

REDTAIL RANCH METROPOLITAN DISTRICT

2020 ANNUAL REPORT

TO

TOWN OF ERIE, COLORADO

Pursuant Section VII of the Consolidated Service Plan for Redtail Ranch Metropolitan District (the “**District**”) is required to provide an annual report no later than August 1 of each year to the Town of Erie with regard to the following matters:

(a) A narrative summary of the progress of the District in implementing the Service Plan;

The District is engaged in minimal activity while it awaits the developer of the property within its boundaries to resolve development related issues.

(b) Except when an exemption from audit has been granted for the fiscal year under the Local Government Audit Law, the audited financial statements of the Districts for the fiscal year including a statement of financial condition (i.e. balance sheet) as of December 31 of the fiscal year and the statement of operations (i.e. revenues and expenditures) for the fiscal year;

The District was exempt from Audit in 2020 and an Application for Exemption has been filed with, and accepted by the Office of the State Auditor.

(c) Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the fiscal year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the fiscal year;

There were no capital expenditures incurred by the District for the development of public facilities in 2020.

(d) Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the fiscal year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the fiscal year, the amount of payment or retirement of existing indebtedness of the District in the fiscal year, the total assessed valuation of all taxable properties within the District as of January 1 of the fiscal year, and the current mill levy of the District pledged to debt retirement in the fiscal year;

The district had no financial obligations and did not pay on or retire any existing indebtedness during the fiscal year.

The total assessed valuation of all taxable properties within the District as of January 1 of the fiscal year was \$15,048,730.

(e) The District budget for the calendar year in which the annual report is submitted;

*The 2021 budget for the District is attached as **Exhibit A**.*

(f) A summary of residential and commercial development which has occurred within the District for the fiscal year;

None.

(g) A summary of all taxes, fees, charges and assessments imposed by the District as of January 1 of the fiscal year;

The District imposed a total of 15.000 mills in 2020 for collection in 2021 as reflected on the attached budgets. No fees, charges or assessments imposed in 2020.

(h) The name, business address and telephone number of each member of the Board and the chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board.

<i>Richard Dean</i>	<i>President</i>	<i>1842 Montane Drive East, Golden CO 80401, 720-214-5000</i>
<i>Reagan Dean</i>	<i>Sec./Treas.</i>	<i>1842 Montane Drive East, Golden CO 80401, 720-214-5000</i>
<i>Keith Pockross</i>	<i>Asst. Sec.</i>	<i>106 S. University Blvd., Unit 3, Denver, CO 80209, 303-572-6500</i>
<i>Christian Dean</i>	<i>Asst. Sec.</i>	<i>1229 N. Osceola St., Denver, CO 80204, 303-885-4134</i>
<i>Roger Hollard</i>	<i>Asst. Sec.</i>	<i>4663 S. Fountain Cir., Littleton CO, 80127</i>

Regular meetings are scheduled for the third Tuesday of March, July and November, 11:00 a.m., at 2154 East Commons Ave., Suite 2000, Centennial, CO.

Chief Admin. Officer – None.

General Legal Counsel – White Bear Ankele Tanaka & Waldron; Zachary P. White, Esq., 2154 E. Commons Ave., Suite 2000, Centennial, CO 80122; 303-858-1800

EXHIBIT A

2021 Budget

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

(2021)

The Board of Directors of Redtail Ranch Metropolitan District (the “Board”), Town of Erie, Weld County, Colorado (the “District”) held a special meeting via Zoom Teleconference, on Monday, November 30, 2020, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2021 BUDGET

**NOTICE OF PUBLIC HEARING ON THE PROPOSED 2021 BUDGET
AND
NOTICE OF PUBLIC HEARING ON THE AMENDED 2020 BUDGET**

NOTICE IS HEREBY GIVEN that a proposed 2021 budget has been submitted to the Board of Directors (the "Board") of the REDTAIL RANCH METROPOLITAN DISTRICT (the "District"). A copy of the proposed budget is on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2020 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same is open for public inspection.

Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held on Monday, November 30th, 2020 at 10:00 A.M. Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

Join Zoom Meeting: <https://zoom.us/j/95007990133?pwd=MXI0LzhVTUE4NzJqd2UxWURFS21sdz09>
Meeting ID: 950 0799 0133
Passcode: 137107
Conference Call Numbers: 1(669) 900-9128 or 1(253) 215-8782

Any interested elector of the Districts may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

BY ORDER OF THE BOARD OF DIRECTOR:
REDTAIL RANCH METROPOLITAN DISTRICT

/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
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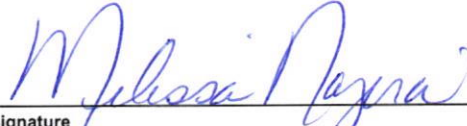
PUBLISHER'S AFFIDAVIT

**County of Boulder
State of Colorado**

The undersigned, Melissa Najera, being first duly sworn under oath, states and affirms as follows:


1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Colorado Hometown*.
2. The *Colorado Hometown* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Colorado Hometown* in Boulder County on the following date(s):

Nov 18, 2020



Signature

Subscribed and sworn to me before me this
18th day of November, 2020.



Notary Public

SHAYLA NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174031965
MY COMMISSION EXPIRES JULY 31, 2021

(SEAL)

Account: 1051175
Ad Number: 1754931
Fee: \$37.70

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 30, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 15.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, 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 District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2021 budget year, 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 District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2021 budget year, 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 District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Weld County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

[Remainder of page intentionally left blank.]

ADOPTED THIS 30th DAY OF NOVEMBER, 2020.

REDTAIL RANCH METROPOLITAN DISTRICT

Richard Dean

Richard Dean (Jan 13, 2021 09:49 MST)

Officer of the District

ATTEST:

Reagan Dean

Reagan Dean (Jan 23, 2021 16:22 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF ARAPAHOE
REDTAIL RANCH METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Tuesday, November 30, 2020, via Zoom Teleconference, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 30th day of November, 2020.

Reagan Dean

Reagan Dean (Jan 23, 2021 16:22 MST)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

**REDTAIL RANCH METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021**

**REDTAIL RANCH METROPOLITAN DISTRICT
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ (5,085)	\$ 53,190	\$ 366,151
REVENUES			
Property taxes	115,763	601,361	225,731
Specific ownership tax	7,713	28,600	11,287
Interest income	662	3,000	1,800
Developer advance	2,500	-	8,600,000
Total revenues	<u>126,638</u>	<u>632,961</u>	<u>8,838,818</u>
Total funds available	<u>121,553</u>	<u>686,151</u>	<u>9,204,969</u>
EXPENDITURES			
General Fund	68,363	320,000	235,000
Capital Projects Fund	-	-	8,600,000
Total expenditures	<u>68,363</u>	<u>320,000</u>	<u>8,835,000</u>
Total expenditures and transfers out requiring appropriation	<u>68,363</u>	<u>320,000</u>	<u>8,835,000</u>
ENDING FUND BALANCES	<u>\$ 53,190</u>	<u>\$ 366,151</u>	<u>\$ 369,969</u>

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Oil & Gas	7,343,910	39,817,770	14,740,750
Agricultural	11,470	10,050	10,050
State assessed	245,320	261,350	297,930
Certified Assessed Value	<u>\$ 7,600,700</u>	<u>\$ 40,089,170</u>	<u>\$ 15,048,730</u>
MILL LEVY			
General	15.000	15.000	15.000
Total mill levy	<u>15.000</u>	<u>15.000</u>	<u>15.000</u>
PROPERTY TAXES			
General	\$ 114,010	\$ 601,338	\$ 225,731
Levied property taxes	114,010	601,338	225,731
Adjustments to actual/rounding	-	(300,000)	-
Budgeted property taxes	<u>\$ 114,010</u>	<u>\$ 301,338</u>	<u>\$ 225,731</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 114,010</u>	<u>\$ 301,338</u>	<u>\$ 225,731</u>
	<u>\$ 114,010</u>	<u>\$ 301,338</u>	<u>\$ 225,731</u>

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (5,085)	\$ 53,190	\$ 366,151
REVENUES			
Property taxes	115,763	601,361	225,731
Specific ownership tax	7,713	28,600	11,287
Interest income	662	3,000	1,800
Developer advance	2,500	-	-
Total revenues	126,638	632,961	238,818
Total funds available	121,553	686,151	604,969
EXPENDITURES			
General and administrative			
Accounting	7,877	9,000	15,000
Contingency	-	2,072	97,114
County Treasurer's fee	1,740	9,061	3,386
Dues and licenses	354	695	1,000
Election expense	-	1,022	-
Insurance and bonds	2,994	3,211	3,500
Legal services	7,221	4,000	15,000
Repay developer advance	48,177	290,939	-
Operations and maintenance			
Repairs and maintenance	-	-	100,000
Total expenditures	68,363	320,000	235,000
Total expenditures and transfers out requiring appropriation	68,363	320,000	235,000
ENDING FUND BALANCE	\$ 53,190	\$ 366,151	\$ 369,969
EMERGENCY RESERVE	\$ 3,700	\$ 19,000	\$ 7,200
TOTAL RESERVE	\$ 3,700	\$ 19,000	\$ 7,200

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	-	8,600,000
Total revenues	<u>-</u>	<u>-</u>	<u>8,600,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>8,600,000</u>
EXPENDITURES			
Engineering	-	-	200,000
Streets	-	-	6,500,000
Sewer	-	-	940,000
Water	-	-	960,000
Total expenditures	<u>-</u>	<u>-</u>	<u>8,600,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>8,600,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized to provide for the planning, design, acquisition, construction, installation, and financing of Public Improvements. The District has the power and authority to provide for essential public services and facilities including streets, traffic and safety controls, water, sanitation, parks and recreation, mosquito control, public transportation, and television relay and translation services. The District anticipates providing services for the common use and benefit of inhabitants and taxpayers within the boundaries of the District. The District's service area is located in Weld County, Colorado, entirely within the Town of Erie. With the exception of certain trails, open spaces, and pocket parks, the Public Improvements are intended to be dedicated to the Town of Erie for ownership and maintenance.

The District was formed by District Court Order on November 18, 2014. At an election held on November 4, 2014, total debt authorization was approved in the amount of \$26,950,000 for the above listed facilities and services, as well as debt authorization of \$500,000 for operations and maintenance and \$27,450,000 for debt refunding. The District's service plan limits the District's total debt to \$30,000,000 (excluding debt refunding), with a maximum debt mill levy of 50.000 (as adjusted for changes in the method of calculating assessed valuation) and a maximum mill levy for operations of 15.000, which cannot be adjusted for any changes in the method of calculating assessed valuation. The maximum debt service mill levy as adjusted is 55.278.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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.

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.

**REDTAIL RANCH METROPOLITAN DISTRICT
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

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 5% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of 0.5%.

Developer Advances

In 2021, capital expenditures are anticipated to be funded by the Developer. Developer advances are to be recorded as revenue for budget purposes and may be repaid to the Developer from unpledged revenue in future years

Expenditures

Administrative Expenses

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, meeting expense, and other administrative expenses.

Capital Outlay

The District's capital outlay consists primarily of expenditures for streets, water, and sewer improvements. These expenditures are outlined in the capital projects fund.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

**REDTAIL RANCH METROPOLITAN DISTRICT
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District's debt is comprised of developer advances, which are not general obligation debt. As of December 31, 2019, the District had \$320,694.42 in outstanding developer advances and accrued interest at 7% per annum. Repayment of advances and accrued interest is subject to annual appropriation if and when eligible funds become available. See below for the anticipated developer advance transactions:

The District has no general obligation debt, nor any capital or operating leases.

	<u>12/31/2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2020</u>
Developer Advance				
Principal	\$ 278,104	\$ -	\$ 278,104	-
Accrued interest	42,591	16,894	59,485	-
	<u>\$ 320,695</u>	<u>\$ 16,894</u>	<u>\$ 337,589</u>	<u>-</u>
	<u>12/31/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2021</u>
Developer Advance				
Principal	<u>\$ -</u>	<u>\$ 8,600,000</u>	<u>\$ -</u>	<u>\$ 8,600,000</u>
	<u>\$ -</u>	<u>\$ 8,600,000</u>	<u>\$ -</u>	<u>\$ 8,600,000</u>

This information is an integral part of the accompanying budget.