

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
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<https://serenityridgemd1-2.colorado.gov>

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Fernando Dias	President	2027/May 2027
Christopher Parkins	Treasurer	2025/May 2025
Herbert Green	Assistant Secretary	2025/May 2025
Wiktoria K. Pisarek Green	Assistant Secretary	2025/May 2025
Jennifer Elsea	Assistant Secretary	2027/May 2027
David Solin	Recording Secretary	

DATE: Wednesday, March 13, 2024

TIME: 10:00 A.M.

PLACE: Zoom Meeting

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Phone Number: 1 (719) 359-4580

Meeting ID: 546 911 9353

Passcode: 912873

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Confirm quorum, approve Agenda, confirm location of meeting and posting of notice and designate 24-hour posting location.

C. Consider approval of the Minutes from the December 7, 2023 Special Meeting and the December 7, 2023 Statutory Annual Meeting (enclosures).

D. Discuss Cyber Security and Increased Crime Coverage.

II. PUBLIC COMMENT

A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes.

III. FINANCIAL MATTERS

- A. Review and ratify approval of the payment of claims for the periods ending as follows (enclosures):

	Period Ending Dec. 31, 2023	Period Ending Jan. 31, 2024	Period Ending Feb. 29, 2024	Special Payment Aurora Water
General Fund	\$ 16,087.47	\$ 24,178.13	\$ 20,323.31	\$ 10,387.84
Debt Service Fund	\$ 800.00	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 16,887.47	\$ 24,178.13	\$ 20,323.31	\$ 10,387.84

- B. Review and accept December 31, 2023 Unaudited Financial Statements and Schedule of Cash Position as of December 31, 2023 (enclosures).

- C. Conduct Public Hearing to consider amendment of the 2022 Budget. Consider adoption of a Resolution to Amend the 2022 Budget (enclosure).

- D. Discuss status of 2022 Audit.

- E. Consider approval of Engagement Letter by and between the District and Scott C. Wright CPA for preparation of the 2023 audit, in the amount of \$6,500 (enclosure).

- F. Discuss and authorize opening of a New Bank Account.

IV. OPERATIONS & MAINTENANCE MATTERS/ CAPITAL PROJECT MATTERS

- A. Discuss 2024 Maintenance priorities.

1. Update regarding slide at community park.

2. Discuss playground base refresh for community park.

3. Discuss sidewalk low point landscape and sump options at community park.

V. LEGAL MATTERS

- A. Update regarding matters related to dissolution of Serenity Ridge Metropolitan District No. 1 (“District No. 1”).
1. Review and consider approval of Omnibus Assignment and Assumption Agreement between District No. 1 and the District (enclosure).

 2. Review and consider acceptance of Bargain and Sale Deed from District No. 1 to the District (Tracts A through G, inclusive, Serenity Ridge Subdivision Filing No. 1 and Tract A, Block 1, Serenity Ridge Subdivision Filing No. 4) (enclosure).

 3. Review and consider acceptance of Assignment and Bill of Sale from District No. 1 to the District (enclosure).

 4. Authorize any additional actions necessary to facilitate the proposed dissolution of District No. 1.

VI. OTHER BUSINESS

- A. Discuss District and Serenity Ridge Owners Association relations.

VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 6, 2024.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SERENITY RIDGE METROPOLITAN DISTRICT NO. 2 HELD DECEMBER 7, 2023

A special meeting of the Board of Directors (referred to hereafter as “Board”) of the Serenity Ridge Metropolitan District No. 2 (referred to hereafter as the “District”) was duly held on Thursday, the 7th day of December, 2023, at 10:00 a.m. via video / telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Fernando Dias
Christopher Parkins
Herbert Green
Wiktorja K. Pisarek Green
Jennifer Elsea (for a portion of the meeting)

Also In Attendance Were:

David Solin; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest regarding any matters scheduled for discussion at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams reported that a disclosure of potential conflicts of interest was filed with the Secretary of State for Director Dias, and no additional conflicts were disclosed at the meeting.

Agenda: Mr. Solin reviewed the proposed agenda for the special meeting with the Board.

Following discussion, upon motion duly made by Director Dias, seconded by Director H. Green and, upon vote unanimously carried, the Board approved the agenda as presented.

Meeting Location and Posting of Notice: The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the Board meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Dias, seconded by Director H. Green and, upon vote unanimously carried, the Board determined to conduct the District's meeting via video / telephone conference. The Board further noted that notice of the time, date and conference information was duly posted and that they had not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the District's boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Dias, seconded by Director H. Green, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted on the District website at least 24-hours prior to each meeting, or if the website is unavailable at the following location: on the South side of Arapahoe Road, between Smoky Hill Road and Powhatan Road.

Minutes: The Board reviewed the Minutes of the September 1, 2023 Special Meeting.

Following discussion, upon motion duly made by Director Dias, seconded by Director H. Green and, upon vote unanimously carried, the Board approved the Minutes of the September 1, 2023 Special Meeting, as presented.

Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: Mr. Solin reviewed the business to be conducted in 2024 to meet statutory compliance requirements. The Board determined to hold regular meetings in 2024 at 10:00 a.m. on June 6, and December 5, 2024 via video / telephone conference.

Following discussion, upon motion duly made by Director Dias, seconded by Director H. Green and, upon vote, unanimously carried, the Board adopted the Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

§32-1-809, C.R.S. Requirements and Compliance for 2024: The Board discussed §32-1-809, C.R.S. requirements and directed staff regarding compliance for 2024 (post the Transparency Notice on the Special District Association ("SDA") and District website).

Insurance Matters:

Cyber Security and Increased Crime Coverage: The Board deferred consideration of this matter.

Insurance Committee: The Board discussed establishing an insurance committee to make final determinations regarding insurance matters.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director H. Green, seconded by Director Elsea and, upon vote unanimously carried, the Board established an insurance committee, consisting of Directors H. Green and Elsea, to make final determinations regarding insurance.

Renewal of Insurance and SDA Membership: The Board discussed the renewal of the District's insurance and SDA membership for 2024. The Board noted the insurance committee will work with Mr. Solin to add all assets to the property schedule, as appropriate.

PUBLIC COMMENT There were no public comments.

FINANCIAL MATTERS

Payment of Claims: Mr. Solin reviewed the following claims with the Board:

	Period Ending Aug. 31, 2023	Period Ending Sept. 30, 2023	Period Ending Oct. 31, 2023	Period Ending Nov. 30, 2023
General Fund	\$ 20,439.17	\$ 16,517.94	\$ 28,519.14	\$ 10,387.84
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 20,439.17	\$ 16,517.94	\$ 28,519.14	\$ 10,387.84

Following discussion, upon a motion duly made by Director H. Green, seconded by Director Dias and, upon vote unanimously carried, the Board approved the payment of claims as shown.

Unaudited Financial Statements and Schedule of Cash Position: Mr. Solin reviewed the Unaudited Financial Statements and Schedule of Cash Position for the period ending September 30, 2023 with the Board.

Following discussion, upon motion duly made by Director Dias, seconded by Director W. Green and, upon vote unanimously carried, the Board accepted the Unaudited Financial Statements and Schedule of Cash Position for the period ending September 30, 2023.

2022 Audit: Mr. Solin provided the Board with an update on the status of the 2022 Audit filing.

Preparation of 2023 Audit: The Board deferred consideration of this matter, pending receipt of an engagement letter for Board consideration.

2023 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2023 Budget and discuss related issues.

RECORD OF PROCEEDINGS

It was noted that publication of a Notice stating that the Board would consider adoption of a Resolution to Amend the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to, or at, this public hearing. No public comments were received and the President closed the public hearing.

Following review and discussion, upon a motion duly made by Director Dias, seconded by Director Parkins and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2023 Budget.

2024 Budget Hearing: The President opened the public hearing to consider the proposed 2024 Budget and discuss related issues.

It was noted that publication of a Notice stating that the Board would consider adoption of the 2024 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to, or at, this public hearing. No public comments were received, and the President closed the public hearing.

Mr. Solin reviewed the estimated 2023 expenditures and the proposed 2024 revenues and expenditures with the Board.

Following discussion, upon motion duly made by Director Dias, seconded by Director Parkins and, upon vote unanimously carried, the Board approved the 2024 Budget and adopted the Resolution to Adopt the 2024 Budget and Appropriate Sums of Money and the Resolution to Set Mill Levies (General Fund at 3.913 mills, minus a temporary credit of 0.048 mills and the Debt Service Fund at 39.972 mills for a total of 43.837 mills), subject to adjustment as necessary per final legislative action, and authorized execution of the Certification of Budget. Mr. Solin was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Arapahoe County not later than January 10, 2024. Mr. Solin was further directed to transmit the Certification of Budget to the Division of Local Government not later than January 31, 2024.

DLG-70 Certification of Tax Levies Form (“Certification”): The Board discussed the preparation and filing of the Certification.

Following discussion, upon motion duly made by Director Dias, seconded by Director Parkins and, upon vote unanimously carried, the Board authorized the District Accountant to prepare and sign the Certification, and directed the District Accountant to file the Certification with the Board of County Commissioners and other interested parties.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: Following discussion, upon motion duly made by Director Dias,

RECORD OF PROCEEDINGS

seconded by Director Parkins and, upon vote unanimously carried, the Board adopted the Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the Service Plan, if determined necessary pursuant to final numbers. It was subsequently determined that the Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the Service Plan was not needed.

2025 Budget Preparation: The Board discussed the preparation of the 2025 Budget.

Following discussion, upon motion duly made by Director Dias, seconded by Director Parkins and, upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget.

OPERATION AND MAINTENANCE MATTERS/ CAPITAL PROJECT MATTERS

Slide at the Community Park: The Board discussed a proposal for replacement of the slide at the community park. The Board directed the District Manager to cancel the order for the new slide (if possible), and to remove the damaged slide.

Playground Base Refresh for Community Park: The Board deferred this matter.

Sidewalk Low Point Landscape and Sump Options at Community Park: The Board deferred this matter.

2023 Landscape Maintenance Agreement with Designscares Colorado, Inc.: The Board reviewed a 2023 Landscape Maintenance Agreement with Designscares Colorado, Inc.

Following discussion, upon motion duly made by Director H. Green, seconded by Director Dias and, upon vote unanimously carried, the Board ratified approval of the 2023 Landscape Maintenance Agreement with Designscares Colorado, Inc.

2024 Landscape Maintenance Services: The Board discussed proposals for the 2024 landscape maintenance services, including snow removal. Following discussion, upon motion duly made by Director H. Green, seconded by Director Dias and, upon vote unanimously carried, the Board authorized preparation of a Service Agreement for 2024 Landscape Maintenance Services, including authorization of snow removal at a two inch depth.

LEGAL MATTERS

Resolution Amending Policy on Colorado Open Records Act Requests: Attorney Williams presented the Resolution Amending Policy on Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director H. Green, seconded by Director Dias and, upon vote unanimously carried, the Board adopted the Resolution Amending Policy on Colorado Open Records Act Requests.

RECORD OF PROCEEDINGS

Transfer of Property Owned by Serenity Ridge Metropolitan District No. 1 (“District No. 1”) to the District: The Board discussed accepting the transfer of all property owned by District No. 1 to the District.

Following discussion, upon motion duly made by Director H. Green, seconded by Director Dias and, upon vote unanimously carried, the Board approved the transfer of all property owned by District No. 1 to the District.

OTHER BUSINESS

There was no other business to discuss.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director H. Green, seconded by Director Dias and, upon vote unanimously carried, the meeting was adjourned at 11:25 am.

Respectfully submitted,

By _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

**MINUTES OF THE STATUTORY ANNUAL MEETING OF
THE BOARD OF DIRECTORS OF THE
SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
(THE “DISTRICT”)
HELD
DECEMBER 7, 2023**

Pursuant to Section 32-1-903(6), C.R.S., a statutory annual meeting of the Board of Directors of the District (referred to hereafter as the “Board”) was convened on December 7, 2023, at 9:45 a.m., via video / telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Fernando Dias
Christopher Parkins
Herbert Green
Wiktoría K. Pisarek Green
Jennifer Elsea

Also In Attendance Were:

David Solin; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

ANNUAL MEETING ITEMS

Confirmation of Posting of Annual Meeting Notice: It was noted for the record that notice of the time, date and location of the annual meeting was duly posted on the District’s website and that no objections to the means of hosting the meeting by taxpaying electors within the District’s boundaries have been received.

Presentation Regarding the Status of the Public Infrastructure Projects Within the District and Outstanding Bonds: The District consultants were available to present information regarding the status of public infrastructure projects within the District, including the status of outstanding bonds. There was no public in attendance, and as such, no presentation on this topic was deemed necessary.

Unaudited Financial Statements, Including Year-to-Date Revenue and Expenditures of the District in Relation to its Adopted Budget, for the Calendar Year: The District Manager presented the District’s Unaudited Financial Statements, including year-to-date revenue and expenditures of the District in relation to the District’s adopted budget, for the calendar year.

RECORD OF PROCEEDINGS

Public Questions: There were no public questions.

ADJOURNMENT

There being no further business to come before the Board at this time, the annual meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Annual Meeting

Serenity Ridge Metropolitan District No.1

December-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Aurora Media Group	106881	11/27/2023	12/12/2023	\$ 125.55	Miscellaneous	1685
CAN Surety	15253602	2/5/2024	2/5/2024	\$ 255.00	Bonds	1670
CAN Surety	15253598	2/5/2024	2/5/2024	\$ 255.00	Bonds	1670
Designscapes	5321878	11/1/2023	12/1/2023	\$ 2,199.00	Detention Pond Mtce	1695
Keesen Landscape	CEN 235304	12/1/2023	12/31/2023	\$ 3,654.00	Landscape Maintenance	1698
McGeady Becher P.C.	1017W 10.2023	10/31/2023	10/31/2023	\$ 2,752.24	Legal	1675
McGeady Becher P.C.	1017W 11.2023	11/30/2023	11/30/2023	\$ 3,911.98	Legal	1675
Special Dist Management Srvs	D1 11.2023	11/30/2023	11/30/2023	\$ 588.90	Management	1680
Special Dist Management Srvs	D1 11.2023	11/30/2023	11/30/2023	\$ 448.00	Accounting	1612
Special Dist Management Srvs	D1 11.2023	11/30/2023	11/30/2023	\$ 29.80	Miscellaneous	1685
Special Dist Management Srvs	D2 11.2023	11/30/2023	11/30/2023	\$ 1,316.20	Management	1680
Special Dist Management Srvs	D2 11.2023	11/30/2023	11/30/2023	\$ 455.00	Accounting	1612
Special Dist Management Srvs	D2 11.2023	11/30/2023	11/30/2023	\$ 96.00	Election	1635
Special Dist Management Srvs	D2 11.2023	11/30/2023	11/30/2023	\$ 0.80	Miscellaneous	1685
UMB Bank, N.A.	961245	11/8/2023	11/8/2023	\$ 400.00	Paying Agent Fees	2668
UMB Bank, N.A.	961246	11/8/2023	11/8/2023	\$ 400.00	Paying Agent Fees	2668
				\$ 16,887.47		

Serenity Ridge Metropolitan District No.1
December-23

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 16,087.47	\$ 800.00		\$ 16,887.47
		\$ -		
Total Disbursements from Checking Acct	\$16,087.47	\$800.00	\$0.00	\$16,887.47

Serenity Ridge Metropolitan District No.2

January-24

Vendor	Invoice #	Date	Due Date	Amount in U:	Expense Account	Account Number
Aurora Media Group	104993	12/18/2023	1/2/2024	\$ 50.30	Miscellaneous	1685
Aurora Media Group	104992	12/18/2023	1/2/2024	\$ 49.45	Miscellaneous	1685
Keesen Landscape	CEN 237187	1/1/2024	1/31/2024	\$ 3,654.00	Landscape Maintenance	1698
Keesen Landscape	CEN 236461	12/13/2023	1/12/2024	\$ 750.00	Landscape Maintenance	1698
Keesen Landscape	CEN 237327	12/26/2023	1/25/2024	\$ 520.00	Landscape Maintenance	1698
McGeady Becher P.C.	1017W 12.2023	12/31/2023	12/31/2023	\$ 9,001.62	Legal	1675
Scott C. Wright	12.26.2023	12/26/2023	12/26/2023	\$ 6,300.00	Audit	1615
Special Dist Management Srvs	D1 12.2023	12/31/2023	12/31/2023	\$ 1,151.80	Management	1680
Special Dist Management Srvs	D1 12.2023	12/31/2023	12/31/2023	\$ 368.00	Accounting	1612
Special Dist Management Srvs	D2 12.2023	12/31/2023	12/31/2023	\$ 1,555.40	Management	1680
Special Dist Management Srvs	D2 12.2023	12/31/2023	12/31/2023	\$ 716.00	Accounting	1612
Special Dist Management Srvs	D2 12.2023	12/31/2023	12/31/2023	\$ 16.00	Election	1635
Special Dist Management Srvs	D2 12.2023	12/31/2023	12/31/2023	\$ 45.56	Miscellaneous	1685
				\$ 24,178.13		

Serenity Ridge Metropolitan District No.2
January-24

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 24,178.13	\$ -		\$ 24,178.13
Total Disbursements from Checking Acct	\$24,178.13	\$0.00	\$0.00	\$24,178.13

Serenity Ridge Metropolitan District No.2
February-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Ac	Account Number
Keesen Landscape	CEN 240814	2/10/2024	3/11/2024	\$ 1,040.00	Landscape	1698
Keesen Landscape	CEN 239908	2/3/2024	3/4/2024	\$ 1,320.00	Landscape	1698
Keesen Landscape	CEN 239727	2/1/2024	3/2/2024	\$ 3,654.00	Landscape	1698
Keesen Landscape	CEN 237823	1/8/2024	2/7/2024	\$ 875.00	Landscape	1698
McGeady Becher P.C.	1017W 1.2024	1/31/2024	1/31/2024	\$ 5,682.08	Legal	1675
Special District Management Services	D2 1.2024	1/31/2024	1/31/2024	\$ 2,124.80	Managemen	1680
Special District Management Services	D2 1.2024	1/31/2024	1/31/2024	\$ 3,719.30	Accounting	1612
Special District Management Services	D2 1.2024	1/31/2024	1/31/2024	\$ 122.18	Miscellane	1685
Special District Management Services	D1 1.2024	1/31/2024	1/31/2024	\$ 712.20	Managemen	1680
Special District Management Services	D1 1.2024	1/31/2024	1/31/2024	\$ 84.50	Accounting	1612
Xcel Energy	864131332	2/7/2024	2/7/2024	\$ 989.25	Utilities	1790
				\$ 20,323.31		

Serenity Ridge Metropolitan District No.2
February-24

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 20,323.31			\$ 20,323.31
		\$ -		
Total Disbursements from Checking Acct	\$20,323.31	\$0.00	\$0.00	\$20,323.31

Serenity Ridge Metropolitan District No.2

February-24

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
City of Aurora	A045839 2.2024	2/8/2024	2/28/2024	2257.51	Utilities	1790
City of Aurora	A045845 2.2024	2/8/2024	2/28/2024	43.77	Utilities	1790
City of Aurora	A045845 FINAL 2.2024	2/9/2024	2/29/2024	4.38	Utilities	1790
City of Aurora	A045840 2.2024	2/8/2024	2/28/2024	975.33	Utilities	1790
City of Aurora	A045841 2.2024	2/8/2024	2/28/2024	1907.54	Utilities	1790
City of Aurora	A045844 2.2024	2/8/2024	2/28/2024	1781.73	Utilities	1790
City of Aurora	A045842 2.2024	2/8/2024	2/28/2024	1378.53	Utilities	1790
City of Aurora	A045843 2.2024	2/8/2024	2/28/2024	43.77	Utilities	1790
City of Aurora	A045839 FINAL 2.2024	2/9/2024	2/29/2024	4.38	Utilities	1790
				8396.94		

Serenity Ridge Metropolitan District No.2
February-24

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements /AURORA WATER	\$ 8,396.94			\$ 8,396.94
		\$ -		
Total Disbursements from Checking Acct	\$8,396.94	\$0.00	\$0.00	\$8,396.94

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
Schedule of Cash Position
December 31, 2023

	Rate	Operating	Debt Service	Total
Investments:				
Cash in Bank-ColoTrust	5.5660%	\$ 400,732.80	\$ 357,308.11	\$ 758,040.91
TOTAL FUNDS:		\$ 400,732.80	\$ 357,308.11	\$ 758,040.91

2023 Mill Levy Information

General Fund	4.549
Debt Service Fund	42.044
Refunds and Abatements	0.369
Total Certified Mill Levy	46.962

Board of Directors

*

Herbert Green
Wiktorja K. Pisarek Green
Fernando Dias
Jennifer Elsea

* authorized signer on the checking account

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

FINANCIAL STATEMENTS

December 31, 2023

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 2023

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>FIXED ASSETS</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL</u>
Assets					
Cash in Bank-ColoTrust	\$ 400,733	\$ 357,308	\$ -	\$ -	\$ 758,041
Cash with County Treasurer	2,175	18,593	-	-	20,768
Property Taxes Receivable	125,939	1,302,463	-	-	1,428,402
Receivable District No. 1	37,100	1,108	-	-	38,208
Total Current Assets	<u>565,947</u>	<u>1,679,472</u>	<u>-</u>	<u>-</u>	<u>2,245,419</u>
Other Debits					
Amount in Debt Service Fund	-	-	-	377,009	377,009
Amount to be Provided for Debt	-	-	-	16,107,991	16,107,991
Total Other Debits	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,485,000</u>	<u>16,485,000</u>
Capital Assets					
Construction in Progress	-	-	7,137,939	-	7,137,939
Total Capital Assets	<u>-</u>	<u>-</u>	<u>7,137,939</u>	<u>-</u>	<u>7,137,939</u>
Total Assets	<u>\$ 565,947</u>	<u>\$ 1,679,472</u>	<u>\$ 7,137,939</u>	<u>\$ 16,485,000</u>	<u>\$ 25,868,358</u>
Liabilities					
Accounts Payable	\$ 24,178	\$ -	\$ -	\$ -	\$ 24,178
2018A Refunding and Imp Bonds	-	-	-	-	-
2021A-1 Refunding Loan	-	-	-	15,480,000	15,480,000
2021A-2 Refunding Loan	-	-	-	1,005,000	1,005,000
Total Liabilities	<u>24,178</u>	<u>-</u>	<u>-</u>	<u>16,485,000</u>	<u>16,509,178</u>
Deferred Inflows of Resources					
Deferred Property Taxes	125,939	1,302,463	-	-	1,428,402
Total Deferred Inflows of Resources	<u>125,939</u>	<u>1,302,463</u>	<u>-</u>	<u>-</u>	<u>1,428,402</u>
Fund Balance					
Investment in Fixed Assets	-	-	7,137,939	-	7,137,939
Fund Balance	416,024	204,659	-	-	620,683
Current Year Earnings	(194)	172,350	-	-	172,155
Total Fund Balances	<u>415,830</u>	<u>377,009</u>	<u>-</u>	<u>-</u>	<u>7,930,778</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 565,947</u>	<u>\$ 1,679,472</u>	<u>\$ 7,137,939</u>	<u>\$ 16,485,000</u>	<u>\$ 25,868,358</u>

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 12 Months Ending
December 31, 2023
General Fund

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property Tax Revenue	\$ 87	\$ 138,204	\$ 138,205	\$ (1)	100.0%
Specific Ownership Taxes	2,900	9,273	10,000	(727)	92.7%
Interest Income	5,438	23,333	9,000	14,333	259.3%
Total Revenues	<u>8,425</u>	<u>170,811</u>	<u>157,205</u>	<u>13,606</u>	<u>108.7%</u>
Expenditures					
Accounting	1,084	1,084	-	(1,084)	0.0%
Audit	6,300	6,300	-	(6,300)	0.0%
Election	16	16	-	(16)	0.0%
Legal	9,002	9,002	-	(9,002)	0.0%
Management	2,707	2,707	-	(2,707)	0.0%
Miscellaneous	145	145	-	(145)	-
Treasurer's Fees	1	2,077	2,073	(4)	100.2%
Landscape Maintenance	4,924	4,924	-	(4,924)	0.0%
Emergency Reserve	-	-	4,716	4,716	0.0%
Total Expenditures	<u>24,179</u>	<u>26,255</u>	<u>6,789</u>	<u>(19,466)</u>	<u>386.7%</u>
Excess (Deficiency) of Revenues Over Expenditures	(15,755)	144,556	150,416	(5,860)	
Other Financing Sources (Uses)					
Transfer to District No. 1	(50,000)	(144,750)	(90,000)	(54,750)	
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(144,750)</u>	<u>(90,000)</u>	<u>(54,750)</u>	
Change in Fund Balance	(65,755)	(194)	60,416	(60,610)	
Beginning Fund Balance	481,584	416,024	354,905	61,119	
Ending Fund Balance	<u>\$ 415,830</u>	<u>\$ 415,830</u>	<u>\$ 415,321</u>	<u>\$ 509</u>	

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 12 Months Ending
December 31, 2023
Debt Service Fund

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property Tax Revenue	\$ 747	\$ 1,181,510	\$ 1,181,510	\$ 0	100.0%
Specific Ownership Taxes	24,792	79,278	70,891	8,387	111.8%
Interest Income	11,031	37,500	9,000	28,500	416.7%
Total Revenues	<u>36,571</u>	<u>1,298,288</u>	<u>1,261,401</u>	<u>36,887</u>	<u>102.9%</u>
Expenditures					
Bond Principal	495,000	495,000	495,000	-	100.0%
Bond Interest	306,591	613,182	529,535	(83,647)	115.8%
Audit	-	-	6,500	6,500	0.0%
Paying Agent Fees	-	-	6,200	6,200	0.0%
Miscellaneous	-	-	2,500	2,500	0.0%
Treasurer's Fees	12	17,756	17,723	(33)	100.2%
Total Expenditures	<u>801,603</u>	<u>1,125,938</u>	<u>1,057,458</u>	<u>(68,480)</u>	<u>106.5%</u>
Excess (Deficiency) of Revenues Over Expenditures	(765,032)	172,350	203,943	(31,593)	
Beginning Fund Balance	1,142,041	204,659	181,943	22,716	
Ending Fund Balance	<u>\$ 377,009</u>	<u>\$ 377,009</u>	<u>\$ 385,886</u>	<u>\$ (8,877)</u>	

RESOLUTION NO. 2021 – 10 - 03
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
TO ADOPT THE 2022 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Serenity Ridge Metropolitan District No. 2 (“District”) has appointed the District Accountant to prepare and submit a proposed 2022 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2021, for its consideration; and

WHEREAS, 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 October 29, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, 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; and

WHEREAS, 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.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, 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, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Serenity Ridge Metropolitan District No. 2:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Serenity Ridge Metropolitan District No. 2 for the 2022 fiscal year.
2. That the budget, as 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. That 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.

ADOPTED this 29th day of October, 2021.

A handwritten signature in black ink, appearing to be 'D. R.', positioned above a horizontal line.

Secretary

EXHIBIT A
(Budget)

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

2022 Budget Message

Introduction

The Serenity Ridge Metropolitan District No. 2 (“District No. 2”) was formed in 2004 for the purpose of providing design, financing, acquisition, and construction of certain infrastructure including water improvements, street improvements, sanitary sewer improvements, park and recreation improvements and traffic and safety controls. When appropriate, these improvements have been dedicated to the City of Aurora, or such other entities as appropriate for the use and benefit of the District taxpayers and service users. Pursuant to an April, 2004 “Facilities Construction and Service Agreement with Serenity Ridge Metropolitan District No. 1 (“District No.1”), District No. 2 has been designated the “Taxing” District and District No. 1 the “Operating” District.

The 2022 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2022 fiscal year based on available revenues. This budget provides for the general operation of the District and debt service expenditures.

The District’s Service Plan authorizes an adjustment of the Maximum Debt Mill Levy in the event that the method of calculating assessed valuation is changed after January 1, 2004, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The adjustment to the Maximum Debt Mill Levy is determined by the Board so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. The Colorado General Assembly passed House Bill 17-1349 setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property taxes commencing on and after January 1, 2017, and House Bill 19-255 setting the ratio of valuation for assessment for real residential property at 7.15% (decreased from 7.2%), commencing on January 1, 2019 until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property. The Service Plan allows for a total mill levy imposition, as noted in the following paragraph, so the District’s revenue is neither diminished nor enhanced.

The District’s 2021 assessed value has increased to \$28,263,596 from \$26,225,660 the prior year. The District’s mill levy is 45.290 for taxes collected in 2022. Of the 45.290 mills, 40.868 mills are dedicated to the Debt Service Fund and 4.422 mills are dedicated to the General Fund.

Budgetary Basis of Accounting

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District’s funds are considered governmental funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the

District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

The **General Fund** is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government. District No. 2’s primary expenditure in 2022 is a transfer to District No. 1.

The **Debt Service Fund** is used to account for property taxes and other revenues dedicated to pay the fiscal year’s debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. On February 16, 2018, District No. 2 issued General Obligation (Limited Tax Convertible to Unlimited Tax) Refunding and Improvement Bonds, Series 2018A in the amount of \$14,655,000, and Subordinate General Obligation Limited Tax Bonds, Series 2018B in the amount of \$1,906,000. Below is a summary of the District’s long-term scheduled debt payments for the obligation:

Series 2018A and Series 2018B

Year	Principal	Interest	Total
2022	260,000	710,231	970,231
2023	270,000	698,531	968,531
2024-2028	1,740,000	3,286,557	5,026,557
2029-2033	2,465,000	2,805,681	5,270,681
2034-2038	3,465,000	2,076,650	5,541,650
2039-2043	5,935,000	1,063,950	6,998,950
	<u>\$14,135,000</u>	<u>\$10,641,594</u>	<u>\$24,776,594</u>

Emergency Reserve

As required by Section 20 of Article X of the Colorado Constitution (“TABOR”) the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenue in the General Fund.

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
Assessed Value, Property Tax and Mill Levy Information

	2020 Actual	2021 Adopted Budget	2022 Adopted Budget
Assessed Valuation	\$ 26,023,701	\$ 26,225,660	\$ 28,263,596
Mill Levy			
General Fund	7.659	7.659	4.422
Senior Debt Service Fund	43.341	43.341	40.868
Subordinated Debt Service Fund	-	-	-
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	2.170	-
Total Mill Levy	<u>51.000</u>	<u>53.170</u>	<u>45.290</u>
Property Taxes			
General Fund	\$ 199,316	\$ 200,862	\$ 124,982
Debt Service Fund	1,127,893	1,136,646	1,155,077
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	56,910	-
Actual/Budgeted Property Taxes	<u>\$ 1,327,209</u>	<u>\$ 1,394,418</u>	<u>\$ 1,280,059</u>

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

**GENERAL FUND
2022 Adopted Budget
with 2020 Actual, 2021 Budget, and 2021 Estimated**

	2020 Actual	2021 Adopted Budget	2021 Estimated	2022 Adopted Budget
BEGINNING FUND BALANCE	\$ 182,360	\$ 289,536	\$ 279,097	\$ 516,232
REVENUE				
Property Tax Revenue	190,560	200,862	257,703	124,982
Specific Ownership Taxes	14,124	10,000	13,000	10,000
Interest Income	1,114	150	300	150
Total Revenue	205,799	211,012	271,003	135,132
Total Funds Available	388,159	500,548	550,100	651,364
Expenditures				
Miscellaneous	-	-	-	-
Treasurer's Fees	2,862	3,013	3,868	1,875
Total Expenditures	2,862	3,013	3,868	1,875
Transfers and Other Uses				
Transfer to District No. 1	106,200	300,000	30,000	100,000
Emergency Reserve	-	6,330	-	4,054
Total Transfers and Other Uses	106,200	306,330	30,000	104,054
Total Expenditures Requiring Appropriation	109,062	309,343	33,868	105,929
ENDING FUND BALANCE	\$ 279,097	\$ 191,205	\$ 516,232	\$ 545,435

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

DEBT SERVICE FUND

2022 Adopted Budget

with 2020 Actual, 2021 Adopted Budget, and 2021 Estimated

	2020 Actual	2021 Adopted Budget	2021 Estimated	2022 Adopted Budget
BEGINNING FUND BALANCE	\$ 2,035,733	\$ 2,326,501	\$ 2,318,797	\$ 2,571,887
REVENUE				
Property Tax Revenue	1,081,390	1,136,646	1,136,646	1,155,077
Specific Ownership Taxes	79,928	68,199	63,000	69,305
Interest Income	14,148	-	2,000	2,000
Transfer from General Fund	-	-	636	-
Transfer from District No. 1	6,000	-	6,000	-
Total Revenue	1,181,465	1,204,845	1,208,282	1,226,382
Total Funds Available	3,217,198	3,531,346	3,527,079	3,798,269
EXPENDITURES				
2018 Bond Principal	150,000	205,000	205,000	260,000
2018 Bond Interest	726,206	719,456	719,456	710,232
Audit	-	6,500	6,500	6,500
Paying Agent Fees	6,000	5,000	6,179	6,200
Treasurer's Fees	16,195	17,050	17,057	17,326
Miscellaneous	-	2,500	1,000	2,500
Total Expenditures	898,401	955,506	955,192	1,002,758
Transfers and Other Uses				
Transfer to Capital Projects	-	-	-	-
Transfer to District 1	-	-	-	-
Total Transfers and Other Uses	-	-	-	-
Total Expenditures Requiring Appropriation	898,401	955,506	955,192	1,002,758
ENDING FUND BALANCE	\$ 2,318,797	\$ 2,575,840	\$ 2,571,887	\$ 2,795,511

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

CAPITAL PROJECTS FUND

2022 Adopted Budget

with 2020 Actual, 2021 Adopted Budget, and 2021 Estimated

	2020 Actual	2021 Adopted Budget	2021 Estimated	2022 Adopted Budget
BEGINNING FUND BALANCE	\$ 3,522,067	\$ 94,667	\$ 91,057	\$ -
REVENUE				
Interest Income	17,890	500	15	-
Transfer from Debt Service	-	-	-	-
Developer Advance	4,405,578	-	-	-
Total Revenue	4,423,468	500	15	-
Total Funds Available	7,945,535	95,167	91,072	-
EXPENDITURES				
Legal	-	-	-	-
Capital Outlay	4,405,578	-	-	-
Construction-General	-	-	-	-
Miscellaneous	-	-	4	-
Developer Reimbursement	3,448,900	-	-	-
Transfer to District 1	-	95,000	90,432	-
Transfer to Debt Service	-	-	636	-
Total Expenditures	7,854,478	95,000	91,072	-
Total Expenditures Requiring Appropriation	7,854,478	95,000	91,072	-
ENDING FUND BALANCE	\$ 91,057	\$ 167	\$ -	\$ -

I, David Solin, hereby certify that I am the duly appointed Secretary of the Serenity Ridge Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Serenity Ridge Metropolitan District No. 2 held on October 29, 2021.

By: 
Secretary

RESOLUTION NO. 2021 - 10 - 04
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Serenity Ridge Metropolitan District No. 2 (“District”) has adopted the 2022 annual budget in accordance with the Local Government Budget Law on October 29, 2021; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2022 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Serenity Ridge Metropolitan District No. 2:

1. That for the purposes of meeting all general fund expenses of the District during the 2022 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 for the purposes of meeting all debt service fund expenses of the District during the 2022 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.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Arapahoe County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** 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.

ADOPTED this 29th day of October, 2021.



Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the Serenity Ridge Metropolitan District No. 2,
 (taxing entity)^A
 the Board of Directors,
 (governing body)^B
 of the Serenity Ridge Metropolitan District No. 2,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 28,263,596 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ 28,263,596 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/15/2021 for budget/fiscal year 2022.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	4.422 mills	\$ 124,982
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< - > mills	\$ < - >
SUBTOTAL FOR GENERAL OPERATING:	4.422 mills	\$ 124,982
3. General Obligation Bonds and Interest ^J	40.868 mills	\$ 1,155,077
4. Contractual Obligations ^K	- mills	\$ -
5. Capital Expenditures ^L	- mills	\$ -
6. Refunds/Abatements ^M	- mills	\$ -
7. Other ^N (specify): _____	- mills	\$ -
_____	- mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	45.290 mills	\$ 1,280,059

Contact person: (print) David Solin Daytime phone: (303) 987-0835
 Signed: [Signature] Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

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:	General Obligation (Limited Tax Convertible to Unlimited Tax) Refunding and Improvement Bonds
	Series:	Series 2018A
	Date of Issue:	February 16, 2018
	Coupon Rate:	4.500% to 5.125%
	Maturity Date:	December 1, 2043
	Levy:	40.868
	Revenue:	\$1,155,077
2.	Purpose of Issue:	Subordinate General Obligation Limited Tax Bonds
	Series:	Series 2018B
	Date of Issue:	February 16, 2018
	Coupon Rate:	7.250%
	Maturity Date:	December 15, 2035
	Levy:	0.000
	Revenue:	\$0.00

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.

TITLE	Serenity Ridge MD No. 2, Budget Resolution
FILE NAME	Serenity Ridge MD...Certification.pdf
DOCUMENT ID	1c24e94d8661c394073a22e53940c95924bc8d57
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

01 / 28 / 2022

19:30:49 UTC

Sent for signature to David Solin (dsolin@sdmsi.com) from apadilla@sdmsi.com
IP: 50.78.200.153



VIEWED

01 / 28 / 2022

19:32:03 UTC

Viewed by David Solin (dsolin@sdmsi.com)
IP: 50.78.200.153



SIGNED

01 / 28 / 2022

19:32:17 UTC

Signed by David Solin (dsolin@sdmsi.com)
IP: 50.78.200.153



COMPLETED

01 / 28 / 2022

19:32:17 UTC

The document has been completed.

RESOLUTION NO. 2024-03-01
RESOLUTION TO AMEND 2022 BUDGET
SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

WHEREAS, the Board of Directors of the Serenity Ridge Metropolitan District No. 2 adopted a budget and appropriated funds for the fiscal year 2022 as follows:

General Fund	\$	105,929
Debt Service Fund	\$	1,002,758

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2022; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Debt Service Fund from property taxes, interest income and other revenue.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Serenity Ridge Metropolitan District No. 2 shall and hereby does amend the Budget for the fiscal year 2022 and adopts a supplemental budget and appropriation for the Debt Service Fund for the fiscal year 2022 as follows:

Debt Service Fund	\$	1,070,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 13th day of March, 2024.

SERENITY RIDGE METROPOLITAN
DISTRICT NO. 2

By: _____
Secretary

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

**DEBT SERVICE FUND
2022 Amended Budget
with 2022 Adopted Budget**

	2022 Adopted Budget	2022 Amended Budget
BEGINNING FUND BALANCE	\$ 2,571,887	\$ 32,561
REVENUE		
Property tax revenue	1,155,077	1,155,077
Specific Ownership Taxes	69,305	69,305
Interest Income	2,000	2,000
Total Revenue	1,226,382	1,226,382
Total Funds Available	3,798,269	1,258,943
EXPENDITURES		
2018 Bond Principal	260,000	415,000
2018 Bond Interest	710,232	628,077
Audit	6,500	6,500
Paying Agent Fees	6,200	3,097
Treasurer's Fees	17,326	17,326
Miscellaneous	2,500	-
Total Expenditures	1,002,758	1,070,000
Total Expenditures Requiring Appropriation	1,002,758	1,070,000
ENDING FUND BALANCE	\$ 2,795,511	\$ 188,943

SCOTT C. WRIGHT
CERTIFIED PUBLIC ACCOUNTANT

9591 Mint Lane
Salida, Colorado 81201
(970) 471-9091
scottwright.cpa@icloud.com

December 27, 2023

Board of Directors
Serenity Ridge Metropolitan District No. 2
c/o Jim Ruthven, Special District Management Services
141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898

I am pleased to confirm my understanding of the services I am to provide Serenity Ridge Metropolitan District No. 2 for the year ended December 31, 2023.

Audit Scope and Objectives

I will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Serenity Ridge Metropolitan District No. 2 as of and for the ended December 31, 2023. Accounting principles generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Serenity Ridge Metropolitan District No. 2's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of my engagement, I will apply certain limited procedures to Serenity Ridge Metropolitan District No. 2's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary Comparison Schedules

I have also been engaged to report on supplementary information other than RSI that accompanies Serenity Ridge Metropolitan District No. 2's financial statements. I will subject such supplementary information to the auditing procedures applied in my audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial

statements themselves, and other additional procedures in accordance with GAAS, and I will provide an opinion on it in relation to the financial statements as a whole in a report combined with my auditor's report on the financial statements:

The objectives of my audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes my opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

I will conduct my audit in accordance with GAAS and will include tests of your accounting records and other procedures I consider necessary to enable me to express such opinions. As part of an audit in accordance with GAAS, I exercise professional judgment and maintain professional skepticism throughout the audit.

I will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. I will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. I will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by me, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. My responsibility as auditor is limited to the period covered by my audit and does not extend to any later periods for which I am not engaged as auditor. I will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that

raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. will also request written representations from your attorneys as part of the engagement.

Audit Procedures—Internal Control

I will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for my opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, I will express no such opinion. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of Serenity Ridge Metropolitan District No. 2's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of my audit will not be to provide an opinion on overall compliance and I will not express such an opinion.

Other Services

I will also prepare the financial statements of Serenity Ridge Metropolitan District No. 2 in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services I provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

My audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making all financial records, and related information available to me and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing me with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that I may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence. At the conclusion of my audit, I will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to me in the management representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing me of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include my report on the supplementary information in any document that contains, and indicates that I have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes my report thereon. Your responsibilities include acknowledging to me in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you

Board of Directors
Serenity Ridge Metropolitan District No. 2
December 27, 2023

have disclosed to me any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Engagement Administration, Fees, and Other

I will prepare any cash, accounts receivable, or other confirmations necessary and I will submit them to you for signature and mailing. I understand that your employees will locate any documents selected by me for testing.

The audit documentation for this engagement is the property of Scott C. Wright, CPA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation will be made available upon request and in a timely manner.

My fee for these services will be \$6,500. My invoices for this fee will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional costs.

Reporting

I will issue a written report upon completion of my audit of Serenity Ridge Metropolitan District No. 2's financial statements. My report will be addressed to Board of Directors, Serenity Ridge Metropolitan District No. 2. Circumstances may arise in which my report may differ from its expected form and content based on the results of my audit. Depending on the nature of these circumstances, it may be necessary for me to modify my opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to my auditor's report, or if necessary, withdraw from this engagement. If my opinions are other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or are unable to form or have not formed opinions, I may decline to express opinions or withdraw from this engagement.

I appreciate the opportunity to be of service to Serenity Ridge Metropolitan District No. 2 and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of my engagement as described in this letter, please sign the attached copy, and return it to me.

Sincerely,

Scott Wright

Scott C. Wright, CPA

Board of Directors
Serenity Ridge Metropolitan District No. 2
December 27, 2023

RESPONSE;

This letter correctly sets forth the understanding of the Serenity Ridge Metropolitan District No. 2.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

**OMNIBUS ASSIGNMENT AND ASSUMPTION AGREEMENT
BETWEEN
SERENITY RIDGE METROPOLITAN DISTRICT NOS. 1 AND 2**

This **OMNIBUS ASSIGNMENT AND ASSUMPTION AGREEMENT** (this “**Assignment**”) is made and entered into as of _____, 2024, by and between Serenity Ridge Metropolitan District No. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District No. 1**”) and Serenity Ridge Metropolitan District No. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District No. 2**”). District No. 1 and District No. 2 shall collectively be referred to herein as the “**Districts**.”

RECITALS

WHEREAS, the formation of the Districts was approved by the City Council of Aurora in conjunction with the approval of a Consolidated Service Plan for the Districts dated August 4, 2003 (the “**Service Plan**”).

WHEREAS, under the Service Plan, the Districts are intended to work together and coordinate their activities with respect to construction, operation and maintenance of public improvements and financing of public improvements.

WHEREAS, the Districts were formed to serve that residential development known as “Serenity Ridge” (the “**Development**”).

WHEREAS, the Development has been completed and all public improvements have been constructed and paid for through the issuance of debt by District No. 2.

WHEREAS, District No. 2 is capable of operating and maintaining the public improvements as well as facilitating payment of its debt and accordingly, it has been determined by the respective Boards of each of the Districts, that the purposes for which District No. 1 was formed have been fulfilled.

WHEREAS, the Boards of each of the Districts have determined that it is in the best interests of the residents and taxpayers within the Districts that District No. 1 be dissolved and that District No. 2 assume any and all obligations of District No. 1, resulting in a more efficient and economical provision of services.

WHEREAS, various agreements have been authorized by District No. 1 and the parties wish to assign such agreements to the District No. 2 and for District No. 2 to assume any and all such agreements and obligations.

NOW THEREFORE, in consideration of the mutual covenants and promises expressed herein, the Districts hereby agree as follows:

COVENANTS AND AGREEMENTS

1. Assignment of Outstanding Contracts or Obligations. District No. 1 hereby assigns and delegates its rights and responsibilities with respect to all of its agreements, contracts or obligations of any kind whatsoever to the District No. 2 and District No. 2 hereby accepts the assignment and delegation of the rights and responsibilities under all of the District No. 1's contracts, agreements or obligations. For avoidance of doubt, any obligation known or unknown of District No. 1 is hereby transferred to and assumed by District No. 2 as if it were the original entity to such obligation.

2. Future Agreements. Nothing herein shall prohibit District No, 2 from entering into contracts or other arrangements pursuant to Section 29-1-203, C.R.S. and as might be authorized by the provisions of the Service Plan. As of the date of this Assignment, any such agreements shall be the sole obligation and responsibility of the District No, 2.

3. Entirety. This Assignment and its Recitals constitute the entire agreement between the parties concerning the subject matter herein, and all prior negotiations, representations, contracts, understandings, or agreements pertaining to such matters are merged into and superseded by this Assignment.

4. Governing Law. This Assignment arises out of the transaction of business in the State of Colorado by the parties hereto and shall be governed and construed in accordance with the laws of the State of Colorado. The performance by the parties of their respective obligations of this Assignment shall be in strict compliance with all applicable laws and the rules and regulations of all governmental agencies, municipal, county, state, and federal, having jurisdiction in the premises.

5. Instruments of Further Assurance. The parties hereto each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, documents and transfers as may reasonably be required for the performance of their obligations hereunder.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO ASSIGNMENT AND ASSUMPTION AGREEMENT]

**SERENITY RIDGE METROPOLITAN
DISTRICT NO. 1**

By: _____
Title: President

ATTEST:

Secretary

**SERENITY RIDGE METROPOLITAN
DISTRICT NO. 2**

By: _____
Title: President

ATTEST:

Secretary

ASSIGNMENT AND BILL OF SALE

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, SERENITY RIDGE METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (“District No. 1”) hereby transfers, assigns, sells and quitclaims, to SERENITY RIDGE METROPOLITAN DISTRICT No. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (“District No. 2”) all of its right, title and interest, if any, in and to the following: (a) licenses, permits, plats, engineering plans, including without limitation land development construction plans and landscaping and irrigation plans, required permits and approvals, wetlands and other environmental approvals and permits, utility permits, surveys, title work, environmental reports and tests, market tests or reports, soil borings and tests, engineering plans, percolation geotechnical and water tests and studies, including the CAD disks pertaining to all of the foregoing and mylars and sepia plans, work product, rights under contracts with contractors, subcontractors and suppliers, reports, authorization, applications, information, documents, submissions, notices, communications, correspondence, reports, studies, statements and approvals to and from any governmental authorities relating to the ownership, operation and management of the Property (as hereafter defined); as well as any other drawings, tests, study or reports, plans and specifications pertaining to the Property, together with any warranties or other rights associated therewith, on a non-exclusive basis; (b) all water and sewer taps, hook ups and connections to the Property; (c) all rights with respect to all contracts, warranties, bonds and guarantees related to any of the improvements on a non-exclusive basis; and (d) any and all improvements owned by District No. 1 and located on and used in the normal operation and maintenance of the real property located within the service area of District No. 1 as established by and through the Consolidated Service Plan for the Districts approved by the City of Aurora and dated August 4, 2003 (the “Property”).

IN WITNESS WHEREOF, the undersigned have executed this Assignment and Bill of Sale to be effective as of the ____ day of _____, 2024.

DISTRICT NO. 1:

SERENITY RIDGE METROPOLITAN DISTRICT
NO. 1,
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: _____
Daniel Frank, President

DOCUMENTARY FEE EXEMPT

BARGAIN AND SALE DEED

THIS BARGAIN AND SALE DEED (“Deed”), made as of this ____ day of _____, 2024, by Serenity Ridge Metropolitan District No. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (“Grantor”) to Serenity Ridge Metropolitan District No. 2, a quasi-municipal corporation and political subdivision of the State of Colorado, whose address is c/o Special District Management Services, Inc. 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228 (“Grantee”).

WITNESSETH, that Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has remised, sold and conveyed unto the Grantee, and its successors and assigns forever, the real property described below, together with all improvements thereon, owned by the Grantor situate, lying and being in the County of Arapahoe, State of Colorado, and being more particularly described as:

Tracts A through G, inclusive
Serenity Ridge Subdivision Filing No. 1
County of Arapahoe,
State of Colorado

Tract A, Block 1
Serenity Ridge Subdivision Filing No. 4
County of Arapahoe,
State of Colorado

Any other real property interest Grantor may have in and to any real property located within the boundaries of Arapahoe County, Colorado, it being the intention of Grantor and Grantee that Grantor convey to Grantee any and all interests Grantor has in any real property within Arapahoe County, Colorado

(the “Property”);

TOGETHER WITH all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all of the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above-bargained Property together with the hereditaments and appurtenances;

TO HAVE AND TO HOLD, the Property above bargained and described with the appurtenances, unto the Grantee, and its successors and assigns forever.

No separate bill of sale with respect to improvements on the Property will be executed.

