

RESOLUTION NO. 2023-12-02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SERENITY RIDGE METROPOLITAN DISTRICT NO. 2
TO ADOPT THE 2024 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 2024 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, 2023, 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 December 7, 2023, 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 2024 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 7th day of December, 2023.

A handwritten signature in black ink, consisting of several loops and flourishes, positioned above a horizontal line.

Secretary

EXHIBIT A
(Budget)

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

2024 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 2024 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2024 fiscal year based on available revenues. This budget provides for the general operation of the District and debt service expenditures.

The District’s 2023 assessed value has increased to \$32,584,384 from \$28,101,752 the prior year. The District’s mill levy is 43.37 for taxes collected in 2024. Of the 43.837 mills, 39.972 mills are dedicated to the Debt Service Fund, 3.913 mills are dedicated to the General Fund and 0.048 are for a Temporary General Property Tax Credit. The final assessed value was adjusted to restore the residential property reduction from Senate Bill 23B-01 for purposes of Debt Service Fund collection, in accordance with the covenants of the District’s debt obligation.

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.

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 November 5, 2021, District No. 2 entered into a Limited Tax (Converting to Tax-Exempt) General Obligation Refunding Loan, Series 2021A-1 in the amount of \$16,320,000, and a Tax-Exempt Limited Tax General Obligation Loan, Series 2021A-2 in the amount of \$1,075,000. Below is a summary of the District’s long-term scheduled debt payments for the obligation:

Series 2021A-1 and Series 2021A-2 Loans

December 1,	Principal	Interest	Total
2024	655,000	446,743	1,101,743
2025	670,000	428,992	1,098,992
2026-2030	3,850,000	1,854,318	5,704,318
2031-2035	4,685,000	1,288,335	5,973,335
2036-2040	5,395,000	902,463	6,297,463
2041	1,230,000	55,350	1,285,350
Totals	\$ 16,485,000	\$ 4,976,201	\$ 21,461,201

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

	2022 Actual	2023 Adopted Budget	2024 Adopted Budget
Assessed Valuation	\$ 28,263,596	\$ 28,101,752	\$ 32,584,384
SB23B-01 Property Tax Credit Adjustment	-	-	\$ 1,691,415
Mill Levy			
General Fund	4.422	4.549	3.913
Debt Service Fund	40.868	42.044	38.000
Incremental Debt Service Mill Adjustment			1.972
Adjusted Debt Service Levy			39.972
Temporary General Property Tax Credit	-	0.369	(0.048)
Total Mill Levy	45.290	46.962	43.837
Property Taxes			
General Fund	\$ 124,982	\$ 127,835	\$ 127,503
Debt Service Fund	1,155,077	1,181,510	1,302,463
Temporary General Property Tax Credit	-	10,370	(1,564)
Actual/Budgeted Property Taxes	\$ 1,280,059	\$ 1,319,715	\$ 1,428,402

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

**GENERAL FUND
2024 Adopted Budget
with 2022 Actual, 2023 Budget and 2023 Estimated**

	2022 Actual	2023 Adopted Budget	2023 Estimated	2024 Adopted Budget
BEGINNING FUND BALANCE	\$ 316,798	\$ 354,905	\$ 416,024	\$ 424,578
REVENUE				
Property Tax Revenue	124,803	138,205	138,205	125,939
Specific Ownership Taxes	8,089	10,000	10,000	10,000
Interest Income	6,698	9,000	20,000	10,000
Operations Fee	-	-	-	-
Total Revenue	139,591	157,205	168,205	145,939
Total Funds Available	456,389	512,110	584,229	570,517
Expenditures				
Treasurer's Fees	1,865	2,073	2,073	1,889
Accounting	-	-	-	14,000
Management	-	-	-	24,000
Legal Services	-	-	-	16,000
Election Expense	-	-	-	-
Landscape Maintenance	-	-	-	45,000
Landscape Enhancements	-	-	-	25,000
irrigation Repairs	-	-	-	12,000
Snow Removal	-	-	-	30,000
Detention Pond Maintenance	-	-	-	15,000
Trail Maintenance	-	-	-	5,000
Total Expenditures	1,865	2,073	2,073	187,889
Transfers and Other Sources (Uses)				
Transfer to District No. 1	38,500	158,211	157,578	80,000
Emergency Reserve	-	4,716	-	4,378
Total Expenditures Requiring Appropriation	40,365	165,000	159,651	272,267
ENDING FUND BALANCE	\$ 416,024	\$ 347,110	\$ 424,578	\$ 298,250

SERENITY RIDGE METROPOLITAN DISTRICT NO. 2

DEBT SERVICE FUND 2024 Adopted Budget with 2022 Actual, 2023 Budget and 2023 Estimated

	2022 Actual	2023 Adopted Budget	2023 Estimated	2024 Adopted Budget
BEGINNING FUND BALANCE	\$ 32,560	\$ 181,943	\$ 204,659	\$ 348,246
REVENUE				
Property Tax Revenue	1,145,911	1,181,510	1,181,510	1,302,463
Specific Ownership Taxes	74,758	70,891	65,000	65,000
Interest Income	11,743	9,000	30,000	10,000
Total Revenue	1,232,411	1,261,401	1,276,510	1,377,463
Total Funds Available	1,264,971	1,443,343	1,481,169	1,725,709
EXPENDITURES				
Bond Principal	415,000	495,000	495,000	655,000
Bond Interest	628,077	605,000	605,000	433,329
Audit	-	6,500	6,500	7,000
Paying Agent Fees	800	6,200	6,200	6,200
Treasurer's Fees	17,235	17,723	17,723	19,537
Miscellaneous	-	69,577	2,500	2,500
Total Expenditures	1,061,112	1,200,000	1,132,923	1,123,566
Transfers and Other Sources (Uses)				
Transfer from District No. 1	800	-	-	-
Total Expenditures Requiring Appropriation	1,061,112	1,200,000	1,132,923	1,123,566
ENDING FUND BALANCE	\$ 204,659	\$ 243,344	\$ 348,246	\$ 602,143

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 2024, duly adopted at a meeting of the Board of Directors of the Serenity Ridge Metropolitan District No. 2 held on December 7, 2023.

By:  _____
Secretary

RESOLUTION NO. 2023-12-03
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 2024 annual budget in accordance with the Local Government Budget Law on December 7, 2023; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2024 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 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

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 7th day of December, 2023.



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

the (taxing entity)^A Board of Directors

of the (governing body)^B Serenity Ridge Metropolitan District No. 2 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 32,584,384 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: \$ 32,584,384 (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: 01/10/2024 for budget/fiscal year 2024 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY², and REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Total: 43.837 mills, \$ 1,428,402.

Contact person: David Solin Daytime phone: (303) 987-0835 District Manager

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:	G.O. (Ltd 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:	39.972
	Revenue:	\$1,302,463
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

CONTRACTS^K:

3.	Purpose of Contract:	<hr/>
	Title:	<hr/>
	Date:	<hr/>
	Principal Amount:	<hr/>
	Maturity Date:	<hr/>
	Levy:	<hr/>
	Revenue:	<hr/>
4.	Purpose of Contract:	<hr/>
	Title:	<hr/>
	Date:	<hr/>
	Principal Amount:	<hr/>
	Maturity Date:	<hr/>
	Levy:	<hr/>
	Revenue:	<hr/>

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

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 Certification of Mill Levies for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Serenity Ridge Metropolitan District No. 2 held on December 7, 2023.



Secretary