

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAY THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE SOUTH BEEBE DRAW METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024 AND ENDING ON THE LAST DAY OF DECEMBER, 2024.

WHEREAS, the Board of Directors (the “Board”) of the South Beebe Draw Metropolitan District (the “District”) has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2023; and

WHEREAS, the proposed 2024 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on October 26, 2023 in the Brighton Standard-Blade, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 11:30 AM on Tuesday, November 28, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH BEEBE DRAW METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein (the “Budget”), including without limitation the estimated revenues and expenditures for each fund included therein, is hereby approved and adopted as the budget of the District for fiscal year 2024. In the event of recertification of values by the County Assessor’s Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Appropriations. The amounts set forth as expenditures for each fund in the Budget are hereby appropriated for each such fund.

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

Section 4. Budget Certification. The Budget shall be certified by a director on the board of directors of the District and shall be made a part of the public records of the District.

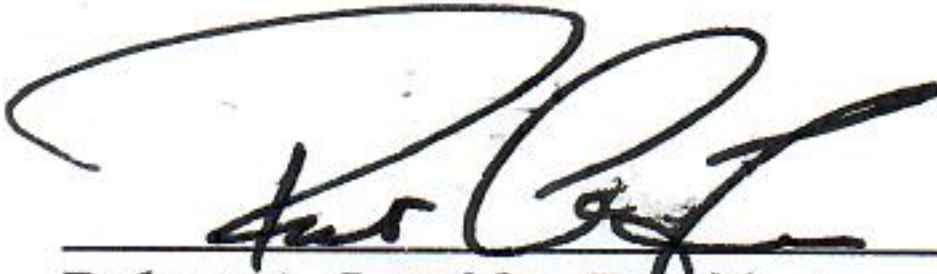
Section 5. Certification of Mill Levies. For the purposes of meeting all of the District's general operating expenses, debt service obligations, contractual obligations, and capital expenditure obligations, as well as funding any applicable refunds or abatements during the 2024 budget year, the applicable mill levies set forth in the Budget are hereby adopted and approved. The attorney, accountant or manager for the District is hereby authorized and directed to certify to the Adams County Board of County Commissioners, no later than January 10, 2024, the mill levies for the District as set forth in the Budget. Such certification shall be in compliance with the requirements of Colorado law.

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


The foregoing Resolution was seconded by Director Shipman.

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 28, 2023.

SOUTH BEEBE DRAW METROPOLITAN DISTRICT

By: 
Robert A. Lembke, President

ATTEST:


Joshua Shipman, Secretary/Treasurer

APPROVED AS TO FORM:
LAW OFFICE OF MICHAEL E. DAVIS, LLC
As General Counsel to the District


Michael E. Davis

STATE OF COLORADO
COUNTIES OF ADAMS AND WELD
SOUTH BEEBE DRAW METROPOLITAN DISTRICT

I, Joshua Shipman, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of South Beebe Draw Metropolitan District (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 11:30 AM on Tuesday, November 28, 2023, at 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111, by videoconference at <https://us06web.zoom.us/j/82637555286>, and by teleconference at (720) 707-2699, Meeting ID: 826 3755 5286, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2024; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on November 28, 2023.



Joshua Shipman, Secretary/Treasurer

EXHIBIT A
2024 BUDGET DOCUMENT & BUDGET MESSAGE FOR
SOUTH BEEBE DRAW METROPOLITAN DISTRICT

SOUTH BEEBE DRAW METRO DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

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

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 5,398,932	\$ 24,484,333	\$ 19,295,270
REVENUES			
Property taxes	24,960,696	2,370,104	11,034,523
Specific ownership taxes	500,767	100,000	551,726
Interest income	170,739	160,000	185,000
Facilities fees	2,371,250	-	-
Miscellaneous revenue	144,624	30,000	30,000
Intergovernmental revenues	3,032,865	2,891,861	5,700,000
Intergovernmental revenues - BP3	-	5,000,000	-
Storm drainage service fees	2,086,586	2,095,000	1,625,000
Easement fees	-	230,000	85,000
Water tap fees	133,800	30,000	50,000
Sewer tap fees	787,835	320,000	200,000
Plan / Admin Fees	40,994	30,000	10,000
System Development fees	462,416	30,000	150,000
Sales and Use Tax Revenue	1,180,122	995,000	1,100,000
Auto Use Tax Revenue	304,194	290,000	305,000
Building Use Tax Revenue	808,231	130,000	150,000
Note proceeds	-	9,005,600	1,000,000
Total revenues	<u>36,985,119</u>	<u>23,707,565</u>	<u>22,176,249</u>
TRANSFERS IN	<u>2,657,410</u>	<u>5,736,638</u>	<u>-</u>
Total funds available	<u>45,041,461</u>	<u>53,928,536</u>	<u>41,471,519</u>
EXPENDITURES			
General Fund	1,013,009	12,581,750	14,885,000
Debt Service Fund	13,688,926	12,307,878	2,040,995
Capital Projects Fund	4,456,001	3,320,000	17,170,305
Special Revenue Fund	316,733	687,000	2,079,000
Total expenditures	<u>19,474,669</u>	<u>28,896,628</u>	<u>36,175,300</u>
TRANSFERS OUT	<u>1,000,000</u>	<u>5,736,638</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>20,474,669</u>	<u>34,633,266</u>	<u>36,175,300</u>
ENDING FUND BALANCES	<u>\$ 24,566,792</u>	<u>\$ 19,295,270</u>	<u>\$ 5,296,219</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	<u>\$ 27,900</u> <u>997,298</u>	<u>\$ 325,500</u> <u>2,258,828</u>	<u>\$ 380,800</u> <u>9,777</u>
TOTAL RESERVE	<u>\$ 1,025,198</u>	<u>\$ 2,584,328</u>	<u>\$ 390,577</u>

No assurance provided. See summary of significant assumptions.

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

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Residential	\$ -	\$ 6,190	\$ -
Industrial	-	162,490	-
Agricultural	-	206,600	166,600
Oil and Gas - Production	-	250	141,736,520
Oil and Gas - Pipeline	-	35,083,430	26,331,260
State assessed	-	747,800	347,340
Personal property	-	100	100
	-	36,206,860	168,581,820
Adjustments	-	-	-
Certified Assessed Value	\$ 28,849,660	\$ 36,206,860	\$ 168,581,820
MILL LEVY			
General	1.000	65.455	65.455
Debt Service	54.000	0.000	0.000
Total mill levy	55.000	65.455	65.455
PROPERTY TAXES			
General	\$ 28,850	\$ 2,369,920	\$ 11,034,523
Debt Service	1,557,882	-	-
Levied property taxes	1,586,732	2,369,920	11,034,523
Adjustments to actual/rounding	23,373,964	184	-
Budgeted property taxes	\$ 24,960,696	\$ 2,370,104	\$ 11,034,523
BUDGETED PROPERTY TAXES			
General	\$ 393,857	\$ 2,370,104	\$ 11,034,523
Debt Service	24,566,839	-	-
	\$ 24,960,696	\$ 2,370,104	\$ 11,034,523

SOUTH BEEBE DRAW METRO DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 110,500	\$ 942,739	\$ 2,584,328
REVENUES			
Property taxes	993,857	2,370,104	11,034,523
Specific ownership taxes	468,615	100,000	51,726
Interest income	22,846	30,000	75,000
Miscellaneous revenue	42,389	30,000	30,000
Intergovernmental revenues - AEMD	-	1,000,000	-
Note proceeds	-	7,000,000	-
Note proceeds - Line of credit	-	2,005,600	1,000,000
Total revenues	<u>927,707</u>	<u>12,535,704</u>	<u>12,691,249</u>
TRANSFERS IN			
Transfers from other funds	<u>1,000,000</u>	<u>1,687,635</u>	<u>-</u>
Total funds available	<u>2,038,207</u>	<u>15,166,078</u>	<u>15,275,577</u>
EXPENDITURES			
General and administrative			
Accounting	203,641	150,000	100,000
Accounting consulting	153,375	90,000	85,000
Consulting	16,743	100,000	20,000
Auditing	43,506	12,750	14,500
County Treasurer's fee	6,671	38,500	165,518
Directors' fees	7,400	7,500	7,500
Dues and membership	1,024	1,500	2,500
Insurance	8,725	10,000	10,000
District management	232,458	240,000	250,000
Legal	132,638	75,000	200,000
Miscellaneous	48,037	5,000	5,000
Fees and licenses	-	-	5,000
Banking fees	-	1,500	1,500
Payroll taxes	337	400	800
Contingency	-	-	4,582
Operations and maintenance			
Repairs and maintenance	75,948	65,000	50,000
Engineering	58,758	50,000	50,000
Intergovernmental expenditures - UWSD	-	2,005,600	10,000,000
Intergovernmental expenditures - AMD5	-	7,000,000	-
Intergovernmental expenditures - PRWDA	-	600,000	600,000
Intergovernmental expenditures - WAWDA	-	1,000,000	200,000
Surveys and locates	-	10,000	7,500
Utilities	6,207	15,000	-
Support Services	17,541	-	-
Line of Credit Interest	-	-	100,000
Line of Credit Principal	-	-	3,005,600
Settlement expenditures	-	104,000	-
Capital outlay	-	1,000,000	-
Total expenditures	<u>1,013,009</u>	<u>12,581,750</u>	<u>14,885,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,013,009</u>	<u>12,581,750</u>	<u>14,885,000</u>
ENDING FUND BALANCES	<u>\$ 1,025,198</u>	<u>\$ 2,584,328</u>	<u>\$ 290,577</u>
EMERGENCY RESERVE	\$ 27,900	\$ 325,500	\$ 380,800
AVAILABLE FOR OPERATIONS	<u>997,298</u>	<u>2,258,828</u>	<u>9,777</u>
TOTAL RESERVE	<u>\$ 1,025,198</u>	<u>\$ 2,584,328</u>	<u>\$ 290,577</u>

No assurance provided. See summary of significant assumptions.

**SOUTH BEEBE DRAW METRO DISTRICT
SPECIAL REVENUE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,700,255	\$ 2,464,161	\$ 3,192,161
REVENUES			
Storm drainage service fees	1,080,639	1,395,000	1,275,000
Interest income	-	20,000	15,000
Total revenues	<u>1,080,639</u>	<u>1,415,000</u>	<u>1,290,000</u>
Total funds available	<u>2,780,894</u>	<u>3,879,161</u>	<u>4,482,161</u>
EXPENDITURES			
General and administrative			
Accounting	89,932	250,000	200,000
District management	-	-	-
Miscellaneous	-	15,000	15,000
Banking fees	7,466	-	-
Easement expenses	70,432	75,000	79,000
Engineering	-	140,000	-
Storm drainage expense	-	72,000	75,000
Repairs and maintenance	148,903	80,000	150,000
Capital outlay	-	-	1,500,000
Credit card fees	-	5,000	10,000
Support Services	-	50,000	50,000
Total expenditures	<u>316,733</u>	<u>687,000</u>	<u>2,079,000</u>
Total expenditures and transfers out requiring appropriation	<u>316,733</u>	<u>687,000</u>	<u>2,079,000</u>
ENDING FUND BALANCES	<u>\$ 2,464,161</u>	<u>\$ 3,192,161</u>	<u>\$ 2,403,161</u>

**SOUTH BEEBE DRAW METRO DISTRICT
DBET SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,089,284	\$ 17,587,992	\$ 2,278,476
REVENUES			
Property taxes	24,566,839	-	-
Specific ownership taxes	32,152	-	-
Interest income	131,064	70,000	75,000
Facilities fees	2,371,250	-	-
Storm drainage service fees	1,005,947	700,000	350,000
Easement fees	-	230,000	85,000
Sewer tap fees	787,835	320,000	200,000
Sales and Use Tax Revenue	1,180,122	995,000	1,100,000
Auto Use Tax Revenue	304,194	290,000	305,000
Building Use Tax Revenue	808,231	130,000	150,000
Total revenues	<u>31,187,634</u>	<u>2,735,000</u>	<u>2,265,000</u>
Total funds available	<u>32,276,918</u>	<u>20,322,992</u>	<u>4,543,476</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	359,914	-	-
Easement expenses	287,833	280,000	160,000
Fees and licenses	49,458	-	-
Miscellaneous	2,280	112,000	5,000
Paying agent fees	1,500	5,000	5,000
Debt Service			
Note interest	409,155	331,354	251,588
Note principal	1,540,623	1,579,524	1,619,407
Settlement expenditures	11,038,163	-	-
Intergovernmental expenditures - WAWDA	-	10,000,000	-
Total expenditures	<u>13,688,926</u>	<u>12,307,878</u>	<u>2,040,995</u>
TRANSFERS OUT			
Transfers to other fund	<u>1,000,000</u>	<u>5,736,638</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>14,688,926</u>	<u>18,044,516</u>	<u>2,040,995</u>
ENDING FUND BALANCES	<u>\$ 17,587,992</u>	<u>\$ 2,278,476</u>	<u>\$ 2,502,481</u>

**SOUTH BEEBE DRAW METRO DISTRICT
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 2,498,893	\$ 3,489,441	\$ 11,240,305
REVENUES			
Interest income	16,829	40,000	20,000
Miscellaneous revenue	102,235	-	-
Intergovernmental revenues	3,032,865	1,891,861	-
Intergovernmental revenues - BP6	-	-	5,700,000
Intergovernmental revenues - BP3	-	5,000,000	-
Water tap fees	133,800	30,000	50,000
Plan / Admin Fees	40,994	30,000	10,000
System Development fees	462,416	30,000	150,000
Total revenues	<u>3,789,139</u>	<u>7,021,861</u>	<u>5,930,000</u>
TRANSFERS IN			
Transfers from other funds	<u>1,657,410</u>	<u>4,049,003</u>	<u>-</u>
Total funds available	<u>7,945,442</u>	<u>14,560,305</u>	<u>17,170,305</u>
EXPENDITURES			
General and Administrative			
District management	53,412	80,000	80,000
Miscellaneous	1,620	10,000	10,000
Support Services	-	50,000	-
Intergovernmental expenditures	1,452,962	-	-
Intergovernmental expenditures - WAWDA	-	2,500,000	-
Intergovernmental expenditures - PRWDA	-	200,000	-
Capital outlay - Project sunflower	-	-	5,000,000
Capital outlay	2,948,007	480,000	12,080,305
Total expenditures	<u>4,456,001</u>	<u>3,320,000</u>	<u>17,170,305</u>
Total expenditures and transfers out requiring appropriation	<u>4,456,001</u>	<u>3,320,000</u>	<u>17,170,305</u>
ENDING FUND BALANCES	<u>\$ 3,489,441</u>	<u>\$ 11,240,305</u>	<u>\$ -</u>

**SOUTH BEEBE DRAW METRO DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized to provide construction, installation, financing, and operation of water, sewer, storm drainage, streets, park and recreation, mosquito control, transportation and television relay systems and improvements. The District's service area is located in Adams County and Weld County, Colorado. The District has entered into intergovernmental agreements with various entities to share in the construction of mutually beneficial regional storm drainage improvements. Certain development related revenue and sales and use taxes collected by the City of Brighton are to be received by the District to pay for specific costs or incurred debt.

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

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

Revenues

Property Taxes

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

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

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

**SOUTH BEEBE DRAW METRO DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 5% of the property taxes collected.

Infrastructure and Development Fees

The District established infrastructure and system development fees for the purpose of defraying the costs of public improvements within the boundaries of the Districts in which the fee is collected, including, but not limited to, street, traffic safety, water, sewer, storm drainage, transportation, and park and recreation improvements. Both the Infrastructure Fee and the System Development Fee are subject to the CPI adjustment.

The facilities fee is due on or before the date of issuance of a building permit by a City.

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical data

Expenditures

Administrative and Operating Expenditures

Administration expenses have been provided based on estimates of the District's board and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, consulting, general engineering, insurance and other administrative expenses.

Capital Outlay

Anticipated capital outlay expenditures are based on the potential capital projects the district may construct.

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property tax collected.

Maintenance and Repairs

Maintenance and repairs have been estimated based on prior year's needs. The estimated expenditures include periodic upkeep of infrastructure and repairs to the system that was constructed in previous years.

**SOUTH BEEBE DRAW METRO DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Debt Service

On October 1, 2018, the District authorized the issuance of its Refunding and Improvement Revenue Note, Series 2018 (Series 2018 Note) in the amount of \$12,500,000.

The Series 2018 Note is secured by and payable solely from pledged revenues, which include sales and use taxes received pursuant to the Annexation Agreement, storm drainage facility fees (net of amounts due under the obligation to Weld County Drainage, LLC) and sewer line connections fees, all net of amounts needed for operation and maintenance expenses. Additional revenues may be designated by the District to be pledged revenues if needed to maintain a coverage ratio of at least 1.25 to 1.0 at the end of each fiscal year.

The Series 2018 Note bears interest, payable semi-annually on April 1 and October 1, of 5.05%. Principal payments on the Series 2018 Note are due annually on October 1 and the Series 2018 Note matures on October 1, 2026. The loan is not subject to prepayment penalty.

On February 23, 2023 the District issued \$7,000,000 in series 2023 Special Obligation Bonds as part of the Verdad settlement. The Bonds are special limited obligations of the District secured by and payable from the pledged revenues on ad valorem taxes on certain taxable property within the boundaries of Altamira Metropolitan District No. 5. The Series 2023 Special Obligation Bonds bear interest of 3.75% with payments of principal and interest due October 15 annually. The bonds mature on October 15, 2043. Bond payments for 2023 are not provided, as the exact timing and amount of payments is unknown due to them being cash flow bonds.

On September 26, 2023 the District issued a series 2023 Taxable Revenue Refunding and Improvement Note in an aggregate amount not to exceed \$5,000,000 as part of an agreement with United Water & Sanitation District to support cooperative efforts on the financing, construction, acquisition, installation, operation and maintenance of public facilities, and services and improvements. The Note is secured by and payable solely from pledged revenues which consist of the required mill levy set by the District on certain taxable property within the District. Accrued interest on each advance shall compound monthly based on the variable rate that is so determined. The note matures September 30, 2033.

Leases

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.

SOUTH BEEBE DRAW METRO DISTRICT

\$12,500,000

Refunding and Improvement Note, Series 2018

Dated October 1, 2018

Interest Rate of 5.05%

Payable on April 1 and October 1

Principal due October 1

Year ended December 31,	Principal	Interest	Total
2024	1,619,407	251,588	1,870,995
2025	1,660,297	169,808	1,830,105
2026	1,702,220	85,962	1,788,182
Total	<u>\$ 6,561,448</u>	<u>\$ 838,712</u>	<u>\$ 7,400,160</u>