COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT

2025 ANNUAL REPORT TO

THE TOWN OF PARKER, DOUGLAS COUNTY

Pursuant to §32-1-207(3)(c), C.R.S., Compark Business Campus Metropolitan District (the "District") is required to provide an annual report to the Town of Parker (the "Town") with regard to the following matters:

§ 32-1-207(3) Statutory Requirements

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

1. Boundary changes made or proposed to the District's boundaries as of December 31 of the prior year.

   No boundary changes were made or proposed to the District's boundaries in 2025, and no inclusions or exclusions occurred. The Compark Business Campus Metropolitan District Subdistrict (the "Subdistrict") was organized within the District's boundaries pursuant to an election held November 4, 2025; the organization of the Subdistrict did not alter the boundaries of the District.

2. Intergovernmental Agreements with other governmental entities, either entered into or proposed, as of December 31 of the prior year.

   On August 12, 2025, the Board approved an Amended and Restated Intergovernmental Agreement with the Town of Parker, which was approved by the Town pursuant to Resolution No. 25-058 and ratified by the Board on October 15, 2025. Additionally, Cottonwood Metropolitan District agreed in 2025 to assume maintenance of the treescapes along Chambers Road and the median from the Compark Business Campus boundary to E-470.

3. Copies of the District's rules and regulations, if any, as of December 31 of the prior year.

   As of December 31, 2025, the District had not adopted rules and regulations. The District maintains fee resolutions; the Board determined on August 12, 2025 that no amendments to the Fee Resolutions were necessary.

4. A summary of any litigation which involves the District's Public Improvements as of December 31 of the prior year.

   To our actual knowledge, based on review of the court records in Douglas County, Colorado and the Public Access to Court Electronic Records (PACER), there was no litigation involving the District's Public Improvements during the year ending December 31, 2025.

5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.

There were no ongoing District public infrastructure projects during 2025. A trail system amenity is planned but had not been initiated as of December 31, 2025. Please see the response to Question No. 1 in the Service Plan Requirements below.

6. <u>A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town as of December 31 of the prior year.</u>

   No facilities or improvements constructed by the District were dedicated to or accepted by the Town in 2025.

7. <u>The assessed valuation of the District for the current year.</u>

   The District received Final Certifications of Valuation from the Douglas County Assessor, dated November 19, 2025, reporting a 2025 net total taxable assessed valuation of $93,394,270 for the District.

8. <u>Current year budget including a description of the Public Improvements to be constructed in such year.</u>

   The Board adopted the 2026 Budget on October 15, 2025, pursuant to the Resolution Adopting Budget, and Appropriating Sums of Money and Certifying Mill Levies for the Calendar Year 2026, which imposes a total 2026 mill levy of 43.811 mills, of which 7.298 mills are dedicated to the General Fund and 36.513 mills to the Debt Service Fund. A copy of the District's 2026 Budget is attached hereto as **Exhibit A**.

9. <u>Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable.</u>

   The 2025 Audit is pending and will be provided as a supplemental enclosure following filing.

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

    There are no uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

11. <u>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.</u>

    None.

Pursuant to the Service Plan for the Compark Business Campus Metropolitan District (formerly the E-470 Business Metropolitan District), approved by the Douglas County Board of County Commissioners on February 24, 1998, as amended by the First Amendment to Service Plan approved on October 14, 2025 (collectively, the "Service Plan"), the following report of the District's activities from January 1, 2025 to December 31, 2025 is hereby submitted with regard to the following matters.

Service Plan Requirements

1. A narrative summary of the progress of the District in implementing its Service Plan for the report year:

   During 2025, the District undertook no construction of District public improvements; a planned trail system amenity had not been initiated as of year-end. Private development activity within the District included Flexential breaking ground on a data center, with lot grading ongoing and foundation work initiated during the year; the Town of Parker issued the building permit for the project (Permit No. COM25-0160) on December 4, 2025. The District approved the First Amendment to its Service Plan and an Amended and Restated Intergovernmental Agreement with the Town of Parker on August 12, 2025; the First Amendment was approved by the Douglas County Board of County Commissioners on October 14, 2025, increasing the District's total debt limit to $68,500,000 and expressly authorizing the creation of subdistricts. Cottonwood Metropolitan District assumed maintenance of the Chambers Road treescapes. Pursuant to the subdistrict authority in the Service Plan, as amended, and § 32-1-1101(1)(f), C.R.S., the District established the Compark Business Campus Metropolitan District Subdistrict by separate Board action, organized pursuant to an election held November 4, 2025, at which all ballot measures passed.

2. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year:

   See response to Statutory Requirements Question 9, above.

3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year:

   The District incurred no capital expenditures for the development of Public Improvements in 2025. A trail system amenity is planned. Attached hereto as **Exhibit A** is the District's 2026 Budget.

4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new Debt issued in the report year, the amount of payment or retirement of existing Debt of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year, and the current mill levy of the District pledged to Debt retirement in the report year:

   The District's total debt limit under the Service Plan, as amended by the First Amendment, is $68,500,000. The District's outstanding Debt consists of two loans. The District issued no new Debt in 2025. Per the District's adopted budgets, 2025 debt service consisted of estimated principal payments of $930,000 ($720,000 and $210,000, respectively) and estimated interest payments of $1,318,503 ($1,018,817 and $299,686, respectively). The total assessed valuation of all taxable properties within the District as of January 1, 2025 was $90,867,030. The District pledged 36.513 mills to Debt retirement in the report year, resulting in estimated Debt Service Fund property tax revenues of $3,498,882. Total ad valorem tax revenue received by the District during 2025 was $4,050,882.78 (unaudited).

5. <u>The District's budget for the calendar year in which the annual report is submitted:</u>

Attached hereto as **Exhibit A** is the District's 2026 Budget.

6. <u>A summary of the residential and commercial development in the District for the report year:</u>

Commercial development activity in 2025 consisted of the Flexential data center project, which broke ground during the year; site work, lot grading, and foundation work were underway as of year-end. The Town of Parker issued Building Permit No. COM25-0160 on December 4, 2025 for the Flexential Corp data center, a two-story, 282,174 square foot facility located at 15255 Compark Blvd, with a project valuation of $130,000,000. The District has no residential development.

7. <u>A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year:</u>

As of January 1, 2025, the District imposed a monthly Water Operations fee of $15.00 and a monthly Sewer Operations fee of $15.00 per account, pursuant to the District’s adopted fee resolutions. These fees are billed and collected on the District’s behalf through the Stonegate Village Metropolitan District utility billing system.

8. <u>Certification of the Board that no action, event or condition constituting a material modification of, or departure from, the Service Plan has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan allowing such event has been approved:</u>

The Certificate is attached hereto as **Exhibit B**.

9. <u>The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board:</u>

<u>Directors:</u>

Lawrence Jacobson
8350 E. Crescent Pkwy, Suite 200, Greenwood Village, CO 80111
(303) 984-9800

Jeffrey J. Schroeder
8350 E. Crescent Pkwy, Suite 200, Greenwood Village, CO 80111
(303) 984-9800

Blake Amen
8350 E. Crescent Pkwy, Suite 200, Greenwood Village, CO 80111

(303) 984-9800

Megan Waldschmidt
8350 E. Crescent Pkwy, Suite 200, Greenwood Village, CO 80111
(303) 984-9800

Paige Langley
8350 E. Crescent Pkwy, Suite 200, Greenwood Village, CO 80111
(303) 984-9800

District Manager:

Justin Janca
Public Alliance, LLC
7555 E. Hampden Ave., Ste. 501, Denver, CO 80231
720-213-6621

District Accountant:

Diane Wheeler
Simmons & Wheeler, P.C.
8822 South Ridgeline Boulevard, Suite 230, Highlands Ranch, CO 80126
303-689-0833

General Counsel:

Kristin Bowers, Esq.
WBA, P.C.
2154 E. Commons Avenue, Suite 2000, Centennial, CO 80122
303-858-1800

2026 Regular Meeting Dates: The third Wednesday of January, April, July & October 2026, at 10:30 a.m., via Zoom video/telephone conference. The 2026 Annual Meeting was held July 15, 2026.

10. Certification from the Board of the District that the District is in compliance with all provisions of the Service Plan:

    The Certificate is attached hereto as **Exhibit B**.

11. A copy of the most recent notice issued by the District, pursuant to Section 32-1-809, C.R.S.:

    Attached hereto as **Exhibit C** is the District's 2026 Transparency Notice, as issued. The District has identified a clerical error in the notice as issued: the notice states the District's mill levy for collection in 2026 as 0 mills, whereas the Board certified a total 2026 mill levy of 43.811 mills pursuant to the Resolution Adopting Budget, and Appropriating Sums of Money and Certifying Mill Levies for the Calendar Year 2026, approved October 15, 2025, and reflected in the 2026 Budget attached as **Exhibit A**. A corrected Transparency Notice is being prepared and will be provided as a supplemental enclosure following issuance.

EXHIBIT A

2026 Budget

COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
2026
BUDGET MESSAGE

Attached please find a copy of the adopted 2026 budget for the Compark Business Campus Metropolitan District.

The Compark Business Campus Metropolitan District has adopted a budget for three separate funds, a General Fund to provide for the payment of operating and maintenance expenditures; a Capital Projects Fund to provide for estimated infrastructure costs that are to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the outstanding loan.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary sources of revenue for the district in 2026 will be interest income, operations and maintenance fees, and property taxes from the imposition of a 43.811 mill levy on property within the district for 2026, of which 7.298 mills will be dedicated to the General Fund and the balance of 36.513 mills will be allocated to the Debt Service Fund.

Compark Business Campus Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2026

	Actual 2024	Adopted Budget 2025	Actual 06/30/25	Estimated 2025	Adopted Budget 2026
Beginning fund balance	$ 577,441	$ 910,885	$ 700,395	$ 700,395	$ 1,153,496
Revenues:					
Property taxes	626,471	663,148	664,217	664,285	681,591
Specific ownership taxes	47,124	59,683	26,388	54,000	40,895
Interest/Misc Income	57,057	35,000	173,499	200,000	200,000
Operations and maintenance fee	-	50,000	-	-	50,000
Total revenues	730,652	807,831	864,104	918,285	972,486
Total funds available	1,308,093	1,718,716	1,564,499	1,618,680	2,125,982
Expenditures:					
Accounting	44,836	42,000	12,496	30,000	25,000
Auditing	6,500	7,000	-	13,000	13,000
Insurance	8,668	9,000	9,039	9,200	10,000
Legal	28,919	30,000	29,750	40,000	30,000
Dues and Membership	-	1,750	2,549	3,500	3,500
Director's fees and payroll taxes	1,077	-	-	3,500	3,500
District management	31,411	35,000	2,893	35,000	35,000
Elections	803	2,000	-	5,000	-
Repairs and maintenance	-	5,000	-	5,000	5,000
Engineering	-	10,000	-	10,000	10,000
Electricity	-	1,000	-	1,000	1,200
Landscaping	134,111	150,000	19,660	150,000	150,000
Pest control	681	500	136	500	500
Utilities	1,669	127,000	1,869	100,000	100,000
Water	319,696	5,000	19,679	27,000	35,000
Locates	9,916	10,000	445	10,000	10,000
Snow removal	9,100	12,500	-	12,500	12,500
Trash	825	-	-	0	-
Miscellaneous	35	-	20	20	100
Treasurer fees	9,451	9,964	9,958	9,964	10,224
Contingency	-	7,286	-	-	200,000
Emergency reserve (3%)	-	-	-	-	13,326
Total expenditures	607,698	465,000	108,494	465,184	668,463
Ending fund balance	$ 700,395	$ 1,253,716	$ 1,456,005	$ 1,153,496	$ 1,457,519
Assessed valuation		$ 90,867,030			$ 93,394,270
Mill Levy		7.298			7.298

Compark Business Campus Metropolitan District
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2026

	Actual 2024	Adopted Budget 2025	Actual 06/30/25	Estimated 2025	Adopted Budget 2026
Beginning fund balance	$ 4,102,558	$ 4,349,617	$ 4,279,009	$ 4,279,009	$ 3,659,009
Revenues:					
System development fees	$ -	$ -	$ -	$ -	$ -
Operations and maintenance fee	217,023	200,000	-	200,000	200,000
Tap fee	-	100,000	-	-	-
Interest income	80,684	130,000	32,672	80,000	100,000
Total revenues	297,707	430,000	32,672	280,000	300,000
Total funds available	4,400,265	4,779,617	4,311,681	4,559,009	3,959,009
Expenditures:					
Capital costs SVMD	60,393	100,000	-	100,000	100,000
Engineering	55,894	50,000	-	50,000	50,000
Water	29	-	-	-	-
Capital outlay	-	740,000	60,422	740,000	740,000
Detention - filing 11	4,940	-	-	-	-
Green Acres tributary improvemen	-	10,000	-	10,000	10,000
Total expenditures	121,256	900,000	60,422	900,000	900,000
Ending fund balance	$ 4,279,009	$ 3,879,617	$ 4,251,259	$ 3,659,009	$ 3,059,009

Compark Business Campus Metropolitan District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2026

	Actual 2024	Adopted Budget 2025	Actual 06/30/25	Estimated 2025	Adopted Budget 2026
Beginning fund balance	$ 777,339	$ 2,162,913	$ 2,089,551	$ 2,089,551	$ 3,595,447
Revenues:					
Property taxes	$ 3,309,602	3,493,181	3,323,178	3,498,882	3,410,105
Property taxes exclusion	-	-	-	-	140,466
Property taxes exclusion	-	-	-	-	33,273
Specific ownership taxes	248,896	314,386	132,025	265,000	204,606
Interest income	131,996	65,000	4,307	50,000	50,000
Total revenues	3,690,494	3,872,567	3,459,510	3,813,882	3,838,450
Total funds available	4,467,833	6,035,480	5,549,061	5,903,433	7,433,897
Expenditures:					
Loan principal	900,000	720,000	-	720,000	775,000
Loan principal	-	210,000	-	210,000	225,000
Loan interest	1,424,366	1,018,817	508,013	1,018,817	997,939
Loan interest	-	299,686	186,530	299,686	293,597
Paying agent fees	4,000	-	-	7,000	7,000
Treasurer fees	49,916	52,398	49,823	52,483	53,758
Contingency	-	1,099	-	-	-
Total expenditures	2,378,282	2,302,000	744,366	2,307,986	2,352,294
Ending fund balance	$ 2,089,551	$ 3,733,480	$ 4,804,695	$ 3,595,447	$ 5,081,603
Assessed valuation		$ 90,867,030			$ 93,394,270
		$ 6,257,790			$ 6,293,860
		$ 1,910,190			$ 1,780,740
Mill Levy		36.513			36.513
Total Mill Levy		43.811			43.811
mill exclusion		22.318			22.318
mill exclusion		18.685			18.685

EXHIBIT B

Certification from the Board

By signature below, the Director of the Board certifies that, to the best of their actual knowledge, the Compark Business Campus Metropolitan District is in compliance with all provisions of the Service Plan. This Certification is provided in relation to the Annual Report for the year 2025, as required under the Service Plan.

By: _________________________________

Dated: ______________________________

EXHIBIT C

Transparency Notice

Compark Business Campus Metropolitan District, Town of Parker, Douglas County, Colorado Disclosure Notice Pursuant to §32-1-809, C.R.S.

Address and telephone number of the principal business office:
c/o Public Alliance LLC
7555 E. Hampden Ave., Ste. 501
Denver, CO 80231
720-213-6621

Name and business telephone number of the manager or other principal contact person for the District/board member contact information:
Justin Janca
Public Alliance LLC
7555 E. Hampden Ave., Ste. 501
Denver, CO 80231
Phone: 720-213-6621 Email: justin@publicalliancellc.com

Board members and re-election status of those members whose office will be on the ballot at the next regular election on May 4, 2027. Board members with an * will be on the ballot at the next regular election:
Lawrence Jacobson, President – Term expires 2029
Jeffrey Jacob Schroeder, Vice President – Term expires 2027*
Blake Amen, Secretary/Treasurer – Term expires 2029
Megan Waldschmidt, Assistant Secretary – Term expires 2027*
Paige Langley, Assistant Secretary – Term expires 2029

Regular meeting schedule and the place where notice of board meetings is posted pursuant to §24-6-402(2)(c), C.R.S.:
Regular meetings are scheduled for the third Wednesday of January, April, July, and October, 2026 at 10:30 a.m. via teleconference.
Notices of board meetings are posted at www.cbcmd.com or when online posting in unavailable, at the southeast corner of the District's boundaries.

Current mill levy (2025), for collection in 2026:
0 mills (total)

Total ad valorem tax revenue received during 2025:
$ 4,050,882.78 (unaudited)

Date of the next regular Special District election of Board members: May 4, 2027

Procedure and timing to submit a self-nomination form for election to the Board pursuant to §1-13.5-303, C.R.S. :
Pursuant to §1-13.5-303, C.R.S. any person interested in being a candidate for the Board must submit a self-nomination and acceptance form signed by the candidate and by a registered elector of the state as a witness to the candidate. On the date of signing the self-nomination form, the person desiring to serve on the Board must be an eligible elector of the District. The form or letter must be filed no earlier than January 1 and no later than the sixty-seventh (67th) day before the date of the next regular special district election. The form is filed with the Designated Election Official, or if none has been designated, the presiding officer or the secretary of the District at the address above. This form may be obtained by contacting the District's general counsel at (303) 858-1800. In place of the form, the candidate may submit a letter signed by the candidate and a registered elector of the state as witness to the signature of the candidate. Both the form and letter must state the following information: (1) name of the special district; (2) director office sought; (3) term of office sought; (4) date of the election; (5) full name of the candidate as it is to appear on the ballot; and (6) whether the candidate is a member of an executive board of a unit owners' association, as defined in §38-33.3-103, C.R.S., located within the boundaries of the District. A self-nomination form meeting the statutory requirements must be filed prior to 5:00 p.m. on the sixty-seventh (67th) day before the election.

Address of any website on which the Special District's election results will be posted:
https://cdola.colorado.gov/local-government and www.cbcmd.com

Information on the procedure to apply for permanent absentee voter status as described in §1-13.5-1003, C.R.S.: A permanent absentee voter status request form may be obtained by contacting the District's general counsel at (303) 858-1800.