

**ANNUAL INFORMATION REPORT**  
**for the year 2023**  
**PEAK METROPOLITAN DISTRICT NO. 2**

As required by Section 32-1-207(3)(c), C.R.S. and Section VII of the Consolidated Service Plan for Peak Metropolitan District Nos. 1, 2 and 3 (hereinafter referred to as “**District No. 1**”, the “**District**”, “**District No. 3**” and collectively the “**Districts**”), approved by the City of Colorado Springs (the “**City**”) on August 28, 2018, and as amended from time to time (the “**Service Plan**”), the following report of activities for the District from January 1, 2023 to December 31, 2023 is hereby submitted.

- (1) **Boundary changes made or proposed to the District’s boundary as of December 31 of the prior year.** No inclusions or exclusions of property were effectuated during the reporting period, however, a Second Amended Order for Inclusion *Nunc Pro Tunc* to October 5, 2022, was recorded at Reception No. 223000130 of the El Paso County Real Property Records on January 3, 2023.
- (2) **Intergovernmental Agreements with other governmental entities either entered into, proposed or terminated as of December 31 of the prior year.** The District did not enter into any intergovernmental agreements during 2023.
- (3) **Access information to obtain a copy of the District’s rules and regulations, if any, as of December 31 of the prior year.** The District does not currently have any rules and regulations and there were none proposed during 2023. The Districts’ website address is:  
<https://peakmetropolitandistricts.specialdistrict.net/>
- (4) **A summary of any litigation which involved the District Public Improvements as of December 31 of the prior year.** None.
- (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 District that have been dedicated to and accepted by the City as of December 31 of the prior year.** No facilities and improvements were constructed by the District and dedicated to and accepted by the City as of December 31, 2023.
- (7) **The final assessed valuation of the District for the current year.** A copy of the 2023 Certification of Assessed Valuation for El Paso County 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 B**. It is not anticipated that the District will construct any Public Improvements during 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.** A Request for Extension of Time to File Audit for Year End December 31, 2023 has been filed with the State Auditor. A copy of the District's 2023 Audit will be provided upon its availability.
- (10) **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.** None.
- (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.** None.
- (12) **Copies of any Certifications of an External Financial Advisor provided as required by the Privately Placed Debt Limitation provision.** Not Applicable.

**Exhibit A**  
**Certification of Assessed Valuation**



**Mark Flutter**  
El Paso County Assessor

1675 West Garden of the Gods Rd, Suite 2300  
8:00AM-5:00PM Monday - Friday  
(719)520-6600 Fax:(719)520-6635

PEAK METRO DISTRICT #2  
MCGEADY BECHER PC ATTN: MEGAN BECHER  
450 E 17TH AVE #400  
DENVER CO 80203

December 21, 2023

**RE: 2023 FINAL CERTIFICATION OF VALUE**

The final taxable assessed value for the tax boundary is \$132,012,960.

Included in this mailing is the Division of Local Government's DLG-57 form which should be used in the calculation of your mill levy. Below is an accounting of the district's value by property use classification and tax area code.

**Authority Value by State Abstract Classification**

Classification	Actual Value	Assessed Value
Residential	\$0	\$0
Commercial	\$473,013,651	\$131,937,340
Industrial	\$0	\$0
Agricultural	\$0	\$0
Vacant Land	\$207,748	\$57,960
Natural Resources	\$0	\$0
Producing Mines	\$0	\$0
Oil and Gas	\$0	\$0
State Assessed	\$63,300	\$17,660
<b>Sub Total (Taxable)</b>	<b>\$473,164,699</b>	<b>\$132,012,960</b>
Exempt	\$86,901,841	\$24,245,590
<b>Grand Total</b>	<b>\$560,066,540</b>	<b>\$156,258,550</b>

**Authority Value by Tax Area**

Tax Area	Actual Value	Assessed Value
DAB	\$413,345,549	\$115,323,400
DAE	\$135,861,328	\$16,375,230
DJT	\$5,933,220	\$34,230
FFR	\$993,821	\$0
FFS	\$2,928,726	\$0
PPL_383	\$940,596	\$262,440
SA_383	\$63,300	\$17,660
<b>Taxable Total</b>	<b>\$560,066,540</b>	<b>\$132,012,960</b>

**Certification of Levies must be submitted by 5:00pm January 10, 2024.**

Mail Address: El Paso County Assessor's Office  
Attn: Roger Clark  
1675 West Garden of the Gods Rd., Ste 2300  
Colorado Springs, CO 80907

Email Address: rogerclark@elpasoco.com  
FAX: (719) 520-6635

# CERTIFICATION OF VALUATION BY EL PASO COUNTY ASSESSOR

Name of Jurisdiction: **383 - PEAK METRO DISTRICT #2**

IN EL PASO COUNTY ON 12/22/2023

New Entity: No

## USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023 IN EL PASO COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$114,731,550
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$132,012,960
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$132,012,960
5. NEW CONSTRUCTION: **	\$10,971,590
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND ( 29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$59,908.80
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

## USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023 IN EL PASO COUNTY, COLORADO ON AUGUST 25, 2023

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$337,073,157
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$39,324,689
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$221,110
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$25,822,767
(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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**NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2023**

IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	\$0
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\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

**Exhibit B**  
**Budget**

**PEAK METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**PEAK METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 31,718	\$ 240,427	\$ 638,982
REVENUES			
Property taxes	443,003	975,900	1,097,952
Specific ownership taxes	46,062	91,785	109,795
PILOT revenue	-	1,265	10,315
Interest income	4,675	20,000	7,005
Total revenues	<u>493,740</u>	<u>1,088,950</u>	<u>1,225,067</u>
Total funds available	<u>525,458</u>	<u>1,329,377</u>	<u>1,864,049</u>
EXPENDITURES			
General and administrative			
Accounting	8,424	29,000	30,800
Auditing	-	-	6,500
County Treasurer's fee	6,645	14,638	16,469
Dues and membership	387	1,030	1,500
Insurance	3,398	3,831	4,500
District management	-	7,500	12,000
Legal	28,103	42,000	55,000
Miscellaneous	80	-	1,500
Election	-	420	-
Contingency	-	-	58,875
Transfers to PMD1	-	-	83,000
Transfers to PMD3	-	-	129,856
Operations and maintenance			
Repairs and maintenance	16,249	240,000	-
Engineering	-	10,210	10,000
Landscaping	106,645	67,000	100,000
Landscape repairs	-	25,000	25,000
Detention Ponds	-	26,441	25,000
Snow removal	14,176	20,000	60,000
Utilities	96,644	116	-
Irrigation maintenance	4,280	10,000	15,000
Water	-	188,209	150,000
Electricity	-	5,000	5,000
Total expenditures	<u>285,031</u>	<u>690,395</u>	<u>790,000</u>
Total expenditures and transfers out requiring appropriation	<u>285,031</u>	<u>690,395</u>	<u>790,000</u>
ENDING FUND BALANCES	<u>\$ 240,427</u>	<u>\$ 638,982</u>	<u>\$ 1,074,049</u>
EMERGENCY RESERVE	\$ 14,900	\$ 32,700	\$ 36,800
AVAILABLE FOR OPERATIONS	<u>225,527</u>	<u>1,041,349</u>	<u>1,037,249</u>
TOTAL RESERVE	<u>\$ 240,427</u>	<u>\$ 1,074,049</u>	<u>\$ 1,074,049</u>

No assurance provided. See summary of significant assumptions.



**PEAK METROPOLITAN DISTRICT NO. 2  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
<b>ASSESSED VALUATION</b>			
Commercial	\$ 55,359,650	\$ 114,715,410	\$ 131,937,340
State assessed	15,540	-	17,660
Vacant land	150	16,140	57,960
	55,375,340	114,731,550	132,012,960
Certified Assessed Value	\$ 55,375,340	\$ 114,731,550	\$ 132,012,960
 <b>MILL LEVY</b>			
General	8.000	8.000	8.317
Total mill levy	8.000	8.000	8.317
 <b>PROPERTY TAXES</b>			
General	\$ 443,003	\$ 917,852	\$ 1,097,952
Refund and abatements	-	58,048	-
Levied property taxes	443,003	975,900	1,097,952
Budgeted property taxes	\$ 443,003	\$ 975,900	\$ 1,097,952
 <b>BUDGETED PROPERTY TAXES</b>			
General	\$ 443,003	\$ 975,900	\$ 1,097,952

**PEAK METROPOLITAN DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Peak Metropolitan District No. 2 (the "District"), a quasi-municipal corporation was organized by court order on January 23, 2019, recorded on January 25, 2019, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located entirely within the City of Colorado Springs (the "City"), El Paso County Colorado. The District was organized in conjunction with two other related districts, Peak Metropolitan District No. 1, and Peak Metropolitan District No. 3. In accordance with its Consolidated Service Plan, as may be amended from time to time, the District was organized to plan for, design, acquire, construct, install, relocate, redevelop, and finance public improvements.

At an election held on November 6, 2018, the voters approved general obligation indebtedness of \$200,000,000 for street improvements, \$200,000,000 for potable and non-potable water supply, \$200,000,000 for sanitary sewage collection and transmission system, \$200,000,000 for a system of traffic and safety controls and devices, \$200,000,000 for parks and recreation facilities, \$200,000,000 for mosquito control, \$200,000,000 for television relay and translation systems, \$200,000,000 for public transportation system, \$200,000,000 for security services, \$200,000,000 for fire protection, and \$200,000,000 for refinancing debt of the District. The election also approved an annual increase in taxes of \$200,000,000 for general operations and maintenance.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

The District has no employees, and all administrative functions are contracted.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District. Mill levies for debt are capped at 50 mills for commercial districts. Operating and maintenance is capped at 10 mills for overlapping districts. The total cap is 60 mills, the method of calculating assessed valuation may cause adjustments in the mill levies.

**PEAK METROPOLITAN DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes (Continued)**

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 10.00% of the property taxes collected.

**Developer Advance**

The Districts are in the development stage. As such, a significant portion of the administrative and operating expenditures are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the Districts are financially able to reimburse the Developer from bond proceeds and other legally available revenue.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

**Expenditures**

**Administrative and Operations and Maintenance Expenditures**

Administrative and operations and maintenance expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses. Operations and maintenance include landscaping, snow removal, and utilities.

**PEAK METROPOLITAN DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

The District has no outstanding debt, nor operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3.00% of fiscal year spending for 2024, as defined under TABOR.

**This information is an integral part of the accompanying budget.**