CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2

2023 ANNUAL REPORT TO THE TOWN OF PARKER, DOUGLAS COUNTY, COLORADO

Pursuant to the Consolidated Service Plan for Chambers Highpoint Metropolitan District Nos. 1 and 2, each District is required to submit an annual report to the Town of Parker, Douglas County, Colorado pursuant to Town Code Section 10.11.040, that shall include, but not be limited to, the information on the progress of the District and implementation of the Service Plan. To that end, District No. 2 reports the following relating to significant events of District No. 2 through December 31, 2022:

- A. <u>A narrative summary of the progress of the District in implementing its Service Plan for the report year.</u>
 - The District is implementing its Service Plan and constructing the contemplated improvements.
- B. 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, except when exemption from audit has been granted for the report year.
 - The 2023 audit was not available at the time of this filing. A copy of the 2023 audit can be obtained at https://apps.leg.co.gov/osa/lg once available.
- C. <u>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.</u>
 - The following public improvements were constructed in 2023 and are anticipated to be constructed in the next five years until completion: bridge, roads, storm drainage, water, and sewer.
- D. <u>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.</u>

The 2023 audit was not available at the time of this filing. A copy of the 2023 audit can be obtained at https://apps.leg.co.gov/osa/lg once available.

1. <u>Summary of Amount of Outstanding Bonded Indebtedness of the District:</u>

Limited Tax General Obligation and Special Revenue Bonds, Series 2021 in the amount of \$11,300,000.

2. The amount of payment or retirement of Debt of the District in the report year:

The District made its required debt payment under the 2021 Bonds.

3. Total Assessed Valuation of the Taxable Properties within the District:

The District received a certification of valuation from the Douglas County Assessor that reports the following net total taxable assessed valuation for 2023:

Chambers Highpoint Metropolitan District No. 2: \$2,300

4. Current Mill Levy of the District Pledged to Debt Retirement in the Report Year.

The 2023 mill levy was 50.000 mills.

E. The District's budget for the calendar year in which the annual report is submitted.

The District's 2024 budget is attached as **Exhibit B**.

F. A summary of residential and commercial development in the District for the report year.

Public improvements were constructed during the report year.

G. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year.

The District did not impose any fees, charges or assessments as of January 1, 2023.

H. Certification of the Board that no action, event or condition enumerated in Town Code section 10.11.060 has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by Town Council.

The Board does hereby certify that no actions or events enumerated in Town Code section 10.11.060 have occurred in 2023.

I. The name, business address and telephone number of each member of the Board together with the name of its chief administrative officers and general counsel and the date, place and time of the regular meetings of the Board.

The names, business address and telephone number of the Board members and general counsel for the District and the place and time for meetings are attached as **Exhibit C**.

J. <u>Certification from the External Financial Advisor that the District is in compliance with all provisions of the Service Plan; Certification from the Board of the District that the District is in compliance with all provisions of the Service Plan.</u>

The District did not engage an External Financial Advisor in 2023 because the District did not issue any privately placed debt for which an External Financial Advisor is required under the Service Plan.

- K. A copy of the most recent notice issued by the District, pursuant to Section 32-1-809, C.R.S. is attached as **Exhibit E**.
- L. A copy of any intergovernmental agreements entered into by the District since the filing of the last annual report.

The District did not enter into any intergovernmental agreements in 2023.

M. <u>Boundary changes made</u>.

The District did not change its boundaries in 2023.

N. Access information to obtain a copy of rules and regulations adopted by the Board.

The District has not adopted rules or regulations as of the date of this filing. The District website is https://www.chambershighpointmd.com/

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

None.

P. <u>A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.</u>

No facilities or improvements were conveyed or dedicated to the county or municipality during 2023.

Q. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the District.

None.

R.	Any inabilit	y of the	District to	pay	its obli	gations	as they	come	due	under	any	obligation
	which contin	iues bey	ond a nine	ety-d	lay perio	<u>d.</u>	·				•	

None.

The foregoing Annual Report and accompanying exhibits are submitted this 30th day of August, 2024.

SPENCER FANE LLP

/s/ *Tom George, Esq.* Tom George, General Counsel

EXHIBIT A

2023 AUDIT CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2

A copy of the 2023 audited financial statement was not available at the time of this filing. A copy of the 2023 audited financial statements can be obtained at https://apps.leg.co.gov/osa/lg once available.

EXHIBIT B

2024 BUDGET FOR CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2

RESOLUTION

TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY, AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the Chambers Highpoint Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 8, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$7,749; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$40,270; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of Douglas is \$774,860; and

WHEREAS, at an election held on November 8, 2016, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2 OF DOUGLAS COUNTY, COLORADO:

- Section 1. <u>Adoption of Budget</u>. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Chambers Highpoint Metropolitan District No. 2 for calendar year 2024.
- Section 2. <u>Budget Revenues</u>. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.
- Section 3. <u>Budget Expenditures</u>. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.
- Section 4. <u>Levy of General Property Taxes</u>. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:
- A. <u>Levy for General Operating and Other Expenses</u>. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.
- B. <u>Temporary Tax Credit or Rate Reduction</u>. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.
- C. <u>Levy for General Obligation Bonds and Interest</u>. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 51.971 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

- D. <u>Levy for Contractual Obligations</u>. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.
- E. <u>Levy for Capital Expenditures</u>. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.
- F. <u>Levy for Refunds/Abatements</u>. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.
- Section 5. <u>Property Tax and Fiscal Year Spending Limits</u>. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.
- Section 6. <u>Certification</u>. That the appropriate officers of the District are hereby authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.
- Section 7. <u>Appropriations</u>. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 8th day of December 2023.

	CHAMBERS HIGHPOIN METROPOLITAN DISTRICT NO. 2	Τ
	Jeffrey Robinson	
	President	
ATTEST:		
Frederick V. Miale		
Secretary		

ATTACH COPY OF THE ADOPTED BUDGET AND THE CERTIFICATION OF TAX LEVIES

CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2 2024 BUDGET MESSAGE

Attached please find a copy of the adopted 2024 budget for Chambers Highpoint Metropolitan District No. 2.

The Chambers Highpoint Metropolitan District No. 2 has adopted three separate funds, a General Fund to provide for the payment of general operating expenditures of the district; a Debt Service Fund to provide for payments on the general obligation debt issued by the district; and a Capital Project Fund to provide for the estimated infrastructure costs to be built for the benefit of the district.

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 source of revenue for the district in 2024 will be tax revenue and transfers from Chambers Highpoint Metropolitan District No. 1. The district intends to impose a 61.971 mill levy on the property within the district in 2024 of which 10.000 mills will be dedicated to the General Fund and the balance of 51.971 mills will be allocated to the Debt Service Fund.

Chambers Highpoint Metropolitan District No. 2 Adopted Budget General Fund For the Year ended December 31, 2024

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual 6/30/2023	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	<u>\$</u>	\$ 3	\$ -	\$ -	\$ -
Revenues:					
Property taxes	3	23	15	23	7,749
Specific ownership taxes	-	2	1	2	620
Developer advances	-	50,000	-	-	-
Interest income	18	-			
Total revenues	21	50,025	16	25	8,369
Total funds available	21	50,028	16	25	8,369
Expenditures:					
Accounting / audit	-	12,000	-	-	-
Insurance/SDA dues	-	2,500	-	-	2,500
Legal	-	15,000	-	-	-
Miscellaneous	-	500	-	-	-
Transfer to District #1	21	-	16	25	5,675
Contingency	-	19,128	-	-	-
Emergency reserve (3%)		900			78
Total expenditures	21	50,028	16	25	8,369
Ending fund balance	<u>\$</u>	\$ -	<u> </u>	<u> </u>	<u> </u>
Assessed valuation		\$ 2,300			\$ 774,860
Mill Levy		10.000			10.000

Chambers Highpoint Metropolitan District No. 2 Adopted Budget Capital Project Fund For the Year ended December 31, 2024

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual 6/30/2023	Estimate 2023	Adopted Budget <u>2024</u>
Beginning fund balance	\$ 8,950,653	\$ 2,001,000	\$ 4,113,760	\$ 4,113,760	\$ 3,114,960
Revenues:					
Bond issue	-	-	-	-	-
Premium on bonds	-	-	-	-	-
Interest income	15,602	 1,000	1,093	1,200	 1,000
Total revenues	15,602	 1,000	1,093	1,200	 1,000
Total funds available	8,966,255	 2,002,000	4,114,853	4,114,960	 3,115,960
Expenditures:					
Capital expenditures	4,852,495	2,000,000	683,008	1,000,000	3,115,960
Issuance costs	-			-	
Transfer to Debt Service		 			
Total expenditures	4,852,495	 2,000,000	683,008	1,000,000	 3,115,960
Ending fund balance	\$ 4,113,760	\$ 2,000	\$3,431,845	\$ 3,114,960	\$ -

Chambers Highpoint Metropolitan District No. 2 Adopted Budget Debt Service Fund For the Year ended December 31, 2024

	Actual <u>2022</u>		Adopted Budget <u>2023</u>	Actual 6/30/2023	Estimate <u>2023</u>	,	Adopted Budget <u>2024</u>
Beginning fund balance	\$ 2,374,705	\$	1,810,745	\$ 1,827,146	\$ 1,827,146	\$	1,259,411
Revenues:							
Property taxes	17		115	17	115		40,270
Specific ownership taxes	2		9	1	1		3,222
Tranfser from District 1	22		147	21	151		26,669
Transfer from Capital Projects	-		-	-	-		-
Interest income	21,400		1,000	674	1,000		1,000
Total revenues	21,441		1,271	713	1,267		71,161
Total funds available	2,396,146		1,812,016	1,827,859	1,828,413		1,330,572
Total fullus available	2,000,140	_	1,012,010	1,027,033	1,020,710	_	1,000,072
Expenditures:							
Bond interest expense	565,000		565,000	282,500	565,000		565,000
Treasurer's fees	-		2	-	2		604
Trustee / paying agent fees	4,000		4,000	-	4,000		4,000
Total expenditures	569,000		569,002	282,500	569,002		569,604
Ending fund balance	\$ 1,827,146	\$	1,243,014	\$ 1,545,359	\$ 1,259,411	\$	760,968
		-					
Assessed valuation		\$	2,300			\$	774,860
Mill Levy			50.000				<u>51.971</u>
Total Mill Levy			60.000				61.971

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO The County Commissioners of Douglas County, Colorado On behalf of the Chambers Highpoint Metro District 2 the Board of Directors of the Chambers Highpoint Metropolitan District No. 2

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: \$774,860 Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area the tax levies must be calculated using the NET AV. The taxing entity 's total property tax revenue will be derived from the mill levy multiplied against the **NET** assessed valuation of: \$774,860

Submitted: Diane Wheeler for budget/fiscal year 2024

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	10.000 mills	\$7,749
2. <minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction</minus>	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$7,749
 3. General Obligation Bonds and Interest 4. Contractual Obligations 5. Capital Expenditures 6. Refunds/Abatements 7. Other 	51.971 mills 0.000 mills 0.000 mills 0.000 mills 0.000 mills	\$40,270 \$0 \$0 \$0 \$0
8. Judgment TOTAL:	0.000 mills 61.971 mills	\$0 \$48,019

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.). Use additional pages as necessary.

The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

<u>CERTIFY A SEPARATE MILL LEVY FOR EACH BOND, CONTRACT, OTHER, AND/OR JUDGMENT:</u>

BONDS

1. Purpose of Issue: Capital Improvements

Series: 2021

Date of Issue: 2021-07-15 Coupon Rate: 5.000

Matamitas Datas	2051 12 01
Maturity Date: Levy:	2051-12-01 51.971
Revenue:	\$40,270
CONTRACTS	* * * * * * * * * * * * * * * * * * * *
	No Contracts Available
OTHER	No Other Available
JUDGMENT	
	No Judgment Available
Explanation of Change:	
	Generated On Fri, 05 Jan 2024

EXHIBIT C

DISTRICT OFFICIALS CONTACT INFORMATION FOR CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2

The names, business address and telephone number of the Board members and general counsel for the District and the place and time for meetings are as follows:

Board of Directors:

Jeffrey S. Robinson, President Frederick V. Miale, Secretary

Business Address: c/o Spencer Fane LLP

1700 Lincoln Street, Suite 2000

Denver, CO 80203

Telephone: (303) 839-3800

General Counsel for the District:

Spencer Fane LLP c/o Tom George 1700 Lincoln Street, Suite 2000 Denver, CO 80203

Telephone: (303) 839-3800

Place and Time for Meetings of the District:

The Board has determined to not hold regular meetings at this time; rather, special meetings will be called on an as needed basis when District business requires meetings. Unless the Board of Directors otherwise specifies, the meetings will be virtual and if in-person the location of the meetings will be at 4600 S. Ulster Street, Suite 1400, Denver, Colorado 80237, which is not more than 20 miles outside of the boundaries of the District and is in accordance with Colorado law.

EXHIBIT D EXTERNAL FINANCIAL ADVISOR CERTIFICATE

Not applicable.

EXHIBIT E TRANSPARENCY NOTICE FOR CHAMBERS HIGHPOINT METROPOLITAN DISTRICT NO. 2

Chambers Highpoint Metropolitan District No. 2

Pursuant to section 32-1-809, Colorado Revised Statutes for Transparency Notices may be filed with Special District Association of Colorado. This information must be provided annually to the eligible electors of the district no later than January 15 of each year.

*Note that some information provided herein may be subject to change after the notice is posted.

District's Principal Business Office

Companyc/o Spencer Fane LLPContactRussell W. Dykstra

Address 1700 Lincoln Street Suite 2000, Denver, CO 80203-4554

Phone 303-839-3800

District's Physical Location

Counties Douglas County

Regular Board Meeting Information

Location District Office or Spencer Fane LLP

Address

Day(s) special meetings as needed

Time tbd

Posting Place for Meeting Notice

Location www.chambershighpointmd.com

Address

Notice of Proposed Action to Fix or Increase Fees, Rates, Tolls, Penalties or Charges for Domestic Water or Sanitary Sewer Services

Location Address Date Notice

Current District Mill Levy

Mills 60.000

Ad Valorem Tax Revenue

Revenue reported may be incomplete or unaudited as of the date this Notice was posted.

Amount(\$) 20 (2022 unaudited)

Date of Next Regular Election

Date 05/02/2023

Pursuant to 24-72-205 C.R.S

The district's research and retrieval fee is \$33.58 for per hour

District Policy

Contact the person named below regarding the Board's policy for research and retrieval of the District's public records

District contact information for open records request:

Russell W. Dykstra, Esq.

Names of District Board Members

Board President

Name Jeffrey Robinson

Contact Info rdykstra@spencerfane.com

Election Yes, this office will be on the next regular election ballot

Board Member 2

Name Frederick Miale

Contact Info rdykstra@spencerfane.com

Election Yes, this office will be on the next regular election ballot

Board Member 3

Name Vacant

Contact Info

Election Yes, this office will be on the next regular election ballot

Board Member 4

Name Vacant

Contact Info

Election Yes, this office will be on the next regular election ballot

Board Member 5

Name Vacant

Contact Info

Election Yes, this office will be on the next regular election ballot

Board Member 6

Name N/A

Contact Info

Election No, this office will not be on the next regular election ballot

Board Member 7

Name N/A

Contact Info

Election No, this office will not be on the next regular election ballot

Board Candidate Self-Nomination Forms

Any eligible elector of the special district who desires to be a candidate for the office of special district director must file a self-nomination and acceptance form or letter with the designated election official.

Deadline for Self-Nomination Forms

Self-nomination and acceptance forms or letters must be filed not less than 67 days before the date of the regular election.

District Election Results

The district's election results will be posted on the website of the Colorado Secretary of State (www.sos.state.co.us) and the website indicated below, if any.

Website https://dola.colorado.gov/lgis/ and www.chambershighpointmd.com

Permanent Mail-In Voter Status

Absentee voting and Permanent absentee voter status (formerly Permanent Mail-In voter status): Where to obtain and return forms.

Becky Johnson, Designated Election Official, c/o Spencer Fane LLP, 1700 Lincoln Street, Suite 2000, Denver, CO 80203, 303-839-3885

Applications for absentee voting or for permanent absentee voter status are available from and must be returned to the Designated Election Official.

Becky Johnson, Designated Election Official, c/o Spencer Fane LLP, 1700 Lincoln Street, Suite 2000, Denver, CO 80203, 303-839-3885

Notice Completed By

Name Becky Johnson

Company/District Spencer Fane LLP

Title Paralegal

Email bjohnson@spencerfane.com

Dated 01/09/2023