

Serenity Ridge Metropolitan District No. 2
2026 Operations and Maintenance (O&M) Fee FAQ's

Q. Why did the 2026 fee rise from \$141.69 per quarter in 2025, to \$254.45 per quarter for 2026?

A. As explained below, in 2025 the Metropolitan District had been in discussions with the HOA and was hoping to resolve the matter of maintenance of the tracts previously handled by the HOA, but the HOA remained unwilling to resume that maintenance. As a result of increasing resident requests for maintenance, delayed repairs and landscape enhancements, and with no real reserves remaining going into 2026, the District was unfortunately forced to increase the fee for 2026. It is hoped that the fee will not need to increase again for 2027, but that will not be determined until the end of 2026.

Q. I pay dues to the HOA already, don't those pay for maintenance?

A. There are two types of "common areas" in the community. The HOA collects dues for HOA "common area" tract maintenance. Up until 2023, the HOA also maintained District-owned tracts out of the same HOA dues, but deciding to cease that maintenance beginning in 2023.

Q. What changed in 2023 that caused the HOA to no longer maintain the District tracts?

A. In 2022, the HOA chose to cancel the Maintenance Agreement that had been in effect since 2010. For further information about that decision, please contact the HOA.

Q. If the Maintenance Agreement was no longer in place in 2023, why did the District wait until 2025 to begin charging O&M fees?

A. The District explained to the HOA in 2022 that by cancelling the Maintenance Agreement, the District would have no choice but to begin charging residents an O&M fee for maintenance. This is because the District is legally-restricted in the property taxes that it can collect. The District also clarified that the maintenance services would be more expensive to residents if the District maintained the tracts than for the HOA to maintain them. Hoping that the HOA would reenter the Maintenance Agreement, the District spent down all reserves it had rather than asking residents to pay both HOA dues and District O&M fees. Ultimately, the HOA chose to have residents pay the additional O&M fee rather than resuming maintenance of the tracts despite strenuous District efforts to prevent this from happening.

Q. Are the District Board Directors residents or employees of the developer, and how did they get selected?

A: All Directors are residents of the community and are publicly elected to four-year terms as proscribed by Colorado Statute. They pay HOA dues and O&M fees too.

Q. Can the HOA still take back District-tract maintenance, so residents just pay HOA dues and not an O&M fee too?

A. Yes, and it would be more efficient and less costly to do so. The decision rests with the HOA though. The District and the HOA reached agreements, and the HOA revoked approval twice.

Q. How can I pay the fees?

A. Payments can be made via mailing a check to the address on the invoice or using the prepared envelope included with your invoice. Payments may also be made via electronic means online or by telephone through Xpress Bill Pay. There is a convenience and processing fee charged by Xpress Bill Pay for payments made on their platform, and that fee is clearly disclosed when paying. In order to keep the amount of the Operations

Fee to residents as low as possible, and not subsidize neighbors who pay electronically, the District determined to have that convenience and processing fee for Xpress Bill Pay payments paid directly by residents using the electronic payment service.

Q. My invoice shows late fees. How is that possible and who receives that money?

- A. Late fees are imposed if payment is received after the date listed on your invoice. Late fees are all deposited in the District accounts for use in operations.

Q. I have a billing question or concern. Who do I speak with so I can get this resolved?

- A. Please call Dawn Herther at 303.987.0835 Ext. 205 or email her at dherther@sdmsi.com.

Q. How can I learn more about the District finances, budgets, invoices, etc.?

- A. The website has various resources available, including audits and budgets. For additional financial or any other information, the District Manager should be contacted. You can either call David Solin at 303.987.0835 or email him at dsolin@sdmsi.com. With minor exceptions (certain legal documents and draft materials) **ALL** District records are public documents and available to you, and **ALL** District meetings are open for the public to attend and offer comments to the Board.