

**ANNUAL INFORMATION REPORT
FOR THE YEAR 2023
SETTLER'S CROSSING METROPOLITAN DISTRICT NO. 2**

As required by Section VII of the Service Plan for Settler's Crossing Metropolitan District No. 2 (the "**District**"), approved by the City of Commerce City on March 27, 2006, the following report of the District's activities from January 1, 2023 to December 31, 2023 is hereby submitted:

A. **Boundary changes made or proposed.** There were no boundary changes made or proposed during 2023.

B. **Intergovernmental Agreements entered into, proposed or terminated.** There were no intergovernmental agreements entered into, proposed or terminated during 2023.

C. **Changes or proposed changes in the District's rules and regulations / access information.** There were no changes or proposed changes in the District's rules and regulations in 2023. Should any rules or regulations be adopted, they can be obtained by contacting McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, CO 80203-1254. Phone: 303-592-4380. Email: info@specialdistrictlaw.com.

D. **Changes or proposed changes in the District operations.** On January 30, 2023, the District issued its Convertible Capital Appreciation Limited Tax General Obligation Refunding and Improvement Draw Down Bonds, Series 2023, issued in the initial principal amount of \$4,091,234.73 with a maximum principal amount of up to \$4,727,000 when fully drawn. Details on the issuance are contained in the District's 2023 Audit, which will be provided when completed.

E. **Budgets and audits.** The District's 2024 budget proceedings are attached hereto as **Exhibit A**. The District's 2023 Audit is in process and is expected to be completed by July 31, 2024. A copy of the final 2023 Audit will be provided when completed.

F. **A summary of any litigation involving the District.** The District was not involved in any litigation during 2023.

G. **Proposed plans for the year immediately following the year summarized in the annual report.** The District does not have plans to directly construct any public improvements in 2024.

H. **Status of construction / conveyances or dedications of facilities or public improvements.** The District did not construct any public improvements during 2023. There were no conveyances or dedications of facilities or public improvements constructed by the District to the City of Commerce City during 2023.

I. **The current assessed valuation in the District.** The 2023 final assessed valuation in the District is \$7,360.

The following information required by Section 32-1-207(3)(c)(II), C.R.S. (and not already disclosed above) is also provided:

J. **Notice of any uncured defaults existing for more than ninety days under any instrument of the special district.** There were no uncured defaults existing for more than ninety days under any instrument of the special district during 2023.

K. **Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.** There was no inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period during 2023.

EXHIBIT A

2024 Budget Proceedings

RESOLUTION NO. 2023-12-03

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

**RESOLUTION OF THE BOARD OF DIRECTORS OF
SETTLER'S CROSSING METROPOLITAN DISTRICT NO. 2, CITY OF COMMERCE
CITY, ADAMS COUNTY, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S.,
SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING
A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR
2024**

A. The Board of Directors of Settler's Crossing Metropolitan District No. 2 (the "**District**") has appointed Simmons & Wheeler, P.C. to prepare and submit a proposed budget to said governing body at the proper time.

B. Simmons & Wheeler, P.C. has submitted a proposed budget to this governing body by October 15, 2023 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 6, 2023, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("**TABOR**") and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
SETTLER'S CROSSING METROPOLITAN DISTRICT NO. 2, CITY OF COMMERCE
CITY, ADAMS COUNTY, COLORADO:**

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

RESOLUTION APPROVED AND ADOPTED on December 6, 2023.

**SETTLER'S CROSSING
METROPOLITAN DISTRICT NO. 2**

By: richard a. frank
President

Attest:

By: Craig Sorensen
Secretary

EXHIBIT A

Budget

SETTLER'S CROSSING METROPOLITAN DISTRICT NO. 2
2024
BUDGET MESSAGE

Attached please find a copy of the adopted 2024 budget for the Settler's Crossing Metropolitan District No. 2.

The Settler's Crossing Metropolitan District No. 2 has adopted budgets for two funds, a General Fund to provide for operating and maintenance expenditures and a Capital Projects Fund to provide for the regional improvements that are 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 developer advances. The district intends to impose a 48.000 mill levy on property within the district for 2024.

Settlers Crossing 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 <u>6/30/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	361	-	361	353
Specific ownership taxes	-	22	-	22	21
Developer advances	-	49,617	-	30,122	101,246
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>30,505</u>	<u>101,620</u>
Total revenues	-	50,000	-	30,505	101,620
Total funds available	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>30,505</u>	<u>101,620</u>
Expenditures:					
Accounting	-	11,000	-	11,000	11,000
Audit	-	-	-	-	5,500
Election	-	5,000	-	5,000	-
Insurance/ SDA Dues	-	3,000	-	3,000	3,000
Legal	-	11,000	-	11,000	16,000
Management	-	11,000	-	-	-
Miscellaneous	-	500	-	500	500
Professional services	-	-	-	-	50,000
Treasurer's Fees	-	5	-	5	5
Contingency	-	7,250	-	-	13,035
Emergency Reserve	-	1,245	-	-	2,580
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>30,505</u>	<u>101,620</u>
Total expenditures	-	50,000	-	30,505	101,620
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 11,100</u>			<u>\$ 7,360</u>
Mill Levy		<u>32.500</u>			<u>48.000</u>

Settlers Crossing Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year Ended December 31, 2024

	Actual <u>2022</u>	Amended Budget <u>2023</u>	Actual <u>6/30/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Developer contribution	-	-	95,500	95,500	-
Developer advances	-	-	-	-	5,000,000
Bond Proceeds	-	<u>4,727,000</u>	<u>1,379,076</u>	<u>1,379,076</u>	-
Total revenues	<u>-</u>	<u>4,727,000</u>	<u>1,474,576</u>	<u>1,474,576</u>	<u>5,000,000</u>
Total funds available	<u>-</u>	<u>4,727,000</u>	<u>1,474,576</u>	<u>1,474,576</u>	<u>5,000,000</u>
Expenditures:					
Transfer to District No. 1	-	3,995,000	1,379,076	1,379,076	-
Capital expenditures	-	632,000	-	-	5,000,000
Issuance Costs	-	<u>100,000</u>	<u>95,500</u>	<u>95,500</u>	-
Total expenditures	<u>-</u>	<u>4,727,000</u>	<u>1,474,576</u>	<u>1,474,576</u>	<u>5,000,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

I, Craig Sorensen, hereby certify that I am the duly appointed Secretary of the Settler's Crossing Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Settler's Crossing Metropolitan District No. 2 held on December 6, 2023.

Craig Sorensen

Secretary

RESOLUTION NO. 2023-12-04

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE SETTLER'S CROSSING METROPOLITAN DISTRICT NO. 2
LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111,
C.R.S., FOR THE YEAR 2023, TO HELP DEFRAID THE COSTS OF GOVERNMENT
FOR THE 2024 BUDGET YEAR**

A. The Board of Directors of the Settler's Crossing Metropolitan District No. 2 (the "**District**") has adopted an annual budget in accordance with the Local Government Budget Law, on December 6, 2023.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general operating expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt retirement expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Settler's Crossing Metropolitan District No. 2, City of Commerce City, Adams County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Adams County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, 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.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on December 6, 2023.

**SETTLER'S CROSSING
METROPOLITAN DISTRICT NO. 2**

By: richard a. frank
President

Attest:

By: Craig Sorensen
Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES, continued

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.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

I, Craig Sorensen, hereby certify that I am the duly appointed Secretary of the Settler's Crossing Metropolitan District No. 2, and that the foregoing is a true and correct copy of the Certification of Tax Levies for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Settler's Crossing Metropolitan District No. 2 held on December 6, 2023.

Craig Sorensen

Secretary