

KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 2

2023 ANNUAL REPORT TO THE CITY OF AURORA

Pursuant to § 32-1-207(3)(c), C.R.S., and the Amended and Restated Service Plan for Kings Point South Metropolitan District No. 2 (the “**District**”), the District is required to provide an annual report to the City of Aurora (the “**City**”). The report is to include information concerning matters which occurred during the prior fiscal year.

To the best of our actual knowledge, for the year ending December 31, 2023, the District makes the following report:

§32-1-207(3) Statutory Requirements

1. Boundary changes made

There were no boundary changes made during 2023.

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

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

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

The District has not adopted 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 Douglas 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.

The District did not construct any public improvements during 2023.

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 that were conveyed or dedicated to the City in 2023.

7. The final assessed valuation of the District as of December 31st of the reporting year.

The final assessed valuation of the District as of December 31, 2023 was \$19,530.

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

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

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 attached hereto as **Exhibit B**.

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

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 come due under any obligation which continued beyond a ninety (90) day period.

Service Plan Requirements

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

There were no boundary changes made or proposed to the District's boundaries in 2023.

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

There were no Intergovernmental Agreements with other governmental entities, either entered into or proposed, during 2023.

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

The District has not adopted rules and regulations as of December 31, 2023.

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 Douglas 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.

The District did not construct any public improvements during 2023.

6. A list of all facilities and improvements constructed by the Districts 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 Districts for the current year.

The final assessed valuation of the District as of December 31, 2023 is attached hereto 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 A**.

9. Audit of the Districts' 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 attached hereto as **Exhibit B**.

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 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.

EXHIBIT A
2024 Budget

KINGS POINT SOUTH METROPOLITAN DISTRICT NO. 2
2024
BUDGET MESSAGE

Attached please find a copy of the adopted 2024 budget for Kings Point South Metropolitan District No. 2.

The Kings Point South Metropolitan District No. 2 has adopted one fund, a General Fund to provide for general operating expenditures.

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 does not intend to impose a mill levy on property within the district for 2024.

Kings Point South 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>06/30/23</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Developer advances	-	45,000	-	-	51,000
Total revenues	-	45,000	-	-	51,000
Total funds available	-	45,000	-	-	51,000
Expenditures:					
Accounting	-	4,000	-	-	5,000
Legal	-	25,000	-	-	30,000
Insurance	-	2,500	-	-	2,500
Miscellaneous	-	1,000	-	-	1,000
Emergency reserve (contingency)	-	975	-	-	1,155
Contingency	-	11,525	-	-	11,345
Total expenditures	-	45,000	-	-	51,000
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed Valuation		<u>\$ 1,680</u>			<u>\$ 19,530</u>
Mill levy		-			-

EXHIBIT B
2023 Audit Exemption Application

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Kings Point South Metropolitan District No. 2
c/o White Bear Ankele Tanaka & Waldron
2154 E Commons Avenue, Suite 2000
Centennial, CO 80122
Blair Dickhoner
303-858-1800
bdickhoner@wbapc.com

For the Year Ended
12/31/23
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE

Diane Wheeler
District Accountant
Simmons & Wheeler, P.C.
304 Inverness Way South, Suite 490, Englewood, CO 80112
303-689-0833

PREPARER <small>(SIGNATURE REQUIRED)</small>	DATE PREPARED
<i>Diane K. Wheeler</i>	Mar 24, 2024

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ -	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ -	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

		Yes	No
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain below: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain below: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)		
		Outstanding at end of prior year*	Issued during year
		Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Lease & SBITA** Liabilities [GASB 87 & 96]	\$ -	\$ -
	Developer Advances	\$ -	\$ -
	Other (specify):	\$ -	\$ -
	TOTAL	\$ -	\$ -

**Subscription Based Information Technology Arrangements

*Must agree to prior year-end balance

		Yes	No
4-5	Does the entity have any authorized, but unissued, debt? If yes: How much? \$ 600,000,000.00 Date the debt was authorized: 11/7/2017	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-6	Does the entity intend to issue debt within the next calendar year? If yes: How much? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7	Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8	Does the entity have any lease agreements? If yes: What is being leased? What is the original date of the lease? Number of years of lease? Is the lease subject to annual appropriation? What are the annual lease payments? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part 4 - Please use this space to provide any explanations/comments or attach separate documentation, if needed

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
Total Cash Deposits			\$ -
Investments (if investment is a mutual fund, please list underlying investments):			
		\$ -	
		\$ -	
5-3		\$ -	
		\$ -	
Total Investments			\$ -
Total Cash and Investments			\$ -

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, **MUST** explain: Yes No

Complete the following capital & right-to-use assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased & SBITA Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Part 6 - Please use this space to provide any explanations/comments or attach documentation, if needed:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firefighters' pension plan? Yes No
- 7-2 Does the entity have a volunteer firefighters' pension plan? Yes No

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? \$ -

Part 7 - Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? If no, **MUST** explain: Yes No N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, **MUST** explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 45,000

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, **MUST** explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

10-1 Is this application for a newly formed governmental entity?

10-1

If yes: Date of formation:

10-2 Has the entity changed its name in the past or current year?

If yes: Please list the NEW name & PRIOR name:

10-3 Is the entity a metropolitan district?

Please indicate what services the entity provides:

10-4 Does the entity have an agreement with another government to provide services?

If yes: List the name of the other governmental entity and the services provided:

10-5 Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during

If yes: Date Filed:

10-6 Does the entity have a certified Mill Levy?

If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills

	-
--	---

General/Other mills

	-
--	---

Total mills

	-
--	---

	Yes	No	N/A
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10-7 **NEW 2023!** If the entity is a Title 32 Special District formed on or after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 [Section 32-1-207 C.R.S.]? If NO, please explain.

Please use this space to provide any additional explanations or comments not previously included:

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure



Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below.		A <u>MAJORITY</u> of the members of the governing body must sign below.
Board Member 1	Print Board Member's Name Peter Niederman	I <u>Peter Niederman</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2025</u>
Board Member 2	Print Board Member's Name Julia Gamec	I <u>Julia Gamec</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  _____ Date: <u>Mar 25, 2024</u> My term Expires: <u>May 2025</u>
Board Member 3	Print Board Member's Name Daniel Conway	I <u>Daniel Conway</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  _____ Date: <u>Mar 24, 2024</u> My term Expires: <u>May 2027</u>
Board Member 4	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

Kings Point South 2 2023

Interim Agreement Report










2024-03-25


Created:	2024-03-24
By:	Diane Wheeler (diane@simmonswheeler.com)
Status:	Out for Signature
Transaction ID:	CBJCHBCAABAACeMtKI_a-AP85jIL-FMsAK53cvlc_Pe2

Agreement History

Agreement history is the list of the events that have impacted the status of the agreement prior to the final signature. A final audit report will be generated when the agreement is complete.

"Kings Point South 2 2023" History

-  Document created by Diane Wheeler (diane@simmonswheeler.com)
2024-03-24 - 11:32:15 PM GMT
-  Document emailed to Diane Wheeler (diane@simmonswheeler.com) for signature
2024-03-24 - 11:33:19 PM GMT
-  Document emailed to peter@denver.com for signature
2024-03-24 - 11:33:19 PM GMT
-  Document emailed to Julie Gamec (jgamec@thkassoc.com) for signature
2024-03-24 - 11:33:19 PM GMT
-  Document emailed to dconway@thkassoc.com for signature
2024-03-24 - 11:33:19 PM GMT
-  Document e-signed by Diane Wheeler (diane@simmonswheeler.com)
Signature Date: 2024-03-24 - 11:33:27 PM GMT - Time Source: server
-  Email viewed by dconway@thkassoc.com
2024-03-25 - 1:38:04 AM GMT
-  Signer dconway@thkassoc.com entered name at signing as DAN CONWAY
2024-03-25 - 1:39:39 AM GMT
-  Document e-signed by DAN CONWAY (dconway@thkassoc.com)
Signature Date: 2024-03-25 - 1:39:41 AM GMT - Time Source: server

 Email viewed by peter@denver.com

2024-03-25 - 4:47:23 AM GMT

 Email viewed by Julie Gamec (jgamec@thkassoc.com)

2024-03-25 - 1:49:25 PM GMT

 Document e-signed by Julie Gamec (jgamec@thkassoc.com)

Signature Date: 2024-03-25 - 1:50:16 PM GMT - Time Source: server