

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE RIVERDALE PEAKS II METROPOLITAN DISTRICT AND THE WATER ACTIVITY ENTERPRISE HELD DECEMBER 5, 2018

A special meeting of the Board of Directors of the Riverdale Peaks II Metropolitan District and the Board of Directors of the Water Activity Enterprise (referred to hereafter as "Board") was convened on Wednesday, the 5<sup>th</sup> day of December, 2018, at 6:00 P.M., at the Anythink Library, 5877 E. 120<sup>th</sup> Avenue, Thornton, Colorado. The meeting was open to the public.

#### ATTENDANCE

#### Directors In Attendance Were:

Brian Bata  
Annette Peters  
Jeffrey P. Hartman

#### Also In Attendance Were:

David Solin; Special District Management Services, Inc.

MaryAnn M. McGeady, Esq.; McGeady Becher P.C.

Jason Jose; Board Candidate

Amy Vasquez and Isaac Womack, Residents

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

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. Attorney McGeady noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that all Directors are residents within the District.

#### ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

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Following discussion, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Agenda was approved, as amended.

**Approval of Meeting Location:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board Meeting.

Following review, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries to conduct this meeting, it was determined to conduct the meeting at the above stated location. The Board further noted that notice of this location was duly posted and that they had not received any objections to the location or requests that the meeting place be changed by residents or taxpaying electors within its boundaries.

**Board Vacancies:** The Board discussed the vacancies on the Board. It was noted that Jason Jose has an interest in serving on the Board.

Following discussion, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, Jason Jose was appointed to the Board of Directors as an Assistant Secretary. Mr. Solin administered the Oath of Director.

**Minutes:** The Board reviewed the minutes of the June 27, 2018 Joint Regular Meeting.

Following discussion, upon motion duly made by Director Hartman, seconded by Director Bata and, upon vote, unanimously carried, the Minutes of the June 27, 2018 Joint Regular Meeting were approved.

**Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72 Hour and 24-Hour Notices:** The Board discussed Resolution No. 2018-12-01; Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72 Hour and 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2019 to meet the statutory compliance requirements. The Board, determined to meet on June 27, 2019, and November 20, 2019 at 6:00 p.m., at the Anythink Library, 5877 E 120 Avenue, Thornton, CO 80602

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Following discussion, upon motion duly made by Director Hartman, seconded by Director Bata and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-12-01; Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices. A copy of the resolution is attached hereto and incorporated herein.

### COMMUNITY COMMNETS

**Community Comments:** The Board and Consultants answered questions regarding financial information, the District history, the role of the Board and water quality and control.

### FINANCIAL MATTERS

**Claims:** The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period Ending July 19, 2018	Period Ending Aug. 9, 2018	Period Ending Sept. 12, 2018	Period Ending Oct. 18, 2018
General	\$ 1,219.79	\$ 4,368.71	\$ 1,148.34	\$ 1,617.51
Enterprise	\$ 4,481.84	\$ 5,829.77	\$ 7,155.52	\$ 4,275.88
Debt	\$ 4,000.00	\$ -0-	\$ -0-	\$ 2,000.00
<b>Total</b>	<b>\$ 9,701.63</b>	<b>\$ 10,198.48</b>	<b>\$ 8,303.86</b>	<b>\$ 7,893.39</b>

Fund	Period Ending Nov. 14, 2018
General	\$ 1,313.34
Enterprise	\$ 4,732.27
Debt	\$ -0-
<b>Total</b>	<b>\$ 6,045.61</b>

Following discussion, upon motion duly made by Director Bata seconded by Director Hartman and, upon vote, unanimously carried, the Board ratified approval of the payment of claims as presented.

**Unaudited Financial Statements/Schedule of Cash Position:** Mr. Solin reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending October 31, 2018.

Following review and discussion, the Board deferred acceptance at this time.

**2018 Audit:** The Board considered the engagement of Schilling & Company, Inc. to perform the 2018 Audit

Following review and discussion, upon motion duly made by Director Hartman, seconded by Director Bata and, upon vote, unanimously carried, the Board

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approved the engagement of Schilling & Company, Inc. to perform the 2018 Audit for an amount not to exceed \$4,100.

**2018 Budget Amendment Hearing:** The President opened the public hearing to consider an amendment to the 2018 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider an Amendment to the 2018 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 this public hearing. No public comments were received and the public hearing was closed.

Following discussion, the Board determined that an amendment to the 2018 Budget Amendment was unnecessary.

**Resolution No. 2018-12-02, Resolution of the Riverdale Peaks II Metropolitan District, Adams County, Colorado Regarding the Establishment of an Availability of Service (“AOS”) Charge:** Attorney McGeady reviewed with the Board Resolution No. 2018-12-02, Resolution of the Riverdale Peaks II Metropolitan District, Adams County, Colorado Regarding the Establishment of an Availability of Service (“AOS”) Charge and noted that the date, time and place of the Consideration of the Imposition of the AOS Fee for 2019 had been properly mailed and noticed. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Following discussion, upon motion duly made by Director Hartman, seconded by Director Peters and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-12-02, Resolution of the Riverdale Peaks II Metropolitan District, Adams County, Colorado Regarding the Establishment of an AOS Charge of \$80.00 per month.

**Payment of AOS Charges:** The Board discussed the status of payment of AOS Charges. It was noted that the AOS Charges are on time and are paid in full each month.

**Final Determination of Inability to Make a Scheduled Bond Payment (Section 32-1-903(3), C.R.S.):** Following discussion, upon motion duly made by Director Bata, seconded by Director Hartman and, upon vote, unanimously carried, the Board acknowledged the District’s inability to make the scheduled bond payment in December, 2018.

**2019 Budget Hearing:** The Board opened the public hearing to consider the proposed 2019 Budget and discuss related issues.

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It was noted that publication of Notice stating that the Board would consider adoption of the 2019 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 this public hearing. No public comments were received and the public hearing was closed.

Mr. Solin reviewed the estimated 2018 expenditures and the proposed 2019 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2018-12-03 to Adopt the 2019 Budget and Appropriate Sums of Money, and Resolution No. 2018-12-04 to Set Mill Levies (for the General Fund at 42.821 mills and the Debt Service Fund at 63.542 mills, Other Funds at 0.000 for a total mill levy of 106.363 mills). Upon motion duly made by Director Bata, seconded by Director Jose and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2018. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Adams County and the Division of Local Government, not later than December 15, 2018. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2019. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

**DLG-70 Mill Levy Certification:** The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Bata, seconded by Director Hartman, and upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

### **OPERATIONS AND MAINTENANCE**

#### **Property Maintenance:**

**Road Repairs at Water Treatment Facility:** Mr. Solin reported to the Board that the road repairs to the Water Treatment Facility had been completed in March 2018.

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### **Water Operations:**

*Reports from Ramey Environmental Compliance, Inc.:* Mr. Solin reviewed with the Board the Ramey Environmental Compliance, Inc. reports for the months of May, July, August and October 2018 regarding the operation of the water system. Copies of the reports are attached hereto and incorporated herein by this reference.

**Water Tank Cleaning:** Mr. Solin reviewed with the Board two proposals for water tank cleaning.

Following discussion, upon motion duly made by Director Bata, seconded by Director Peters, and upon vote, unanimously carried the Board approved the proposal from Inland Potable Services, Inc., in an amount not to exceed \$2,250.

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### **LEGAL MATTERS**

**Summary of the Organization and Structure of the District:** The Board reviewed a summary of the organization and structure of the District.

Following discussion, upon motion duly made by Director Jose, seconded by Director Peters, and upon vote, unanimously carried the Board approved the summary of the organization and structure of the District, subject to final legal review and amendment.

**One-time Waiver:** Mr. Solin reviewed correspondence from Mr. Bouge regarding irrigation water use.

Following discussion, upon motion duly made by Director Bata, seconded by Director Hartman, and upon vote, unanimously carried the Board approved a one-time waiver of an overcharge and directed Mr. Solin to make sure that the resident understands the requirement surrounding the water allocations.

**Beautification Committee:** The Board discussed the creation of a Beautification Committee to work with District Management and the Homeowners Association on a landscape and/or fence plan for 2019.

Following discussion, upon motion duly made by Director Jose, seconded by Director Bata, and upon vote, unanimously carried the Board established a Beautification Committee and appointed Director Peters and Director Jose to the Committee and to invite the Homeowners Association to also appoint a representative to the Committee.

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**OTHER MATTERS**

**§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2019:** The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2019.

The Board determined to post the required transparency notice information on the Special District Association and HOA websites.

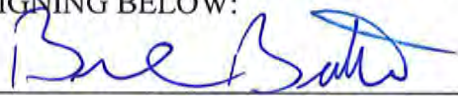
**ADJOURNMENT**

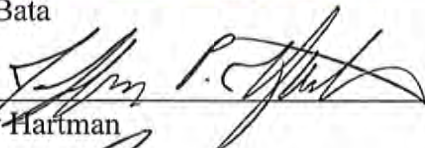
There being nothing further for the Board to discuss at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL DECEMBER 5, 2018 MINUTES OF THE RIVERDALE PEAKS II METROPOLITAN DISTRICT AND WATER UTILITY ENTERPRISE BY THE BOARD OF DIRECTORS SIGNING BELOW:

  
\_\_\_\_\_  
Brian Bata

  
\_\_\_\_\_  
Jeffrey Hartman

  
\_\_\_\_\_  
Annette Peters

  
\_\_\_\_\_  
Jason Jose

RESOLUTION NO. 2018-12-01

RESOLUTION OF THE BOARD OF DIRECTORS OF  
RIVERDALE PEAKS II METROPOLITAN DISTRICT  
ESTABLISHING REGULAR MEETING DATES, TIME AND LOCATION, AND  
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES

- A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.
- B. Pursuant to Section 24-6-402(2)(c), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.
- C. Pursuant to Section 32-1-903, C.R.S., special districts are required to post notices of regular and special meetings at three (3) public places within the district and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting.
- D. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.
- E. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Riverdale Peaks II Metropolitan District of the County of Adams, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.
2. That the Board of Directors (the "**District Board**") has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the Directors and consultants of the District in that they live and/or work outside the twenty (20) mile radius requirement.
3. That regular meetings of the District Board of the Riverdale Peaks II Metropolitan District for the year 2019 shall be held on June 27, 2019 and November 20, 2019 at 6:00 p.m., at the Anythink Library Wright Farms, 5877 E 120th Ave, Thornton, Colorado in Adams County, Colorado.



4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each Director.

5. That, until circumstances change and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s), location(s) and any such objections shall be considered by the District Board in setting future meetings.

7. Notice of Meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

(a) On the south east corner of the intersection of 128<sup>th</sup> Avenue and Wabash Place (the entry to the subdivision)

8. Notices of regular and special meetings required to be posted at three (3) public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall be made pursuant to Section 32-1-903, C.R.S., at the following locations:

(a) On the south east corner of the intersection of 128th Avenue and Wabash Place (the entry to the subdivision)

(b) Two other locations within the boundaries of the District, at the discretion of the person posting.

9. Jeff Hartman, or his/her designee, is hereby appointed to post the above-referenced notices.

RESOLUTION APPROVED AND ADOPTED on December 5, 2018.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT**

By:   
President

Attest:   
Secretary

RESOLUTION NO. 2018-12-02

RESOLUTION OF THE  
RIVERDALE PEAKS II METROPOLITAN DISTRICT  
ADAMS COUNTY, COLORADO  
REGARDING THE ESTABLISHMENT OF  
AN AVAILABILITY OF SERVICE CHARGE

A. Riverdale Peaks II Metropolitan District, Adams County, Colorado (the “**District**”), is a quasi-municipal corporation and political subdivision of the State of Colorado.

B. Pursuant to the District’s Service Plan approved June 3, 2002 (the “**Service Plan**”), the District is empowered to construct, operate and maintain, *inter alia*, water improvements.

C. Pursuant to the Service Plan, the District may impose a system of fees, rates, tolls, penalties or charges in connection with its provision of services.

D. Pursuant to Section 32-1-1006(1)(h)(I), C.R.S., the District is authorized to impose an availability of service charge (the “**AOS Charge**”) against each residential lot served by the District at such time as service is available within one hundred feet (100’) of the property line but no connection to such service line or lines has been made.

E. Pursuant to Section 32-1-1006(1)(h)(I)(C), C.R.S., proceeds from the AOS Charge may only be used for the purpose of paying principal of and interest on any outstanding indebtedness or bonds.

F. Pursuant to Section 32-1-1006(1)(h)(I)(E), C.R.S., the AOS Charge may not exceed fifty percent (50%) of the fees, rates or charges paid by the average customer in the District, calculated by dividing the total usage quantity for the District over the last fiscal year by the total number of users, resulting in an average usage and applying the applicable rates.

G. Pursuant to Section 32-1-1006(1)(h)(I)(B), C.R.S., a notice was mailed to each taxpaying elector of the District that the District is holding a meeting to consider imposing the AOS Charge (the “**District Meeting**”).

H. At the District Meeting, the District’s Board of Directors (the “**Board**”) reviewed the presentation of principal and interest to be paid in 2019 on its outstanding General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2005, in the aggregate principal amount of \$3,105,000 (“**Bonds**”) and funds projected to be available for payment on the Bonds in 2019 from the AOS Charge and taxes from the debt service mill levy.

I. At the District Meeting, the Board considered all public comment provided during deliberation on this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF RIVERDALE PEAKS II METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, AS FOLLOWS:

1. At the District Meeting held on Wednesday, November 14, 2018, the Board determined that it is in the best interests of the District and its inhabitants to impose a monthly AOS Charge, beginning on January 1, 2019 and continuing through December 31, 2019, in the amount of \$ 50.00, which equals fifty percent (50%) of the total base potable water rate and base irrigation water rate combined, to be imposed against each residential lot with a water line installed and ready for connection within one hundred feet (100') of the property line of such residential lot for which no connection to such water line or lines has been made.

2. The AOS Charge shall be invoiced on a monthly basis. The initial payment shall be invoiced on January 1, 2019 and shall be due no later than January 15, 2019. Thereafter, the AOS Charge shall be invoiced on the first (1<sup>st</sup>) day of each month and payment shall be due and payable in full no later than the fifteenth (15<sup>th</sup>) day of that same month (the "**Payment Date**"), through December, 2019.

3. If payment in full is not received by 4:00 pm on the Payment Date, the AOS Charge is deemed past due and otherwise outstanding. A "**Reminder Notice**" will be sent at such time.

4. Failure to make payment of any AOS Charge due hereunder within ten (10) days of the date on the Reminder Notice shall constitute a default in the payment of such AOS Charge. Upon default, simple interest shall accrue on such total amount of the AOS Charge due at the rate of twelve percent (12%) per annum until paid, as permitted by Section 29-1-1102(7), C.R.S. and Section 32-1-1006(1)(d), C.R.S.

5. If payment of all past due amounts, including interest (the "**Delinquent Balance**"), is not received within thirty (30) days of the Payment Date, the District Manager for the District shall be authorized to pursue any statutory means of collection including certification of the Delinquent Balance to the Adams County Treasurer pursuant to Section 32-1-1101(1)(e), C.R.S. or the lien remedies provided by Section 32-1-1001(1)(j), C.R.S (the "**Lien Option**").

6. If the Lien Option is pursued, the District Manager shall deliver a Notice of Intent to File a Lien Statement (the "**Lien Notice**") after the Delinquent Balance has remained unpaid for thirty (30) days following the Payment Date. The Lien Notice shall give notice that the District intends to perfect its lien against the property associated with the Delinquent Balance by recording a Lien Statement in the office of the Adams County Clerk and Recorder.

7. If payment of the Delinquent Balance is not made in full within ten (10) days of the date on the Lien Notice, the District Manager for the District shall record a Lien Statement against the property associated with the Delinquent Balance in the office of the Adams County Clerk and Recorder.

8. The AOS Charge shall constitute a statutory and perpetual charge and lien upon the property associated with the Delinquent Balance pursuant to Section 32-1-1001(1)(j), C.R.S., from the date the same becomes due and payable until paid. The lien shall be perpetual in nature as defined by the laws of the State of Colorado and shall run with the land and such lien may be foreclosed by the District in the same manner as provided by the laws of Colorado for the foreclosure of mechanics' liens.

9. The District Manager will be responsible for the collection and enforcement of the collection of the AOS Charge. The AOS Charge shall remain in effect until modified by the Board. Nothing herein shall limit the Board from modifying the AOS Charge from time to time.

10. The District shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law, including, but not limited to, foreclosure of its perpetual liens. The property owner associated with the Delinquent Balance shall pay all costs, including attorney fees, incurred by the District in connection with the foregoing. In foreclosing such lien, the District will enforce the lien only to the extent necessary to collect the Delinquent Balance and costs of collection (including, but not limited to, reasonable attorneys' fees).

11. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances shall not affect the validity of the remainder of the Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

12. Any inquiries pertaining to the AOS Charge may be directed to the District's Manager at: Riverdale Peaks II Metropolitan District, 141 Union Blvd. #150, Lakewood, CO 80228.


13. This Resolution shall be effective as of the date provided below.

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[Signature Page to Resolution for Availability of Service Charge]

APPROVED AND ADOPTED THIS 6<sup>th</sup> day of December, 2018.

**RIVERDALE PEAKS II METROPOLITAN  
DISTRICT**

By:   
\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary

RESOLUTION NO. 2018 - 12 - 03  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE RIVERDALE PEAKS II METROPOLITAN DISTRICT  
TO ADOPT THE 2019 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Riverdale Peaks II Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2019 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, 2018, 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 5, 2018, 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 Riverdale Peaks II Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Riverdale Peaks II Metropolitan District for the 2019 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 5th day of December, 2018.



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EXHIBIT A  
(Budget)



# RIVERDALE PEAKS II METROPOLITAN DISTRICT

## 2019 Budget Message

### **Introduction**

Riverdale Peaks II Metropolitan District, the (“District”) was organized in 2002 to provide financing for the design, acquisition, installation, construction and completion of certain water, sanitation, street, safety protection, parks and recreation, transportation improvements, and the operation and maintenance of the District.

The 2019 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2019 fiscal year based on available revenues. This budget provides for the annual debt service on the District’s General Obligation Debt, the general operation of the District, and a business-like enterprise for the distribution of treated water.

The Board of Directors authorized adjustment of the District mill levy in accordance with the Colorado Constitution, Article X, Section 3 (the “Gallagher Adjustment”). The Gallagher Adjustment and the District’s Service Plan authorize an adjustment of the Maximum Debt Mill Levy in the event that the method of calculating assessed valuation is changed after June 3, 2002, 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, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property. The Gallagher Adjustment for the District 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 assessed value increased approximately 16.12% to \$2,073,250 in 2018. The District’s mill levy stayed the same at 106.363 mills for taxes collected in the 2019 fiscal year. Of the 106.363 mills, 63.542 mills are designated to the Debt Service Fund.

### **Budgetary Basis of Accounting**

The District uses funds to budget and report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions. The various funds determine the total District budget. The District’s General Fund is considered a governmental fund and is reported using the economic resources focus and the modified accrual basis of accounting. The District’s Water Enterprise Fund is also reported using the economic resources focus and the modified accrual basis of accounting. Revenues are recorded when earned and expenses recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

**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, landscape maintenance, snow removal and other expenses related to statutory operations of a local government. The General Fund's primary sources of revenue are property taxes and specific ownership taxes.

The **Debt Service Fund** is used to account for property taxes, availability of service fees 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. Beginning in 2015 the District has been unable to pay the scheduled principal and interest payments. As a result, the District has budgeted to pay \$139,000 in interest during 2019.

Riverdale Peaks II metropolitan District

Bond Principal and Interest Maturing in the year ending Dec 31	Series 2005 General Obligation Bonds		Total
	Principal	Interest	
2019	80,000	186,455	266,455
2020	90,000	181,335	271,335
2021	95,000	175,575	270,575
2022	105,000	169,495	274,495
2023-2027	685,000	733,405	1,418,405
2028-2032	1,010,000	471,575	1,481,575
2033-2035	815,000	108,550	923,550
	<u>\$ 2,880,000.00</u>	<u>2,026,390.00</u>	<u>4,906,390.00</u>

The **Water Enterprise Fund** accounts for the operations that are financed and operated in a manner similar to private business enterprise, where the intent is that costs of providing services to the public on a continuing basis be financed primarily through user charges.

**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.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	<b>2017 Actual</b>	<b>2018 Adopted Budget</b>	<b>2019 Adopted Budget</b>
<b>Assessed Valuation</b>	\$ 969,260	\$ 1,785,520	\$ 2,073,250
<b>Mill Levy</b>			
General Fund	42.821	42.821	42.821
Debt Service Fund	40.000	63.542	63.542
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
<b>Total Mill Levy</b>	<u>82.821</u>	<u>106.363</u>	<u>106.363</u>
<b>Property Taxes</b>			
General Fund	\$ 41,505	\$ 76,458	\$ 88,779
Debt Service Fund	38,770	113,456	131,738
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
<b>Actual/Budgeted Property Taxes</b>	<u>\$ 80,275</u>	<u>\$ 189,914</u>	<u>\$ 220,517</u>

**RIVERDALE PEAKS II METROPOLITAN DISTRICT**

**GENERAL FUND  
2019 Adopted Budget  
with 2017 Actual, 2018 Budget, and 2018 Estimated**

	2017 YTD Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
<b>BEGINNING FUND BALANCE</b>	\$ 46,089	\$ 30,782	\$ 59,983	\$ 68,244
<b>REVENUE</b>				
Property taxes	41,181	76,459	76,459	88,779
Specific ownership tax	4,023	4,600	4,750	5,327
Interest income	454	500	1,850	500
Other income	8,949	-	-	-
<b>Total Revenue</b>	<u>54,607</u>	<u>81,559</u>	<u>83,059</u>	<u>94,606</u>
<b>Total Funds Available</b>	<u>100,696</u>	<u>112,341</u>	<u>143,042</u>	<u>162,850</u>
<b>EXPENDITURES</b>				
Accounting	1,896	2,000	2,000	2,000
County Treasurer's fee	615	1,148	1,147	1,332
Insurance and Bonds	993	1,320	1,313	1,320
Election Expense	-	500	21	-
District Management	4,034	4,100	4,100	4,100
Legal Services	2,408	2,800	2,800	2,800
Miscellaneous	3,514	3,000	3,000	3,000
Banking fees	50	50	50	50
Landscape Maintenance	4,004	4,700	4,700	4,700
Landscape Improvements	-	30,000	3,175	30,000
Contingency	-	-	-	10,000
<b>Total Expenditures</b>	<u>17,513</u>	<u>49,618</u>	<u>22,306</u>	<u>59,302</u>
<b>TRANSFER AND OTHER (USES)</b>				
Emergency Reserve	-	(2,447)	(2,492)	(2,838)
Transfer to Enterprise Fund	(23,200)	(42,300)	(50,000)	(45,000)
<b>Total Transfer and Other (Uses)</b>	<u>(23,200)</u>	<u>(44,747)</u>	<u>(52,492)</u>	<u>(47,838)</u>
<b>Total Expenditures Requiring Appropriation</b>	<u>40,713</u>	<u>94,365</u>	<u>74,798</u>	<u>107,140</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 59,983</u>	<u>\$ 17,976</u>	<u>\$ 68,244</u>	<u>\$ 55,710</u>

**RIVERDALE PEAKS II METROPOLITAN DISTRICT**

**DEBT SERVICE FUND**

2019 Adopted Budget

with 2017 Actual, 2018 Adopted Budget, and 2018 Estimated

	2017 Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
BEGINNING FUND BALANCE	\$ (1,079)	\$ -	\$ 6,397	\$ 5,288
<b>REVENUE</b>				
Property taxes	38,468	113,456	113,456	131,738
Specific ownership tax	3,758	5,400	7,000	5,400
Availability of Service Fee	9,000	11,760	8,500	3,840
Interest income	169	25	575	20
<b>Total Revenue</b>	<u>51,395</u>	<u>130,641</u>	<u>129,531</u>	<u>140,998</u>
<b>Total Funds Available</b>	<u>50,316</u>	<u>130,641</u>	<u>135,928</u>	<u>146,286</u>
<b>EXPENDITURES</b>				
Auditing	4,000	4,000	4,000	4,100
County Treasurer's fee	582	1,702	1,702	1,976
Interest expense - bonds	37,337	122,939	122,939	139,000
Paying agent / trustee fees	2,000	2,000	2,000	2,000
<b>Total Expenditures</b>	<u>43,919</u>	<u>130,641</u>	<u>130,641</u>	<u>147,076</u>
<b>Total Expenditures Requiring Appropriation</b>	<u>43,919</u>	<u>130,641</u>	<u>130,641</u>	<u>147,076</u>
ENDING FUND BALANCE	\$ 6,397	\$ -	\$ 5,288	\$ (790)

RIVERDALE PEAKS II METROPOLITAN DISTRICT

WATER ENTERPRISE FUND

2019 Adopted Budget

with 2017 Actual, 2018 Adopted Budget, and 2018 Estimated

	2017 YTD Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
BEGINNING FUND BALANCE	\$ 15,166	\$ (164,213)	\$ 12,853	\$ 68,552
<b>REVENUE</b>				
Water Charges	70,141	65,520	68,500	65,520
Water Review Fee	-	-	-	-
Other income	421	-	193	-
Meter Fee	-	16,800	3,344	7,700
Landscape Design Fee	1,870	-	340	-
<b>Total Revenue</b>	<b>72,432</b>	<b>82,320</b>	<b>72,377</b>	<b>73,220</b>
<b>Transfers and Other Sources</b>				
Transfer from General Fund	23,200	42,300	50,000	45,000
<b>Total Funds Available</b>	<b>110,798</b>	<b>(39,593)</b>	<b>135,230</b>	<b>186,772</b>
<b>EXPENDITURES</b>				
Accounting	6,914	7,000	7,000	7,000
Billing and meter reading	3,188	3,100	3,100	3,100
Operations	8,816	10,000	10,000	11,000
Equipment Repair	12,061	3,000	3,248	2,500
Meter Install and Inspect	4,063	16,800	1,000	7,700
Landscape Design Review	1,190	-	680	-
Testing	5,966	2,700	2,807	3,500
Chemicals & Supplies	2,742	5,000	5,000	5,546
Generator Maintenance	1,473	740	750	750
Storage Tank Cleaning	-	3,000	2,500	3,000
Insurance	5,316	5,499	5,254	5,500
Developer Advance Interest	-	-	-	-
District Management	3,840	3,840	3,840	4,000
Miscellaneous	75	700	700	1,200
Utilities	19,121	19,000	19,000	19,000
Fuel Generator	-	800	800	800
Storage Tank Repair	-	-	-	-
Repair and Maintenance Reserve	23,179	43,441	1,000	45,000
<b>Total Administrative</b>	<b>97,945</b>	<b>124,620</b>	<b>66,679</b>	<b>119,596</b>
<b>Capital Equipment Replacement and Repairs</b>				
Transient Voltage Surge Suppressor	-	-	-	5,000
VFD For Emergency Pumps	-	-	-	13,400
Spare Chlorine Pump	-	-	-	1,000
<b>Total Capital Equipment and Repair</b>				<b>19,400</b>
<b>Total Expenditures</b>	<b>97,945</b>	<b>124,620</b>	<b>66,679</b>	<b>138,996</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>97,945</b>	<b>124,620</b>	<b>66,679</b>	<b>138,996</b>
ENDING FUND BALANCE	\$ 12,853	\$ (164,213)	\$ 68,552	\$ 47,776

I, Lisa A. Johnson, hereby certify that I am the duly appointed Secretary of the Riverdale Peaks II Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2019, duly adopted at a meeting of the Board of Directors of the Riverdale Peaks II Metropolitan District held on December 5, 2018.

By:   
Secretary



RESOLUTION NO. 2018 - 12 - 024  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE RIVERDALE PEAKS II METROPOLITAN DISTRICT  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Riverdale Peaks II Metropolitan District (“District”) has adopted the 2019 annual budget in accordance with the Local Government Budget Law on December 5, 2018; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2019 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 the Riverdale Peaks II Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2019 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 2019 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 the Adams 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 5th day of December, 2018.



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**EXHIBIT A**  
(Certification of Tax Levies)

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

**TO:** County Commissioners<sup>1</sup> of Adams County, Colorado.

**On behalf of the** Riverdale Peaks II Metropolitan District  
(taxing entity)<sup>A</sup>  
**the** Board of Directors  
(governing body)<sup>B</sup>  
**of the** Riverdale Peaks II Metropolitan District  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,073,250 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: 2,073,250 (NET<sup>G</sup> 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:** 12/15/18 for budget/fiscal year 2019  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
1. General Operating Expenses <sup>H</sup>	<u>42.821</u> mills	\$ <u>88,779</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< <u>0.000</u> > mills	\$ < <u>0</u> >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>42.821</u> mills</b>	<b>\$ <u>88,779</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>63.542</u> mills	\$ <u>131,738</u>
4. Contractual Obligations <sup>K</sup>	<u>0.000</u> mills	\$ <u>0</u>
5. Capital Expenditures <sup>L</sup>	<u>0.000</u> mills	\$ <u>0</u>
6. Refunds/Abatements <sup>M</sup>	<u>0.000</u> mills	\$ <u>0</u>
7. Other <sup>N</sup> (specify): _____	<u>0.000</u> mills	\$ <u>0</u>
_____	<u>0.000</u> mills	\$ <u>0</u>
<b>TOTAL:</b> <small>[ Sum of General Operating Subtotal and Lines 3 to 7 ]</small>	<b><u>106.363</u> mills</b>	<b>\$ <u>220,517</u></b>

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

Signed:  Title: 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.*

<sup>1</sup> 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.  
<sup>2</sup> 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<sup>J</sup>:**

1.	Purpose of Issue:	General Obligation Limited Tax Bonds
	Series:	Series 2005
	Date of Issue:	September 1, 2005
	Coupon Rate:	6.4% to 6.5%
	Maturity Date:	December 1, 2035
	Levy:	63.542
	Revenue:	\$131,738
2.	Purpose of Issue:	_____
	Series:	_____
	Date of Issue:	_____
	Coupon Rate:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

**CONTRACTS<sup>K</sup>:**

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.