

SMOKY HILL METROPOLITAN DISTRICT
2026 BUDGET
GENERAL FUND AND SPECIAL REVENUE FUND

Smoky Hill Metropolitan District 2026 Budget Message

Budgets and Budgetary Accounting

The District adheres to the following procedures in establishing the budgetary data reflected in the budget document:

- Prior to October 15, the District accountant submits the proposed budget to the District Board of Directors.
- Prior to its adoption, the budget is open for inspection by the public.
- After public inspection and consideration of any objections filed, the Board reviews the proposed budget and formally adopts it by resolution.
- At the time of the adoption of the budget, the Board passes an appropriating ordinance giving the District legal authority to spend.
- Prior to December 15, the Board adopts the mill levy.

Basis of Accounting

The District utilizes fund accounting in accordance with accounting principles generally accepted in the United States of America. The District maintains two funds, a general fund and a special revenue fund which is utilized to track money distributed from the conservation trust account.

Budgets are not prepared in accordance with accounting principles generally accepted in the United States of America because they include capital asset expenditures, but do not include depreciation, or accrued vacation and sick leave. Budgets may be amended during the year by approval of the Board of Directors. Any amendments to the prior year's budget are incorporated into this budget document.

Services Delivered by the District

The District provides parks and recreation services, including the operation of a swimming pool, to the general public within the boundaries of the District. This includes all maintenance and capital improvements necessary to maintain the infrastructure of the District.

Important Features of the Budget

The District is presenting a balanced budget in accordance with State budget regulations. The primary source of revenue for the District consists of property taxes levied for operating activities. The mill levy assessed by the District is 21.058 mills on an assessed valuation of \$46,345,896 yielding property tax revenues of \$975,952. The remaining revenues for the District are provided by interest income, grant revenue and fees for services for total budgeted revenues of \$1,068,952 in the general fund. The District has budgeted revenues in the amount of \$30,000 in the conservation trust fund to be used for maintenance and capital improvement of parks and open spaces.

The District has budgeted total expenditures of \$1,387,466 for the general fund and \$30,000 for the special revenue fund. The funding for any general fund expenditures in excess of the current year budgeted revenues is being provided by reserves that have been accumulated from prior years. The general fund expenditures include \$323,427 budgeted for capital outlay. The District has budgeted an ending fund balance of \$510,000 for the general fund which is to be used for future capital projects and operating needs within the District.

**SMOKY HILL METROPOLITAN DISTRICT
2026 BUDGET
GENERAL FUND
MILL LEVY 21.058
ASSESSED VALUATION \$ 46,345,896**

| | 2024 ACTUAL | 2025 BUDGET | 2025 PROJECTED ACTUAL | 2026 BUDGET | CHANGE FROM PY BUDGET |
|---|-------------------|---------------------|-----------------------------|---------------------|-----------------------------|
| REVENUE | | | | | |
| 1401 GEN. PROPERTY TAX | \$ 1,075,640 | \$ 1,037,782 | \$ 1,037,782 | \$ 975,952 | \$ (61,830) |
| 1402 SPECIFIC OWNERSHIP TAX | 60,999 | 60,000 | 56,149 | 56,000 | (4,000) |
| 1405 RENT CLUB HOUSE | 3,620 | 1,500 | 1,500 | 1,500 | - |
| 1452 POOL RECEIPTS | 10,816 | 7,000 | 14,102 | 10,500 | 3,500 |
| 1403 INTEREST INCOME | 34,725 | 20,000 | 46,053 | 25,000 | 5,000 |
| 1407 GRANT PROCEEDS | 160,000 | - | 10,000 | - | - |
| 1409 MISCELLANEOUS INCOME | 25,086 | 140 | 1,920 | - | (140) |
| TOTAL REVENUE | 1,370,886 | 1,126,422 | 1,167,507 | 1,068,952 | (57,470) |
| ADMINISTRATIVE EXPENDITURES | | | | | |
| 1521 DIRECTORS FEES | 7,200 | 6,000 | 8,933 | 12,000 | 6,000 |
| 1522 CONTRACT LABOR | 150 | 900 | - | - | (900) |
| 1530 TRASH PICK UP | 3,910 | 3,500 | 4,723 | 5,000 | 1,500 |
| 1531 INSURANCE | 21,666 | 23,000 | 22,777 | 23,000 | - |
| 1534 TREASURERS COLLECTION FEES | 16,150 | 15,567 | 15,567 | 14,639 | (928) |
| 1535 OFFICE EXPENSES | 13,036 | 15,000 | 12,209 | 15,000 | - |
| 1541 LEGAL | 13,218 | 10,000 | 12,015 | 13,500 | 3,500 |
| 1542 OTHER PROFESSIONAL FEES | 8,814 | 12,000 | 33,241 | 60,000 | 48,000 |
| 1543 ACCOUNTING | 16,520 | 18,500 | 18,500 | 19,100 | 600 |
| 1544 AUDIT | 8,000 | 8,500 | 8,500 | 8,800 | 300 |
| 1760 ELECTION EXPENSES | - | 15,000 | 9,311 | - | (15,000) |
| TOTAL ADMINISTRATIVE EXP. | 108,664 | 127,967 | 145,776 | 171,039 | 43,072 |
| OPERATING EXPENDITURES | | | | | |
| 1501 PAYROLL TAXES | 6,139 | 6,000 | 5,964 | 7,000 | 1,000 |
| 1502 SALARY AND WAGES | 73,103 | 74,550 | 74,550 | 76,500 | 1,950 |
| 1510 LANDSCAPING CONTRACT | 90,995 | 100,000 | 100,000 | 115,000 | 15,000 |
| 1515 SNOW REMOVAL CONTRACT | 25,143 | 25,000 | 25,000 | 26,000 | 1,000 |
| 1526 GAS AND ELECTRIC | 22,631 | 31,500 | 25,471 | 31,500 | - |
| 1529 WATER & STORMWATER | 128,069 | 135,000 | 187,177 | 160,000 | 25,000 |
| 1552 PARKS AND EQUIPMENT MAINTENANCE | 129,728 | 150,000 | 150,000 | 170,000 | 20,000 |
| 1555 BUILDING REPAIR AND MAINTENANCE | 15,724 | 40,000 | 11,841 | 40,000 | - |
| 1659 CAPITAL PROJECTS | 144,844 | 650,000 | 235,000 | 323,427 | (326,573) |
| 1660 TREE REPLACEMENT AND CARE | - | - | - | 75,000 | 75,000 |
| 1561 POOL CONTRACT | 100,756 | 110,000 | 110,000 | 132,000 | 22,000 |
| 1661 POOL REPAIRS AND MAINTENANCE | 41,371 | 50,000 | 30,000 | 60,000 | 10,000 |
| TOTAL OPERATING EXPENSES | 778,503 | 1,372,050 | 955,003 | 1,216,427 | (155,623) |
| TOTAL EXPENDITURES | 887,167 | 1,500,017 | 1,100,780 | 1,387,466 | (112,551) |
| REVENUES OVER / (UNDER) EXPENDITURES | \$ 483,719 | \$ (373,595) | \$ 66,727 | \$ (318,514) | \$ (440,322) |
| BEGINNING FUND BALANCE | 278,068 | 675,500 | 761,787 | 828,514 | (86,287) |
| ENDING FUND BALANCE | \$ 761,787 | \$ 301,905 | \$ 828,514 | \$ 510,000 | \$ (526,609) |
| Operating reserve | | | | \$ 200,000 | |
| Reserve for future capital | | | | \$ 310,000 | |

SMOKY HILL METROPOLITAN DISTRICT

**REVENUE & EXPENDITURE STATEMENT
CONSERVATION TRUST FUND**

| | 2024 | 2025 | 2025 | 2026 | CHANGE |
|--------------------------------------|---------------|---------------|------------------|---------------|----------------|
| | ACTUAL | BUDGET | PROJECTED | BUDGET | FROM PY |
| | | | ACTUAL | | BUDGET |
| REVENUES | | | | | |
| 1030 LOTTERY PROCEEDS | 24,375 | 30,000 | 26,000 | 30,000 | \$ - |
| TOTAL REVENUE | 24,375 | 30,000 | 26,000 | 30,000 | - |
| EXPENDITURES | | | | | |
| 1035 PARKS AND EQUIPMENT MAINTENANCE | 24,375 | 30,000 | 26,000 | 30,000 | - |
| 1038 SWIMMING POOL REPAIR | - | - | - | - | - |
| TOTAL EXPENDITURES | 24,375 | 30,000 | 26,000 | 30,000 | - |
| REVENUE OVER EXPENDITURE | \$ - | \$ - | \$ - | \$ - | - |
| BEGINNING FUND BALANCE | - | - | - | - | - |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - | \$ - | - |

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the Smoky Hill Metropolitan District,
(taxing entity)^A

the Board of Directors,
(governing body)^B

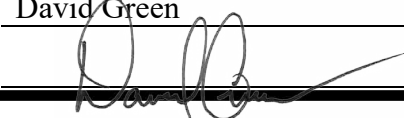
of the Smoky Hill Metropolitan District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 46,345,896 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 46,345,896 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: December 8, 2025 for budget/fiscal year 2026.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

| PURPOSE (see end notes for definitions and examples) | LEVY ² | REVENUE ² |
|--|----------------------------|--------------------------|
| 1. General Operating Expenses ^H | <u>21.058</u> mills | <u>\$975,952</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < _____ > mills | \$ < _____ > |
| SUBTOTAL FOR GENERAL OPERATING: | <u>21.058</u> mills | <u>\$ 975,952</u> |
| 3. General Obligation Bonds and Interest ^J | _____ mills | \$ _____ |
| 4. Contractual Obligations ^K | _____ mills | \$ _____ |
| 5. Capital Expenditures ^L | _____ mills | \$ _____ |
| 6. Refunds/Abatements ^M | _____ mills | \$ _____ |
| 7. Other ^N (specify): _____ | _____ mills | \$ _____ |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | <u>21.058</u> mills | <u>\$975,952</u> |

Contact person: David Green Daytime phone: 720-839-6458
(print)
Signed:  Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

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

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

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

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

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

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

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

^E Certification of Valuation by County Assessor, Form DLG 57 - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th.

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

^G NET Assessed Value—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire

pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

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

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

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

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

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

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

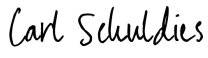
^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved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

**CERTIFICATION OF 2026 BUDGET FOR
SMOKY HILL METROPOLITAN DISTRICT**

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Smoky Hill Metropolitan District, for the budget year ending December 31, 2026, as adopted on December 8, 2025

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Smoky Hill Metropolitan District in Arapahoe County, Colorado, this 8th day of December, 2025.

Signed by:

B274FEBEC98F4B8...

Carl Schuldies, Chairman

(S E A L)

SMOKY HILL METROPOLITAN DISTRICT
RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (“Board”) of Smoky Hill Metropolitan District (“District”) has appointed a budget committee to prepare and submit a proposed 2026 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board at the proper time for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on October 27, 2025, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer 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 so that the budget remains in balance, as required by law.

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

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

| | |
|-----------------------|------------------|
| General Fund: | \$ 1,387,466 |
| Special Revenue Fund: | <u>\$ 30,000</u> |
| Total | \$1,417,466 |

2. That estimated revenues are as follows:

| | |
|--|-------------------|
| <u>General Fund:</u> | |
| From unappropriated surpluses | \$ 318,514 |
| From fund transfers | \$ 0 |
| From sources other than general property tax | \$ 93,000 |
| From general property tax | <u>\$ 975,952</u> |
| Total | \$ 1,387,466 |

Special Revenue Fund:

| | |
|--|------------------|
| From unappropriated surpluses | \$ 0 |
| From fund transfers | \$ 0 |
| From sources other than general property tax | <u>\$ 30,000</u> |
| Total | \$ 30,000 |

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

4. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the Smoky Hill Metropolitan District for the 2026 fiscal year.

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

TO SET MILL LEVIES

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$975,952 and

WHEREAS, the 2024 valuation for assessment of the District, as certified by the Arapahoe County Assessor, is \$46,345,896.

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

1. That for the purpose of meeting all general operating expenses of the District during the 2025 budget year, there is hereby levied a property tax of 21.058 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$975,952.

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

TO APPROPRIATE SUMS OF MONEY

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

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

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

| | |
|-----------------------|-------------|
| General Fund: | \$1,387,466 |
| Special Revenue Fund: | \$ 30,000 |
| Total | \$1,417,466 |

Adopted this 25th day of November, 2024.

SMOKY HILL METROPOLITAN DISTRICT

Signed by:
 By: Carl Shuldies
 B274FE8EC98F4B8...
 Carl Shuldies, Chairman

ATTEST:

Signed by:
 By: Ryan Stevens
 7FBFCE65A1614D9...
 Ryan Stevens, Secretary