

## SOUTHGLENN METROPOLITAN DISTRICT NO. 2

### 2023 ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Service Plan for Southglenn Metropolitan District No. 2 (the “**District**”), the District is required to provide an annual report to the City of Centennial with regard to the following matters:

For the year ending December 31, 2023, the District makes the following report:

#### **§32-1-207(3) Statutory Requirements**

**1. Boundary changes made.**

On May 11, 2023, the District was organized per the Arapahoe County District Court’s Order and Decree. There were no boundary changes made in 2023 to the District’s boundaries established by such organization. However, it is worth noting that subsequent to such Order and Decree, it came to the District’s attention that the map of the District’s boundaries as included in the District’s Service Plan contained scrivener’s errors regarding the District’s boundaries. On July 28, 2023, the Court granted the District’s Motion for Amended Order and Decree to correct such scrivener’s errors.

**2. Intergovernmental Agreements entered into or terminated with other governmental entities.**

The District entered into an Intergovernmental Agreement with the City of Centennial dated June 5, 2023 a copy of the fully executed document will be provided as a supplement to this report. There were no Intergovernmental Agreements terminated in 2023.

**3. Access information to obtain a copy of rules and regulations adopted by the board.**

As of December 31, 2023, the District did not adopt any rules and regulations.

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

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s public improvements as of December 31, 2023.

**5. The status of the construction of public improvements by the District.**

As of December 31, 2023, the District did not construct any public improvements.

**6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.**

The District did not construct any facilities or improvements dedicated to or accepted by Arapahoe County or the City in 2023.

**7. The final assessed valuation of the District as of December 31<sup>st</sup> of the reporting year.**

A copy of the District's final assessed valuation is attached here as **Exhibit A**.

**8. A copy of the current year's budget.**

A copy of the 2024 Budget is attached hereto as **Exhibit B**.

**9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

The 2023 Audit Exemption Application is in process, a copy of the exemption will be provided as a supplement to this report.

**10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.

**11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

**Service Plan Requirements**

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

On May 11, 2023, the District was organized per the Arapahoe County District Court's Order and Decree. There were no boundary changes made in 2023 to the District's boundaries established by such organization. However, it is worth noting that subsequent to such Order and Decree, it came to the District's attention that the map of the District's boundaries as included in the District's Service Plan contained scrivener's errors regarding the District's boundaries. On July 28, 2023, the Court granted the District's Motion for Amended Order and Decree to correct such scrivener's errors..

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

The District entered into an Intergovernmental Agreement with the City of Centennial dated June 5, 2023 a copy of the fully executed document will be provided as a supplement to this report.

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

As of December 31, 2023, the District did not adopt any rules and regulations.

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

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2023.

- 5. Status of the District's construction of the public improvements as of December 31 of the prior year.**

As of December 31, 2023, the District did not construct any public improvements.

- 6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.**

The District did not construct any facilities or improvements dedicated to or accepted by the City in 2023.

- 7. The assessed valuation of the District for the current year.**

A copy of the District's final assessed valuation is attached here as **Exhibit A**.

- 8. Current year budget including a description of the Public Improvements to be constructed in such year.**

A copy of the 2024 Budget is attached hereto as **Exhibit B**. The District does not intend to construct any public improvements in 2024.

- 9. 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 exemption, if applicable.**

The 2023 Audit Exemption Application is in process, a copy of the exemption will be provided as a supplement to this report.

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

To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.

- 11. 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.**

To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

- 12. The amount of all Debt, including any refunding Debt issued by the District.**

As of December 31, 2023, the District did not issue any debt.

- 13. The amount of all Developer Loans issued during the prior year, the estimated repayment schedule of such Developer Loans and the total amount of all unpaid Developer Loans as of December 31, of the prior year.**

As of December 31, 2023, the amount of all Developer Loans issued was \$0 and the total amount of all unpaid Developer Loans was \$0.

- 14. The current mill levy imposed by the District. If the debt mill levy exceeds fifty (50) mills, or the total mill levy exceeds sixty-five (65) mills, the District shall include an explanation describing the change in the method of calculating the assessed valuation, constitutional or statutorily mandated tax credit, cut, or abatement that occurred after January 1, 2023 allowing the District to exceed those limits.**

In 2023, the District imposed a debt service mill levy of 50 mills and operations and maintenance mill levy of 15 mills, for a combined mill levy of 65.000 mills, for collection in 2024.