

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2024

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2024 budget and budget message for HORSESHOE RIDGE METROPOLITAN DISTRICT NO. 2 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 1, 2023. If there are any questions on the budget, please contact:

Cathy Fromm, CPA
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I, John Will, as Secretary of the Horseshoe Ridge Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: John Will

**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HORSESHOE RIDGE METROPOLITAN DISTRICT NO. 2**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HORSESHOE RIDGE METROPOLITAN DISTRICT NO. 2, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the Horseshoe Ridge Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 1, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ 80,513 ; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ 569,258 ; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is 0; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$ 16,102,580; and

WHEREAS, at an election held on November 1, 2005, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HORSESHOE RIDGE METROPOLITAN DISTRICT NO. 2 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Horseshoe Ridge Metropolitan District No. 2 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 5.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 35.352 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as 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 or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 1st day of December, 2023.

HORSESHOE RIDGE
METROPOLITAN DISTRICT NO. 2

Marcus Palkowitsh

President

ATTEST:

John Will

Secretary

HORSESHOE RIDGE METROPOLITAN DISTRICT NO. 2

2024 BUDGET MESSAGE

The Horseshoe Ridge Metropolitan District No. 2 (the District) is a quasi-municipal political subdivision of the State of Colorado. The District was formed by order of the District Court for the County of Douglas, Colorado. The District, as a metropolitan district, derives its power from the State statutes. The District is governed by a five-member Board.

Basis of Accounting

The District prepares its budget on the modified accrual basis of accounting and uses Governmental funds to budget and report on its financial position.

Revenues

Taxes

The District imposes a mill levy of 40.352 mills. Of the total mill levy, 5.000 mills are for the operations of the District and related districts. The remaining 35.352 mills are pledged to the redemption of the related-District's debt obligations, Horseshoe Ridge Metropolitan District No. 1.

Specific ownership taxes are set by the State and collected by the County Clerk, 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, and including, the District.

Funds

General Fund

Revenue received by this Fund is comprised of property taxes, specific ownership taxes and interest income. The Fund transfers the funds to the Horseshoe Ridge Metropolitan District No. 1 which manages the operations and debt of the three related districts.

Horseshoe Ridge Metropolitan District No. 2

ADOPTED 2024 BUDGET

Horseshoe Ridge Metropolitan District No. 2
GENERAL FUND
ADOPTED 2024 BUDGET
with 2022 Actual and 2023 Estimated

	2022 Actual	2023 Estimated	Adopted 2024 Budget
REVENUE			
Property Taxes for Debt Service	\$ 415,791	\$ 418,835	\$ 569,258
Property Taxes for Operations	61,929	60,386	80,513
Interest/Miscellaneous Revenue	98	4,000	4,000
Specific Ownership Taxes	42,245	47,000	47,000
Total Revenue	\$ 520,063	\$ 530,221	\$ 700,771
EXPENDITURES			
Treasurer's Fees	\$ 7,167	\$ 7,190	\$ 9,750
Transfer to District 1 - Debt Service	415,791	418,835	569,258
Transfer to District 1 - Operations	97,105	104,196	121,763
Total Expenditures	\$ 520,063	\$ 530,221	\$ 700,771
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ -
FUND BALANCE - BEGINNING	\$ -	\$ -	\$ -
FUND BALANCE - ENDING	\$ -	\$ -	\$ -
<u>2024 Budget</u>	Final		
Assessed Valuation - SB23-100	\$ 16,102,580		
Mill Levy	35.352		
Property Taxes - Debt Service	\$ 569,258		
Assessed Valuation - SB23-100	\$ 16,102,580		
Mill Levy	5.000		
Property Taxes - Operations	\$ 80,513		
Total Property Tax	\$ 649,771		

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
On behalf of the Horseshoe Ridge Metro District 2
the Board of Directors
of the Horseshoe Ridge Metropolitan District No. 2**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$16,102,580** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area 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: **\$16,102,580**

Submitted: Megan VanCamp for budget/fiscal year 2024

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	5.000 mills	\$80,513
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	5.000 mills	\$80,513
3. General Obligation Bonds and Interest	0.000 mills	\$0
4. Contractual Obligations	35.352 mills	\$569,258
5. Capital Expenditures	0.000 mills	\$0
6. Refunds/Abatements	0.000 mills	\$0
7. Other	0.000 mills	\$0
8. Judgment	0.000 mills	\$0
TOTAL:	40.352 mills	\$649,771

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, CONTRACT, OTHER, AND/OR JUDGMENT:

BONDS

No Bonds Available

CONTRACTS

1. Purpose of Contract: Repay Horseshoe Ridge Metro #1 Series 2007 Revenue Bond issue to fund Horseshoe Ridge Metro #2 & 3 infrastructure improvements & organization

Title: Capital Pledge Agreements
Date of Issue: 2007-06-25
Principal Amount: \$3,000,000
Maturity Date: 2037-12-01
Levy: 35.352
Revenue: \$569,258

2. Purpose of Contract: Repay Horseshoe Ridge Metro #1 Series 2009 Revenue Bond issue to fund Horseshoe Ridge Metro #2 & 3 infrastructure improvements & organization

Title: Capital Pledge Agreements
Date of Issue: 2009-11-16
Principal Amount: \$850,000
Maturity Date: 2039-12-01
Levy: 0.000
Revenue: \$0

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

Generated On Mon, 08 Jan 2024

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4485 - Horseshoe Ridge Metro District 2

IN DOUGLAS COUNTY ON 12/22/2023

New Entity: No

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

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

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$12,077,140
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$16,102,580
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$16,102,580
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

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

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

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

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

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

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

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$238,010,369
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

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

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

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

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

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

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Submitted: *Megan VanCamp* for budget/fiscal year 2024

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Revenue: \$0

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