

**SOUTHGLENN METROPOLITAN DISTRICT
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**SOUTHGLENN METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2023**

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INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

**SOUTHGLENN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 581,766
Cash and Investments - Restricted	3,928,586
Receivable from County Treasurer	11,415
Prepaid Insurance	42,667
Property Tax Receivable	1,062,555
Capital Assets:	
Capital Assets Net of Depreciation	<u>23,350,251</u>
Total Assets	<u>28,977,240</u>
LIABILITIES	
Accounts Payable	36,089
Accrued Bond Interest	223,477
Noncurrent Liabilities:	
Due Within One Year	3,635,988
Due in More Than One Year	<u>61,750,206</u>
Total Liabilities	<u>65,645,760</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	<u>1,062,555</u>
Total Deferred Inflows of Resources	<u>1,062,555</u>
NET POSITION	
Net Investment in Capital Assets	(37,040,660)
Restricted for:	
Emergency Reserve	17,200
Debt Service	307,896
Net Position - Unrestricted	<u>(1,015,511)</u>
Total Net Position	<u>\$ (37,731,075)</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHGLENN METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

FUNCTIONS/PROGRAMS	Program Revenues			Net Revenues (Expenses) and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 3,546,420	\$ -	\$ 324,563	\$ -	\$ (3,221,857)
Interest on Long-Term Debt and Related Costs	2,888,439	-	5,136,383	-	2,247,944
Total Governmental Activities	\$ 6,434,859	\$ -	\$ 5,460,946	\$ -	(973,913)
GENERAL REVENUES					
Property Taxes					1,069,545
Specific Ownership Taxes					182,940
Interest Income					302,725
Other Revenue					1
Total General Revenues and Transfers					1,555,211
CHANGES IN NET POSITION					581,298
Net Position - Beginning of Year					(38,312,373)
NET POSITION - END OF YEAR					\$ (37,731,075)

See accompanying Notes to Basic Financial Statements.

**SOUTHGLENN METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

ASSETS	General	Debt Service	Total Governmental Funds
Cash and Investments	\$ 581,766	\$ -	\$ 581,766
Cash and Investments - Restricted	17,200	3,911,386	3,928,586
Receivable from County Treasurer	-	11,415	11,415
Due from Other Funds	-	35,662	35,662
Prepaid Insurance	42,667	-	42,667
Property Tax Receivable	212,511	850,044	1,062,555
Total Assets	<u>\$ 854,144</u>	<u>\$ 4,808,507</u>	<u>\$ 5,662,651</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 16,999	\$ 19,090	\$ 36,089
Due to Other Funds	35,662	-	35,662
Total Liabilities	52,661	19,090	71,751
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	212,511	850,044	1,062,555
Total Deferred Inflows of Resources	212,511	850,044	1,062,555
FUND BALANCES			
Nonspendable:			
Prepaid Expense	42,667	-	42,667
Restricted for:			
Emergency Reserves	17,200	-	17,200
Debt Service	-	3,939,373	3,939,373
Assigned to:			
Subsequent Year's Expenditures	41,684	-	41,684
Unassigned	487,421	-	487,421
Total Fund Balances	<u>588,972</u>	<u>3,939,373</u>	<u>4,528,345</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 854,144</u>	<u>\$ 4,808,507</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	23,350,251
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds Payable	(56,890,000)
Accrued Bond Interest	(223,477)
Unamortized Bond Premium	(1,294,258)
Accrued Developer Advance Interest	(4,438,556)
Developer Advance Payable	(2,763,380)
Net Position of Governmental Activities	<u>\$ (37,731,075)</u>

See accompanying Notes to Basic Financial Statements.

SOUTHGLENN METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	\$ 213,909	\$ 855,636	\$ 1,069,545
Property Tax - CURA	324,563	4,768,601	5,093,164
Specific Ownership Taxes	-	182,940	182,940
Interest Income	32,731	269,994	302,725
CURA Sales/Use Tax	-	367,782	367,782
Other Revenue	1	-	1
Total Revenues	<u>571,204</u>	<u>6,444,953</u>	<u>7,016,157</u>
EXPENDITURES			
Current:			
Accounting	40,986	-	40,986
Auditing	7,600	-	7,600
County Treasurer's Fee	3,231	12,924	16,155
CURA Fees	-	19,090	19,090
Directors' Fees	400	-	400
District Management	11,255	-	11,255
Dues And Membership	983	-	983
Election	2,264	-	2,264
Insurance	39,684	-	39,684
Legal	18,249	-	18,249
Payroll Taxes	29	-	29
Stormwater Fees	5,630	-	5,630
Management Fee (3.5%)	14,915	-	14,915
Reimbursement Per Management Agreement	356,961	-	356,961
Debt Service:			
Bond Interest	-	2,796,000	2,796,000
Bond Principal	-	3,365,000	3,365,000
Paying Agent Fees	-	3,500	3,500
Total Expenditures	<u>502,187</u>	<u>6,196,514</u>	<u>6,698,701</u>
EXCESS OF REVENUES OVER EXPENDITURES	69,017	248,439	317,456
OTHER FINANCING SOURCES (USES)			
Developer Advance	371,876	-	371,876
Repay Developer Advance	(375,000)	-	(375,000)
Total Other Financing Uses	<u>(3,124)</u>	<u>-</u>	<u>(3,124)</u>
NET CHANGE IN FUND BALANCES	65,893	248,439	314,332
Fund Balances - Beginning of Year	<u>523,079</u>	<u>3,690,934</u>	<u>4,214,013</u>
FUND BALANCES - END OF YEAR	<u>\$ 588,972</u>	<u>\$ 3,939,373</u>	<u>\$ 4,528,345</u>

See accompanying Notes to Basic Financial Statements.

**SOUTHGLENN METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 314,332

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Depreciation/Amortization (3,044,233)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. Also, government funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond Principal	3,365,000
Amortization of Bond Premium	120,931
Developer Advance	(371,876)
Repay Developer Advance	375,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable - Change in Liability	9,523
Accrued Interest Payable Developer Advance - Change in Liability	<u>(187,379)</u>

Changes in Net Position of Governmental Activities \$ 581,298

**SOUTHGLENN METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 212,489	\$ 213,909	\$ 1,420
Property Tax - CURA	320,656	324,563	3,907
Interest Income	7,748	32,731	24,983
Other Revenue	-	1	1
Total Revenues	<u>540,893</u>	<u>571,204</u>	<u>30,311</u>
EXPENDITURES			
Accounting	50,000	40,986	9,014
Auditing	7,000	7,600	(600)
Contingency	1,233	-	1,233
County Treasurer's Fee	3,187	3,231	(44)
Directors' Fees	-	400	(400)
District Management	25,000	11,255	13,745
Dues And Membership	2,500	983	1,517
Election	2,500	2,264	236
Insurance	40,000	39,684	316
Legal	32,000	18,249	13,751
Miscellaneous	1,000	-	1,000
Stormwater Fees	5,500	5,630	(130)
Payroll Taxes	-	29	(29)
Management Fee (3.5%)	17,500	14,915	2,585
Reimbursement Per Management Agreement	500,000	356,961	143,039
Total Expenditures	<u>687,420</u>	<u>502,187</u>	<u>185,233</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(146,527)	69,017	215,544
OTHER FINANCING SOURCES (USES)			
Developer Advance	517,500	371,876	(145,624)
Repay Developer Advance	(375,000)	(375,000)	-
Total Other Financing Sources (Uses)	<u>142,500</u>	<u>(3,124)</u>	<u>(145,624)</u>
NET CHANGE IN FUND BALANCE	(4,027)	65,893	69,920
Fund Balance - Beginning of Year	<u>522,396</u>	<u>523,079</u>	<u>683</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 518,369</u></u>	<u><u>\$ 588,972</u></u>	<u><u>\$ 70,603</u></u>

See accompanying Notes to Basic Financial Statements.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 DEFINITION OF REPORTING ENTITY

Southglenn Metropolitan District, a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court of Arapahoe County on November 23, 2005, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City of Centennial on September 19, 2005. The District's service area is located entirely within the City of Centennial, Arapahoe County, Colorado. The District was established to provide financing for the design, acquisition, relocation, installation and construction of water, sanitation, streets, traffic and safety controls, park and recreation facilities, public transportation systems, security services, and mosquito control. The District also provides the funding for infrastructure improvements and the tax base needed to support ongoing operations.

The District is located within an urban renewal authority created by the City of Centennial. The District and the Centennial Urban Renewal Authority (CURA) have agreed to a Public Finance Agreement (see Note 8).

The District's service plan does not limit the mill levy for operations and maintenance. The mill levy for operations and maintenance shall not be subject to the Maximum Debt Mill Levy and can be increased as necessary to provide services to its taxpayers and service users. The Maximum Debt Mill Levy allowed by the service plan is 50.000 mills as adjusted for changes in the method of calculating assessed value.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation and amortization is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for insurance reimbursements. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes and sales and use taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation is due.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2023.

State Audit Law

Colorado Revised Statutes require that local governments submit audited financial statements for calendar year end by July 31, or September 30 if granted an extension, of the following year. The District was not in compliance with the statutory requirement.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Interfund Balances

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds. The interfund balances in 2023 are between the General Fund and Debt Service Fund at \$35,662 to keep a positive fund balance due to payables.

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

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (continued)

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. Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include property and equipment, easements, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of the net investment in capital assets.

The majority of the District's capital assets are in the form of an easement over most of the public infrastructure. This easement enables the District to maintain the infrastructure and satisfies the responsibility for the public use of assets. Expenditures in the fund accounting statements represent the type of asset being built with public financing and are presented in the government-wide statements as an easement. Because the Southglenn easement offers the District the ability to access and maintain all of the public infrastructure being constructed with the municipal bond proceeds, the asset easement is valued at the cost of the construction and is amortized over the remaining life of the underlying assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Amortization

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – this component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – this component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – the component of net position that does not meet the definitions above.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2023 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 581,766
Cash and Investments - Restricted	<u>3,928,586</u>
Total Cash and Investments	<u><u>\$ 4,510,352</u></u>

Cash and investments as of December 31, 2023 consist of the following:

Deposits with Financial Institutions	\$ 115,752
Investments	<u>4,394,600</u>
Total Cash and Investments	<u><u>\$ 4,510,352</u></u>

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District's cash deposits had a bank balance and a carrying balance of \$115,752.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- * Local government investment pools

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 4,394,600
		<u>\$ 4,394,600</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE.

CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 CAPITAL ASSETS

An analysis of the change in capital assets for the year ended December 31, 2023 follows:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Governmental Activities:				
Capital Assets, Being Depreciated:				
Parking Garage	\$ 19,582,200	\$ -	\$ -	\$ 19,582,200
Easement	47,390,919	-	-	47,390,919
Total Capital Assets, Being Depreciated	66,973,119	-	-	66,973,119
Less Accumulated Depreciation for:				
Accumulated Depreciation - Parking Garage	11,868,000	890,100	-	12,758,100
Accumulated Depreciation - Easement	28,710,635	2,154,133	-	30,864,768
Total Accumulated Depreciation	40,578,635	3,044,233	-	43,622,868
Total Capital Assets, Being Depreciated, Net	26,394,484	(3,044,233)	-	23,350,251
Governmental Activities Capital Assets, Net	<u>\$ 26,394,484</u>	<u>\$ (3,044,233)</u>	<u>\$ -</u>	<u>\$ 23,350,251</u>

Depreciation and amortization expense for the year ended December 31, 2023 was charged to general government function/program in the amount of \$3,044,233.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Bonds Payable:					
Special Revenue Refunding Bonds Series 2016	\$ 60,255,000	\$ -	\$ 3,365,000	\$ 56,890,000	\$ 3,520,000
Subtotal Bonds Payable	60,255,000	-	3,365,000	56,890,000	3,520,000
Other Debts:					
Developer Advance - Operating	559,851	371,876	375,000	556,727	-
Developer Advance - Capital	2,206,653	-	-	2,206,653	-
Accrued Interest on:					
Developer Advance - Operating	56,705	32,913	-	89,618	-
Developer Advance - Capital	4,194,472	154,466	-	4,348,938	-
Subtotal Other Debts	7,017,681	559,255	375,000	7,201,936	-
Bond Premium/Discount:					
Bond Premium - Series 2016	1,415,189	-	120,931	1,294,258	115,988
Subtotal Bond Premium / Discount	1,415,189	-	120,931	1,294,258	115,988
Total Long-Term Obligations	<u>\$ 68,687,870</u>	<u>\$ 559,255</u>	<u>\$ 3,860,931</u>	<u>\$ 65,386,194</u>	<u>\$ 3,635,988</u>

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The details of the District's long-term obligations are as follows:

\$76,170,000 Special Revenue Refunding Bonds, Series 2016, dated September 22, 2016

The proceeds from the sale of the Bonds were used to: (i) pay the costs of refunding the District's outstanding Subordinate Convertible Capital Appreciation Special Revenue Bonds, Series 2008; (ii) pay the costs of refunding the District's outstanding Tax Supported Revenue Refunding Loan 2014; (iii) fund the Reserve Fund; (iv) pay the costs in connection with the issuance of the Bonds; and, (v) repay Developer capital advances.

The Bonds bear interest at rates ranging from 3.00% to 5.00%, with an average interest rate of 3.98%, payable semi-annually on each June 1 and December 1, beginning on December 1, 2016. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2017. The Bonds mature on December 1, 2046, and are subject to optional redemption on December 1, 2021, and on any date thereafter, upon payment of par and accrued interest, at the following price.

<u>Redemption Date</u>	<u>Redemption Premium</u>
December 1, 2021 through November 30, 2022	103%
December 1, 2022 through November 30, 2023	102%
December 1, 2023 through November 30, 2024	101%
December 1, 2024 and Thereafter	100%

The Bonds are also subject to extraordinary mandatory redemption on December 1 in each year, commencing December 1, 2017, solely from and to the extent of moneys on deposit in the Redemption Account of the Bond Fund on October 15 in each such year. Such redemptions are anticipated to occur on December 1, 2030, after the termination of the Mill Levy Stabilization Fund on November 22, 2030.

The Bonds are secured by and payable solely from and to the extent of the Pledged Revenue, which is defined in the Indenture as follows:

- (a) *during* the PFA Term:
- (i) the Net Pledged Property Tax Revenues;
 - (ii) the Net Pledged Sales Tax Revenues; and
 - (iii) all amounts allocable to the Property Tax Base derived from imposition of the Required Mill Levy, less costs of collection;

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$76,170,000 Special Revenue Refunding Bonds, Series 2016, dated September 22, 2016 (Continued)

- (b) *after* the PFA Term:
- (i) all amounts derived from imposition of the Required Mill Levy, less costs of collection; and
- (c) both during and after the PFA Term;
- (i) Specific Ownership Taxes; and
 - (ii) any other legally available moneys of the District that, in its sole discretion, the District transfers (or causes to be transferred) to the Trustee for application as Pledged Revenue.

Pledged Revenue shall be applied to the following funds and in the following order:

- FIRST: Interest Account of the Bond Fund;
- SECOND: Principal Account of the Bond Fund;
- THIRD: Reserve Fund, the amount necessary, if any, to replenish the amount therein to the Reserve Requirement;
- FOURTH: *During the PFA Term:* Mill levy Stabilization Fund, the amount, if any, to cause the amount therein to equal a minimum amount of \$300,000, until its termination of November 22, 2030;
- FIFTH: *During the PFA Term:* Redemption Account of the Bond Fund;
- SIXTH: *After the PFA Term:* Any fund or account as may be established for the payment of Subordinate Bonds; and
- SEVENTH: *After the PFA Term:* Any fund or account as may be designated by the District.

The Bonds are further secured by the Reserve Fund, which will initially be funded with proceeds of the Bonds in the amount of \$3,408,000.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$76,170,000 Special Revenue Refunding Bonds, Series 2016, dated September 22, 2016 (Continued)

The District's long-term obligations will mature as follows:

Year Ending December 31,	Bonded Debt		Total
	Principal	Interest	
2024	\$ 3,520,000	\$ 2,681,725	\$ 6,201,725
2025	3,695,000	2,558,525	6,253,525
2026	3,970,000	2,429,200	6,399,200
2027	4,160,000	2,290,250	6,450,250
2028	4,525,000	2,082,250	6,607,250
2029-2033	12,750,000	7,409,000	20,159,000
2034-2038	6,100,000	5,523,000	11,623,000
2039-2043	8,405,000	3,780,250	12,185,250
2044-2046	9,765,000	1,165,000	10,930,000
Total	<u>\$ 56,890,000</u>	<u>\$ 29,919,200</u>	<u>\$ 86,809,200</u>

Authorized Debt

On November 1, 2005, a majority of the qualified electors of the District who voted in the election authorized the issuance of indebtedness in an amount not to exceed \$760,500,000 at an interest rate not to exceed 12% per annum. At December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 1, 2005	Authorization Used 2007 Bonds	Authorization Used 2008 Bonds	Authorization Used 2014 Loan	Authorization Used 2016 Bonds	Authorized But Unused
Streets	\$ 85,000,000	\$ 29,029,000	\$ 3,016,000	\$ -	\$ -	\$ 52,955,000
Traffic and Safety Controls	75,000,000	11,165,000	1,160,000	-	-	62,675,000
Water Supply System	85,000,000	5,236,000	544,000	-	-	79,220,000
Storm and Sanitary System	85,000,000	3,311,000	344,000	-	-	81,345,000
Parks and Rec Facilities	85,000,000	-	-	-	-	85,000,000
Transportation	85,000,000	28,259,000	2,936,000	-	-	53,805,000
Mosquito Control	500,000	-	-	-	-	500,000
Television Relay	85,000,000	-	-	-	-	85,000,000
Security Services	85,000,000	-	-	-	-	85,000,000
Operations	5,000,000	-	-	-	-	5,000,000
Refunding	85,000,000	-	-	2,720,000	68,170,000	14,110,000
Total	<u>\$ 760,500,000</u>	<u>\$ 77,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 2,720,000</u>	<u>\$ 68,170,000</u>	<u>\$ 604,610,000</u>

Per the Service Plan, the District is permitted to issue bond indebtedness of up to \$85,000,000. As of December 31, 2023, no additional indebtedness is available to be issued under the current Service Plan.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances

The District has entered into Reimbursement and Acquisition Agreements with the Developer as follows:

Capital Funding and Reimbursement Agreement

On May 22, 2009, the District entered into a Reimbursement Agreement to repay advances made by AW Southglenn, LLC (the Developer) for costs related to the provision of public infrastructure in the nature of capital costs. The District agreed to repay the Developer for such advances plus accrued interest at a rate of 7% simple interest per annum for all advances. Furthermore, the District agreed to repay the Developer principal first, and then interest. This agreement superseded the prior Reimbursement and Acquisition Agreement entered into on April 13, 2006. As of December 31, 2023, outstanding advances under the agreement totaled \$2,206,653 and accrued interest totaled \$4,348,938.

Operations and Maintenance Agreement

On October 25, 2011, the District entered into an Operations and Maintenance Agreement with Southglenn Property Holdings, LLC (the Manager) to provide services related to maintenance, repair, restoration (and replacement of), and insurance and indemnities in connection with the Commons Area in the shopping center commonly known as "The Streets at Southglenn." The Manager agreed to loan the District one or more sums of money, not to exceed the aggregate of \$500,000 per annum for 10 years, up to \$5,000,000. The District agreed to reimburse the Manager for all expenses incurred in connection with the provision of services, provided that anticipated costs are approved by the District in the annual budget. Because the Manager incurred costs related to the "Prior Maintenance" (services provided prior to the finalization of this Agreement) on behalf of the District in anticipation that the costs would be reimbursed to the Manager, the District agreed to reimburse the Manager for Prior Maintenance Costs in accordance with, and subject to, the terms and conditions of this agreement. Any unpaid maintenance advances shall continue to accrue, at 6% simple interest, and may be paid to the Manager in future years as funds become available. Furthermore, the District agreed to repay the Manager the principal first, then interest. As of December 31, 2023, outstanding advances under the agreement totaled \$556,727 and accrued interest totaled \$89,618.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 NET POSITION

The District has net position consisting of three components - net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2023, the District had net investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 23,350,251
Current Portion of Outstanding Long Term Obligations	(3,635,988)
Noncurrent Portion of Outstanding Long Term Obligations	(54,548,270)
Developer Advance Payable	(2,206,653)
Net Investment in Capital Assets	<u>\$ (37,040,660)</u>

The District has estimated in the above calculation that 100% of the debt proceeds available for capital expenditures have been spent on the easement and parking garage owned by the District.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023 as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 17,200
Debt Service Reserve	307,896
Total Restricted Net Position	<u>\$ 325,096</u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, a portion of which were conveyed to other governmental entities and which costs were removed from the District's financial records.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 RELATED PARTY

The Developer of the property which constitutes the District is AW Southglenn, LLC. The primary owner of property in the District is Southglenn Property Holdings, LLC. Both are affiliates of Alberta Development Partners, LLC. The members of the Board of Directors are employees, owners or are otherwise associated with the Developer and its affiliates and may have conflicts of interest in dealing with the District.

NOTE 8 AGREEMENTS

Amended and Restated Public Finance Agreement

On June 5, 2006, the District entered into a sales tax sharing agreement with the City of Centennial and the CURA. The City has pledged 76% of the City's Sales Tax revenues collected within the District in excess of the Sales Tax Base for financing the Public Improvements and paying the District's operating and maintenance costs. The Sales Tax Base was certified by the City to be \$1,937,569 and the District shall receive 76% of all sales tax collected in the District above the sales tax base for the collection period from October 1 to September 30. Under this agreement the District will also receive all of the property taxes due to the Urban Renewal Authority for the project area. This agreement will remain in effect for 25 years (June 5, 2031) or until the District has paid off its outstanding bonds, whichever occurs first.

Second Amended and Restated Public Finance Agreement

On February 3, 2014, the District entered into a Second Amended and Restated Public Finance Agreement with CURA and the City of Centennial (the "City"). The City adopted the Southglenn Mall Redevelopment Plan for the principal purpose of facilitating redevelopment in order to eliminate or prevent the spread of physically blighted or slum areas in the Plan Area. The City, CURA and District will assist the Developer with the redevelopment of the Plan Area and provide for the public financing of a portion of the improvements and redevelopment activities to be undertaken by the District, CURA and the Developer pursuant to the Southglenn Mall Redevelopment Plan. By this agreement, the City, CURA and District agree to the terms of refinancing the bonds previously issued by the District in connection with such improvements and redevelopment activities that have been undertaken by the Developer and District.

Stormwater Facility Maintenance Agreement

On July 12, 2011, the District entered into a Stormwater Facility Maintenance Agreement with Southeast Metro Stormwater Authority (SEMSWA). Under the terms of the agreement, the District will maintain and operate stormwater facilities, including drainage facilities, intended to reduce, detain, convey, and manage stormwater runoff and facilities intended to provide water quality benefits within the confines of the District as well as the Macy's and Wells Fargo properties. The District is to ensure that the facilities are and remain in proper working condition in accordance with the City of Centennial Stormwater Management Manual, applicable SEMSWA standards imposed and applied uniformly throughout SEMSWA's boundaries and other applicable legal requirements. The District will also coordinate and pay for inspections of the facilities at least once every calendar year, as well as submit inspection reports (in accordance with the Operations and Maintenance Manual) in writing to SEMSWA prior to January 15 of each year.

**SOUTHGLENN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 9 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in the past fiscal year.

The District pays annual premiums to the Pool for liability, property, public officials' liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 1, 2005, District voters passed an election question to increase property taxes \$1,000,000 annually to pay the District's operational and maintenance costs, without regard to any limitations under TABOR.

On November 8, 2016 the District voters passed an election question to increase property taxes \$2,500,000 annually to pay the District's administration, covenant enforcement, design review, operations, maintenance, and other similar expenses, without regard to any limitations under TABOR.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**SOUTHGLENN METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 849,956	\$ 849,956	\$ 855,636	\$ 5,680
Property Tax - CURA	4,711,198	4,711,198	4,768,601	57,403
Specific Ownership Taxes	188,310	188,310	182,940	(5,370)
Interest Income	52,674	52,674	269,994	217,320
CURA Sales/Use Tax	300,000	300,000	367,782	67,782
Total Revenues	<u>6,102,138</u>	<u>6,102,138</u>	<u>6,444,953</u>	<u>342,815</u>
EXPENDITURES				
County Treasurer's Fee	12,749	12,749	12,924	(175)
CURA Fees	50,000	50,000	19,090	30,910
Paying Agent Fees	3,500	3,500	3,500	-
Bond Interest	2,796,000	2,796,000	2,796,000	-
Bond Principal	3,265,000	3,265,000	3,365,000	(100,000)
Miscellaneous	2,500	2,500	-	2,500
Contingency	2,251	120,251	-	120,251
Total Expenditures	<u>6,132,000</u>	<u>6,250,000</u>	<u>6,196,514</u>	<u>53,486</u>
NET CHANGE IN FUND BALANCE	(29,862)	(147,862)	248,439	396,301
Fund Balance - Beginning of Year	<u>3,552,893</u>	<u>3,552,893</u>	<u>3,690,934</u>	<u>138,041</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 3,523,031</u></u>	<u><u>\$ 3,405,031</u></u>	<u><u>\$ 3,939,373</u></u>	<u><u>\$ 534,342</u></u>

**SOUTHGLENN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

	\$76,170,000		
	Special Revenue Funding Bonds, Series 2016		
	Dated September 22, 2016		
	Interest Rate 3.00 - 5.00 %		
	Average Rate 3.98%		
Principal and Interest Maturing in the Year Ending December 31,	Interest Due June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2024	\$ 3,520,000	\$ 2,681,725	\$ 6,201,725
2025	3,695,000	2,558,525	6,253,525
2026	3,970,000	2,429,200	6,399,200
2027	4,160,000	2,290,250	6,450,250
2028	4,525,000	2,082,250	6,607,250
2029	4,800,000	1,856,000	6,656,000
2030	5,200,000	1,616,000	6,816,000
2031	845,000	1,356,000	2,201,000
2032	930,000	1,313,750	2,243,750
2033	975,000	1,267,250	2,242,250
2034	1,070,000	1,218,500	2,288,500
2035	1,125,000	1,165,000	2,290,000
2036	1,225,000	1,108,750	2,333,750
2037	1,285,000	1,047,500	2,332,500
2038	1,395,000	983,250	2,378,250
2039	1,465,000	913,500	2,378,500
2040	1,585,000	840,250	2,425,250
2041	1,665,000	761,000	2,426,000
2042	1,800,000	677,750	2,477,750
2043	1,890,000	587,750	2,477,750
2044	2,030,000	493,250	2,523,250
2045	2,135,000	391,750	2,526,750
2046	5,600,000	280,000	5,880,000
Total	\$ 56,890,000	\$ 29,919,200	\$ 86,809,200

**SOUTHGLENN METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND
PROPERTY TAXES COLLECTED
DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	District Mills Levied		Total Property Taxes		Percent Collected to Levied
		Operations	Debt Service	Levied	Collected	
2020	17,493,569	35.800	24.200	1,049,614	939,993	89.56%
2021	17,274,221	18.600	41.400	1,036,453	874,104	84.34%
2022	18,048,605	16.000	44.000	1,082,916	1,051,061	97.06%
2023	17,707,412	12.000	48.000	1,062,445	1,069,545	100.67%
Estimated for Year Ending December 31, 2024	\$ 17,709,257	12.000	48.000	\$ 1,062,555		

Note:
Property taxes collected in any one year include collection of delinquent property taxes

Source: Arapahoe County Assessor and Treasurer.

Year Ended December 31,	Prior Year Increment Assessed Valuation for Current Year Property Tax Levy	Prior Year Non-District Increment Assessed Valuation for Current Year Property Tax Levy	Total Mills Levied			CURA Cooperation Agreement Based on Increment Value Anticipated	CURA Cooperation Agreement Based on Non-District Value Anticipated	Total Anticipated	Total Collections	Percentage Collected to Anticipated
			District Operations	District Debt Service	Overlapping Entities					
2020	31,572,368	6,660,582	35.800	24.200	98.862	5,015,649	658,478	5,674,127	5,111,188	90.08%
2021	29,450,138	6,797,692	18.600	41.400	101.364	4,752,193	689,041	5,441,234	4,672,475	85.87%
2022	27,977,119	5,946,707	16.000	44.000	107.135	4,675,956	637,100	5,313,056	5,080,134	95.62%
2023	27,128,249	5,367,225	12.000	48.000	107.116	4,553,565	574,916	5,128,481	5,093,164	99.31%
Estimated for Year Ending December 31, 2024	\$ 26,844,766	\$ 4,996,577	12.000	48.000	110.304	\$ 4,996,577	\$ 551,142	\$ 5,547,719		

1 - The total anticipated collections from CURA does not include the 1.5% Treasurer's fee. The actual total collections is net of that fee.

**SOUTHGLENN METROPOLITAN DISTRICT
ASSESSED VALUATION OF CLASSES OF PROPERTY
DECEMBER 31, 2023**

2023 Assessed Valuation of Classes of Property in the District

Property Class	Total Assessed Valuation	Percentage of Total Assessed Valuation
Valuation Year - 2023		
Commercial	\$ 39,518,678	88.70%
Residential Multi Family	4,871,235	10.93%
State Assessed	163,550	0.37%
Vacant Land	560	0.00%
Total	<u>\$ 44,554,023</u>	<u>100.00%</u>

2023 Assessed Valuation of Classes of Property in the Redevelopment Area

Property Class	Total Assessed Valuation	Percentage of Total Assessed Valuation
Valuation Year - 2023		
Commercial	\$ 47,796,644	90.44%
Residential Multi Family	4,871,235	9.22%
State Assessed	178,220	0.34%
Vacant Land	700	0.00%
Total	<u>\$ 52,846,799</u>	<u>100.00%</u>

**SOUTHGLENN METROPOLITAN DISTRICT
HISTORY OF NET PLEDGED SALES TAX REVENUES
DECEMBER 31, 2023**

History of Net Pledged Sales Tax Revenues

District Collection Year (1)	Amount	Percentage Change
2012	\$ 513,696	- %
2013	851,271	65.7
2014	914,242	7.4
2015	989,303	8.2
2016	908,202	(8.2)
2017	944,787	4.0
2018	888,258	(6.0)
2019	794,195	(10.6)
2020	299,041	(62.3)
2021	373,805	25.0
2022	583,901	56.2
2023	367,782	(37.0)

(1) City Sales Tax is paid to the City in the month following the retail sales period. The portion of the City Sales Tax which is paid to the District by the Authority as Net Pledged Sales Tax Revenues is paid in the month following collection by the City. Accordingly, figures for each year in this table reflect District receipts for the period January through December, but retail sales during the period November through October.

**SOUTHGLENN METROPOLITAN DISTRICT
TEN LARGEST OWNERS OF TAXABLE PROPERTY
DECEMBER 31, 2023**

Ten Largest Owners of Taxable Property within the District

<u>Taxpayer Name</u>	<u>2023 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation (2)</u>
Southglenn Property Holdings, LLC (1)	\$ 29,272,708	65.70%
Sunroad SMVA Portola LLC	4,871,235	10.93%
JCH Block 9 Southglenn LLC	2,483,379	5.57%
Whole Foods #10273	515,356	1.16%
Regal Cinemas Inc.	221,171	0.50%
Portola at Southglenn	190,666	0.43%
Sephora	173,430	0.39%
Public Svc Co of Colorado	152,450	0.34%
Chick-fil-A #2759	150,490	0.34%
Best Buy #1171	106,424	0.24%
Total	<u>\$ 38,137,309</u>	<u>85.60%</u>

(1) Defined herein as the Landowner.

(2) Based on a 2023 certified assessed valuation of: \$ 44,554,023

Source: Arapahoe County Assessor's Office

**SOUTHGLENN METROPOLITAN DISTRICT
TEN LARGEST OWNERS OF TAXABLE PROPERTY (CONTINUED)
DECEMBER 31, 2023**

Ten Largest Owners of Taxable Property within the Redevelopment Area

<u>Taxpayer Name</u>	<u>2023 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation (2)</u>
Southglenn Property Holdings, LLC (1)	\$ 29,504,316	55.83%
Sunroad SMVA Portola LLC	4,871,235	9.22%
JCH Block 9 Southglenn LLC	2,483,379	4.70%
Apria Healthcare LLC	1,044,848	1.98%
Xfinity	1,034,959	1.96%
Waste Connections Inc #5311	829,107	1.57%
Whole Foods #10273	515,356	0.98%
Regal Cinemas Inc.	221,171	0.42%
Portola at Southglenn	190,666	0.36%
Allied Waste Service of Denver	180,503	0.34%
Total	<u>\$ 40,875,540</u>	<u>77.36%</u>

(1) Defined herein as the Landowner.

(2) Based on a 2023 certified assessed valuation of: \$ 52,846,799

Source: Arapahoe County Assessor's Office

**SOUTHGLENN METROPOLITAN DISTRICT
HISTORY OF OVERLAPPING MILL LEVIES
DECEMBER 31, 2023**

<u>Taxing Entity (1)</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Littleton School District No. 6	46.650	46.081	55.389	57.530	56.935	56.985	56.601	53.424	53.030	51.166
Arapahoe County	15.609	15.672	15.949	17.316	17.150	17.130	16.950	14.856	15.039	13.817
S. Suburban Park & Rec. District	6.830	6.777	6.869	7.034	6.960	6.915	8.808	8.651	8.643	8.496
Littleton Fire Protection District	7.678	7.678	7.678	7.678	7.678	7.678	7.678	7.678	7.678	7.678
Arapahoe Library District	4.827	4.783	4.869	4.981	4.903	4.861	4.794	5.916	5.926	5.853
City of Centennial	5.054	5.047	5.077	5.120	5.129	5.073	5.015	5.030	5.026	5.006
Urban Drainage & Flood District	0.591	0.569	0.576	0.623	0.657	0.672	0.700	0.611	0.620	0.557
Total Overlapping Mill Levy	87.239	86.607	96.407	100.282	99.412	99.314	100.546	96.166	95.962	92.573
The District	30.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000
Total Mill Levy	117.239	146.607	156.407	160.282	159.412	159.314	160.546	156.166	155.962	152.573

<u>Taxing Entity (1) (2)</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Littleton School District No. 6	56.945	59.266	64.744	64.936	67.061	62.847
Arapahoe County	14.301	12.685	13.013	12.762	13.750	12.206
South Metro Fire Rescue	0.000	9.250	9.250	9.319	9.288	9.250
S. Suburban Park & Rec. District	8.364	8.365	8.385	8.396	8.426	8.320
Littleton Fire Protection District	7.678	0.000	0.000	0.000	0.000	0.000
Arapahoe Library District	5.845	5.799	5.810	5.790	5.771	5.413
City of Centennial	5.003	5.002	5.033	5.013	5.008	5.010
Urban Drainage & Flood District	0.820	0.997	0.900	0.900	1.000	1.000
Total Overlapping Mill Levy	98.956	101.364	107.135	107.116	110.304	104.046
The District	60.000	60.000	60.000	60.000	60.000	60.000
Total Mill Levy	158.956	161.364	167.135	167.116	170.304	164.046

(1) Regional Transportation District, South Arapahoe Sanitation District, Southeast Englewood Water District and West Arapahoe Conservation District also overlap the District but do not assess a mill levy.

(2) Littleton Fire Protection District merged with South Metro Fire Rescue effective January 1, 2019.

Source: Arapahoe County Assessor's Office

**SOUTHGLENN METROPOLITAN DISTRICT
ESTIMATED OVERLAPPING GENERAL OBLIGATION DEBT
DECEMBER 31, 2023**

Entity (1)	2023 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Attributable to the District	
			Percent (2)	Amount
Littleton School District No. 6 (0601)	\$ 2,661,871,117	\$ 364,166,195	1.67%	\$ 6,081,575
South Suburban Park & Rec. District (4650)	3,599,558,554	35,020,000	1.24%	434,248
				<u>\$ 6,515,823</u>

(1) The following entities also overlap with the District but they have no reported general obligation debt outstanding: Arapahoe County, Regional Transportation District, Urban Drainage and Flood District - South Platte, and West Arapahoe Conservation District.

(2) The percentage of each entity's outstanding debt chargeable to District property owners is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity. To the extent the District's assessed valuation changes disproportionately with the assessed valuation of the overlapping entities, the percentage of debt for which District property owners are responsible will also change.

Sources: Arapahoe County Assessor's Office; and individual taxing entities.

**SOUTHGLENN METROPOLITAN DISTRICT
SELECTED DEBT RATIOS OF THE DISTRICT
DECEMBER 31, 2023**

<u>Selected Debt Ratios of the District</u>	<u>Amount</u>
Direct Debt (Consisting of the Bonds)	\$ 56,890,000
Overlapping Debt (1)	<u>6,515,823</u>
Total Direct Debt and Overlapping Debt	<u>\$ 63,405,823</u>
2023 Assessed Valuation	\$ 44,554,023
2023 Direct Debt to Assessed Valuation	127.7%
2023 Direct Debt Plus Overlapping Debt to Assessed Valuation	142.3%
2023 Statutory "Actual" Value	\$ 204,674,769
2023 Direct Debt to Statutory "Actual" Value	27.8%
2023 Direct Debt Plus Overlapping Debt to Statutory "Actual" Value	31.0%

(1) Figure is estimated based on information supplied by other taxing authorities and does not include self-supporting general obligation debt.