

**2026 OPERATING PLAN AND
BUDGET**

**MINERAL
BUSINESS
IMPROVEMENT
DISTRICT**

City of Littleton, Arapahoe County, Colorado

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2026
OPERATING PLAN AND BUDGET FOR THE
MINERAL BUSINESS IMPROVEMENT DISTRICT

1. PURPOSE AND SCOPE OF THIS DISTRICT

A. Requirement for this Operating Plan and Budget. The Business Improvement District Act, specifically Section 31-25-1211, Colorado Revised Statutes (C.R.S.), requires that the Mineral Business Improvement District (the “District”) file an operating plan and budget with the City Clerk no later than September 30 of each year.

Under the Business Improvement District Act, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District operates under the authorities and powers allowed under the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended (the “Act”), as further described and limited by this Operating Plan.

B. What Must Be Included in the Operating Plan? Pursuant to the provisions of the Act, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District; and (5) such other information as the City may require.

The District’s original 2023-2024 Operating Plan and any subsequent Operating Plans that the City approves will be incorporated herein by reference and shall remain in full force and effect except as specifically or necessarily modified hereby in future Operating Plans approved by the City.

C. Purposes. The ongoing and/or contemplated purposes of this District include financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts.

D. Ownership of Property or Major Assets. The District will own public improvements as constructed if such improvements are not otherwise dedicated to and accepted by other public entities for operation and maintenance. It is anticipated that some of the public improvements may be dedicated to the City as required and agreed to by the City.

E. Contracts and Agreements. It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation, and maintenance of public improvements.

The District and RIG Mineral, LLC entered into a Reimbursement Agreement (Operations) on January 18, 2024, whereby the Developer agreed to provide funding to the District for the purposes of assisting with the provision of general administrative and operating functions of the District and the District agreed to reimburse the Developer for such advances.

The District and RIG Mineral LLC entered into a Facilities Funding and Acquisition Agreement dated January 18, 2024 (“FFAA”) to provide for the financing and construction of certain public improvements within the District.

The District, the City, and RIG Mineral LLC entered into a Subdivision Improvement Agreement for Mineral Place on December 12, 2024 pertaining to the completion of public improvements as defined therein.

The District and the City of Littleton entered into an Agreement Pertaining to Step-In Rights on December 12, 2024, which sets forth the understanding of the parties as to step-in rights of the City pertaining to the Subdivision Improvement Agreement.

2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

A. Organization. The Mineral Business Improvement District was organized by the City of Littleton, Colorado by Ordinance No. 19, Series 2023.

B. Governance. The Board of Directors consists of up to five members who shall each be an elector of the District. The District is governed by an elected Board of Directors.

C. Current Board. The persons who currently serve on the Board of Directors are:

- 1) Grant Nelson
- 2) Kien Arnold
- 3) Michael Gunter
- 4) Andy Buettner
- 5) Wes Stites

Director and other pertinent contact information is provided in Exhibit A.

D. Term Limits. The District held a special election on November 7, 2023, at which time a ballot question was presented to eliminate term limits pursuant to Article 18, Section 11 of the Colorado Constitution. The ballot question passed eliminating term limits.

E. Advisory Board. The board of directors may appoint one or more advisory boards to assist the board of directors on such matters as the board of directors desires assistance. The board of directors shall, upon the appointment of an advisory board, set forth its duties, duration, and membership. The board of directors may provide rules of procedure for the advisory board or may delegate to the advisory board the authority to provide such rules. No advisory boards have yet been appointed.

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The District’s boundaries initially consist of approximately 45.6 acres. A legal description of the District’s boundaries is attached as Exhibit B and a map of the District’s boundaries is attached as Exhibit C. Future inclusions or exclusions shall be considered by the City Council in accordance with the Act.

4. PUBLIC IMPROVEMENTS

The District will be primarily concerned with the provision of the significant amount of public improvements and services required within the boundaries of the District consistent with the approved development and land use plans for the property within the District; however, there may be instances where the District will provide public improvements or services outside of the boundaries of the District as may be required for development of the project. The District shall have the authority to provide these improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial improvements and services shall be as limited by state law.

The public improvements that the District anticipates it will construct, install or cause to be constructed and installed, include those public improvements the costs of which may, in accordance with the Act, Section 31-25-1201, *et seq.*, C.R.S., lawfully be paid for by the District, including, without limitation, water improvements, safety protection devices, sanitation improvements, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, security, landscaping, irrigation canal, and storm and wastewater management facilities and associated land acquisition and remediation. The District also anticipates providing services as authorized pursuant to Section 31-25-1212(1)(f), C.R.S.

5. ADMINISTRATION, OPERATIONS, SERVICES, AND MAINTENANCE

The District shall provide services and provide for ownership, operation, and maintenance of District facilities as activities of the District itself or by contract with other units of government or the private sector.

6. FINANCIAL PLAN AND BUDGET

A. 2026 Budget. The proposed 2026 Budget for the District is attached as Exhibit D.

B. Authorized Indebtedness. The District held an election on November 7, 2023 for the purpose of electing directors, authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. The initial maximum debt authorization for the District shall be \$30,000,000, provided that debt which has been refunded shall be excluded from this limitation.

C. Property Tax and Mill Levy Caps. The District taxing ability shall not exceed an aggregate of 50 mills for debt service, general operations, and administrative purposes. The mill levy cap set forth in this paragraph may be subject to upward or downward adjustments addressing any abatement or statutory, legislative, or constitutional changes that adjust or impact the assessed or actual valuation of property or the assessment ratio pursuant to which taxes are calculated occurring after January 1, 2023. Such upward or downward adjustments are to be determined by the Board of Directors in good faith (such determination to be binding and final) so that to the extent possible, the actual revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2023, are neither diminished nor enhanced as a result of such changes.

D. District Revenues. The District anticipates developer funding for initial revenue sources and thereafter revenues derived from property taxes. The District shall also have the power to fix, and from time to time increase and decrease, rates, tolls, and charges for any services or improvements the District furnishes, as provided in Section 31-25-1212(1)(k), C.R.S. The District will also utilize revenue from public improvement fees as well as revenue collected pursuant to a Declaration of Covenants Concerning Payment In Lieu of Taxes to support public improvement construction.

E. Existing Debt Obligations. On November 7, 2024, the District issued its \$24,040,000.00 Limited Tax General Obligation and Special Revenue Bonds, Series 2024A, and its \$1,565,000.00 Subordinate Limited Tax General Obligation and Special Revenue Bonds, Series 2024B (together, the “2024 Bonds”).

F. Future Debt Obligations. The District does not anticipate the issuance of additional debt in 2026.

G. Financial Obligations. The District may enter into agreements including reimbursement or similar agreements and leases as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc.

H. Non-Default Provisions. Limited tax general obligation bonds the District issues shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.

I. Debt of the District. The debt of the District will not constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectus, or disclosure statements associated with any debt issued by the District.

7. 2026 ACTIVITIES, PROJECTS AND CHANGES

A. Activities. It is anticipated that the District will continue with development activity in 2026.

B. Projects and Public Improvements. It is anticipated that the District will continue to construct public improvements in 2026.

8. DISSOLUTION

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate perpetual existence. If the District no longer has such obligations, the District will seek to dissolve pursuant to Section 31-25-1225, C.R.S.

9. CONCLUSION

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Act and further meets applicable requirements of the Colorado Constitution and other law. It is further submitted that the types of services and improvements to be provided by the District

are those services and improvements which satisfy the purposes of the Act.

EXHIBIT A
Director and Other Contact Information

BOARD OF DIRECTORS:

NAME & ADDRESS	POSITION	TERM	E-MAIL
Grant Nelson 731 Norwich Court Castle Pines, CO 80108	President	2023-2027	gnelson@republicig.com
Kien Arnold 170 South Locust Street Denver, CO 80224	Secretary	2023-2027	kienarnold@gmail.com
Michael Gunter 2990 Open Sky Way Castle Rock, CO 80109	Treasurer	2023-2027	mlgunter@gmail.com
Andy Buettner 7 Sunset Lane Greenwood Village, CO 80121	Assistant Secretary	2025-2029	ABuettner@SullivanHayes.com
Wes Stites 10796 Mountshire Circle Highlands Ranch, CO 80126	Assistant Secretary	2025-2029	wes@precisionretail.net

DISTRICT CONTACT:

Nicole Peykov
Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203
303-839-3800
npeykov@spencerfane.com

EXHIBIT B
Legal Description of District Boundaries

EXHIBIT "A"
LEGAL DESCRIPTION

PROPERTY DESCRIPTION:

A PARCEL OF LAND BEING A PORTION OF THAT PROPERTY DESCRIBED IN WARRANTY DEED RECORDED AT RECEPTION NO. 092823 (BOOK 7604, PAGE 270) OF THE ARAPAHOE COUNTY CLERK AND RECORDER OFFICE AND SITUATED IN THE SOUTHWEST QUARTER OF SECTION 34 AND SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 5 SOUTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF LITTLETON, ARAPAHOE COUNTY, COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: ALL BEARINGS ARE GRID BEARINGS OF THE COLORADO STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NORTH AMERICAN DATUM 1983. BEING THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 5 SOUTH, RANGE 68 WEST, MONUMENTED ON THE SOUTH END OF THE LINE BY A FOUND 3-1/4" ALUMINUM CAP IN A RANGE BOX, STAMPED "SC, T5S, R68W, S33 + S34, LS 17666" BEING THE SOUTHWEST CORNER OF SECTION 34, AND ON THE NORTH END OF THE LINE BY A FOUND NO. 5 REBAR WITH 1-1/4" YELLOW PLASTIC CAP STAMPED "BURDICK PELS 9010", BEING A POINT 18.00 SOUTH OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 33, AND IS CONSIDERED TO BEAR N 00°01'24" E.

COMMENCING AT THE MOST SOUTHERLY SOUTHWEST CORNER OF SAID WARRANTY DEED RECORDED AT RECEPTION NO. 092823;

THENCE WITH THE WESTERLY LINE OF SAID WARRANTY DEED, N 00°07'41" W, A DISTANCE OF 332.26 FEET TO THE **POINT OF BEGINNING** OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING WITH THE WESTERLY LINES OF SAID WARRANTY DEED THE FOLLOWING SEVEN COURSES;

- 1) N 00°07'41" W, A DISTANCE OF 146.10 FEET;
- 2) S 89°52'12" W, A DISTANCE OF 273.45 FEET;
- 3) N 02°32'42" W, A DISTANCE OF 112.45 FEET;
- 4) N 89°41'37" E, A DISTANCE OF 29.44 FEET;
- 5) N 00°24'48" W, A DISTANCE OF 12.00 FEET;
- 6) S 89°41'37" W, A DISTANCE OF 185.94 FEET TO THE MOST WESTERLY SOUTHWEST CORNER OF SAID WARRANTY DEED;
- 7) N 00°06'34" W, A DISTANCE OF 858.36 FEET;

THENCE DEPARTING SAID WESTERLY LINE, N 89°50'39" E, A DISTANCE OF 84.73 FEET;

THENCE S 45°09'21" E, A DISTANCE OF 11.99 FEET;

THENCE N 89°50'39" E, A DISTANCE OF 75.35 FEET;

THENCE N 44°47'39" E, A DISTANCE OF 14.10 FEET;

THENCE N 89°50'39" E, A DISTANCE OF 775.76 FEET;
THENCE S 45°06'39" E, A DISTANCE OF 11.48 FEET;
THENCE N 89°53'21" E, A DISTANCE OF 68.28 FEET;
THENCE S 00°06'39" E, A DISTANCE OF 7.59 FEET;
THENCE N 89°53'21" E, A DISTANCE OF 25.08 FEET;
THENCE N 00°06'39" W, A DISTANCE OF 15.71 FEET;
THENCE N 89°53'21" E, A DISTANCE OF 948.18 FEET;
THENCE S 00°05'50" E, A DISTANCE OF 12.17 FEET;
THENCE S 20°05'50" E, A DISTANCE OF 19.39 FEET;
THENCE S 00°06'34" E, A DISTANCE OF 847.53 FEET;
THENCE N 90°00'00" W, A DISTANCE OF 259.54 FEET TO A POINT OF CURVATURE;
THENCE 51.48 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 10°20'55", RADIUS OF 285.00 FEET, AND A CHORD BEARING AND DISTANCE OF S 84°49'32" W, 51.41 FEET TO A POINT OF TANGENCY;
THENCE S 79°39'05" W, A DISTANCE OF 134.01 FEET TO A POINT OF CURVATURE;
THENCE 56.89 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 10°20'55", A RADIUS OF 315.00 FEET, AND A CHORD BEARING AND DISTANCE OF S 84°49'32" W, 56.82 FEET TO A POINT OF TANGENCY;
THENCE N 90°00'00" W, A DISTANCE OF 516.83 FEET;
THENCE S 00°00'00" E, A DISTANCE OF 221.70 FEET;
THENCE N 90°00'00" W, A DISTANCE OF 559.26 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIPTION CONTAINS 1,951,081 SQUARE FEET (44.791) ACRES, MORE OR LESS.

ALL LINEAL DISTANCES ARE REPRESENTED IN U.S. SURVEY FEET.

BRIAN J. DENNIS, PLS 38069
PROJECT NO. RIG00008.10
PREPARED FOR AND ON BEHALF OF GALLOWAY & COMPANY, INC.
1155 KELLY JOHNSON BLVD, SUITE #305
COLORADO SPRINGS, COLORADO 80920



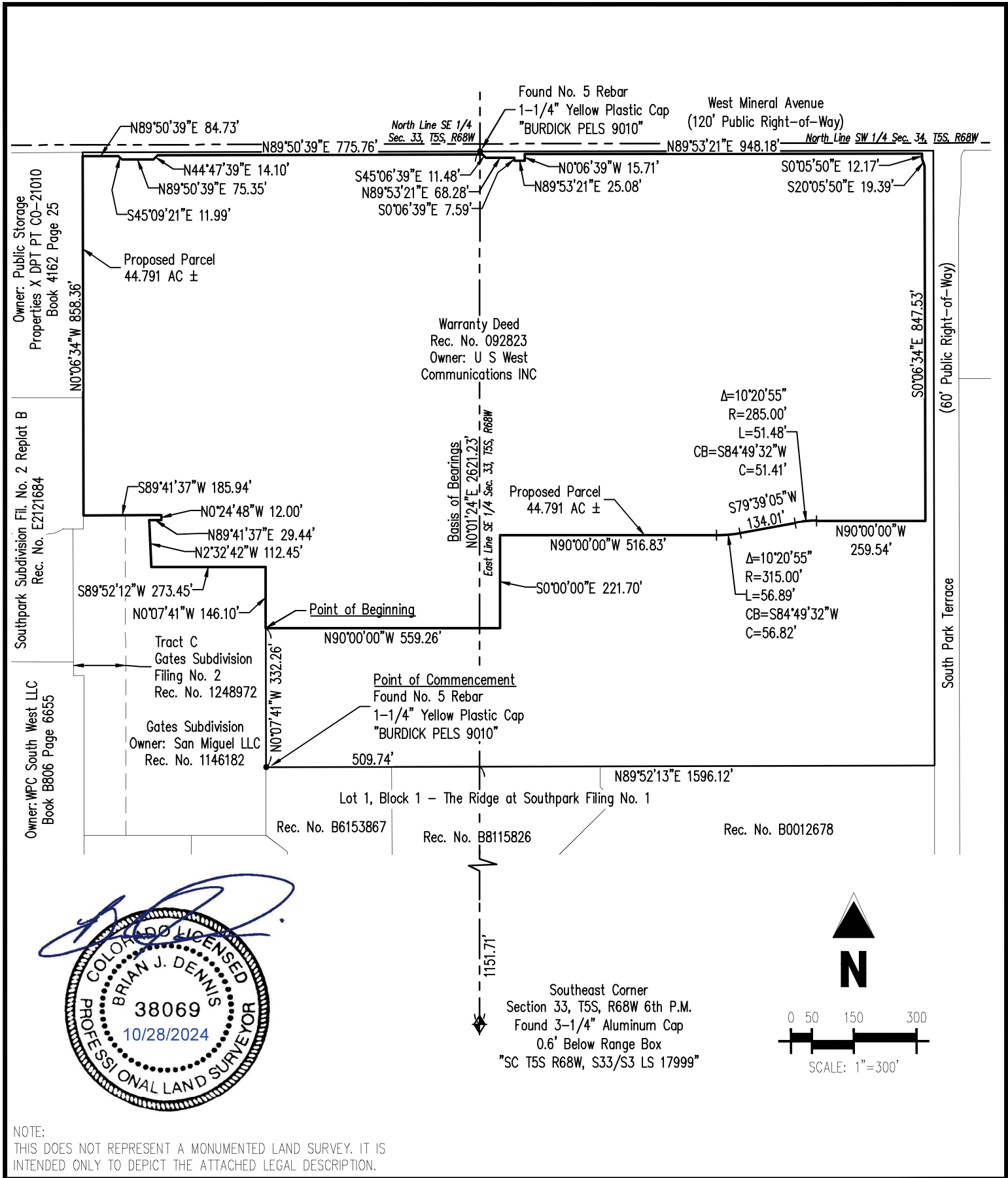


EXHIBIT 'A'

Proposed Parcel - 44.791 AC ±

PORTION OF REC. 092823 - SE1/4 SEC 33, SW 1/4 SEC 34, T5S, R68W
CITY OF LITTLETON, COUNTY OF ARAPAHOE, STATE OF COLORADO

PAGE 3 OF 3

Project No: RIG000008.10

Drawn By: MNB

Checked By: BJD

Date: October 23, 2024

Galloway

1155 Kelly Johnson Blvd., Suite 305
Colorado Springs, CO 80920
719.900.7220 • GallowayUS.com

EXHIBIT C
Boundary Map



Mineral Developement - Site Vicinity Map



North

EXHIBIT D
2026 BID Budget

**MINERAL BUSINESS IMPROVEMENT DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026**

**MINERAL BUSINESS IMPROVEMENT DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

9/30/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$18,817,199	\$24,659,645	\$24,659,645	\$8,749,796
REVENUES					
Property taxes	-	35,928	35,928	35,928	248,480
Specific ownership taxes	-	2,155	958	2,155	13,667
Interest Income	65,332	523,439	439,010	715,994	435,364
Developer advance	-	60,000	7,711,423	15,394,950	11,044,392
Other Revenue	-	-	1	-	26,024
Note issuance proceeds	1,231,500	-	-	-	-
Bond issuance proceeds	25,605,000	-	-	-	-
PIF Revenue	-	382,500	-	-	285,985
Total revenues	26,901,832	1,004,022	8,187,320	16,149,027	12,053,912
TRANSFERS IN	6,206,900	-	-	-	-
Total funds available	33,108,732	19,821,221	32,846,965	40,808,672	20,803,708
EXPENDITURES					
General Fund	60,124	60,000	30,417	62,803	84,551
Debt Service Fund	92,153	1,298,200	691,599	1,389,749	1,400,000
Capital Projects Fund	2,089,910	16,111,000	15,313,162	30,606,324	15,050,000
Total expenditures	2,242,187	17,469,200	16,035,178	32,058,876	16,534,551
TRANSFERS OUT	6,206,900	-	-	-	-
Total expenditures and transfers out requiring appropriation	8,449,087	17,469,200	16,035,178	32,058,876	16,534,551
ENDING FUND BALANCES	\$24,659,645	\$ 2,352,021	\$16,811,787	\$ 8,749,796	\$4,269,157
EMERGENCY RESERVE	\$ -	\$ 200	\$ 200	\$ 200	\$ 2,700
AVAILABLE FOR OPERATIONS	(60,124)	6,304	(12,254)	-	1,646
SURPLUS FUND (MAX \$4,808,000)	2,065,422	-	2,104,145	2,330,541	2,974,664
CAPITALIZED INTEREST	-	-	3,450,746	2,672,447	1,290,147
TOTAL RESERVE	\$ 2,005,298	\$ 6,504	\$ 5,542,837	\$ 5,003,188	\$4,269,157

See Summary of Significant Assumptions

**MINERAL BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

9/30/25

ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
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ASSESSED VALUATION

Vacant land	\$ -	\$ -	\$ -	\$ -	\$ 6,628,087
Personal property	-	1,152,215	1,152,215	1,152,215	24,462
Certified Assessed Value	\$ -	\$ 1,152,215	\$ 1,152,215	\$ 1,152,215	\$ 6,652,549

MILL LEVY

General	0.000	5.197	5.197	5.197	10.500
Debt Service	0.000	25.985	25.985	25.985	26.851
Total mill levy	0.000	31.182	31.182	31.182	37.351

PROPERTY TAXES

General	\$ -	\$ 5,988	\$ 5,988	\$ 5,988	\$ 69,852
Debt Service	-	29,940	29,940	29,940	178,628
Levied property taxes	-	35,928	35,928	35,928	248,480
Budgeted property taxes	\$ -	\$ 35,928	\$ 35,928	\$ 35,928	\$ 248,480

BUDGETED PROPERTY TAXES

General	\$ -	\$ 5,988	\$ 5,988	\$ 5,988	\$ 69,852
Debt Service	-	29,940	29,940	29,940	178,628
	\$ -	\$ 35,928	\$ 35,928	\$ 35,928	\$ 248,480

See Summary of Significant Assumptions

**MINERAL BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

9/30/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ (60,124)	\$ (60,124)	\$ 200
REVENUES					
Property taxes	-	5,988	5,988	5,988	69,852
Specific ownership taxes	-	359	160	359	3,842
Interest Income	-	157	-	-	1,000
Developer advance	-	60,000	72,338	116,780	-
Other Revenue	-	-	1	-	14,003
Total revenues	-	66,504	78,487	123,127	88,697
Total funds available	-	66,504	18,363	63,003	88,897
EXPENDITURES					
General and administrative					
Accounting	6,396	20,000	13,665	27,330	30,000
Auditing	-	6,500	-	6,000	6,500
County Treasurer's Fee	-	90	90	90	1,048
Dues and Membership	-	500	309	309	500
Insurance	-	5,000	-	-	2,500
Legal	53,728	20,000	12,037	24,074	30,000
Election	-	3,500	4,316	5,000	-
Contingency	-	1,410	-	-	14,003
Website	-	3,000	-	-	-
Total expenditures	60,124	60,000	30,417	62,803	84,551
Total expenditures and transfers out requiring appropriation	60,124	60,000	30,417	62,803	84,551
ENDING FUND BALANCES	\$ (60,124)	\$ 6,504	\$ (12,054)	\$ 200	\$ 4,346
EMERGENCY RESERVE	\$ -	\$ 200	\$ 200	\$ 200	\$ 2,700
AVAILABLE FOR OPERATIONS	(60,124)	6,304	(12,254)	-	1,646
TOTAL RESERVE	\$ (60,124)	\$ 6,504	\$ (12,054)	\$ 200	\$ 4,346

See Summary of Significant Assumptions

**MINERAL BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

9/30/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ 3,096,750	\$ 6,131,083	\$ 6,131,083	\$ 5,002,988
REVENUES					
Property taxes	-	29,940	29,940	29,940	178,628
Specific ownership taxes	-	1,796	798	1,796	9,825
PIF Revenue	-	382,500	-	-	285,985
Interest Income	16,336	132,731	114,959	229,918	184,364
Other Revenue	-	-	-	-	3,021
Total revenues	16,336	546,967	145,697	261,654	661,823
TRANSFERS IN					
Transfers from other funds	6,206,900	-	-	-	-
Total funds available	6,223,236	3,643,717	6,276,780	6,392,737	5,664,811
EXPENDITURES					
General and administrative					
County Treasurer's Fee	-	449	449	449	2,679
PIF Collection Fees	-	5,000	-	-	5,000
Paying agent fees	-	7,000	-	7,000	7,000
Contingency	-	10,001	-	-	3,021
Debt Service					
Bond interest	92,153	1,275,750	691,150	1,382,300	1,382,300
Total expenditures	92,153	1,298,200	691,599	1,389,749	1,400,000
Total expenditures and transfers out requiring appropriation	92,153	1,298,200	691,599	1,389,749	1,400,000
ENDING FUND BALANCES	\$ 6,131,083	\$ 2,345,517	\$ 5,585,181	\$ 5,002,988	\$ 4,264,811
SURPLUS FUND (MAX \$4,808,000)	\$ 2,065,422	\$ -	\$ 2,104,145	\$ 2,330,541	\$ 2,974,664
CAPITALIZED INTEREST	-	-	3,450,746	2,672,447	1,290,147
TOTAL RESERVE	\$ 2,065,422	\$ -	\$ 5,554,891	\$ 5,002,988	\$ 4,264,811

See Summary of Significant Assumptions

**MINERAL BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

9/30/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$15,720,449	\$18,588,686	\$18,588,686	\$3,746,608
REVENUES					
Interest Income	48,996	390,551	324,051	486,076	250,000
Developer advance	-	-	7,639,085	15,278,170	11,044,392
Other Revenue	-	-	-	-	9,000
Note issuance proceeds	1,231,500	-	-	-	-
Bond issuance proceeds	25,605,000	-	-	-	-
Total revenues	26,885,496	390,551	7,963,136	15,764,246	11,303,392
Total funds available	26,885,496	16,111,000	26,551,822	34,352,932	15,050,000
EXPENDITURES					
General and Administrative					
Accounting	-	15,000	2,118	4,236	5,000
Legal	-	15,000	484	968	1,000
Contingency	-	551	-	-	9,000
Capital Projects					
Repay developer advance	-	-	7,639,085	15,278,170	-
Engineering	-	25,000	22,390	44,780	35,000
Capital outlay	1,231,500	16,055,449	7,639,085	15,278,170	15,000,000
Bond issue costs	858,410	-	10,000	-	-
Total expenditures	2,089,910	16,111,000	15,313,162	30,606,324	15,050,000
TRANSFERS OUT					
Transfers to other fund	6,206,900	-	-	-	-
Total expenditures and transfers out requiring appropriation	8,296,810	16,111,000	15,313,162	30,606,324	15,050,000
ENDING FUND BALANCES	\$18,588,686	\$ -	\$11,238,660	\$ 3,746,608	\$ -

See Summary of Significant Assumptions

**MINERAL BUSINESS IMPROVEMENT DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Mineral Business Improvement District (the District), was organized to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District may include water services, traffic and safety protection, sanitation services, street improvements, parks and recreation, transportation, television relay and translation, mosquito control, security, fire protection and emergency medical. The District's service area is located entirely within the City of Littleton, Arapahoe County, Colorado.

The District was organized by Ordinance of the City of Littleton (the City) in 2023.

At an election held on November 7, 2023, the voters approved general indebtedness of \$30,000,000 at a maximum interest rate of 12% for each of the following improvements and services: in-district special assessment debt, water, sanitation, streets, traffic and safety, parks and recreation, transportation, fire protection, security, business recruitment, operations and maintenance, refunding, and reimbursement agreements. The voters also approved an annual increase in taxes at a mill levy rate without limitation or with such limitations as may be determined by the board for the purpose of the District's operations, maintenance, and other expenses and an annual increase in taxes at a mill levy rate without limitation or with such limitations as may be determined by the board for the purpose of the District's capital expenditures. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado Constitution.

Pursuant to the District's Operating Plan filed annually with the City, the aggregate maximum mill levy is 50 mills. The initial maximum debt authorization for the District is \$30,000,000.

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

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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.

**MINERAL BUSINESS IMPROVEMENT 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.

For property tax collection year 2026, HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.25%		Agricultural Land	27.00%	Single-Family Residential	\$55,000
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%	Multi-Family Residential	\$55,000
Commercial	27.00%		Vacant Land	27.00%	Commercial	\$30,000
Industrial	27.00%		Personal Property	27.00%	Industrial	\$30,000
Lodging	27.00%		State Assessed	27.00%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The forecast assumes that the District's share will be equal to approximately 5.5% of the property taxes collected.

Developer Advances

The District is in the initial development stage and as such will rely upon advance from the developer to fund the capital improvements.

**MINERAL BUSINESS IMPROVEMENT DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Public Improvement Fees

The District anticipate to collect a PIF, a fee that is imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods and services at a certain percentage in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

Expenditures

County Treasurer's Fees

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

Administrative Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, and other administrative expenses.

Debt Service

Principal and interest payments are provided based on the anticipated debt amortization schedule the Series 2024A Bonds (discussed under Debt and Leases).

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**MINERAL BUSINESS IMPROVEMENT DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On November 7, 2024, the District issued \$24,040,000.00 in Limited Tax General Obligation and Special Revenue Bonds, Series 2024A (the “2024A Bonds”) and \$1,565,000.00 in Subordinate Limited Tax General Obligation and Special Revenue Bonds, Series 2024B (the “2024B Bonds” and, collectively, with the 2024A Bonds, the “Bonds”). The proceeds of such debt were used to (i) fund and pay infrastructure costs, (ii) pay bond issue costs, (iii) fund capitalized interest, and (iv) fund debt service reserves. The 2024A Bonds and 2024B Bonds, which are term bonds, bear an interest rate of 5.750% and 8.500%, respectively, and are due on December 1, 2054 and December 15, 2054, respectively. Interest is payable semiannually on June 1 and December 1 for the 2024A Bonds, and June 15 and December 15 for the 2024B Bonds. All of the Bonds are subject to redemption prior to maturity at the option of the District on December 1, 2029 and on any date thereafter without call premium.

The District has no operating or capital leases.

Reserves

Surplus Fund

The District is funding a Surplus Fund up to a maximum amount of \$4,808,000, as required with the issuance of the Series 2024A Bonds.

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3.00% of fiscal year spending for 2026, as defined under TABOR.

This information is an integral part of the accompanying budget.

**MINERAL BUSINESS IMPROVEMENT DISTRICT
2026 BUDGET
SCHEDULE OF DEBT SERVICE TO MATURITY**

\$24,040,000

Series 2024A

Limited Tax G.O. and Special Revenue Bonds

Dated November 7, 2024

Interest Rate 5.75%

Payable June 1 and December 1

Principal Due December 1

Year Ending December 31,	Principal	Interest	Total
2025	\$ -	\$ 1,382,300	\$ 1,382,300
2026	-	1,382,300	1,382,300
2027	-	1,382,300	1,382,300
2028	-	1,382,300	1,382,300
2029	30,000	1,382,300	1,412,300
2030	165,000	1,380,575	1,545,575
2031	285,000	1,371,088	1,656,088
2032	320,000	1,354,700	1,674,700
2033	350,000	1,336,300	1,686,300
2034	390,000	1,316,175	1,706,175
2035	425,000	1,293,750	1,718,750
2036	475,000	1,269,313	1,744,313
2037	515,000	1,242,000	1,757,000
2038	565,000	1,212,388	1,777,388
2039	615,000	1,179,900	1,794,900
2040	670,000	1,144,538	1,814,538
2041	725,000	1,106,013	1,831,013
2042	785,000	1,064,325	1,849,325
2043	845,000	1,019,188	1,864,188
2044	920,000	970,600	1,890,600
2045	985,000	917,700	1,902,700
2046	1,065,000	861,063	1,926,063
2047	1,145,000	799,825	1,944,825
2048	1,230,000	733,988	1,963,988
2049	1,320,000	663,263	1,983,263
2050	1,420,000	587,363	2,007,363
2051	1,515,000	505,713	2,020,713
2052	1,625,000	418,600	2,043,600
2053	1,735,000	325,163	2,060,163
2054	3,920,000	225,400	4,145,400
Total	<u>\$ 24,040,000</u>	<u>\$ 31,210,431</u>	<u>\$ 55,250,431</u>