

SOUTH BEEBE DRAW METRO DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

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

12/17/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 20,833,489	\$ 25,432,243	\$ 31,543,627
REVENUES			
Property taxes	11,036,278	5,199,804	3,097,454
Specific ownership taxes	399,473	222,671	123,897
Interest income	1,286,895	1,410,378	975,000
Miscellaneous revenue	82,947	15,941	15,000
IGA revenue - BP6	7,138,320	-	-
IGA revenue - BP3	-	565,000	-
IGA revenue - Alt 5	-	730,797	850,000
Storm drainage service fees	3,229,048	3,114,276	2,875,000
Bonds proceeds	-	4,000,000	-
Easement fees	460,050	371,200	270,000
Water tap fees	106,800	61,200	75,000
Sewer tap fees	613,115	496,062	360,000
Plan / Admin Fees	81,280	49,260	60,000
System Development fees	44,978	-	25,000
Sales and Use Tax Revenue	1,147,397	1,057,244	1,000,000
Auto Use Tax Revenue	353,638	311,694	300,000
Building Use Tax Revenue	561,562	139,046	200,000
Severance tax	2,137	15,000	15,000
Total revenues	<u>26,543,918</u>	<u>17,759,573</u>	<u>10,241,351</u>
TRANSFERS IN	<u>2,900,000</u>	<u>2,000,000</u>	<u>3,656,119</u>
Total funds available	<u>50,277,407</u>	<u>45,191,816</u>	<u>45,441,097</u>
EXPENDITURES			
General Fund	18,808,783	8,256,767	8,200,000
Debt Service Fund	2,273,514	2,618,064	1,913,125
Capital Projects Fund	21,295	-	20,970,172
Special Revenue Fund	841,572	773,358	5,021,000
Total expenditures	<u>21,945,164</u>	<u>11,648,189</u>	<u>36,104,297</u>
TRANSFERS OUT	<u>2,900,000</u>	<u>2,000,000</u>	<u>3,656,119</u>
Total expenditures and transfers out requiring appropriation	<u>24,845,164</u>	<u>13,648,189</u>	<u>39,760,416</u>
ENDING FUND BALANCES	<u>\$ 25,432,243</u>	<u>\$ 31,543,627</u>	<u>\$ 5,680,682</u>
EMERGENCY RESERVE	\$ 353,800	\$ 229,700	\$ 125,300
AVAILABLE FOR OPERATIONS	(702,251)	2,818,498	2,555,369
CAPITAL REPLACEMENT RESERVE	-	-	3,000,013
TOTAL RESERVE	<u>\$ (348,451)</u>	<u>\$ 3,048,198</u>	<u>\$ 5,680,682</u>

See summary of significant assumptions.

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

12/17/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION - WELD			
Agricultural	\$ 166,590	\$ 166,520	\$ 181,760
Oil and Gas - Production	139,452,980	54,133,090	40,259,220
Oil and Gas - Pipeline	28,614,570	24,617,810	6,117,030
State assessed	347,340	524,360	763,510
Certified Assessed Value	<u>\$ 168,581,480</u>	<u>\$ 79,441,780</u>	<u>\$ 47,321,520</u>
MILL LEVY			
General	65.455	65.454	65.455
Total mill levy	<u>65.455</u>	<u>65.454</u>	<u>65.455</u>
PROPERTY TAXES			
General	\$ 11,034,501	\$ 5,199,782	\$ 3,097,430
Levied property taxes	11,034,501	5,199,782	3,097,430
Adjustments to actual/rounding	1,755	-	-
Budgeted property taxes	<u>\$ 11,036,256</u>	<u>\$ 5,199,782</u>	<u>\$ 3,097,430</u>
ASSESSED VALUATION - ADAMS			
Agricultural	\$ 10	\$ 10	\$ 10
Oil and Gas - Pipeline	230	230	230
Personal property	100	100	120
Certified Assessed Value	<u>\$ 340</u>	<u>\$ 340</u>	<u>\$ 360</u>
MILL LEVY			
General	65.455	65.454	65.455
Total mill levy	<u>65.455</u>	<u>65.454</u>	<u>65.455</u>
PROPERTY TAXES			
General	\$ 22	\$ 22	\$ 24
Budgeted property taxes	<u>\$ 22</u>	<u>\$ 22</u>	<u>\$ 24</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 11,036,278</u>	<u>\$ 5,199,804</u>	<u>\$ 3,097,454</u>
	<u>\$ 11,036,278</u>	<u>\$ 5,199,804</u>	<u>\$ 3,097,454</u>

See summary of significant assumptions.

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

12/17/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,768,058	\$ (348,451)	\$ 3,048,198
REVENUES			
Property taxes	11,036,278	5,199,804	3,097,454
Specific ownership taxes	399,473	222,671	123,897
Interest income	271,439	200,000	75,000
Miscellaneous revenue	82,947	15,941	15,000
IGA revenue - Alt 5	-	-	850,000
Severance tax	2,137	15,000	15,000
Bonds proceeds	-	4,000,000	-
Total revenues	<u>11,792,274</u>	<u>9,653,416</u>	<u>4,176,351</u>
TRANSFERS IN			
Transfers from other funds	<u>2,900,000</u>	<u>2,000,000</u>	<u>3,656,119</u>
Total funds available	<u>18,460,332</u>	<u>11,304,965</u>	<u>10,880,668</u>
EXPENDITURES			
General and administrative			
Accounting	128,745	150,000	136,500
Accounting consulting	104,720	115,000	55,000
Consulting	91,817	90,000	95,000
Auditing	13,500	14,500	16,000
County Treasurer's fee	166,274	166,274	46,462
Directors' fees	5,100	7,500	7,500
Dues and membership	1,238	1,238	2,500
Insurance	7,616	9,800	12,000
District management	225,202	211,000	230,000
Legal	613,737	350,000	200,000
Miscellaneous	4,919	2,000	5,000
Banking fees	1,510	-	-
Payroll taxes	390	574	574
Repay developer advance - principal	2,005,990	-	-
Repay developer advance interest	80,550	-	-
Contingency	-	-	332,964
Operations and maintenance			
Repairs and maintenance	-	-	25,000
Engineering	1,694	17,000	30,000
Intergovernmental expenditures - UWSD	2,246,900	5,000,000	5,000,000
Intergovernmental expenditures - PRMD	15,406	-	-
Intergovernmental expenditures - PRWDA	600,000	650,000	650,000
Intergovernmental expenditures - WAWDA	200,000	200,000	200,000
Surveys and locates	-	-	5,000
Utilities	-	-	500
Bond Interest - 2024	-	271,881	300,000
Bond interest	-	-	315,000
Bond principal	-	-	535,000
Settlement expenditures	12,293,475	1,000,000	-
Total expenditures	<u>18,808,783</u>	<u>8,256,767</u>	<u>8,200,000</u>
Total expenditures and transfers out requiring appropriation	<u>18,808,783</u>	<u>8,256,767</u>	<u>8,200,000</u>
ENDING FUND BALANCES	<u>\$ (348,451)</u>	<u>\$ 3,048,198</u>	<u>\$ 2,680,669</u>
EMERGENCY RESERVE	\$ 353,800	\$ 229,700	\$ 125,300
AVAILABLE FOR OPERATIONS	(702,251)	2,818,498	2,555,369
TOTAL RESERVE	<u>\$ (348,451)</u>	<u>\$ 3,048,198</u>	<u>\$ 2,680,669</u>

See summary of significant assumptions.

**SOUTH BEEBE METRO DISTRICT
SPECIAL REVENUE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/17/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,539,928	\$ 4,694,371	\$ 6,021,013
REVENUES			
Storm drainage service fees	1,781,925	1,920,000	2,000,000
Interest income	214,090	180,000	-
Total revenues	<u>1,996,015</u>	<u>2,100,000</u>	<u>2,000,000</u>
Total funds available	<u>5,535,943</u>	<u>6,794,371</u>	<u>8,021,013</u>
EXPENDITURES			
General and administrative			
Accounting	252,695	275,000	-
Billing services	-	-	250,000
County Treasurer's fee	1,507	2,000	2,000
District management	136,782	126,076	150,000
Miscellaneous	527	5,000	5,000
Easement expenses	73,961	75,282	80,000
Engineering	204,226	90,000	200,000
Repairs and maintenance	171,852	200,000	215,000
Capital outlay	-	-	4,000,000
Contingency	-	-	118,000
Credit card fees	22	-	1,000
Total expenditures	<u>841,572</u>	<u>773,358</u>	<u>5,021,000</u>
Total expenditures and transfers out requiring appropriation	<u>841,572</u>	<u>773,358</u>	<u>5,021,000</u>
ENDING FUND BALANCES	<u>\$ 4,694,371</u>	<u>\$ 6,021,013</u>	<u>\$ 3,000,013</u>

See summary of significant assumptions.

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

12/17/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,010,217	\$ 2,587,029	\$ 2,464,244
REVENUES			
Interest income	167,441	194,960	100,000
IGA revenue - Alt 5	-	730,797	-
Storm drainage service fees	1,447,123	1,194,276	875,000
Easement fees	460,050	371,200	270,000
Sewer tap fees	613,115	496,062	360,000
Sales and Use Tax Revenue	1,147,397	1,057,244	1,000,000
Auto Use Tax Revenue	353,638	311,694	300,000
Building Use Tax Revenue	561,562	139,046	200,000
Total revenues	4,750,326	4,495,279	3,105,000
Total funds available	7,760,543	7,082,308	5,569,244
EXPENDITURES			
General and administrative			
Easement expenses	104,419	54,156	50,000
Permit Refunds	295,101	-	-
Miscellaneous	-	5	-
Banking fees	1,500	-	-
Paying agent fees	1,500	3,000	3,000
Contingency	-	-	71,943
Debt Service			
Note interest	251,587	169,808	85,962
Note principal	1,619,407	1,660,297	1,702,220
Bond Interest	-	205,900	-
Bond Principal	-	524,898	-
Total expenditures	2,273,514	2,618,064	1,913,125
TRANSFERS OUT			
Transfers to other fund	2,900,000	2,000,000	3,656,119
Total expenditures and transfers out requiring appropriation	5,173,514	4,618,064	5,569,244
ENDING FUND BALANCES	\$ 2,587,029	\$ 2,464,244	\$ -

See summary of significant assumptions.

**SOUTH BEEBE METRO DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/17/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 10,515,286	\$ 18,499,294	\$ 20,010,172
REVENUES			
Interest income	633,925	835,418	800,000
IGA revenue - BP6	7,138,320	-	-
IGA revenue - BP3	-	565,000	-
Water tap fees	106,800	61,200	75,000
Plan / Admin Fees	81,280	49,260	60,000
System Development fees	44,978	-	25,000
Total revenues	8,005,303	1,510,878	960,000
Total funds available	18,520,589	20,010,172	20,970,172
EXPENDITURES			
General and Administrative			
District management	21,295	-	80,000
Capital Outlay - Project sunflower	-	-	5,000,000
Capital outlay	-	-	15,890,172
Total expenditures	21,295	-	20,970,172
Total expenditures and transfers out requiring appropriation	21,295	-	20,970,172
ENDING FUND BALANCES	\$ 18,499,294	\$ 20,010,172	\$ -

See summary of significant assumptions.

**SOUTH BEEBE DRAW METRO DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

Revenues

Property Taxes

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

For property tax collection year 2026, HB24B-1001 set the assessment rates 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%

**SOUTH BEEBE DRAW METRO DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

Infrastructure and Development Fees

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

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

Storm Drainage Service Fees

The District collects annual storm drainage service fees to pay the cost of maintenance on storm drainage infrastructure. The District has an agreement with property formerly owned and operated by Kmart for which Storm drainage service fees do not begin until September, 2032.

Net Investment Income

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

Expenditures

Administrative and Operating Expenditures

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

Capital Outlay

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

County Treasurer's Fees

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

Maintenance and Repairs

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

**SOUTH BEEBE DRAW METRO DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Debt Service

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

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

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

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

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

On September 25, 2025, the South Beebe Draw Metropolitan District (the "District") issued a Special Obligation Bond, Series 2025, in the original principal amount of \$4,000,000. The bond bears interest at a fixed rate of 3.75% per annum and matures on December 31, 2044. The bond was issued to fund obligations under a Settlement Agreement and is payable solely from Pledged Revenues collected through tax year 2043.

Principal and interest payments commence on October 15, 2025, and are made annually, subject to the terms outlined in the Bond Resolution and the Settlement Agreement. The bond does not carry a minimum or maximum principal redemption requirement and is deemed fully satisfied upon payment of all Pledged Revenues collected or that should have been collected through the maturity date, regardless of the actual amount of principal and interest paid. A debt to Maturity schedule is not presented as the bonds are cash flow bonds.

**SOUTH BEEBE DRAW METRO DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

Leases

The District has no operating or capital leases.

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.

\$12,500,000
 Refunding and Improvement Note, Series 2018
 Dated October 1, 2018
 Interest Rate of 5.05%
 Payable on April 1 and October 1
 Principal due October 1

Year ended December 31,	Principal	Interest	Total
2026	1,702,220	85,962	1,788,182
Total	\$ 1,702,220	\$ 85,962	\$ 1,788,182