SOUTHGLENN METROPOLITAN DISTRICT

2025 ANNUAL REPORT

Pursuant to §32-1-207(3)(c), C.R.S., Southglenn Metropolitan District (the "**District**"), is required to provide an annual report with regard to the following matters:

For the year ending December 31, 2025, the District makes the following report:

§32-1-207(3) Statutory Requirements

1. **Boundary changes made**

   None.

2. **Intergovernmental Agreements entered into or terminated.**

   No new Intergovernmental Agreements were entered into or terminated in 2025.

3. **Access information to obtain a copy of rules and regulations adopted by the board.**

   A copy of the District's rules and regulations can be found at https://southglennmd.specialdistrict.org.

4. **A summary of litigation involving public improvements owned by the District.**

   To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2025.

5. **Status of the construction of public improvements by the District.**

   The District did not construct any public improvements during 2025.

6. **A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.**

   No facilities or improvements constructed by the District were conveyed or dedicated to the City of Centennial during 2025.

7. **The final assessed valuation of the District as of December 31st of the reporting year.**

   Please see Certification of Valuation attached here to as **Exhibit A**.

8. **A copy of the current year's budget.**

   A copy of the 2026 Budget is attached hereto as **Exhibit B.**

9. **A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

   The 2025 Audit has not yet been completed and will be filed in a Supplemental Annual Report.

10. **Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

   To the best of our actual knowledge, there are no uncured events of default by the District which continue beyond a (90) day period, under any Debt instrument.

11. **Any inability of the District to pay [its/their] obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

   To the best of our actual knowledge, there is not any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.

Service Plan Requirements

Pursuant to Section VII of the Service Plan (the "**Service Plan**") for Southglenn Metropolitan District (the "**District**"), the District is required to provide an annual report to the City of Centennial (the "**City**") with regard to the matters below.

To the best of our actual knowledge, for the year ending December 31, 2025, the District makes the following report:

1. **Boundary changes made or proposed to the District's boundary as of December 31, 2025.**

   None.

2. **Intergovernmental agreements with other governmental entities, either entered into or proposed as of December 31, 2025.**

   A Sales Tax Shareback Agreement and Sanitary Sewer Expansion Agreement were proposed in 2025. No new Intergovernmental Agreements were entered into in 2025.

3. **Copies of the District's rules and regulations, if any as of December 31, 2025.** The

   A copy of the District's rules and regulations can be found at https://southglennmd.specialdistrict.org.

4. **A summary of any litigation which involves the District Improvements as of December 31, 2025.**

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' improvements as of December 31, 2025.

5. Status of the District's construction of the District Improvements as of December 31, 2025.

The District did not construct any District improvements during 2025.

6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31, 2025.

No facilities or improvements were constructed by the District during 2025.

7. The assessed valuation of the District for the current year.

Please see Certification of Valuation attached here to as **Exhibit A**.

8. Current year budget including a description of the District Improvements to be constructed in such year.

The 2026 Budget is attached hereto as **Exhibit B**. The District does not plan to construct any District Improvements in 2026.

9. Audit of the District's financial statements, for the year ending December 31, 2025 prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

The 2025 Audit has not yet been completed and will be filed in a Supplemental Annual Report.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.

To the best of our actual knowledge, there are no uncured events of default by the District which continue beyond a (90) day period, under any Debt instrument.

11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

To the best of our actual knowledge, there is not any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.

12. A Summary of the financial ability of the District to discharge its existing or proposed indebtedness, including any decrease in such ability.

Debt service requirements were met through debt service revenue in 2025.

EXHIBIT A

2025 Certification of Valuation

ARAPAHOE COUNTY

PK Kaiser, MBA, MS

Assessor

OFFICE OF THE ASSESSOR
5334 S. Prince Street
Littleton, CO 80120-1136
Phone: 303-795-4600
TDD: Relay-711
Fax:303-797-1295
www.arapahoeco.gov/assessor
assessor@arapahoegov.com

November 25, 2025

AUTH 4625 SOUTHGLENN METRO DIST
CLIFTON LARSON ALLEN LLP
C/O DENISE DENSLOW
8390 E CRESCENT PKWY SUITE 300
GREENWOOD VILLAGE CO 80111-2814

Code # 4625

CERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2025 of:

$42,133,110

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

PK Kaiser, MBA, MS
Arapahoe County Assessor

enc

4625 County Tax Entity Code

CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity ☐ YES ☒ NO Date: November 25, 2025

NAME OF TAX ENTITY: SOUTHGLENN METRO DISTRICT

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	$	17,719,532
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	$	42,133,110
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$	23,242,837
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$	18,890,273
5.	NEW CONSTRUCTION: *	5.	$	47
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	$	0
7.	ANNEXATIONS/INCLUSIONS:	7.	$	0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	$	0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	$	0
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	$	0
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	$	1,277,791

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

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

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treaed as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025:

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	$	196,528,895
	ADDITIONS TO TAXABLE REAL PROPERTY			
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	$	176
3.	ANNEXATIONS/INCLUSIONS:	3.	$	0
4.	INCREASED MINING PRODUCTION: §	4.	$	0
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$	0
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$	0
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	$	0
	DELETIONS FROM TAXABLE REAL PROPERTY			
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$	0
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$	0
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$	0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1.	TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	$	0

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

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $ 105,897

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

EXHIBIT B

2026 Budget

SOUTHGLENN METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

SOUTHGLENN METRO DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 4,090,401	$ 2,112,854	$ 68,780
REVENUES			
Property taxes	1,003,697	558,381	1,260,000
Property Tax - CURA	4,771,489	3,552,889	4,413,183
Specific ownership taxes	169,445	153,965	167,224
CURA Sales/Use Tax	172,532	139,431	100,000
Interest Income	327,013	60,000	7,006
Other Revenue	-	470,138	766,000
Total revenues	6,444,176	4,934,804	6,713,413
TRANSFERS IN	-	-	192,000
Total funds available	10,534,577	7,047,658	6,974,193
EXPENDITURES			
General Fund	643,923	273,515	283,000
General Operations Fee Fund	-	470,138	766,000
Debt Service Fund	7,777,800	6,235,225	5,635,000
Total expenditures	8,421,723	6,978,878	6,684,000
TRANSFERS OUT	-	-	192,000
Total expenditures and transfers out requiring appropriation	8,421,723	6,978,878	6,876,000
ENDING FUND BALANCES	$ 2,112,854	$ 68,780	$ 98,193
EMERGENCY RESERVE	$ 16,200	$ 8,900	$ 15,200
AVAILABLE FOR OPERATIONS	29,676	59,880	82,993
DEBT SERVICE RESERVE FUND 2016	2,066,978	-	-
TOTAL RESERVE	$ 2,112,854	$ 68,780	$ 98,193

See summary of significant assumptions.

SOUTHGLENN METRO DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION - ARAPAHOE			
Residential - Multi Family	$ 4,871,235	$ 4,871,235	$ 4,213,126
Commercial	39,518,678	39,536,676	34,860,163
State assessed	163,550	171,400	1,400
Vacant land	560	560	540
Personal property	-	-	3,057,881
	44,554,023	44,579,871	42,133,110
Adjustments	(26,844,766)	(26,860,339)	(23,242,837)
Certified Assessed Value	$ 17,709,257	$ 17,719,532	$ 18,890,273
MILL LEVY			
General	12.000	12.000	12.000
Debt Service	48.000	48.000	54.701
Total mill levy	60.000	60.000	66.701
PROPERTY TAXES			
General	$ 212,511	$ 212,634	$ 226,683
Debt Service	850,044	850,538	1,033,317
Levied property taxes	1,062,555	1,063,172	1,260,000
Adjustments to actual/rounding	1,646	-	-
Refunds and abatements	(60,504)	(504,791)	-
Budgeted property taxes	$ 1,003,697	$ 558,381	$ 1,260,000
ASSESSED VALUATION			
TIF Increment in District	$ 26,844,766	$ 26,860,339	$ 23,242,837
TIF Increment Not in District	4,996,577	3,798,878	3,184,892
Total Increment Assessed Value	$ 31,841,343	$ 30,659,217	$ 26,427,729
MILL LEVY			
General	12.000	12.000	12.000
Debt Service	48.000	48.000	54.701
CURA Debt Service	110.304	110.304	110.871
Total mill levy	170.304	170.304	177.572
CURA PROPERTY TAXES (LESS 1.50% TREASURER FEE)			
General in District	$ 317,305	$ 317,489	$ 274,730
Debt Service in District	1,269,221	1,269,957	1,252,335
CURA Debt Service	3,459,544	3,331,107	2,886,118
Levied property taxes	5,046,070	4,918,553	4,413,183
Adjustments to actual/rounding	7,367	-	-
Refunds and abatements	(281,948)	(1,338,553)	-
Budgeted property taxes	$ 4,771,489	$ 3,580,000	$ 4,413,183
BUDGETED PROPERTY TAXES			
General	**$ 200,739**	**$ 111,676**	**$ 226,683**
Debt Service	**802,958**	**446,705**	**1,033,317**
General - CURA	**300,039**	**184,743**	**274,730**
Debt Service - CURA	**4,471,450**	**3,368,146**	**4,138,453**
	$ 5,775,186	**$ 4,111,270**	**$ 5,673,183**

See summary of significant assumptions.

SOUTHGLENN METRO DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 151,028	$ 45,876	$ 68,780
REVENUES			
Property taxes	200,739	111,676	226,683
Property Tax - CURA	300,039	184,743	274,730
Interest Income	37,993	-	3,000
Total revenues	538,771	296,419	504,413
Total funds available	689,799	342,295	573,193
EXPENDITURES			
General and administrative			
Accounting	41,491	65,000	65,000
Auditing	8,205	8,000	8,500
County Treasurer's Fee	3,018	2,700	3,400
Directors' fees	400	200	200
Dues and Membership	990	1,197	2,500
Insurance	43,760	45,191	47,000
District management	27,969	60,000	60,000
Legal	58,419	80,000	80,000
Miscellaneous	155	-	-
Payroll taxes	29	14	16
Stormwater fees	5,884	6,213	7,000
Election	74	2,500	-
Repay developer advance	87,056	-	-
Management fee (3.5%)	12,393	-	-
Reimbursement per management agreement	354,080	-	-
Contingency	-	-	6,884
Website	-	2,500	2,500
Total expenditures	643,923	273,515	283,000
TRANSFERS OUT			
Transfers to other fund	-	-	192,000
Total expenditures and transfers out requiring appropriation	643,923	273,515	475,000
ENDING FUND BALANCES	$ 45,876	$ 68,780	$ 98,193
EMERGENCY RESERVE	$ 16,200	$ 8,900	$ 15,200
AVAILABLE FOR OPERATIONS	29,676	59,880	82,993
TOTAL RESERVE	$ 45,876	$ 68,780	$ 98,193

See summary of significant assumptions.

SOUTHGLENN METRO DISTRICT
GENERAL OPERATIONS FEE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Other Revenue	-	470,138	766,000
Total revenues	-	470,138	766,000
Total funds available	-	470,138	766,000
EXPENDITURES			
Operations and maintenance			
Landscaping	-	25,000	50,000
Snow removal	-	200,000	200,000
Utilities	-	50,000	50,000
Parking garage operations	-	-	25,000
Parking garage maintenance	-	25,000	30,000
General maintenance	-	-	50,000
Road maintenance	-	-	125,000
Day porter	-	-	25,000
Site lighting	-	70,000	70,000
Plaza repairs/maintenance	-	-	25,000
Street sweeping	-	-	7,000
Fountain maintenance	-	35,000	35,000
Property Management	-	15,138	24,000
Contingency	-	50,000	50,000
Total expenditures	-	470,138	766,000
Total expenditures and transfers out requiring appropriation	-	470,138	766,000
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

SOUTHGLENN METRO DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 3,939,373	$ 2,066,978	$ -
REVENUES			
Property taxes	802,958	446,705	1,033,317
Property Tax - CURA	4,471,450	3,368,146	4,138,453
Specific ownership taxes	169,445	153,965	167,224
CURA Sales/Use Tax	172,532	139,431	100,000
Interest Income	289,020	60,000	4,006
Total revenues	5,905,405	4,168,247	5,443,000
TRANSFERS IN			
Transfers from other funds	-	-	192,000
Total funds available	9,844,778	6,235,225	5,635,000
EXPENDITURES			
General and administrative			
County Treasurer's Fee	12,073	10,500	15,500
Paying agent fees	3,500	3,500	3,500
Debt Service			
Bond interest	2,676,725	2,476,225	2,433,335
Bond principal	5,066,000	3,695,000	3,132,665
CURA fees	19,502	50,000	50,000
Total expenditures	7,777,800	6,235,225	5,635,000
Total expenditures and transfers out requiring appropriation	7,777,800	6,235,225	5,635,000
ENDING FUND BALANCES	$ 2,066,978	$ -	$ -
DEBT SERVICE RESERVE FUND 2016	$ 2,066,978	$ -	$ -
TOTAL RESERVE	$ 2,066,978	$ -	$ -

See summary of significant assumptions.

Services Provided

Southglenn Metropolitan District (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, installation and construction of water, streets, traffic and safety controls, parks and recreation, sewer and drainage facilities, mosquito control, public transportation systems, television relay, security services and operation and maintenance of the District.

District voters approved authorization to increase property tax up to $1,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District. Debt authorization was approved in the amount of $670,500,000 for the above listed facilities, $85,000,000 for refunding debt. The voters also authorized debt of $5,000,000 for the cost of operating and maintaining the District's systems and $85,000,000 for construction management. Additionally, amounts were authorized for an intergovernmental contract of $85,000,000, reimbursement agreement of $85,000,000 and mortgages of $85,000,000. The election also provided for intergovernmental agreements as multi-fiscal year obligations and allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law. However, within the service plan for the District, the total debt that the District is permitted to issue shall not exceed $85,000,000 from the imposition of mill levy, fees, and revenues.

On November 8, 2016, a Notice of Election to Increase Taxes/To Increase Debt/On a Referred Measure was approved by the registered voters.

Shall taxes be increased $2,500,000 annually (such tax increase to be authorized notwithstanding any provision of Article X, Section 20 of the Colorado Constitution, including any future amendments to Article X, Section 20 of the Colorado Constitution imposing property tax cuts) or such lesser amount as necessary to pay the District's administration, covenant enforcement, design review, operations, maintenance, and other similar expenses by the imposition of ad valorem property taxes levied in any year, without limitation as to rate or amount or any other condition, to pay such expenses and shall the revenue from such taxes and any investment income thereon be collected, retained and spent by the District in fiscal year 2016 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in taxation by Section 29-1-301, C.R.S., in any year, or any other law which purports to limit the District's revenues or Expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

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

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.

SOUTHGLENN METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget using the adopted mill levy imposed by the District.

For property tax collection year 2026, SB22-238, SB 22-238, SB 23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	27.00%		State Assessed	27.00%
			Oil & Gas Production	87.50%

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. Pursuant to the Series 2016 Special Revenue Refunding Bonds, specific ownership taxes are pledged to the payment of the principal and interest on the bonds. Therefore, all specific ownership taxes are reported in the Debt Service Fund. On the first day of each bond year, the specific ownership taxes collected by the District in the immediately preceding bond year not utilized for payment of the Bonds shall be available to the District for any lawful purpose. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.0%.

Revenues - (continued)

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.0%.

Maintenance Advances

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 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. 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.

On December 22, 2017, a Letter of Assignment was executed by Southglenn Property Holdings, LLC directing all future payments to Alberta Shopping Center Management, LLC.

Centennial Urban Renewal Authority (CURA) Agreement – Property & Sales Taxes

Based on a sales tax sharing agreement between CURA and the District, CURA will remit to the District 76% of the 2.5% Sales Tax Increment received above the $1,937,569 tax base. CURA has also pledged 100% of the Debt Service property taxes collected within the District and Debt Service related property taxes collected within the CURA boundary to the District for payment of the bonds. The payments will flow from CURA to the District until the District has paid off its outstanding bonds or 25 years, whichever occurs first.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures have been provided based on estimates of the District’s Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance and other administrative expenses. Additionally, included in this amount are costs related to landscaping, snow removal, utilities, etc., paid for by the developer and reimbursed pursuant to a management agreement by the District.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Special Revenue Refunding Bonds, Series 2016 (discussed under Debt and Leases). The District’s current debt service schedule is attached.

Expenditures - (continued)

Repayment of Developer Advances

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 the then interest. The District is to reimburse the Developer at such time that the District has the funds available from any legally available monies.

On December 22, 2017, a Letter of Assignment was executed by AW Southglenn, LLC directing all future payments to Alberta Shopping Center Management, LLC.

Southglenn Metropolitan District
Schedule of Developer Advances

	Balance at December 31, 2024	Additions*	Payments*	Balance at December 31, 2025
Developer advance payable	$ 2,119,597	$ -	$ -	$ 2,119,597
Accrued interest on advances	4,503,404	145,461	-	4,648,865
	$ 6,623,001	$ 145,461	$ -	$ 6,768,462

	Balance at December 31, 2025	Additions*	Payments*	Balance at December 31, 2026
Developer advance payable	$ 2,119,597	$ -	$ -	$ 2,119,597
Accrued interest on advances	4,648,865	145,461	-	4,794,326
	$ 6,768,462	$ 145,461	$ -	$ 6,913,923

*Estimated amounts

Debt and Leases

2016 Special Revenue Refunding Bonds

On September 22, 2016 the District issued Special Revenue Refunding Bonds in the amount of $76,170,000 for the purpose of (i) paying the costs of refunding the outstanding Subordinate Convertible Capital Appreciation Special Revenue Bonds, Series 2008; (ii) paying the costs of refunding the outstanding Tax Supported Revenue Refunding Loan 2014; (iii) repaying developer capital advances; (iv) funding the Reserve Fund; and, (v) paying the costs in connection with the issuance of the Bonds. The Bonds have interest rates ranging from 3.00-5.00% 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.

Redemption Date	Redemption Premium
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%

Debt and Leases – (continued)

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.

The Mill Levy Stabilization Fund shall terminate on November 22, 2030.The Bonds are secured by and payable solely from and to the extent of the Pledged Revenue, which is defined 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;

(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 transfer (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
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Reserve Funds

General Reserve

The District has established a general reserve in the General Fund of $500,000.

Debt Service Reserve

The Debt Service Reserve Requirement on the 2016 Bonds is $3,408,000 and was fully funded at closing.

Emergency Reserve

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

This information is an integral part of the forecasted budget.

SOUTHGLENN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Principal and Interest Maturing in the Year Ending December 31	$76,170,000 Special Revenue Refunding Bonds, Series 2016 Dated September 22, 2016 Interest Rate 3.00 - 5.00% Interest Due June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
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	5,700,000	285,000	5,985,000
	$ 49,775,000	$ 24,683,950	$ 74,458,950