

**RESOLUTION**  
**ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES**  
**FOR THE CALENDAR YEAR 2023**

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The Board of Directors of Redtail Ranch Metropolitan District (the “**Board**”), Town of Erie, Weld County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 15, 2022, at the hour of 11:00 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 2023 BUDGET

**NOTICE OF PUBLIC HEARING ON THE AMENDED 2022 BUDGET  
AND  
NOTICE OF PUBLIC HEARING ON THE PROPOSED 2023 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 November 15, 2022 at 11:00 a.m., for the purpose of conducting such business as may come before the Board including a public hearing on the 2023 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2022 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/81886403278?pwd=QWF0V0hsYml2K0FZNDJ3S1ZlRldCQT09>  
Meeting ID: 818 8640 3278  
Passcode: 326581  
(720) 707-2699

NOTICE IS FURTHER GIVEN that the Proposed Budget and Amended Budget (if applicable) have been submitted to the District. A copy of the Proposed Budget and Amended Budget are on file in the office of CliftonLarsonAllen, LLP, 8390 E Crescent Pkwy #300, Englewood, CO 80111, where the same are open for public inspection. Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to final adoption of the Proposed Budget or the Amended 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, a quasi-municipal corporation and political subdivision of the State of Colorado

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

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**Prairie Mountain Media, LLC**

**PUBLISHER'S AFFIDAVIT**

**County of Boulder  
State of Colorado**

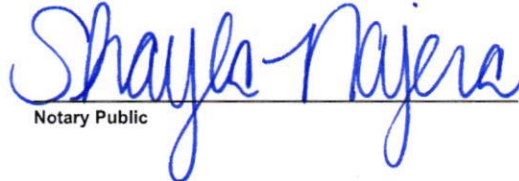
The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

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):

Oct 26, 2022

  
Signature

Subscribed and sworn to me before me this  
26<sup>th</sup> day of October, 2022

  
Notary Public

(SEAL)

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

Account: 1051175  
Ad Number: 1929759  
Fee: \$35.67

WHEREAS, the Board has designated 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 and interested electors were given the opportunity to register their protest to the proposed budget prior to the 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 2023. 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 2023 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 2023 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 2023 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. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. 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 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. 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 10. 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.

ADOPTED THIS NOVEMBER 15, 2022.

**DISTRICT:**

**REDTAIL RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado

By: *Richard Dean*  
Richard Dean (Jan 20, 2023 09:39 MST)  
Officer of the District

Attest:

By: *Reagan Dean*  
Reagan Dean (Jan 24, 2023 16:26 MST)

**APPROVED AS TO FORM:**

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

*[Signature]*  
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 via teleconference on November 15, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 24<sup>th</sup> day of January, 2023.

*Reagan Dean*  
Reagan Dean (Jan 24, 2023 16:26 MST)

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**REDTAIL RANCH METROPOLITAN DISTRICT  
ANNUAL BUDGET  
FOR THE YEAR ENDING DECEMBER 31, 2023**



**REDTAIL RANCH METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	320,970	\$ 542,456	\$ 611,294
REVENUES			
Property taxes	225,730	78,838	138,189
Specific ownership tax	11,299	4,700	8,291
Interest income	386	6,300	27,000
Total revenues	<u>237,415</u>	<u>89,838</u>	<u>173,480</u>
Total funds available	<u>558,385</u>	<u>632,294</u>	<u>784,774</u>
EXPENDITURES			
General and administrative			
Accounting	4,256	5,500	5,800
Contingency	-	1,823	3,527
County Treasurer's fee	3,390	1,184	2,073
Dues and licenses	473	1,238	1,500
Election expense	-	1,833	2,000
Insurance and bonds	3,511	3,222	3,500
Legal services	4,299	6,200	6,600
Total expenditures	<u>15,929</u>	<u>21,000</u>	<u>25,000</u>
Total expenditures and transfers out requiring appropriation	<u>15,929</u>	<u>21,000</u>	<u>25,000</u>
ENDING FUND BALANCE	<u>\$ 542,456</u>	<u>\$ 611,294</u>	<u>\$ 759,774</u>
EMERGENCY RESERVE	<u>\$ 7,200</u>	<u>\$ 2,700</u>	<u>\$ 5,300</u>
TOTAL RESERVE	<u>\$ 7,200</u>	<u>\$ 2,700</u>	<u>\$ 5,300</u>

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Oil & Gas	14,740,750	4,917,590	8,841,610
Agricultural	10,050	10,500	9,560
State assessed	297,930	327,790	361,430
Certified Assessed Value	\$ 15,048,730	\$ 5,255,880	\$ 9,212,600
 <b>MILL LEVY</b>			
General	15.000	15.000	15.000
Total mill levy	15.000	15.000	15.000
 <b>PROPERTY TAXES</b>			
General	\$ 225,731	\$ 78,838	\$ 138,189
Levied property taxes	225,731	78,838	138,189
Adjustments to actual/rounding	(1)	-	-
Budgeted property taxes	\$ 225,730	\$ 78,838	\$ 138,189
 <b>BUDGETED PROPERTY TAXES</b>			
General	\$ 225,730	\$ 78,838	\$ 138,189
	\$ 225,730	\$ 78,838	\$ 138,189

No assurance provided. See summary of significant assumptions.

**REDTAIL RANCH METROPOLITAN DISTRICT  
2023 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 57.266.

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.

**REDTAIL RANCH METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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.

**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 6% 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 4.00%.

**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.

**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.

**Debt and Leases**

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

**This information is an integral part of the accompanying budget.**