686.32)
Bill	Acct 6000030296	09/11/2023		4-5076 · Water - Openspace - SRF	\$ 4,686.32
					\$ 4,686.32
Bill Pmt -Check	Bill.com	09/28/2023	Schilling & Company, Inc.	1072 · Bill.com Money Out Clearing	\$ (787.27)

Village at SouthGate Metropolitan District
Check Detail
August 21 through October 19, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill	13782	08/31/2023		1-5010 · Accounting	\$ 787.27
					<u>\$ 787.27</u>
Check	ACH 9/28	09/28/2023	United Power	1-1000 · FirstBank Checking-5457	\$ (23.24)
				4-5078 · Electricity - Barn - SRF	\$ 23.24
					<u>\$ 23.24</u>
Check	ACH 9/28	09/28/2023	United Power	1-1000 · FirstBank Checking-5457	\$ (29.93)
				4-5077 · Electricity - Silo - SRF	\$ 29.93
					<u>\$ 29.93</u>
Check	ACH 8/29	08/29/2023	United Power	1-1000 · FirstBank Checking-5457	\$ (29.49)
				4-5078 · Electricity - Barn - SRF	\$ 29.49
					<u>\$ 29.49</u>
Check	ACH 8/29	08/29/2023	United Power	1-1000 · FirstBank Checking-5457	\$ (29.95)
				4-5077 · Electricity - Silo - SRF	\$ 29.95
					<u>\$ 29.95</u>
				Total Disbursements	<u><u>\$ 256,400.15</u></u>

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

For the Eight Months Ended August 31, 2023



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163
PHONE: 720.348.1086
FAX: 720.348.2920

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SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Accountant's Compilation Report

Board of Directors
Village at SouthGate Metropolitan District
Adams County, Colorado

Management is responsible for the accompanying financial statements of each major fund of the Village at SouthGate Metropolitan District, as of and for the eight months ended August 31, 2023, as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the government-wide financial statements and substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted basic financial statements and disclosures were included in the financial statements, they might influence the user's conclusions about the Village at SouthGate Metropolitan District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted the 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained on page 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Village at SouthGate Metropolitan District.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
October 19, 2023

FINANCIAL STATEMENTS

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
August 31, 2023**

	General	Operations & Maintenance Fee - Special Revenue	Debt Service	Total Governmental Funds
ASSETS				
Cash and investments - unrestricted	\$ 118,465	\$ 78,309	\$ -	\$ 196,774
Cash and investments - restricted	-	-	1,092,614	1,092,614
Operations and maintenance fees receivable	-	47,034	-	47,034
Due from county treasurer	636	-	2,546	3,182
Prepaid expenditures	1,500	-	-	1,500
Property taxes receivable	279	-	1,116	1,395
TOTAL ASSETS	<u>\$ 120,880</u>	<u>\$ 125,343</u>	<u>\$ 1,096,276</u>	<u>\$ 1,342,499</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 47,500	\$ -	\$ -	\$ 47,500
Total liabilities	<u>47,500</u>	<u>-</u>	<u>-</u>	<u>47,500</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	279	-	1,116	1,395
Total deferred inflows of resources	<u>279</u>	<u>-</u>	<u>1,116</u>	<u>1,395</u>
FUND BALANCES				
Nonspendable:				
Prepaid expenditures	1,500	-	-	1,500
Spendable:				
Restricted for emergencies	3,097	4,827	-	7,924
Restricted for debt service	-	-	1,095,160	1,095,160
Committed for operations and maintenance	-	120,516	-	120,516
Unassigned	68,504	-	-	68,504
Total fund balances	<u>73,101</u>	<u>125,343</u>	<u>1,095,160</u>	<u>1,293,604</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 120,880</u>	<u>\$ 125,343</u>	<u>\$ 1,096,276</u>	<u>\$ 1,342,499</u>

These financial statements should be read only in connection with the
accompanying accountant's compilation report.

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Eight Months Ended August 31, 2023

	General	Operations & Maintenance Fee - Special Revenue	Debt Service	Total Governmental Funds
REVENUES				
Property taxes	\$ 98,839	\$ -	\$ 395,357	\$ 494,196
Specific ownership taxes	4,390	-	17,560	21,950
Operations and maintenance fees	-	155,729	-	155,729
Facility rental fees	-	975	-	975
Late fees and penalties	-	4,200	-	4,200
Net investment income	6	-	29,825	29,831
Total revenues	<u>103,235</u>	<u>160,904</u>	<u>442,742</u>	<u>706,881</u>
EXPENDITURES				
General				
Legal	9,945	594	-	10,539
Accounting	5,623	-	-	5,623
Audit	4,900	-	-	4,900
Management and billing services	10,813	18,351	-	29,164
Engineering and consulting	10,988	-	-	10,988
Insurance and bonds	2,571	-	-	2,571
Election	3,069	-	-	3,069
County Treasurer's fees	1,483	-	5,930	7,413
Bank service charges	80	-	1,418	1,498
Dues and subscriptions	325	-	-	325
Landscape maintenance:				
Monthly landscape contract	-	26,296	-	26,296
Irrigation system repairs	-	13,192	-	13,192
Special projects/other	-	7,100	-	7,100
Snow removal	-	7,382	-	7,382
Utilities:				
Water	-	32,822	-	32,822
Electricity - silo	-	440	-	440
Electricity - barn	-	162	-	162
Other	-	2,574	-	2,574
Debt service				
Bond interest	-	-	116,719	116,719
Paying agent fees	-	-	6,000	6,000
Total expenditures	<u>49,797</u>	<u>108,913</u>	<u>130,067</u>	<u>288,777</u>
NET CHANGE IN FUND BALANCES	53,438	51,991	312,675	418,104
FUND BALANCES - BEGINNING OF PERIOD	<u>19,663</u>	<u>73,352</u>	<u>782,485</u>	<u>875,500</u>
FUND BALANCES - END OF PERIOD	<u>\$ 73,101</u>	<u>\$ 125,343</u>	<u>\$ 1,095,160</u>	<u>\$ 1,293,604</u>

These financial statements should be read only in connection with the
accompanying accountant's compilation report.

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - GENERAL FUND
For the Eight Months Ended August 31, 2023

	Annual Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ 99,118	\$ 98,839	\$ (279)
Specific ownership taxes	6,935	4,390	(2,545)
Interest income	100	6	(94)
Total revenues	<u>106,153</u>	<u>103,235</u>	<u>(2,918)</u>
EXPENDITURES			
Legal	30,000	9,945	20,055
Accounting	12,000	5,623	6,377
Audit	5,000	4,900	100
Management services	14,000	10,813	3,187
Engineering and consulting	5,800	10,988	(5,188)
Insurance and bonds	2,800	2,571	229
Election	5,000	3,069	1,931
County Treasurer's fees	1,487	1,483	4
Office supplies and postage	100	-	100
Bank service charges	200	80	120
Dues and subscriptions	500	325	175
Contingency	10,000	-	10,000
Total expenditures	<u>86,887</u>	<u>49,797</u>	<u>37,090</u>
NET CHANGE IN FUND BALANCE	19,266	53,438	34,172
FUND BALANCE - BEGINNING OF PERIOD	<u>1,539</u>	<u>19,663</u>	<u>18,124</u>
FUND BALANCE - END OF PERIOD	<u><u>\$ 20,805</u></u>	<u><u>\$ 73,101</u></u>	<u><u>\$ 52,296</u></u>

These financial statements should be ready only in connection with the
accompanying accountant's compilation report.

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - OPERATIONS AND MAINTENANCE FEE -
SPECIAL REVENUE FUND
For the Eight Months Ended August 31, 2023

	Annual Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Operations and maintenance fees	\$ 207,360	\$ 155,729	\$ (51,631)
Facility rental fees	2,000	975	(1,025)
Late fees and penalties	-	4,200	4,200
Total revenues	<u>209,360</u>	<u>160,904</u>	<u>(48,456)</u>
EXPENDITURES			
Legal	2,000	594	1,406
Accounting	-	-	-
Management and billing services	26,000	18,351	7,649
Landscape maintenance:			
Monthly landscape contract	36,000	26,296	9,704
Irrigation system repairs	10,000	13,192	(3,192)
Special projects/other	-	7,100	(7,100)
Landscape improvements	50,000	-	50,000
Snow removal	15,000	7,382	7,618
Utilities:			
Water	105,000	32,822	72,178
Electricity - silo	700	440	260
Electricity - barn	300	162	138
Other	-	2,574	(2,574)
Contingency	10,000	-	10,000
Total expenditures	<u>255,000</u>	<u>108,913</u>	<u>146,087</u>
NET CHANGE IN FUND BALANCE	(45,640)	51,991	97,631
FUND BALANCE - BEGINNING OF PERIOD	<u>80,203</u>	<u>73,352</u>	<u>(6,851)</u>
FUND BALANCE - END OF PERIOD	<u><u>\$ 34,563</u></u>	<u><u>\$ 125,343</u></u>	<u><u>\$ 90,780</u></u>

These financial statements should be ready only in connection with the
accompanying accountant's compilation report.

SUPPLEMENTAL INFORMATION

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - DEBT SERVICE FUND
For the Eight Months Ended August 31, 2023

	Annual Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ 396,473	\$ 395,357	(1,116)
Specific ownership taxes	27,738	17,560	(10,178)
Interest income	7,400	29,825	22,425
Total revenues	<u>431,611</u>	<u>442,742</u>	<u>11,131</u>
EXPENDITURES			
Treasurer's fees	5,947	5,930	17
Bank service charges	300	1,418	(1,118)
2018A Senior Bonds:			
Principal	35,000	-	35,000
Interest	233,437	116,719	116,718
2018A Senior Bonds:			
Principal	103,000	-	103,000
Interest	57,118	-	57,118
Paying agent fees	6,000	6,000	-
Contingency	5,700	-	5,700
Total expenditures	<u>446,502</u>	<u>130,067</u>	<u>316,435</u>
NET CHANGE IN FUND BALANCE	(14,891)	312,675	327,566
FUND BALANCE - BEGINNING OF PERIOD	<u>774,192</u>	<u>782,485</u>	<u>8,293</u>
FUND BALANCE - END OF PERIOD	<u><u>\$ 759,301</u></u>	<u><u>\$ 1,095,160</u></u>	<u><u>\$ 335,859</u></u>

This schedule should be read only in connection with the accompanying
accountant's compilation report.



Dazzio & Associates, PC
Certified Public Accountants

October 9, 2023

To the Board of Directors and Management
Village at SouthGate Metropolitan District
c/o Special District Management Services, Inc.
141 Union Blvd., Suite 150
Lakewood, Colorado 80228

We are pleased to confirm our understanding of the services we are to provide Village at SouthGate Metropolitan District (the District) for the year ended December 31, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities and each major fund and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2023.

We have also been engaged to report on supplementary information that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a in a report combined with our auditor's report on the financial statements:

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balance –Budget and Actual – Debt Service Fund

In connection with our audit of the basic financial statements, we will read the following 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.

- 1) Summary of Assessed Valuation, Mill Levy and Property Taxes Collected

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Dazzio & Associates, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a regulatory agency or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Dazzio & Associates, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to a regulatory agency or its designee. The regulatory agency or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Stephen Dazzio is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$5,400. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of the District's financial statements which, if applicable, will also address other information in accordance with *AU-C 720, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Dazzio & Associates, P.C.

Dazzio & Associates, PC

RESPONSE:

This letter correctly sets forth the understanding of Village at SouthGate Metropolitan District.

Management signature: _____

Title: _____

Date: _____

Board signature: _____

Title: _____

Date: _____

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT

Miller Law, PLLC
1555 California St, No. 505
Denver, CO 80202-4276

Our auditors, Dazzio & Associates, PC, 8200 S. Quebec St., Suite A3259, Centennial, Colorado, 80112, are conducting an audit of our financial statements at December 31, 2023 and for the year then ended. This letter will serve as our consent for you to furnish to our auditors all the information requested herein. Accordingly, please provide to them the information requested below involving matters with respect to which you have been engaged and to which you have devoted substantive attention on behalf of the District in the form of legal consultation or representation.

Pending or Threatened Litigation, Claims, and Assessments (excluding unasserted claims and assessments)

Please prepare a description of all material pending or threatened litigation, claims, and assessments (excluding unasserted claims and assessments). Materiality for purposes of this letter includes items involving amounts exceeding \$5,000 individually or in the aggregate. The description of each matter should include:

- 1) the nature of the litigation;
- 2) the progress of the matter to date;
- 3) how management of the District is responding or intends to respond to the litigation; e.g., to contest the case vigorously or to seek an out-of-court settlement; and
- 4) an evaluation of the likelihood of an unfavorable outcome and an estimate, if one can be made, of the amount or range of potential loss.

Also, please identify any pending or threatened litigation, claims, and assessments with respect to which you have been engaged but as to which you have not devoted substantive attention.

Unasserted Claims and Assessments

We have represented to our auditors that there are no unasserted possible claims or assessments that you have advised us are probable of assertion and must be disclosed in accordance with *FASB Accounting Standards Codification 450, Contingencies* ([link](#)) .

We understand that, whenever, in the course of performing legal services for us with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, if you have formed a professional conclusion that we should disclose or consider disclosure concerning such possible claim or assessment, as a matter of professional responsibility to us, you will so advise us and will consult with us concerning the question of such disclosure and the applicable requirements of *FASB Accounting Standards Codification 450, Contingencies* ([link](#)) (excerpts

of which can be found in the ABA's *Auditor's Letter Handbook*). Please specifically confirm to our auditors that our understanding is correct.

Response

Your response should include matters that existed as of December 31, 2023, and during the period from that date to the effective date of your response. Please specify the date of your response if it is other than the date of reply.

Please specifically identify the nature of, and reasons for, any limitations on your response.

Very truly yours,

Village at SouthGate Metropolitan District

Ken Musso
ASSESSOR



Assessor's Office
4430 South Adams County Parkway
2nd Floor, Suite C2100
Brighton, CO 80601-8201
PHONE 720.523.6038
FAX 720.523.6037
www.adcogov.org

AUG 28 2023

August 25, 2023

VILLAGE AT SOUTHGATE METRO DISTRICT
SPECIAL DISTRICT MANAGEMENT SERVICES INC
Attn: JUDY LEYSHON
141 UNION BLVD STE 150
LAKEWOOD CO 80228-1898

To JUDY LEYSHON:

Enclosed is the 2023 preliminary valuation. This valuation along with all other statutory requirements is on the enclosed form. A final certification of value will be sent out on or before December 10, 2023.

This value is subject to change by the County Board of Equalization, Board of Assessment Appeals and the State Board of Equalization as provided by law.

Sincerely,

Ken Musso
Adams County Assessor
KM/rmb

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **413 - VILLAGE AT SOUTHGATE METRO DISTRICT**

IN ADAMS COUNTY ON 8/24/2023

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (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 2023 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$8,764,550
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$11,056,630
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$11,056,630
5. NEW CONSTRUCTION: **	\$721,600
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$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.): ##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
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.):	\$0.00

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

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

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST. AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2023

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$156,434,505
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$10,666,452
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(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.)

DELETIONS FROM TAXABLE REAL PROPERTY:

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

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, 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:----->

\$0

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2023

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **

** 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 f(3). C.R.S.

Data Date: 8/23/2023



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086

FAX: 720.348.2920

Accountant's Compilation Report

Board of Directors
Village at SouthGate Metropolitan District
Adams County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Village at SouthGate Metropolitan District (District), for the year ending December 31, 2024, including the estimate of comparative information for the year ending December 31, 2023, and the actual comparative information for the year ending December 31, 2022, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The actual comparative information for the year ending December 31, 2022 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2022. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2022, whose report was dated July 17, 2023.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (C.R.S.) 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Village at SouthGate Metropolitan District.

Highlands Ranch, Colorado
_____, 2023

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

	ACTUAL 2022	ADOPTED BUDGET 2023	(As Adjusted for SB 22-238) PROPOSED BUDGET 2024	(As Adjusted w/HH Passing) PROPOSED BUDGET 2024
ASSESSED VALUATION				
Adams County				
Certified Assessed Value	\$ 7,873,950	\$ 8,764,550	\$ 11,056,630	\$ 10,280,517
MILL LEVY				
General - Operations Mill Levy	11.133	11.309	11.694	12.577
Debt Service - Senior Bonds Mill Levy	44.531	45.236	46.777	50.309
Total mill levy	55.664	56.545	58.471	62.886
PROPERTY TAXES				
General Fund	\$ 87,661	\$ 99,118	\$ 129,296	\$ 129,298
Debt Service - Senior Bonds Mill Levy	350,635	396,473	517,196	517,203
Levied property taxes	438,296	495,591	646,492	646,501
Adjustments to actual/rounding	-	-	-	-
Actual/budgeted property taxes	\$ 438,296	\$ 495,591	\$ 646,492	\$ 646,501
BUDGETED OR ACTUAL PROPERTY TAXES BY FUND				
General Fund	\$ 87,661	\$ 99,118	\$ 129,296	\$ 129,298
Debt Service	350,635	396,473	517,196	517,203
	\$ 438,296	\$ 495,591	\$ 646,492	\$ 646,501

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	(As Adjusted for SB 22-238) <i>PROPOSED</i> BUDGET 2024	(As Adjusted w/HH Passing) <i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	\$ (11,482)	\$ 19,663	\$ 24,696	\$ 47,848	\$ 47,848
REVENUE					
Property tax	87,661	99,118	99,118	129,296	129,298
Specific ownership tax	6,193	6,585	6,935	7,758	7,758
Net investment income	24	9	100	100	100
Total revenue	93,878	105,712	106,153	137,154	137,156
Total funds available	82,396	125,375	130,849	185,002	185,004
EXPENDITURES					
General Government					
Legal	17,383	19,918	30,000	30,000	30,000
Accounting	12,201	9,935	12,000	12,000	12,000
Audit	4,900	4,900	5,000	5,200	5,200
Management services	14,147	18,720	14,000	20,000	20,000
Engineering/consulting	9,090	16,482	5,800	10,000	10,000
Insurance	2,515	2,571	2,800	3,000	3,000
Office supplies and postage	26	-	100	-	-
Election	716	3,069	5,000	-	-
Bank service charges	120	120	200	200	200
Dues and subscriptions	320	325	500	500	500
Treasurer's fees	1,315	1,487	1,487	1,939	1,939
Contingency	-	-	10,000	10,000	10,000
Total expenditures	62,733	77,527	86,887	92,839	92,839
Total expenditures requiring appropriation	62,733	77,527	86,887	92,839	92,839
ENDING FUND BALANCE	\$ 19,663	\$ 47,848	\$ 43,962	\$ 92,163	\$ 92,165
EMERGENCY RESERVE	\$ 2,816	\$ 3,172	\$ 3,185	\$ 4,115	\$ 4,115

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

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
OPERATIONS AND MAINTENANCE FEE - SPECIAL REVENUE FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	<i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	\$ 14,262	\$ 73,352	\$ 80,203	\$ 109,623
REVENUE				
Operations and maintenance fees	202,050	207,639	207,360	207,360
Late fees and penalties	-	6,300	-	7,000
Silo and barn rental fees	975	1,463	2,000	1,500
Total revenue	203,025	215,402	209,360	215,860
Total funds available	217,287	288,754	289,563	325,483
EXPENDITURES				
General Government				
Legal	1,425	891	2,000	2,000
Management services	22,168	29,527	26,000	30,000
Landscape maintenance:				
Monthly contract	45,309	39,444	36,000	43,000
Irrigation repairs	-	16,910	10,000	18,000
Special projects	-	10,650	-	12,000
Landscape improvements	-	-	50,000	50,000
Snow removal	16,305	11,073	15,000	17,000
Utilities:				
Water	57,777	67,157	105,000	75,000
Electrical - Silo	667	660	700	700
Electrical - Barn	284	245	300	300
Other	-	2,574	-	-
Contingency	-	-	10,000	10,000
Total expenditures	143,935	179,131	255,000	258,000
Total expenditures requiring appropriation	143,935	179,131	255,000	258,000
ENDING FUND BALANCE	\$ 73,352	\$ 109,623	\$ 34,563	\$ 67,483
EMERGENCY RESERVE	\$ 6,091	\$ 6,462	\$ 6,281	\$ 6,476

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

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET AS **PROPOSED**
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	AMENDED BUDGET 2023	(As Adjusted for SB 22-238) PROPOSED BUDGET 2024	(As Adjusted w/HH Passing) PROPOSED BUDGET 2024
BEGINNING FUND BALANCE	\$ 762,523	\$ 782,485	\$ 774,192	\$ 782,485	\$ 774,485	\$ 774,485
REVENUE						
Property tax	350,635	396,473	396,473	396,473	517,196	517,203
Specific ownership tax	24,770	26,340	27,738	26,000	31,032	31,032
Interest income	15,904	44,738	7,400	44,000	40,000	40,000
Total revenue	391,309	467,551	431,611	466,473	588,228	588,235
Total funds available	1,153,832	1,250,036	1,205,803	1,248,958	1,362,713	1,362,720
EXPENDITURES						
Bank service charges	729	2,047	300	2,100	2,200	2,200
Treasurer's fees	5,261	5,948	5,947	5,948	7,758	7,758
2018A Senior Bonds:						
Principal	-	35,000	35,000	35,000	45,000	45,000
Interest	233,438	233,438	233,437	233,438	231,469	231,469
2018B Subordinate Bonds:						
Principal	27,000	136,000	103,000	136,000	225,000	225,000
Interest	98,919	57,118	57,118	57,118	46,578	46,578
Paying agent fees	6,000	6,000	6,000	6,000	6,000	6,000
Contingency	-	-	5,700	10,000	10,000	10,000
Total expenditures	371,347	475,551	446,502	485,604	574,005	574,005
Total expenditures requiring appropriation	371,347	475,551	446,502	485,604	574,005	574,005
ENDING FUND BALANCE	\$ 782,485	\$ 774,485	\$ 759,301	\$ 763,354	\$ 788,708	\$ 788,715
REQUIRED RESERVE	\$ 343,906	\$ 343,906	\$ 343,906	\$ 343,906	\$ 343,906	\$ 343,906
MAXIMUM SURPLUS AMOUNT	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000
FB OVER(UNDER) REQ RES & MAX SUR	\$ 23,579	\$ 15,579	\$ 395	\$ 4,448	\$ 29,802	\$ 29,809

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2024 annual budget. Actual results may differ from the prospective results contained in the budget.

SERVICES PROVIDED

The Village at SouthGate Metropolitan District (the "District"), was organized in Adams County to provide financing to construct and install local and regional public improvements for the Village at SouthGate Development, including potable water and sewer lines larger than 12" in diameter; storm drainage facilities; the full width of major and minor arterial and collector roadways; community parks; and recreational facilities and services.

The District prepares its budget on the modified accrual basis of accounting.

REVENUE

Property Tax

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page 2 of the budget at the adopted total mill levy as adjusted for changes in the assessment rates. The base mill levy rate is 50.000 mills is comprised of the Required Mill Levy for the Limited Tax General Obligation Bonds Series 2018A and Subordinate Limited Tax General Obligation Bonds Series 2018B in the Debt Service Fund of 40.000 mills and the Operations Mill Levy of 10.000 in the General Fund.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Operations and Maintenance Fees

Effective June 1, 2021, the District imposed a monthly maintenance fee of \$60 per single family home, which is billed quarterly in the amount of \$180 per single family home.

Investment Income

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

EXPENDITURES

Administrative Expenditures

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.

Utilities and Maintenance Expenditures

The District is responsible for the water service charges related to certain open space parcels. The District is also responsible for electrical services for a barn and silo, landscape maintenance, and snow removal. The 2024 expenses are based on 2023 costs incurred by the District.

DEBT AND LEASES

During 2018, the District issued \$4,150,000 of Limited Tax General Obligation Bonds Series 2018A which bear interest at 5.625% and \$764,000 of Subordinate Limited Tax General Obligation Bonds Series 2018B which bear interest at 7.750%. Mandatory sinking fund redemptions begin on the 2018A bonds in 2023 while the 2018B bonds have no required debt service payments until 2048. The Schedule of Debt Service Requirements included on page 8 is based on the Financial Forecast (prepared in conjunction with the bond issuance), based on the assumptions more particularly set forth therein.

The District has no operating or capital leases.

RESERVES

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2024, as defined under TABOR.

This information is an integral part of the accompanying budget.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS**

Year ended December 31,	\$4,150,000		\$764,000		Annual Total
	Limited Tax General		Subordinate Limited Tax General		
	Obligation Bonds Series 2018A		Obligation Bonds Series 2018B		
	Bearing Interest at 5.625%		Bearing Interest at 7.750%		
	Principal (1)	Interest	Principal (2)	Interest (2)	
2024	\$ 45,000.00	\$ 231,468.76	\$ 225,000.00	\$ 46,578.00	\$ 548,046.76
2025	50,000.00	228,937.50	-	29,140.00	308,077.50
2026	55,000.00	226,125.00	-	29,140.00	310,265.00
2027	60,000.00	223,031.26	20,000.00	29,140.00	332,171.26
2028	70,000.00	219,656.26	32,000.00	27,590.00	349,246.26
2029	75,000.00	215,718.76	34,000.00	25,110.00	349,828.76
2030	85,000.00	211,500.00	38,000.00	22,475.00	356,975.00
2031	90,000.00	206,718.76	41,000.00	19,530.00	357,248.76
2032	100,000.00	201,656.26	47,000.00	16,353.00	365,009.26
2033	105,000.00	196,031.26	51,000.00	12,710.00	364,741.26
2034	115,000.00	190,125.00	59,000.00	8,758.00	372,883.00
2035	125,000.00	183,656.26	54,000.00	4,185.00	366,841.26
2036	135,000.00	176,625.00	-	-	311,625.00
2037	145,000.00	169,031.26	-	-	314,031.26
2038	160,000.00	160,875.00	-	-	320,875.00
2039	165,000.00	151,875.00	-	-	316,875.00
2040	185,000.00	142,593.76	-	-	327,593.76
2041	195,000.00	132,187.50	-	-	327,187.50
2042	210,000.00	121,218.76	-	-	331,218.76
2043	225,000.00	109,406.26	-	-	334,406.26
2044	240,000.00	96,750.00	-	-	336,750.00
2045	255,000.00	83,250.00	-	-	338,250.00
2046	275,000.00	68,906.26	-	-	343,906.26
2047	290,000.00	53,437.50	-	-	343,437.50
2048	660,000.00	37,125.00	-	-	697,125.00
	\$ 4,115,000.00	\$ 4,037,906.38	\$ 601,000.00	\$ 270,709.00	\$ 9,024,615.38

(1) - Assumes that mandatory sinking fund redemption payments are made but assumes no optional redemptions occur.

(2) - Includes the estimated payment of principal and interest on December 15 of each year indicated. The 2018B Subordinate Bonds have no fixed principal payment amounts due prior to maturity. The payments with respect to the 2018B Subordinate Bonds shown above reflect the estimated principal and interest payments taking into account payments made in the years 2018 through 2023 and the estimated payments shown on Exhibit III of the Financial Forecast as included as Appendix C to the Limited Offering Memorandum dated May 3, 2019 related to the issuance of the bonds. These payments, however, are only estimated amounts as and no assurance is given that the principal and interest on the 2018B Subordinate Bonds will be paid as set forth in this table from pledged revenues.

This information is an integral part of the accompanying budget.



SCHILLING & COMPANY, INC.

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Accountant's Compilation Report

Board of Directors
Village at SouthGate Metropolitan District
Adams County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Village at SouthGate Metropolitan District (District), for the year ending December 31, 2024, including the estimate of comparative information for the year ending December 31, 2023, and the actual comparative information for the year ending December 31, 2022, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The actual comparative information for the year ending December 31, 2022 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2022. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2022, whose report was dated July 17, 2023.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (C.R.S.) 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Village at SouthGate Metropolitan District.

Highlands Ranch, Colorado
_____, 2023

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,
(Adjusted Assuming HH Passes)

	ACTUAL 2022	ADOPTED BUDGET 2023	ADOPTED BUDGET 2024
ASSESSED VALUATION			
Adams County			
Certified Assessed Value	\$ 7,873,950	\$ 8,764,550	\$ 10,280,517
MILL LEVY			
General - Operations Mill Levy	11.133	11.309	10.000
Debt Service - Senior Bonds Mill Levy	44.531	45.236	40.000
Total mill levy	55.664	56.545	50.000
PROPERTY TAXES			
General Fund	\$ 87,661	\$ 99,118	\$ 102,805
Debt Service - Senior Bonds Mill Levy	350,635	396,473	411,221
Levied property taxes	438,296	495,591	514,026
Adjustments to actual/rounding	-	-	-
Actual/budgeted property taxes	\$ 438,296	\$ 495,591	\$ 514,026
BUDGETED OR ACTUAL PROPERTY TAXES BY FUND			
General Fund	\$ 87,661	\$ 99,118	\$ 102,805
Debt Service	350,635	396,473	411,221
	\$ 438,296	\$ 495,591	\$ 514,026

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

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,
(Adjusted Assuming HH Passes)

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	<i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	<u>\$ (11,482)</u>	<u>\$ 19,663</u>	<u>\$ 24,696</u>	<u>\$ 47,848</u>
REVENUE				
Property tax	87,661	99,118	99,118	102,805
Specific ownership tax	6,193	6,585	6,935	6,168
Net investment income	24	9	100	100
Total revenue	<u>93,878</u>	<u>105,712</u>	<u>106,153</u>	<u>109,073</u>
Total funds available	<u>82,396</u>	<u>125,375</u>	<u>130,849</u>	<u>156,921</u>
EXPENDITURES				
General Government				
Legal	17,383	19,918	30,000	30,000
Accounting	12,201	9,935	12,000	12,000
Audit	4,900	4,900	5,000	5,200
Management services	14,147	18,720	14,000	20,000
Engineering/consulting	9,090	16,482	5,800	10,000
Insurance	2,515	2,571	2,800	3,000
Office supplies and postage	26	-	100	-
Election	716	3,069	5,000	-
Bank service charges	120	120	200	200
Dues and subscriptions	320	325	500	500
Treasurer's fees	1,315	1,487	1,487	1,542
Other	-	-	-	-
Contingency	-	-	10,000	10,000
Total expenditures	<u>62,733</u>	<u>77,527</u>	<u>86,887</u>	<u>92,442</u>
Total expenditures requiring appropriation	<u>62,733</u>	<u>77,527</u>	<u>86,887</u>	<u>92,442</u>
ENDING FUND BALANCE	<u>\$ 19,663</u>	<u>\$ 47,848</u>	<u>\$ 43,962</u>	<u>\$ 64,479</u>
EMERGENCY RESERVE	<u>\$ 2,816</u>	<u>\$ 3,172</u>	<u>\$ 3,185</u>	<u>\$ 3,273</u>

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
OPERATIONS AND MAINTENANCE FEE - SPECIAL REVENUE FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,
(*Adjusted Assuming HH Passes*)**

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	<i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	<u>\$ 14,262</u>	<u>\$ 73,352</u>	<u>\$ 80,203</u>	<u>\$ 109,623</u>
REVENUE				
Operations and maintenance fees	202,050	207,639	207,360	207,360
Late fees and penalties	-	6,300	-	7,000
Silo and barn rental fees	975	1,463	2,000	1,500
Total revenue	<u>203,025</u>	<u>215,402</u>	<u>209,360</u>	<u>215,860</u>
Total funds available	<u>217,287</u>	<u>288,754</u>	<u>289,563</u>	<u>325,483</u>
EXPENDITURES				
General Government				
Legal	1,425	891	2,000	2,000
Management services	22,168	29,527	26,000	30,000
Landscape maintenance:				
Monthly contract	45,309	39,444	36,000	43,000
Irrigation repairs	-	16,910	10,000	18,000
Special projects	-	10,650	-	12,000
Landscape improvements	-	-	50,000	50,000
Snow removal	16,305	11,073	15,000	17,000
Utilities:				
Water	57,777	67,157	105,000	75,000
Electrical - Silo	667	660	700	700
Electrical - Barn	284	245	300	300
Other	-	2,574	-	-
Contingency	-	-	10,000	10,000
Total expenditures	<u>143,935</u>	<u>179,131</u>	<u>255,000</u>	<u>258,000</u>
Total expenditures requiring appropriation	<u>143,935</u>	<u>179,131</u>	<u>255,000</u>	<u>258,000</u>
ENDING FUND BALANCE	<u>\$ 73,352</u>	<u>\$ 109,623</u>	<u>\$ 34,563</u>	<u>\$ 67,483</u>
EMERGENCY RESERVE	<u>\$ 6,091</u>	<u>\$ 6,462</u>	<u>\$ 6,281</u>	<u>\$ 6,476</u>

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

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,
(Adjusted Assuming HH Passes)

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	<i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	<u>\$ 762,523</u>	<u>\$ 782,485</u>	<u>\$ 774,192</u>	<u>\$ 807,485</u>
REVENUE				
Property tax	350,635	396,473	396,473	411,221
Specific ownership tax	24,770	26,340	27,738	24,673
Interest income	15,904	44,738	7,400	40,000
Total revenue	<u>391,309</u>	<u>467,551</u>	<u>431,611</u>	<u>475,894</u>
Total funds available	<u>1,153,832</u>	<u>1,250,036</u>	<u>1,205,803</u>	<u>1,283,379</u>
EXPENDITURES				
Bank service charges	729	2,047	300	2,200
Treasurer's fees	5,261	5,948	5,947	6,168
2018A Senior Bonds:				
Principal	-	35,000	35,000	45,000
Interest	233,438	233,438	233,437	231,469
2018B Subordinate Bonds:				
Principal	27,000	103,000	103,000	140,000
Interest	98,919	57,118	57,118	49,135
Paying agent fees	6,000	6,000	6,000	6,000
Contingency	-	-	5,700	10,000
Total expenditures	<u>371,347</u>	<u>442,551</u>	<u>446,502</u>	<u>489,972</u>
Total expenditures requiring appropriation	<u>371,347</u>	<u>442,551</u>	<u>446,502</u>	<u>489,972</u>
ENDING FUND BALANCE	<u>\$ 782,485</u>	<u>\$ 807,485</u>	<u>\$ 759,301</u>	<u>\$ 793,407</u>
REQUIRED RESERVE	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>
MAXIMUM SURPLUS AMOUNT	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2024 annual budget. Actual results may differ from the prospective results contained in the budget.

SERVICES PROVIDED

The Village at SouthGate Metropolitan District (the "District"), was organized in Adams County to provide financing to construct and install local and regional public improvements for the Village at SouthGate Development, including potable water and sewer lines larger than 12" in diameter; storm drainage facilities; the full width of major and minor arterial and collector roadways; community parks; and recreational facilities and services.

The District prepares its budget on the modified accrual basis of accounting.

REVENUE

Property Tax

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page 2 of the budget at the adopted total mill levy of 50.000. The 50.000 mills is comprised of the Required Mill Levy for the Limited Tax General Obligation Bonds Series 2018A and Subordinate Limited Tax General Obligation Bonds Series 2018B in the Debt Service Fund of 40.000 mills and the Operations Mill Levy of 10.000 in the General Fund.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Operations and Maintenance Fees

Effective June 1, 2021, the District imposed a monthly maintenance fee of \$60 per single family home, which is billed quarterly in the amount of \$180 per single family home.

Investment Income

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

EXPENDITURES

Administrative Expenditures

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.

Utilities and Maintenance Expenditures

The District is responsible for the water service charges related to certain open space parcels. The District is also responsible for electrical services for a barn and silo, landscape maintenance, and snow removal. The 2024 expenses are based on 2023 costs incurred by the District.

DEBT AND LEASES

During 2018, the District issued \$4,150,000 of Limited Tax General Obligation Bonds Series 2018A which bear interest at 5.625% and \$764,000 of Subordinate Limited Tax General Obligation Bonds Series 2018B which bear interest at 7.750%. Mandatory sinking fund redemptions begin on the 2018A bonds in 2023 while the 2018B bonds have no required debt service payments until 2048. The Schedule of Debt Service Requirements included on page 8 is based on the Financial Forecast (prepared in conjunction with the bond issuance), based on the assumptions more particularly set forth therein.

The District has no operating or capital leases.

RESERVES

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS**

Year ended December 31,	\$4,150,000 Limited Tax General Obligation Bonds Series 2018A Bearing Interest at 5.625%		\$764,000 Subordinate Limited Tax General Obligation Bonds Series 2018B Bearing Interest at 7.750%		Annual Total
	Principal (1)	Interest	Principal (2)	Interest (2)	
2024	\$ 45,000.00	\$ 231,468.76	\$ 140,000.00	\$ 49,135.00	\$ 465,603.76
2025	50,000.00	228,937.50	-	38,285.00	317,222.50
2026	55,000.00	226,125.00	-	27,435.00	308,560.00
2027	60,000.00	223,031.26	-	27,435.00	310,466.26
2028	70,000.00	219,656.26	-	27,435.00	317,091.26
2029	75,000.00	215,718.76	-	27,435.00	318,153.76
2030	85,000.00	211,500.00	-	27,435.00	323,935.00
2031	90,000.00	206,718.76	35,000.00	27,435.00	359,153.76
2032	100,000.00	201,656.26	47,000.00	24,723.00	373,379.26
2033	105,000.00	196,031.26	51,000.00	21,080.00	373,111.26
2034	115,000.00	190,125.00	59,000.00	17,128.00	381,253.00
2035	125,000.00	183,656.26	60,000.00	12,555.00	381,211.26
2036	135,000.00	176,625.00	70,000.00	7,905.00	389,530.00
2037	145,000.00	169,031.26	32,000.00	2,480.00	348,511.26
2038	160,000.00	160,875.00	-	-	320,875.00
2039	165,000.00	151,875.00	-	-	316,875.00
2040	185,000.00	142,593.76	-	-	327,593.76
2041	195,000.00	132,187.50	-	-	327,187.50
2042	210,000.00	121,218.76	-	-	331,218.76
2043	225,000.00	109,406.26	-	-	334,406.26
2044	240,000.00	96,750.00	-	-	336,750.00
2045	255,000.00	83,250.00	-	-	338,250.00
2046	275,000.00	68,906.26	-	-	343,906.26
2047	290,000.00	53,437.50	-	-	343,437.50
2048	660,000.00	37,125.00	-	-	697,125.00
	<u>\$ 4,115,000.00</u>	<u>\$ 4,037,906.38</u>	<u>\$ 494,000.00</u>	<u>\$ 337,901.00</u>	<u>\$ 8,984,807.38</u>

(1) - Assumes that mandatory sinking fund redemption payments are made but assumes no optional redemptions occur.

(2) - Includes the estimated payment of principal and interest on December 15 of each year indicated. The 2018B Subordinate Bonds have no fixed principal payment amounts due prior to maturity. The payments with respect to the 2018B Subordinate Bonds shown above reflect the estimated principal and interest payments taking into account payments made in the years 2018 through 2023 and the estimated payments shown on Exhibit III of the Financial Forecast as included as Appendix C to the Limited Offering Memorandum dated May 3, 2019 related to the issuance of the bonds. These payments, however, are only estimated amounts as and no assurance is given that the principal and interest on the 2018B Subordinate Bonds will be paid as set forth in this table from pledged revenues.

This information is an integral part of the accompanying budget.



SCHILLING & COMPANY, INC.

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Accountant's Compilation Report

Board of Directors
Village at SouthGate Metropolitan District
Adams County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Village at SouthGate Metropolitan District (District), for the year ending December 31, 2024, including the estimate of comparative information for the year ending December 31, 2023, and the actual comparative information for the year ending December 31, 2022, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The actual comparative information for the year ending December 31, 2022 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2022. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2022, whose report was dated July 17, 2023.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (C.R.S.) 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Village at SouthGate Metropolitan District.

Highlands Ranch, Colorado
_____, 2023

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,
(Adjusted for SB22-238)

	ACTUAL 2022	ADOPTED BUDGET 2023	ADOPTED BUDGET 2024
ASSESSED VALUATION			
Adams County			
Certified Assessed Value	\$ 7,873,950	\$ 8,764,550	\$ 11,056,630
MILL LEVY			
General - Operations Mill Levy	11.133	11.309	10.000
Debt Service - Senior Bonds Mill Levy	44.531	45.236	40.000
Total mill levy	55.664	56.545	50.000
PROPERTY TAXES			
General Fund	\$ 87,661	\$ 99,118	\$ 110,566
Debt Service - Senior Bonds Mill Levy	350,635	396,473	442,265
Levied property taxes	438,296	495,591	552,831
Adjustments to actual/rounding	-	-	-
Actual/budgeted property taxes	\$ 438,296	\$ 495,591	\$ 552,831
BUDGETED OR ACTUAL PROPERTY TAXES BY FUND			
General Fund	\$ 87,661	\$ 99,118	\$ 110,566
Debt Service	350,635	396,473	442,265
	\$ 438,296	\$ 495,591	\$ 552,831

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

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,
(Adjusted for SB22-238)

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	<i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	<u>\$ (11,482)</u>	<u>\$ 19,663</u>	<u>\$ 24,696</u>	<u>\$ 47,848</u>
REVENUE				
Property tax	87,661	99,118	99,118	110,566
Specific ownership tax	6,193	6,585	6,935	6,634
Net investment income	24	9	100	100
Total revenue	<u>93,878</u>	<u>105,712</u>	<u>106,153</u>	<u>117,300</u>
Total funds available	<u>82,396</u>	<u>125,375</u>	<u>130,849</u>	<u>165,148</u>
EXPENDITURES				
General Government				
Legal	17,383	19,918	30,000	30,000
Accounting	12,201	9,935	12,000	12,000
Audit	4,900	4,900	5,000	5,200
Management services	14,147	18,720	14,000	20,000
Engineering/consulting	9,090	16,482	5,800	10,000
Insurance	2,515	2,571	2,800	3,000
Office supplies and postage	26	-	100	-
Election	716	3,069	5,000	-
Bank service charges	120	120	200	200
Dues and subscriptions	320	325	500	500
Treasurer's fees	1,315	1,487	1,487	1,658
Other	-	-	-	-
Contingency	-	-	10,000	10,000
Total expenditures	<u>62,733</u>	<u>77,527</u>	<u>86,887</u>	<u>92,558</u>
Total expenditures requiring appropriation	<u>62,733</u>	<u>77,527</u>	<u>86,887</u>	<u>92,558</u>
ENDING FUND BALANCE	<u>\$ 19,663</u>	<u>\$ 47,848</u>	<u>\$ 43,962</u>	<u>\$ 72,590</u>
EMERGENCY RESERVE	<u>\$ 2,816</u>	<u>\$ 3,172</u>	<u>\$ 3,185</u>	<u>\$ 3,519</u>

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
OPERATIONS AND MAINTENANCE FEE - SPECIAL REVENUE FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,
(Adjusted for SB22-238)**

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	<i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	<u>\$ 14,262</u>	<u>\$ 73,352</u>	<u>\$ 80,203</u>	<u>\$ 109,623</u>
REVENUE				
Operations and maintenance fees	202,050	207,639	207,360	207,360
Late fees and penalties	-	6,300	-	7,000
Silo and barn rental fees	975	1,463	2,000	1,500
Total revenue	<u>203,025</u>	<u>215,402</u>	<u>209,360</u>	<u>215,860</u>
Total funds available	<u>217,287</u>	<u>288,754</u>	<u>289,563</u>	<u>325,483</u>
EXPENDITURES				
General Government				
Legal	1,425	891	2,000	2,000
Management services	22,168	29,527	26,000	30,000
Landscape maintenance:				
Monthly contract	45,309	39,444	36,000	43,000
Irrigation repairs	-	16,910	10,000	18,000
Special projects	-	10,650	-	12,000
Landscape improvements	-	-	50,000	50,000
Snow removal	16,305	11,073	15,000	17,000
Utilities:				
Water	57,777	67,157	105,000	75,000
Electrical - Silo	667	660	700	700
Electrical - Barn	284	245	300	300
Other	-	2,574	-	-
Contingency	-	-	10,000	10,000
Total expenditures	<u>143,935</u>	<u>179,131</u>	<u>255,000</u>	<u>258,000</u>
Total expenditures requiring appropriation	<u>143,935</u>	<u>179,131</u>	<u>255,000</u>	<u>258,000</u>
ENDING FUND BALANCE	<u>\$ 73,352</u>	<u>\$ 109,623</u>	<u>\$ 34,563</u>	<u>\$ 67,483</u>
EMERGENCY RESERVE	<u>\$ 6,091</u>	<u>\$ 6,462</u>	<u>\$ 6,281</u>	<u>\$ 6,476</u>

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

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET AS *PROPOSED*
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,
(Adjusted for SB22-238)

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2023	<i>PROPOSED</i> BUDGET 2024
BEGINNING FUND BALANCE	<u>\$ 762,523</u>	<u>\$ 782,485</u>	<u>\$ 774,192</u>	<u>\$ 807,485</u>
REVENUE				
Property tax	350,635	396,473	396,473	442,265
Specific ownership tax	24,770	26,340	27,738	26,536
Interest income	15,904	44,738	7,400	40,000
Total revenue	<u>391,309</u>	<u>467,551</u>	<u>431,611</u>	<u>508,801</u>
Total funds available	<u>1,153,832</u>	<u>1,250,036</u>	<u>1,205,803</u>	<u>1,316,286</u>
EXPENDITURES				
Bank service charges	729	2,047	300	2,200
Treasurer's fees	5,261	5,948	5,947	6,634
2018A Senior Bonds:				
Principal	-	35,000	35,000	45,000
Interest	233,438	233,438	233,437	231,469
2018B Subordinate Bonds:				
Principal	27,000	103,000	103,000	175,000
Interest	98,919	57,118	57,118	49,135
Paying agent fees	6,000	6,000	6,000	6,000
Contingency	-	-	5,700	10,000
Total expenditures	<u>371,347</u>	<u>442,551</u>	<u>446,502</u>	<u>525,438</u>
Total expenditures requiring appropriation	<u>371,347</u>	<u>442,551</u>	<u>446,502</u>	<u>525,438</u>
ENDING FUND BALANCE	<u>\$ 782,485</u>	<u>\$ 807,485</u>	<u>\$ 759,301</u>	<u>\$ 790,848</u>
REQUIRED RESERVE	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>
MAXIMUM SURPLUS AMOUNT	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2024 annual budget. Actual results may differ from the prospective results contained in the budget.

SERVICES PROVIDED

The Village at SouthGate Metropolitan District (the "District"), was organized in Adams County to provide financing to construct and install local and regional public improvements for the Village at SouthGate Development, including potable water and sewer lines larger than 12" in diameter; storm drainage facilities; the full width of major and minor arterial and collector roadways; community parks; and recreational facilities and services.

The District prepares its budget on the modified accrual basis of accounting.

REVENUE

Property Tax

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page 2 of the budget at the adopted total mill levy of 50.000. The 50.000 mills is comprised of the Required Mill Levy for the Limited Tax General Obligation Bonds Series 2018A and Subordinate Limited Tax General Obligation Bonds Series 2018B in the Debt Service Fund of 40.000 mills and the Operations Mill Levy of 10.000 in the General Fund.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Operations and Maintenance Fees

Effective June 1, 2021, the District imposed a monthly maintenance fee of \$60 per single family home, which is billed quarterly in the amount of \$180 per single family home.

Investment Income

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

EXPENDITURES

Administrative Expenditures

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.

Utilities and Maintenance Expenditures

The District is responsible for the water service charges related to certain open space parcels. The District is also responsible for electrical services for a barn and silo, landscape maintenance, and snow removal. The 2024 expenses are based on 2023 costs incurred by the District.

DEBT AND LEASES

During 2018, the District issued \$4,150,000 of Limited Tax General Obligation Bonds Series 2018A which bear interest at 5.625% and \$764,000 of Subordinate Limited Tax General Obligation Bonds Series 2018B which bear interest at 7.750%. Mandatory sinking fund redemptions begin on the 2018A bonds in 2023 while the 2018B bonds have no required debt service payments until 2048. The Schedule of Debt Service Requirements included on page 8 is based on the Financial Forecast (prepared in conjunction with the bond issuance), based on the assumptions more particularly set forth therein.

The District has no operating or capital leases.

RESERVES

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS**

Year ended December 31,	\$4,150,000 Limited Tax General Obligation Bonds Series 2018A Bearing Interest at 5.625%		\$764,000 Subordinate Limited Tax General Obligation Bonds Series 2018B Bearing Interest at 7.750%		Annual Total
	Principal (1)	Interest	Principal (2)	Interest (2)	
2024	\$ 45,000.00	\$ 231,468.76	\$ 175,000.00	\$ 49,135.00	\$ 500,603.76
2025	50,000.00	228,937.50	-	35,573.00	314,510.50
2026	55,000.00	226,125.00	-	22,010.00	303,135.00
2027	60,000.00	223,031.26	-	22,010.00	305,041.26
2028	70,000.00	219,656.26	-	22,010.00	311,666.26
2029	75,000.00	215,718.76	-	22,010.00	312,728.76
2030	85,000.00	211,500.00	-	22,010.00	318,510.00
2031	90,000.00	206,718.76	35,000.00	22,010.00	353,728.76
2032	100,000.00	201,656.26	47,000.00	19,298.00	367,954.26
2033	105,000.00	196,031.26	51,000.00	15,655.00	367,686.26
2034	115,000.00	190,125.00	59,000.00	11,703.00	375,828.00
2035	125,000.00	183,656.26	60,000.00	7,130.00	375,786.26
2036	135,000.00	176,625.00	32,000.00	2,480.00	346,105.00
2037	145,000.00	169,031.26	-	-	314,031.26
2038	160,000.00	160,875.00	-	-	320,875.00
2039	165,000.00	151,875.00	-	-	316,875.00
2040	185,000.00	142,593.76	-	-	327,593.76
2041	195,000.00	132,187.50	-	-	327,187.50
2042	210,000.00	121,218.76	-	-	331,218.76
2043	225,000.00	109,406.26	-	-	334,406.26
2044	240,000.00	96,750.00	-	-	336,750.00
2045	255,000.00	83,250.00	-	-	338,250.00
2046	275,000.00	68,906.26	-	-	343,906.26
2047	290,000.00	53,437.50	-	-	343,437.50
2048	660,000.00	37,125.00	-	-	697,125.00
	<u>\$ 4,115,000.00</u>	<u>\$ 4,037,906.38</u>	<u>\$ 459,000.00</u>	<u>\$ 273,034.00</u>	<u>\$ 8,884,940.38</u>

(1) - Assumes that mandatory sinking fund redemption payments are made but assumes no optional redemptions occur.

(2) - Includes the estimated payment of principal and interest on December 15 of each year indicated. The 2018B Subordinate Bonds have no fixed principal payment amounts due prior to maturity. The payments with respect to the 2018B Subordinate Bonds shown above reflect the estimated principal and interest payments taking into account payments made in the years 2018 through 2023 and the estimated payments shown on Exhibit III of the Financial Forecast as included as Appendix C to the Limited Offering Memorandum dated May 3, 2019 related to the issuance of the bonds. These payments, however, are only estimated amounts as and no assurance is given that the principal and interest on the 2018B Subordinate Bonds will be paid as set forth in this table from pledged revenues.

This information is an integral part of the accompanying budget.

**VILLAGE AT SOUTHGATE METROPOLITAN
DISTRICT
ANNUAL ADMINISTRATIVE RESOLUTION
(Effective January 1, 2024)**

WHEREAS, the District was organized under the provisions of Title 32, Colorado Revised Statutes, as a special district and is located entirely within the boundaries of City of Brighton, County of Adams, Colorado (the “Approving Jurisdiction”); and

WHEREAS, the Board of Directors of the District (the “Board”) has a duty to perform certain obligations to assure the efficient operation of the District; and

WHEREAS, §§ 32-1-101, et seq., C.R.S., requires every District to publish certain legal notices in a newspaper of general circulation in the District; and

WHEREAS, the Directors of a District may receive compensation for their services subject to the limitations imposed by §§ 32-1-902(3)(a)(I) & (II), C.R.S.; and

WHEREAS, pursuant to § 32-1-902(1), C.R.S., every Board shall elect officers of the District; and

WHEREAS, § 24-6-402(2)(c), C.R.S., specifies the duty of every Board to designate a posting place for notices of meetings (which posting place may be website, social media account, or other official online presence of the District), and requires that notice of such meetings be posted at least twenty-four (24) hours prior to said meeting; and

WHEREAS, § 32-1-903, C.R.S., requires that each Board shall meet regularly at a time and in a place to be designated by that Board and requires that notice of such meetings be posted in accordance with § 24-6-402(2).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board designates Brighton Standard Blade as the newspaper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District and directs that all legal notices shall be published therein in accordance with applicable statutes.
2. The Board determines that Directors shall not receive compensation for services as Directors, in accordance with §§ 32-1-902(3)(a)(I) & (II), C.R.S.
3. The Board hereby elects the following officers for the District:

Kevin Amolsch	President
Jared Seidenberg	Secretary/Treasurer
Justin Cooper	Assistant Secretary
Ronald Meier	Assistant Secretary

4. The Board designates the following location as the District's physical posting place for notices of meetings, in addition to any website, social media account, or other official online presence of a District approved by each Board, pursuant to § 24-6-402(2)(c), C.R.S.:

Northwest Corner of the District.

5. The Board determines to hold regular meetings on
Fourth Wednesday of October at 11:00 A.M.,
by video conference or telephone conference, the notice of which shall include the method or procedure, including the conference number, link, passcode or other necessary information to allow member of the public to attend.

Whereupon the motion was seconded by Director _____, and upon vote, carried unanimously.

ADOPTED AND APPROVED ON October 25, 2023, to become effective as of January 1, 2024.

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT

Kevin Amolsch, President

ATTEST:

Jared Seidenberg, Secretary/Treasurer

RESOLUTION NO. 2023 - 11 - ____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VILLAGES AT SOUTHGATE METROPOLITAN DISTRICT
TO ADOPT THE 2024 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Villages at Southgate Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2023, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place at the office of the District Manager, interested electors of the District were given the opportunity to file or register any objections to the proposed budget, and a public hearing was held on October 25, 2023. The meeting was held via Zoom video call.

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

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or were planned to be expended from reserve fund balances so that the budget remains in balance, as required by law.

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Villages at Southgate Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Villages at Southgate Metropolitan District for the 2024 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and filed in accordance with applicable law, and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as EXHIBIT A and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 25th day of October, 2023.

THE VILLAGES AT SOUTHGATE
METROPOLITAN DISTRICT, a quasi-
municipal corporation and political
subdivision of the State of Colorado

President

ATTEST:

Secretary

RESOLUTION NO. 2023 - 11 - ____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Village at Southgate Metropolitan District (“District”) has adopted the 2024 annual budget in accordance with the Local Government Budget Law on November 2, 2023; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2024 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Village at Southgate

1. That for the purposes of meeting all general fund expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

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

ADOPTED this 25th day of October, 2023.

(SEAL)

Secretary



141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
303-987-0835 • Fax: 303-987-2032

MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski
Executive Vice-President

DATE: October 12, 2023

RE: Notice of 2024 Rate Increase

A rectangular box containing a handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement ("Agreement") between the District and Special District Management Services, Inc. ("SDMS"), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by (6.0%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.