

**RED BARN METROPOLITAN DISTRICT ANNUAL REPORT
TO
THE TOWN OF MEAD**

FISCAL YEAR ENDING DECEMBER 31, 2024

Pursuant to Section VII of the Amended and Restated Service Plan for Red Barn Metropolitan District (the “**District**”) approved by the Town of Mead (the “**Town**”) on November 14, 2022, the following report of the District’s activities from January 1, 2024 to December 31, 2024, is hereby submitted:

1. Boundary changes made to the District’s boundary.
 - **An Order for Inclusion (approx. 35.0 acres) was recorded July 12, 2024 with the Weld County Clerk and Recorder at Reception No. 4970740.**

2. Intergovernmental agreements with other governmental entities entered into or terminated.

The District did not enter into or terminate any intergovernmental agreements with other governmental entities in 2024.

3. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town or other governmental entity.

The District did not construct any facilities or improvements in 2024, and therefore the District did not convey or dedicate any facilities or improvements constructed by the District to the Town in 2024.

4. The final assessed valuation of the District for the current year.

The District’s 2024 final assessed valuation is \$1,514,870.

5. Current year budget including a description of the Public Improvements to be constructed in such year.

The District’s 2025 Budget, as amended, is attached as Exhibit A. The District does intend to construct public infrastructure in 2025.

6. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles if required by law or an audit exemption.

The District's audit for the current report year (2024) is still in process, and the District has requested from the State Auditor an extension of time to September 30, 2025 to file the 2024 Audit. A copy of the 2024 Audit will be provided once it is completed. The 2023 Audit was not completed when the District's 2023 Annual Report was filed but has now been completed. A copy of the 2023 Audit is attached to this report as Exhibit B.

7. Notice of any uncured events of default by the District under any Debt instrument, which continue beyond a ninety (90) day period.

To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.

8. Summary of any litigation where the District is a party (including a list of the parties or anticipated parties, claims or anticipated claims, etc.) / Summary of litigation involving the District's public improvements.

Neither the District nor the District's public improvements were involved in any litigation in 2024.

The following information required by Section 32-1-207(3)(c)(II), C.R.S. (and not already disclosed above) is also provided:

9. Access information to obtain a copy of rules and regulations adopted.

Adopted rules and regulations are available at the offices of Public Alliance LLC, 7555 E. Hampden Ave., Suite 501, Denver, CO 8023 (720-213-6621) or on the District's website: www.redbarnmd.org.

10. Status of the District's construction of public improvements.

The District did not construct any public improvements in 2024.

11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period.

To our knowledge, the District has been able to pay its obligations as they come due.

EXHIBIT A

Budget

RESOLUTION NO. 2024-11-04

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF RED BARN METROPOLITAN
DISTRICT, WELD COUNTY, COLORADO, PURSUANT TO SECTION 29-1-108,
C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND,
ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE
BUDGET YEAR 2025**

A. The Board of Directors of Red Barn Metropolitan District (the “**District**”) has appointed Simmons & Wheeler, P.C. to prepare and submit a proposed budget to said governing body at the proper time.

B. Simmons & Wheeler, P.C. has submitted a proposed budget to this governing body by October 15, 2024 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 7, 2024, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF RED BARN METROPOLITAN DISTRICT, WELD COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

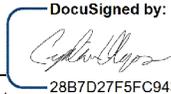
2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 7, 2024.

RED BARN METROPOLITAN DISTRICT

By:  _____
President DocuSigned by:
28B7D27F5FC9431...

Attest:

By:  _____
Secretary DocuSigned by:
4110247F825D413...

EXHIBIT A

Budget

RED BARN METROPOLITAN DISTRICT
2025
BUDGET MESSAGE

Attached please find a copy of the adopted 2025 budget for the Red Barn Metropolitan District.

Red Barn Metropolitan District has adopted a budget for three separate funds, a General Fund to provide for the payment of operating and maintenance expenditures; a Capital Projects Fund to provide for estimated infrastructure costs that are to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the outstanding and proposed general obligation bonds.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary sources of revenue for the district in 2025 will be developer advances, district fees, bond proceeds and property taxes from the imposition of a 66.050 mill levy on property within the district for 2025, of which 13.629 mills will be dedicated to the General Fund and the balance of 52.421 mills will be allocated to the Debt Service Fund. 3.145 mills of the 13.629 mills in the General Fund are restricted for regional improvements per an intergovernmental agreement with the Town of Mead, Colorado.

Red Barn Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual 9/30/2024	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ 402	\$ -	\$ 5,340	\$ 5,340	\$ -
Revenues:					
Property taxes	1,038	1,885	1,932	1,932	15,882
Specific Ownership taxes	44	112	51	65	953
Property taxes - Town Mill Levy	311	565	565	565	4,764
Specific Ownership - Town Mill Levy	13	34	15	18	286
District fees	565	41,760	31,633	41,760	97,440
Developer advances	85,181	66,280	32,998	81,277	46,795
Interest/Misc Income	126	-	257	110	-
Total revenues	<u>87,278</u>	<u>110,636</u>	<u>67,451</u>	<u>125,727</u>	<u>166,120</u>
Total funds available	<u>87,680</u>	<u>110,636</u>	<u>72,791</u>	<u>131,067</u>	<u>166,120</u>
Expenditures:					
Accounting / audit	10,379	20,500	8,700	20,000	15,500
Audit	-	-	-	-	5,000
Election	971	-	-	-	3,000
Town mill levy	-	599	572	583	5,050
Insurance/ SDA Dues	2,414	3,000	3,612	3,700	4,000
Legal	50,832	40,000	34,166	55,000	40,000
Special legal	-	2,000	-	-	2,000
Management	17,239	12,000	11,347	15,000	16,000
Snow removal	-	10,000	-	20,000	20,000
Landscape maintenance	-	-	-	-	25,000
Pet waste pickup	-	2,500	-	-	2,500
Water	-	5,000	-	3,500	5,000
Trash	-	-	1,334	2,000	2,500
Community activities	-	1,500	-	-	1,500
Covenant enforcement	-	7,500	8,692	9,500	7,690
Billing services	-	1,700	1,042	1,700	2,000
Miscellaneous website	486	1,000	44	55	1,000
Treasurer's Fees	19	28	37	29	238
Contingency	-	89	-	-	3,403
Emergency Reserve	-	3,220	-	-	4,739
Total expenditures	<u>82,340</u>	<u>110,636</u>	<u>69,546</u>	<u>131,067</u>	<u>166,120</u>
Ending fund balance	<u>\$ 5,340</u>	<u>\$ -</u>	<u>\$ 3,245</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 188,440</u>			<u>\$ 1,514,870</u>
Mill Levy		<u>10.000</u>			<u>10.484</u>
Town Mill levy		<u>3.000</u>			<u>3.145</u>

Red Barn Metropolitan District
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>9/30/2024</u>	Estimate <u>2024</u>	Adopted Budget <u>2025</u>
Beginning fund balance	\$ -	\$ -	\$ 8,363	\$ 8,363	\$ 8,663
Revenues:					
Bond proceeds	7,000,000	-	-	-	14,850,000
Developer advances	13,044,827	-	-	-	-
Interest Income	<u>80</u>	-	<u>204</u>	<u>300</u>	-
					-
Total revenues	<u>20,044,907</u>	-	<u>204</u>	<u>300</u>	<u>14,850,000</u>
Total funds available	<u>20,044,907</u>	-	<u>8,567</u>	<u>8,663</u>	<u>14,858,663</u>
Expenditures:					
Planning and Engineering	7,801	-	-	-	-
Miscellaneous	3,525	-	-	-	-
Repay developer	7,109,004	-	-	-	-
Cost of issuance	189,364	-	-	-	-
Capital improvements	12,726,850	-	-	-	3,472,102
Transfer to Debt Service fund	<u>-</u>	-	<u>-</u>	<u>-</u>	<u>10,786,849</u>
Total expenditures	<u>20,036,544</u>	-	<u>-</u>	<u>-</u>	<u>14,258,951</u>
Ending fund balance	<u>\$ 8,363</u>	<u>\$ -</u>	<u>\$ 8,567</u>	<u>\$ 8,663</u>	<u>\$ 599,712</u>

Red Barn Metropolitan District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2025

	Actual 2023	Adopted Budget 2024	Actual 9/30/2024	Estimate 2024	Adopted Budget 2025
Beginning fund balance	\$ 628	\$ 5,939	\$ 587	\$ 587	\$ -
Revenues:					
Property taxes	5,816	9,422	9,422	9,422	79,411
Specific ownership taxes	221	563	254	320	4,763
Transfer from Capital Projects Fund	-	-	-	-	10,786,849
Interest income	-	-	262	150	-
	<u>6,037</u>	<u>9,985</u>	<u>9,938</u>	<u>9,892</u>	<u>10,871,023</u>
Total revenues					
	<u>6,037</u>	<u>9,985</u>	<u>9,938</u>	<u>9,892</u>	<u>10,871,023</u>
Total funds available					
	<u>6,665</u>	<u>15,924</u>	<u>10,525</u>	<u>10,479</u>	<u>10,871,023</u>
Expenditures:					
Bond interest expense	-	11,783	-	10,338	579,828
Refunding escrow					7,623,343
Treasurer's fees	78	141	141	141	1,191
Miscellaneous	6,000	-	-	-	71
Trustee / paying agent fees	-	4,000	-	-	4,000
	<u>6,078</u>	<u>15,924</u>	<u>141</u>	<u>10,479</u>	<u>8,208,433</u>
Total expenditures					
	<u>6,078</u>	<u>15,924</u>	<u>141</u>	<u>10,479</u>	<u>8,208,433</u>
Ending fund balance	<u>\$ 587</u>	<u>\$ -</u>	<u>\$ 10,384</u>	<u>\$ -</u>	<u>\$ 2,662,590</u>
Assessed valuation		<u>\$ 188,440</u>			<u>\$ 1,514,870</u>
Mill Levy		<u>50.000</u>			<u>52.421</u>
Total Mill Levy		<u>63.000</u>			<u>66.050</u>

I, Nash Verano, hereby certify that I am the duly appointed Secretary of the Red Barn Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2025, duly adopted at a meeting of the Board of Directors of the Red Barn Metropolitan District held on November 7, 2024.

DocuSigned by:

Nash Verano

4110247F825D413...

Secretary

RESOLUTION NO. 2024-11-05

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE RED BARN METROPOLITAN DISTRICT LEVYING
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE
YEAR 2024, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2025
BUDGET YEAR**

A. The Board of Directors of the Red Barn Metropolitan District (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 7, 2024.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Red Barn Metropolitan District, Weld County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2025 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2025 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2025 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, 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.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 7, 2024.

RED BARN METROPOLITAN DISTRICT

By: _____
President

DocuSigned by:
[Signature]
28B7D27F5FC9431...

Attest:

By: _____
Secretary

DocuSigned by:
Nash Verano
4110247F825D413...

RESOLUTION NO. 2025-02-01

RESOLUTION TO AMEND BUDGET

**RESOLUTION OF THE RED BARN METROPOLITAN DISTRICT TO AMEND THE
2025 BUDGET**

Pursuant to Section 29-1-109, C.R.S., the Board of Red Barn Metropolitan District (the “**District**”), hereby certifies that a special meeting of the Board of Directors of the District, was held on November 7, 2024, held and properly noticed to be held via telephone conference.

A. At such meeting, the Board of Directors of the District adopted that certain Resolution to Adopt Budget and appropriating funds for the fiscal year 2025 as follows:

General Fund	\$	166,120
Capital Projects Fund	\$	14,258,951
Debt Service Fund	\$	8,208,433

B. The necessity has arisen for additional Capital Projects Fund and Debt Service Fund appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2025.

C. The source and amount of revenues for such expenditures, the purposes for which such revenues are being appropriated, and the fund(s) which shall make such supplemental expenditures are described on **Exhibit A**, attached hereto and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Red Barn Metropolitan District shall and hereby does amend the budget for the fiscal year 2025 as follows:

Capital Projects Fund	\$23,000,000
Debt Service Fund	\$2,585,090

BE IT FURTHER RESOLVED, that such sum is hereby appropriated from unexpected revenues available to the District to the Capital Projects Fund and Debt Service Fund for the purpose stated.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT A

Original and Amended Budget Appropriations

**Red Barn Metropolitan District
Amended Budget
Capital Projects Fund
For the Year ended December 31, 2025**

	Adopted Budget <u>2024</u>	Adopted Budget <u>2025</u>	Amended Budget <u>2025</u>
Beginning fund balance	\$ -	\$ 8,663	\$ 8,663
Revenues:			
Bond proceeds	-	14,850,000	16,500,000
Developer advances	-	-	6,500,000
Interest Income	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	-	14,850,000	23,000,000
Total funds available	<u>-</u>	<u>14,858,663</u>	<u>23,008,663</u>
Expenditures:			
Planning and Engineering	-	-	-
Miscellaneous	-	-	-
Repay developer	-	-	-
Cost of issuance	-	-	650,000
Capital improvements	-	3,472,102	16,500,000
Transfer to Debt Service fund	-	10,786,849	5,850,000
	<u>-</u>	<u>14,258,951</u>	<u>23,000,000</u>
Total expenditures	-	14,258,951	23,000,000
Ending fund balance	<u>\$ -</u>	<u>\$ 599,712</u>	<u>\$ 8,663</u>

**Red Barn Metropolitan District
Amended Budget
Debt Service Fund
For the Year ended December 31, 2025**

	Adopted Budget 2024	Adopted Budget 2025	Amended Budget 2025
Beginning fund balance	\$ 5,939	\$ -	\$ -
Revenues:			
Property taxes	9,422	79,411	79,411
Specific ownership taxes	563	4,763	4,763
Transfer from Capital Projects Fund	-	10,786,849	5,850,000
Interest income	-	-	-
Total revenues	<u>9,985</u>	<u>10,871,023</u>	<u>5,934,174</u>
Total funds available	<u>15,924</u>	<u>10,871,023</u>	<u>5,934,174</u>
Expenditures:			
Bond interest expense	11,783	579,828	579,828
Refunding escrow		7,623,343	2,000,000
Treasurer's fees	141	1,191	1,191
Miscellaneous	-	71	71
Trustee / paying agent fees	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total expenditures	<u>15,924</u>	<u>8,208,433</u>	<u>2,585,090</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 2,662,590</u>	<u>\$ 3,349,084</u>
Assessed valuation	<u>\$ 188,440</u>	<u>\$ 1,514,870</u>	<u>\$ 1,514,870</u>
Mill Levy	<u>50.000</u>	<u>52.421</u>	<u>52.421</u>
Total Mill Levy	<u>63.000</u>	<u>66.050</u>	<u>66.050</u>

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.

On behalf of the RED BARN METRO DISTRICT,
 (taxing entity)^A
 the Board of Directors,
 (governing body)^B
 of the RED BARN METRO DISTRICT,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ \$1,514,870.00 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ \$1,514,870.00 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/16/2024 for budget/fiscal year 2025.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	10.484 mills	\$ 15881.90
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < 0 >
SUBTOTAL FOR GENERAL OPERATING:	10.484 mills	\$ 15881.90
3. General Obligation Bonds and Interest ^J	52.421 mills	\$ 79411.00
4. Contractual Obligations ^K	3.145 mills	\$ 4764.27
5. Capital Expenditures ^L	mills	\$ 0
6. Refunds/Abatements ^M	mills	\$ 0
7. Other ^N (specify): _____	mills	\$
_____	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	66.050 mills	\$ 100057.16

Contact person: (print) Diane Wheeler Daytime phone: 303-689-0833
 Signed:  Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity*'s boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity*'s mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity*'s total mills upon the *taxing entity*'s *Gross Assessed Value* found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity*'s mill levy applied against the *taxing entity*'s gross assessed value after subtracting the *taxing entity*'s revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

I, Nash Verano, hereby certify that I am the duly appointed Secretary of the Red Barn Metropolitan District, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2025, duly adopted at a meeting of the Board of Directors of the Red Barn Metropolitan District held on November 7, 2024.

DocuSigned by:
Nash Verano
4110247F825D413...
Secretary

EXHIBIT B

2023 Audit

RED BARN METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2023

with

Independent Auditor's Report

C O N T E N T S

	<u>Page</u>
<u>Independent Auditor's Report</u>	I
 <u>Basic Financial Statements</u>	
Balance Sheet/Statement of Net Position - Governmental Funds	1
Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities - Governmental Funds	2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	3
Notes to Financial Statements	4
 <u>Supplemental Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Debt Service Fund	18
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Capital Projects Fund	19
Summary of Assessed Valuation, Mill Levy and Property Taxes Collected	20



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Red Barn Metropolitan District
Weld County, CO

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Red Barn Metropolitan District (the "District") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Red Barn Metropolitan District as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplemental Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information as noted in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in blue ink that reads "Flynn CPA, LLC". The signature is written in a cursive, flowing style and is positioned above a horizontal line.

Flynn CPA, LLC

Castle Pines, CO
October 7, 2024

RED BARN METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS						
Cash and cash equivalents	\$ 32,593	\$ -	\$ -	\$ 32,593	\$ -	\$ 32,593
Cash and cash equivalents - restricted	3,220	-	8,363	11,583	-	11,583
Taxes due from County	61	587	-	648	-	648
Accounts receivable - developer	3,289	-	-	3,289	(3,289)	-
Prepaid expenses	2,115	-	-	2,115	-	2,115
Property taxes receivable	2,450	9,422	-	11,872	-	11,872
Capital assets not being depreciated	-	-	-	-	12,726,850	12,726,850
Total Assets	<u>\$ 43,728</u>	<u>\$ 10,009</u>	<u>\$ 8,363</u>	<u>\$ 62,100</u>	<u>12,723,561</u>	<u>12,785,661</u>
LIABILITIES						
Accounts payable	\$ 35,600	\$ -	\$ -	\$ 35,600	-	35,600
Accounts payable - town	338	-	-	338	-	338
Accrued interest on bonds	-	-	-	-	43,872	43,872
Long-term liabilities:						
Due in more than one year	-	-	-	-	14,043,020	14,043,020
Total Liabilities	<u>35,938</u>	<u>-</u>	<u>-</u>	<u>35,938</u>	<u>14,086,892</u>	<u>14,122,830</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred property taxes	2,450	9,422	-	11,872	-	11,872
Total Deferred Inflows of Resources	<u>2,450</u>	<u>9,422</u>	<u>-</u>	<u>11,872</u>	<u>-</u>	<u>11,872</u>
FUND BALANCES/NET POSITION						
Fund balances:						
Nonspendable:						
Prepays	2,115	-	-	2,115	(2,115)	-
Restricted:						
Emergencies	3,220	-	-	3,220	(3,220)	-
Debt service	-	587	-	587	(587)	-
Capital	-	-	8,363	8,363	(8,363)	-
Unassigned	5	-	-	5	(5)	-
Total Fund Balances	<u>5,340</u>	<u>587</u>	<u>8,363</u>	<u>14,290</u>	<u>(14,290)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 43,728</u>	<u>\$ 10,009</u>	<u>\$ 8,363</u>	<u>\$ 62,100</u>		
Net Position:						
Restricted for:						
Emergencies					3,220	3,220
Debt service					587	587
Capital projects					8,363	8,363
Unrestricted					<u>(1,361,211)</u>	<u>(1,361,211)</u>
Total Net Position (Deficit)					<u>\$ (1,349,041)</u>	<u>\$ (1,349,041)</u>

The notes to the financial statements are an integral part of these statements.

RED BARN METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Project</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES						
<u>Operating:</u>						
Accounting and audit	\$ 10,379	\$ -	\$ -	\$ 10,379	\$ -	\$ 10,379
Legal	50,832	-	-	50,832	-	50,832
District management	17,239	-	-	17,239	-	17,239
Elections	971	-	-	971	-	971
Insurance	2,414	-	-	2,414	-	2,414
Miscellaneous	486	6,000	3,525	10,011	-	10,011
Treasurer fees	19	78	-	97	-	97
Bond interest	-	-	-	-	43,872	43,872
Engineering	-	-	7,801	7,801	-	7,801
Capital expenditures	-	-	12,726,850	12,726,850	(12,726,850)	-
Cost of issuance	-	-	189,364	189,364	-	189,364
Repay developer	-	-	7,109,004	7,109,004	(7,109,004)	-
Interest on developer advance	-	-	-	-	841,066	841,066
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	82,340	6,078	20,036,544	20,124,962	(18,950,916)	1,174,046
PROGRAM REVENUES						
Homeowner assessments	565	-	-	565	-	565
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Program Revenues	565	-	-	565	-	565
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Program Income (Expense)	(81,775)	(6,078)	(20,036,544)	(20,124,397)	18,950,916	(1,173,481)
GENERAL REVENUES						
Property taxes	1,349	5,816	-	7,165	-	7,165
Specific ownership taxes	57	221	-	278	-	278
Interest income	126	-	80	206	-	206
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total General Revenues	1,532	6,037	80	7,649	-	7,649
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	(80,243)	(41)	(20,036,464)	(20,116,748)	18,950,916	(1,165,832)
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	-	7,000,000	7,000,000	(7,000,000)	-
Developer advances	85,181	-	13,044,827	13,130,008	(13,130,008)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	85,181	-	20,044,827	20,130,008	(20,130,008)	-
NET CHANGES IN FUND BALANCES						
	4,938	(41)	8,363	13,260	(13,260)	
CHANGES IN NET POSITION						
					(1,165,832)	(1,165,832)
FUND BALANCES/NET POSITION						
BEGINNING OF YEAR	402	628	-	1,030	(184,239)	(183,209)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
END OF YEAR	\$ 5,340	\$ 587	\$ 8,363	\$ 14,290	\$ (1,363,331)	\$ (1,349,041)

The notes to the financial statements are an integral part of these statements.

RED BARN METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Property taxes	\$ 1,349	\$ 1,349	\$ 1,349	\$ -
Specific ownership taxes	81	60	57	(3)
Homeowner assessments	-	-	565	565
Interest income	-	713	126	(587)
Total Revenues	1,430	2,122	2,097	(25)
EXPENDITURES				
Accounting and audit	7,500	8,500	10,379	(1,879)
Legal	30,000	55,000	50,832	4,168
District management	4,000	12,000	17,239	(5,239)
Elections	5,000	1,000	971	29
Insurance	3,000	2,500	2,414	86
Miscellaneous	330	55	486	(431)
Town mill levy	-	326	-	326
Treasurer fees	16	16	19	(3)
Contingency	89	10,603	-	10,603
Emergency Reserve	1,495	-	-	-
Total Expenditures	51,430	90,000	82,340	7,660
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(50,000)	(87,878)	(80,243)	7,635
OTHER FINANCING SOURCES				
Developer advances	50,000	87,434	85,181	(2,253)
Total Other Financing Sources	50,000	87,434	85,181	(2,253)
NET CHANGE IN FUND BALANCE				
	-	(444)	4,938	5,382
FUND BALANCE:				
BEGINNING OF YEAR	-	444	402	(42)
END OF YEAR	\$ -	\$ -	\$ 5,340	\$ 5,340

The notes to the financial statements are an integral part of these statements.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Red Barn Metropolitan District, (“District”) located in the Town of Mead, Weld County, Colorado, (“Town”) conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized on November 21, 2019, as a quasi-municipal corporation and political subdivision established under the State of Colorado Special District Act and operates pursuant to an Amended and Restated Service Plan approved by the Town of Mead (the “Town”) on November 14, 2022 (“ Service Plan”). The District was established for the planning, design, acquisition, construction, installation, relocation, redevelopment and financing of public improvements for the benefit of the anticipated inhabitants and taxpayers of the District. The District's primary source of revenues is developer advances. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

The District amended its total appropriations in the General Fund the Debt Service Fund and the Capital Projects Fund primarily due to increased capital improvement expenditures.

Assets, Liabilities and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and investments, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and investments are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type of item that qualifies for reporting in this category. This item is deferred property taxes. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable using the straight-line method.

Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

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 30 or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund represents prepaid expenditures.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$3,220 of the General Fund balance has been reserved in compliance with this requirement.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

The restricted fund balance in the Capital Projects Fund is restricted for the payment of the costs for capital improvements within the District.

The restricted fund balance in the Debt Service Fund is restricted fund for the payment of principal and interest on the 2023 Bonds. See Note 4

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all funds can report negative amounts.

For the classification of governmental fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District can report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2023, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 32,593
Cash and cash equivalents - restricted	<u>11,583</u>
Total	\$ <u>44,176</u>

Cash and cash equivalents as of December 31, 2023, consist of the following:

Deposits with financial institutions	\$ 29,883
Investments - COLOTRUST	<u>14,293</u>
	\$ <u>44,176</u>

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District's deposits were exposed to custodial credit risk.

Investments

Credit Risk

The District has elected to follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method ("NAV") per share.

As of December 31, 2023, the District had the following investments:

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST"), is rated AAAM by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of \$1.00. The COLOTRUST offers shares in three portfolios, one of which is COLOTRUST PLUS+. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of \$1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments and there is no redemption notice period. On December 31, 2023, the District had \$14,293 invested in COLOTRUST Plus+.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Note 3: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2023, follows:

	Balance 1/1/2023	Additions	Deletions	Balance 12/31/2023
<u>Governmental Type Activities:</u>				
<u>Capital assets not being depreciated:</u>				
Construction in progress	\$ -	\$12,726,850	\$ -	\$ 12,726,850
Total capital assets not being depreciated:	-	12,726,850	-	12,726,850
Government type assets, net	\$ -	\$12,726,850	\$ -	\$ 12,726,850

Note 4: Long-Term Debt

A description of the long-term obligations as of December 31, 2023, is as follows:

\$7,000,000 General Obligation Limited Tax Bonds, Series 2023

On November 30, 2023 the District issued \$7,000,000 of General Obligation Limited Tax Bonds, Series 2023 (“2023 Bonds”) for the purpose of paying or reimbursing Project Costs. The 2023 Bonds bear interest at the rate of 7.5%, payable annually on December 1, commencing on December 1, 2024 to the extent Pledged Revenue is available. The 2023 Bonds mature on December 1, 2037. The 2023 Bonds terminate on December 2, 2040, and no payments will be due on the 2023 Bonds following such termination date, regardless of the amount of principal and interest paid prior to that date. The 2023 Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, at any time upon payment of par and accrued interest, with no redemption premium. The 2023 Bonds are “cash flow” bonds meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest not paid will accrue and compound until there is sufficient Pledged Revenue for payment. In the event any amounts due and owing on 2023 Bonds remain outstanding on December 2, 2040, such amounts shall be deemed discharged and shall no longer be due and outstanding.

The 2023 Bonds are secured by the Required Mill Levy, the Pledged Fees, the portion of the Specific Ownership Tax which is collected as a result of the Required Mill Levy, and any other legally available moneys as determined by the District as defined in the Indenture of Trust.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Events of Default as defined in the 2023 Indenture of Trust dated November 30, 2023, (the "Indenture") include 1) the failure of the District to impose the Required Mill levy, or to apply the Pledged Revenue as required by the Indenture, 2) the default by the District in the performance or observance of any other of the covenants, agreements, or conditions of the Indenture or the Bond Resolution, and failure to remedy the same after notice thereof pursuant to the Indenture, and 3) the filing of a petition under the federal bankruptcy laws or other applicable laws seeking to adjust the obligations represented by the 2023 Bonds. Failure to pay the principal or interest on the 2023 Bonds when due shall not, of itself, constitute an Event of Default under the Indenture. Remedies available in the Event of Default include 1) receivership, 2) suit for judgment, and 3) mandamus or other suits. Acceleration of the 2023 Bonds is not an available remedy for an Event of Default.

Because of the uncertainty of the timing of the principal and interest payment on the 2023 Bonds, no schedule of principal and interest payments is presented.

Facilities Acquisition Agreement

The District and Century Land Holdings, LLC, a Colorado limited liability company ("CLH") and Century Communities Investments, LLC, a Colorado limited liability company ("CCI"), and 13-32 Development LLC a Colorado limited liability company ("13-32") entered into a Facilities Acquisition Agreement dated November 30, 2023, (, the "FAA"). Pursuant to the FAA, CLH agrees to design, construct and complete certain public improvements and the District agrees to acquire the public improvements and reimburse CLH and CLI for the costs associated with the construction of the public improvements up to a maximum amount of \$21,000,000 along with interest at 8% per annum, subject to the terms in the FAA. The District also acknowledges the reimbursement for organization expenses. On March 4, 2021, the District executed and delivered to 13-32 a Promissory Note in the original principal amount of \$44,864.38 (the "Note"), in accordance with a Resolution Authorizing the Issuance of a Promissory Note dated March 4, 2021, authorizing the issuance of such Note (the "Note Resolution"). Pursuant to the Note Resolution, the District executed and delivered such Note for purposes of reimbursing 13-32 for certain advances made by 13-32 for Organization Expenses. 13-32 and the District agree that, upon payment to 13-32 in the amount of \$55,787.93 by or on behalf of the District (such date of receipt being the "Termination Date"), the terms of the Note and Note Resolution shall have been fully paid, performed and that such agreement shall be terminated and discharged. 13-32 received payment in full, inclusive of accrued interest, on the Note on or about November 17, 2023, and the Note and Note Resolution have been terminated and are of no further force of effect. The FAA does not constitute a debt of the District, but is an annual appropriation intended to be repaid through a future bond issuance. The FAA further provides that if the District has not reimbursed the Developer within 20 years after the initial date of imposition of an ad valorem property tax to pay any debt this obligation with expire.

As of December 31, 2023, principal and interest due under this agreement was \$6,826,756 and \$46,384 respectively.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Operations Funding Agreement

The District and CLH, entered into an Operations Funding Agreement dated November 30, 2023, (the "OFA"), effective on January 1, 2020. The District anticipates a shortfall in revenues available for operations, maintenance and administrative expenses to be incurred for fiscal years 2021, 2022, and 2023 in an aggregate amount of \$128,500 (the "Shortfall Amount"). The OFA was amended by the First Amendment to Operation Funding Agreement dated December 7, 2023, increasing the total Shortfall Amount to \$210,000 and extends the funding period through 2024. CLH agrees to advance funds necessary to fund, or shall directly pay, the District's operations, maintenance and administrative expenses on a periodic basis as needed for fiscal years 2021-2024 up to the Shortfall Amount. The District shall, from time to time, provide written notice to CLH that an advance of all or part of the Shortfall Amount is required. CLH shall make an advance of funds to the District within 15 days of receipt from the District of any such written notice that an advance of funds is required ("Developer Advance"). The District intends to repay the amounts CLH has advanced or directly paid pursuant to the OFA to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties and charges, and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations, maintenance and administrative expenses, which repayment is subject to annual budget and appropriation. Simple interest shall accrue on each Developer Advance from the date of deposit into the District's account or from the date of direct payment by CLH, until paid, at the rate of 8% per annum. The Developer Advances shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement shall be at all times subject to annual appropriation by the District in its absolute discretion. As of December 31, 2023, principal and interest due under this agreement was \$159,928 and \$9,952 respectively. The obligation to repay CLH will terminate on December 31, 2061.

The following is an analysis of changes in long-term debt for the year ended December 31, 2023:

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Current Portion
<u>General Obligation Bonds:</u>					
Series 2023	\$ -	\$ 7,000,000	\$ -	\$ 7,000,000	\$ -
	-	7,000,000	-	7,000,000	-
<u>Other:</u>					
Developer advances	90,813	-	90,813	-	-
Interest on Developer advance	13,012	5,179	18,191	-	-
Developer advances -operations	37,494	122,434	-	159,928	-
Interest on Developer advance	2,378	7,574	-	9,952	-
Developer advance - Capital	-	13,044,827	6,218,071	6,826,756	-
Interest on Developer advance	-	828,313	781,929	46,384	-
	<u>143,697</u>	<u>13,873,140</u>	<u>7,000,000</u>	<u>7,043,020</u>	<u>-</u>
	<u>\$ 143,697</u>	<u>\$ 20,873,140</u>	<u>\$ 7,000,000</u>	<u>\$ 14,043,020</u>	<u>\$ -</u>

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Debt Authorization

On November 5, 2019, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$120,000,000. After the issuance of the 2023 Bonds, the remaining authorization is \$113,000,000. Per the District's Service Plan, the District cannot issue debt in excess of \$21,000,000. There is \$14,000,000 authorization remaining under the Service Plan as of December 31, 2023.

Note 5: Related Parties

All of the Board members are owners or members of or are otherwise associated with the Developer. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 6: Town IGA

The District and the Town entered into an Intergovernmental Agreement dated December 9, 2019 as amended by that First Amendment dated August 8, 2022 and that Second Amendment dated November 29, 2022, (the "Town IGA"), which provides contractual enforcement rights to the town with respect to certain restrictions and limitations set forth in the Service Plan regarding construction, ownership, operations and maintenance of improvements. The Town IGA requires the District to impose an additional mill levy of 3 mills (subject to adjustment) for the purpose of defraying the Town's ongoing operations and maintenance expenses associated with the Town's capital improvements and infrastructure within the boundary of the District ("Town O&M Mill Levy"). The District's obligation to impose and collect the revenues from the Town O&M Mill Levy shall begin when the District first imposes an operating mill levy. The revenues received from the Town O&M Mill Levy shall be remitted to the Town within 30 days of receipt by the District. The revenues received by the Town from the Town O&M Mill Levy may be applied to any operation and maintenance expenses incurred or associated with any Town capital improvements and infrastructure that the District could otherwise finance and shall not be used for the maintenance of improvements that the District is not otherwise legally authorized to provide. The failure of the District to levy, collect and remit the Town O&M Mill Levy shall constitute a material departure from the Service Plan. The Town may enforce this provision of the Service Plan pursuant to applicable state statutes and exercise all such other available legal and equitable remedies in the event of such material modification by the District.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2023

Note 7: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On November 5, 2019, a majority of the District’s electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 8: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials’ liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

RED BARN METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2023

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and
- 2) long-term liabilities such as bonds and developer advances payable and accrued interest payable are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in process pending transfer to other governmental entities or depreciated over their useful lives;
- 2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities;
- 3) governmental funds report developer advances and/or bond proceeds as revenue; and,
- 4) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

RED BARN METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES				
Property taxes	\$ 5,188	\$ 5,188	\$ 5,816	\$ 628
Specific ownership taxes	<u>415</u>	<u>415</u>	<u>221</u>	<u>(194)</u>
Total Revenues	<u>5,603</u>	<u>5,603</u>	<u>6,037</u>	<u>434</u>
EXPENDITURES				
Miscellaneous	-	6,000	6,000	-
Treasurer fees	<u>78</u>	<u>78</u>	<u>78</u>	<u>-</u>
Total Expenditures	<u>78</u>	<u>6,078</u>	<u>6,078</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	5,525	(475)	(41)	434
FUND BALANCE:				
BEGINNING OF YEAR	<u>620</u>	<u>620</u>	<u>628</u>	<u>8</u>
END OF YEAR	<u>\$ 6,145</u>	<u>\$ 145</u>	<u>\$ 587</u>	<u>\$ 442</u>

The notes to the financial statements are an integral part of these statements.

RED BARN METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Interest income	\$ -	\$ -	\$ 80	\$ 80
Total Revenues	<u>-</u>	<u>-</u>	<u>80</u>	<u>80</u>
EXPENDITURES				
Capital expenditures	17,750,000	12,726,850	12,726,850	-
Cost of issuance	-	190,000	189,364	636
Miscellaneous	-	3,525	3,525	-
Engineering	-	7,800	7,801	(1)
Repay developer	-	7,110,000	7,109,004	996
Total Expenditures	<u>17,750,000</u>	<u>20,038,175</u>	<u>20,036,544</u>	<u>1,631</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(17,750,000)	(20,038,175)	(20,036,464)	1,711
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	7,000,000	7,000,000	-
Developer advances	17,750,000	13,045,000	13,044,827	(173)
Total Other Financing Sources (Uses)	<u>17,750,000</u>	<u>20,045,000</u>	<u>20,044,827</u>	<u>(173)</u>
NET CHANGE IN FUND BALANCE	-	6,825	8,363	1,538
FUND BALANCE:				
BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 6,825</u>	<u>\$ 8,363</u>	<u>\$ 1,538</u>

The notes to the financial statements are an integral part of these statements.

RED BARN METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2023

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Mills Levied</u>			<u>Total Property Tax</u>		<u>Percent Collected to Levied</u>
		<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Levied</u>	<u>Collected</u>	
2023	\$ 103,760	13.000	50.000	63.000	\$ 6,537	\$ 7,165	109.61%
Estimated for year ending December 31, 2024	\$ 188,440	13.000	50.000	63.000	\$ 11,872		

NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.