

RESOLUTION NO. 2024-10-02

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF PEAK METROPOLITAN
DISTRICT NO. 2, EL PASO COUNTY, COLORADO, PURSUANT TO SECTION 29-1-
108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND,
ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE
BUDGET YEAR 2025**

A. The Board of Directors of Peak Metropolitan District No. 2 (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body for its consideration.

C. 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 24, 2024, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. 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.

E. 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.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. 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, thereby establishing a limitation on expenditures for the operations of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
PEAK METROPOLITAN DISTRICT NO. 2, EL PASO COUNTY, COLORADO:**

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.


2. The budget is 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. 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.

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

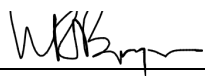
RESOLUTION APPROVED AND ADOPTED ON OCTOBER 24, 2024.

**PEAK METROPOLITAN DISTRICT
NO. 2**

By: 

President

Attest:

By: 

Secretary

EXHIBIT A

Budget

PEAK METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

PEAK METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/25/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 240,427	\$ 655,270	\$ 1,471,439
REVENUES			
Property taxes	975,900	1,097,952	1,033,520
Specific ownership taxes	96,117	109,795	103,352
PILOT Revenue	1,772	10,315	62,303
Interest Income	30,133	52,338	66,000
Other Revenue	-	26,837	-
Total revenues	1,103,922	1,297,237	1,265,175
Total funds available	1,344,349	1,952,507	2,736,614
EXPENDITURES			
General and administrative			
Accounting	28,081	30,800	32,300
Auditing	-	6,500	6,600
County Treasurer's Fee	14,638	16,469	15,503
Dues and Membership	1,030	1,145	1,500
Insurance	4,226	4,371	5,000
District management	7,232	9,620	9,900
Legal	39,535	45,000	55,000
Election	420	-	3,000
Contingency	-	-	61,972
Website	310	500	2,000
IGA Advance to PMD1	-	36,958	68,919
IGA Advance to PMD3	-	88,505	111,756
Operations and maintenance			
Repairs and maintenance	235,999	-	-
Engineering	10,210	10,000	15,000
Landscaping	101,135	125,000	163,000
Landscape repairs	-	5,000	53,000
Detention Ponds	28,541	5,000	7,800
Snow removal	21,834	25,000	30,000
Irrigation maintenance	2,463	4,000	4,250
Water	188,304	62,000	68,000
Electricity	5,121	5,200	5,500
Reserve study	-	-	20,000
Total expenditures	689,079	481,068	740,000
Total expenditures and transfers out requiring appropriation	689,079	481,068	740,000
ENDING FUND BALANCES	\$ 655,270	\$ 1,471,439	\$ 1,996,614
EMERGENCY RESERVE	\$ 33,200	\$ 39,000	\$ 38,000
AVAILABLE FOR OPERATIONS	622,070	1,432,439	1,958,614
TOTAL RESERVE	\$ 655,270	\$ 1,471,439	\$ 1,996,614

No assurance provided. See summary of significant assumptions.

PEAK METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/25/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Commercial	\$ 114,715,410	\$ 131,937,340	\$ 124,180,500
State assessed	-	17,660	-
Vacant land	16,140	57,960	85,510
	114,731,550	132,012,960	124,266,010
Certified Assessed Value	\$ 114,731,550	\$ 132,012,960	\$ 124,266,010

MILL LEVY

General	8.000	8.317	8.317
Total mill levy	8.000	8.317	8.317

PROPERTY TAXES

General	\$ 917,852	\$ 1,097,952	\$ 1,033,520
Levied property taxes	917,852	1,097,952	1,033,520
Adjustments to actual/rounding	58,048	-	-
Budgeted property taxes	\$ 975,900	\$ 1,097,952	\$ 1,033,520

BUDGETED PROPERTY TAXES

General	\$ 975,900	\$ 1,097,952	\$ 1,033,520
	\$ 975,900	\$ 1,097,952	\$ 1,033,520

**PEAK METROPOLITAN DISTRICT NO. 2
2025 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. Mill levies for operations and maintenance are 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
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (Continued)

For property tax collection year 2024, SB22-238, SB23B-001, SB24-233, and HB24B-1001 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
2025 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 2025, as defined under TABOR.

This information is an integral part of the accompanying budget.

I, William R. Branyan, hereby certify that I am the duly appointed Secretary of Peak Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2025, duly adopted at a meeting of the Board of Directors of Peak Metropolitan District No. 2 held on October 24, 2024.



Secretary

RESOLUTION NO. 2024-10-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE PEAK METROPOLITAN DISTRICT NO. 2 LEVYING
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE
YEAR 2024, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2025
BUDGET YEAR**

A. The Board of Directors of the Peak Metropolitan District No. 2 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on October 24, 2024.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Peak Metropolitan District No. 2, El Paso County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2025 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 purpose of meeting all debt retirement expenses of the District during the 2025 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 for the purpose of meeting all contractual obligation expenses of the District during the 2025 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.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** 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.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]


RESOLUTION APPROVED AND ADOPTED ON OCTOBER 24, 2024.

**PEAK METROPOLITAN DISTRICT
NO. 2**

By: 

President

Attest:

By: 

Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of El Paso County, Colorado.

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

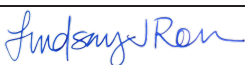
Hereby officially certifies the following mills
 to be levied against the taxing entity's GROSS \$ 124,266,010
 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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 \$ 124,266,010
 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: (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: 12/13/2024 for budget/fiscal year 2025.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	<u>8.317</u> mills	\$ <u>1,033,520</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>8.317</u> mills	\$ <u>1,033,520</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
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]	<u>8.317</u> mills	\$ <u>1,033,520</u>

Contact person: (print) Lindsay Ross Daytime phone: 303-779-5710
 Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-I-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: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

2. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____


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.

I, William R. Branyan, hereby certify that I am the duly appointed Secretary of Peak Metropolitan District No. 2, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2025, duly adopted at a meeting of the Board of Directors of Peak Metropolitan District No. 2 held on October 24, 2024.


Secretary