

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2022)

The Board of Directors of Redtail Ranch Metropolitan District (the “**Board**”), Town of Erie, Weld County, Colorado (the “**District**”) held a special meeting via teleconference, on November 16, 2021, at the hour of 1:00 P.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.

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NOTICE AS TO PROPOSED 2022 BUDGET

NOTICE OF PUBLIC HEARING ON THE AMENDED 2021 BUDGET
AND
NOTICE OF PUBLIC HEARING ON THE PROPOSED 2022 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the REDTAIL RANCH METROPOLITAN DISTRICT (the "District"), will hold a meeting via teleconference on Tuesday, November 16, 2021 at 1:00 P.M., for the purpose of conducting such business as may come before the Board including a public hearing on the 2021 amended budget (the "Amended Budget") and 2022 proposed budget (the "Proposed Budget"). This meeting can be joined using the following teleconference information:
https://us06web.zoom.
us/j/84600137371?pwd=Q2V4elAwd3NueVdvcy9ucE9mUUlyQT09
Call-In Number: 720-707-2699
Meeting ID: 846 0013 7371
Passcode: 425759

NOTICE IS FURTHER GIVEN that an Amended Budget and a Proposed Budget have been submitted to the District. A copy of the Amended Budget and the Proposed Budget are on file in the office of CliftonLarsonAllen LLP, 8390 E Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.
Any interested elector of the District may file any objections to the Amended Budget and Proposed Budget at any time prior to final adoption of the Amended Budget and Proposed Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.
BY ORDER OF THE BOARD OF DIRECTORS:
REDTAIL RANCH METROPOLITAN DISTRICT

/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

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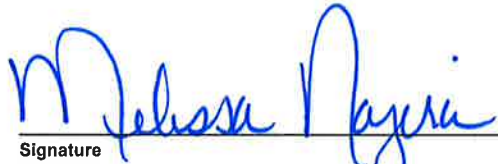
PUBLISHER'S AFFIDAVIT

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 10, 2021



Signature

Subscribed and sworn to me before me this
10th day of November 2021.



Notary Public

(SEAL)

SHAYLA NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174031965
MY COMMISSION EXPIRES July 31, 2025

Account: 1051175
Ad Number: 1846539
Fee: \$38.28

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 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

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 16, 2021, 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 2022. 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 2022 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 2022 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 2022 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 2022 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 16th DAY OF NOVEMBER, 2021.

REDTAIL RANCH METROPOLITAN DISTRICT

Richard Dean

Richard Dean (Jan 25, 2022 09:43 MST)

Officer of the District

ATTEST:

Reagan Dean

Reagan Dean (Jan 26, 2022 10:13 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Just

General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
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 16, 2021, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 16th day of November, 2021.

Reagan Dean

Reagan Dean (Jan 26, 2022 10:13 MST)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

**REDTAIL RANCH METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022**

**REDTAIL RANCH METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 53,190	\$ 320,970	\$ 538,326
REVENUES			
Property taxes	601,361	225,731	78,838
Specific ownership tax	28,543	11,245	3,942
Interest income	3,015	380	500
Developer advance	-	-	8,600,000
Total revenues	<u>632,919</u>	<u>237,356</u>	<u>8,683,280</u>
Total funds available	<u>686,109</u>	<u>558,326</u>	<u>9,221,606</u>
EXPENDITURES			
General Fund	365,139	20,000	235,000
Capital Projects Fund	-	-	8,600,000
Total expenditures	<u>365,139</u>	<u>20,000</u>	<u>8,835,000</u>
Total expenditures and transfers out requiring appropriation	<u>365,139</u>	<u>20,000</u>	<u>8,835,000</u>
ENDING FUND BALANCES	<u>\$ 320,970</u>	<u>\$ 538,326</u>	<u>\$ 386,606</u>

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Oil & Gas	39,817,770	14,740,750	4,917,590
Agricultural	10,050	10,050	10,500
State assessed	261,350	297,930	327,790
Certified Assessed Value	<u>\$ 40,089,170</u>	<u>\$ 15,048,730</u>	<u>\$ 5,255,880</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	\$ 601,338	\$ 225,731	\$ 78,838
Levied property taxes	601,338	225,731	78,838
Adjustments to actual/rounding	23	-	-
Budgeted property taxes	<u>\$ 601,361</u>	<u>\$ 225,731</u>	<u>\$ 78,838</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 601,361</u>	<u>\$ 225,731</u>	<u>\$ 78,838</u>
	<u>\$ 601,361</u>	<u>\$ 225,731</u>	<u>\$ 78,838</u>

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	53,190	\$ 320,970	\$ 538,326
REVENUES			
Property taxes	601,361	225,731	78,838
Specific ownership tax	28,543	11,245	3,942
Interest income	3,015	380	500
Total revenues	<u>632,919</u>	<u>237,356</u>	<u>83,280</u>
Total funds available	<u>686,109</u>	<u>558,326</u>	<u>621,606</u>
EXPENDITURES			
General and administrative			
Accounting	8,036	5,000	15,000
Contingency	-	2,626	97,317
County Treasurer's fee	9,060	3,390	1,183
Dues and licenses	695	473	1,000
Election expense	1,023	-	1,500
Insurance and bonds	3,211	3,511	4,000
Legal services	5,526	5,000	15,000
Repay developer advance	337,588	-	-
Operations and maintenance			
Repairs and maintenance	-	-	100,000
Total expenditures	<u>365,139</u>	<u>20,000</u>	<u>235,000</u>
Total expenditures and transfers out requiring appropriation	<u>365,139</u>	<u>20,000</u>	<u>235,000</u>
ENDING FUND BALANCE	<u>\$ 320,970</u>	<u>\$ 538,326</u>	<u>\$ 386,606</u>
EMERGENCY RESERVE	<u>\$ 19,000</u>	<u>\$ 7,200</u>	<u>\$ 2,500</u>
TOTAL RESERVE	<u>\$ 19,000</u>	<u>\$ 7,200</u>	<u>\$ 2,500</u>

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
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
2022 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
2022 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 0.1%.

Developer Advances

In 2022, 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
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no general obligation debt, nor any capital or operating leases. A summary of the anticipated developer advances is listed below:

	<u>12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2022</u>
Developer Advance				
Principal	\$ -	\$ 8,600,000	\$ -	\$ 8,600,000
Interest - 7%	-	301,000	-	301,000
	<u>\$ -</u>	<u>\$ 8,600,000</u>	<u>\$ -</u>	<u>\$ 8,600,000</u>

This information is an integral part of the accompanying budget.