

**REMUDA RIDGE METROPOLITAN DISTRICT**

Wednesday, September 20<sup>th</sup>, 2023 - 2:00PM

Board Meeting

NOTICE IS HEREBY GIVEN that the Boards of Directors of **Remuda Ridge Metropolitan District**, County of El Paso, State of Colorado, will hold a meeting at 2:00PM on Wednesday, the 20<sup>th</sup> day of September 2023 at:

555 Middle Creek Pkwy. #500,  
Colorado Springs, CO  
and via:

<https://video.cloudoffice.avaya.com/join/892735182>

**You can also dial in using your phone.**

United States: +1 (213) 463-4500

**Access Code:** 892735182

This Meeting is for the purpose of conducting such business as may come before the Boards including the business on the attached agenda. The meeting is open to the public.

**Douglas Little**

President, Term to May 2025

**Richard Seenus**

Treasurer, Term to May 2027

**Sandra Hazelton**

Secretary, Term to May 2027

**Vacant**

Term to May 2025

**Joe Stifter**

Assistant Secretary, Term to May 2025

**AGENDA**

1. Call to order.
2. Declaration of Quorum/Director Qualifications/Disclosure Matters
3. Approval of Agenda.
4. Approval of Minutes from Special Board Meeting held on June 21<sup>st</sup>, 2023 (enclosed)
5. Public Comment – Members of the public may express their views to the Boards on matters that affect the Districts. Comments will be limited to three (3) minutes.
6. Management Matters
  - a. Review and consider approval of the Resolution Designating Bank Account Authorized Signers of the Board of Directors [First Bank]. (enclosed)
  - b. Review and consider approval of the Resolution Designating Bank Account Authorized Signers of the Board of Directors [COLO TRUST]. (enclosed)
  - c. Townhall meeting scheduling. (Next regular meeting WED, DEC 20<sup>th</sup> 2pm)
7. Financial Matters
  - a. Review interest rate analysis by MUNICAP. (enclosed)
  - b. Discuss 2024 Mill Levy.

- c. Review and consider approval of the prepared Unaudited Financial Reports for August 31<sup>st</sup>, 2023 (enclosed)
  - d. Ratify Payables (enclosed)
- 8. Other Businesses
  - a. Next Regular Meeting: December 20<sup>th</sup>, 2023, 2PM.
- 9. New Business
- 10. Adjourn





**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
REMUDA RIDGE METROPOLITAN DISTRICT  
HELD JUNE 21, 2023 AT 2:00 PM**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Remuda Ridge Metropolitan District was held on Wednesday, June 21, 2023 at 2:00 PM, at 555 Middle Creek Parkway, #500, Colorado Springs, CO, and virtually via video teleconference.

**ATTENDANCE**

In attendance were Directors:

Sandra Hazelton, Secretary  
Douglas Little, President  
Joe Stifter, Assistant Secretary  
Richard Seenus, Treasurer

Also in attendance were:

K. Sean Allen, Esq. White Bear Ankele Tanaka & Waldron  
Jak Pattamasaevi, WSDM  
Kevin Walker, WSDM  
Sue Gonzales, WSDM  
Members of the Public

1. Call to Order: Mr. Pattamasaevi called the meeting to order at 2:02 PM.
2. Declaration of Quorum/Director Qualifications/Disclosure Matters: Mr. Pattamasaevi declared a quorum was present. Mr. Pattamasaevi confirmed that the director qualifications and filings of disclosures were made previously.
3. Approval of Agenda: Director Seenus moved to approve the Agenda as presented; seconded by Director Stifter. Motion passed unanimously.
4. Acknowledgement of Officer Resignation: Director Stifter moved to acknowledge Mr. Jennings' resignation from the Board; seconded by Director Seenus. Motion passed unanimously.
5. Approval of Minutes from Special Board Meeting held on Mar 29<sup>th</sup>, 2023: After review, Director Seenus moved to approve the March 29, 2023 Minutes as presented; seconded by Director Stifter. Motion passed unanimously.
6. Public Comment: There was no public comment.
7. Management Matters
  - a. Discussions regarding WSDM undertaking: Mr. Pattamasaevi and the Board discussed the undertaking of responsibilities.
    - 1) Landscaping maintenance: Mr. Pattamasaevi noted they will be receiving a bid soon

- for landscape maintenance of tracts A and G.
- 2) **Covenant enforcement:** Mr. Pattamasaevi explained that once residents move in, WSDM can begin covenant enforcement. He noted that WSDM can assist in the design review process as well. The Board discussed establishing the policy of having WSDM approve design reviews administratively, and only requiring Board approval for the variances.
  - 3) **Bond disclosure compliance:** WSDM will undertake the bond disclosure compliance and reporting requirements for the District.
  - 4) **Website publication compliance:** Mr. Pattamasaevi discussed the website publication requirements and noted that WSDM is working on updating the District's website.
8. **Legal Matters**
- a. **Discuss acceptance of Tracts A and G:** Mr. Pattamasaevi reported that he visited tracts A and G, and they look done. The acceptance is anticipated for the end of July.
  - b. **Discuss licensing of stormwater mitigation obligations to COLA:** The Board reviewed the licensing of stormwater mitigation obligations to COLA.
  - c. **Discuss entering into an easement agreement for maintenance of retaining wall adjoining lots 49-54:** The Board reviewed the draft easement agreement.
9. **Financial Matters**
- a. **Review and consider approval of the prepared Unaudited Financial Reports for March 31, 2023:** Mr. Pattamasaevi presented the Unaudited Financial Reports for March 31, 2023. After review, Director Hazelton moved to approve the Unaudited Financial Reports for March 31, 2023; seconded by Director Seenus. Motion passed unanimously.
  - b. **Ratify Payables:** Mr. Pattamasaevi presented the payables. After review, Director Seenus moved to ratify the payables; seconded by Director Hazelton. Motion passed unanimously.
  - c. **Review and consider approval of the prepared 2022 Audit Report:** Mr. Pattamasaevi presented the 2022 Audit Report provided by Simmons & Wheeler, P.C. After review, Director Stifter moved to approve the 2022 Audit Report subject to final review; seconded by Director Seenus. Mr. Allen noted that he reviewed the 2022 Audit Report in March and provided comments that were included in the current version. Motion passed unanimously.
  - d. **Discuss engagement of External financial advisor for an opinion on interest rates re: developer advances:** The Board discussed the engagement of an external financial advisor for an opinion on interest rates re: developer advances. Mr. Allen noted this is a requirement of the City of Fountain and is a provision in the service plan. Mr. Pattamasaevi will reach out to DA Davidson. Director Stifter moved to authorize WSDM to obtain proposals for this service not to exceed \$5,000; seconded by Director Seenus. Motion passed unanimously.
10. **Other Business**
- a. **Next Regular Meeting:** September 20th, 2023, at 2:00 PM.
11. **New Business:** The Board discussed the officer positions. The Board appointed Director Seenus as Treasurer and the other positions will remain the same.
12. **Adjourn:** Director Stifter moved to adjourn the meeting; seconded by Director Seenus. Motion passed unanimously at 2:40 PM.

Respectfully Submitted,

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Secretary for the Meeting



**RESOLUTION  
OF THE BOARD OF DIRECTORS OF THE  
REMUDA RIDGE METROPOLITAN DISTRICT**

**DESIGNATING BANK ACCOUNT AUTHORIZED SIGNERS  
OF THE BOARD OF DIRECTORS [First Bank]**

WHEREAS, the Remuda Ridge Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the District is governed by a five (5) member Board of Directors of the District (“**Board**”); and

WHEREAS, the Board desires to authorize and designate members of the Board to sign or endorse for the payment or withdrawal of funds from the District’s bank accounts.

NOW, THEREFORE, the Board hereby RESOLVES as follows:

1. **Designation of Authorized Signers.** The District President, Secretary and Treasurer [or every current Board member] (collectively the “Authorized Signers”) are/is authorized to sign or endorse, on behalf of the District, any order for the payment or withdrawal of funds from the District’s bank accounts [First Bank, Remuda Ridge Metropolitan District Account Number 2021289238]. Authorized Signers also have authority to act on behalf of the District including being able to receive information related to the bank account(s), perform transactions, and make necessary updates to options and account attributes.

2. **Current District Directors.** As of the date hereof, the District’s President is Douglas Little, the Secretary is Sandra Hazelton, and the Treasurer is Richard van Seenus. [also name other directors and his/her office if all directors are going to be authorized signers]

3. **Revocation of Previously Authorized Signers.** Only current Board members who have been duly designated an Authorized Signer may be an Authorized Signer. All former Board members that had been designated as Authorized Signers are hereby revoked as Authorized Signers of the District from all of the District’s bank accounts.

*[Remainder of page intentionally left blank.]*



ADOPTED this \_\_ day of \_\_\_\_\_, 2023.

REMUDA RIDGE METROPOLITAN DISTRICT

\_\_\_\_\_  
Officer of the District

ATTEST:

\_\_\_\_\_  
APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

**CERTIFICATION OF RESOLUTION**

The undersigned represents that he/she is a current Director of the District and has full authority to execute this Resolution on behalf of the District. The undersigned hereby certifies that the foregoing constitutes a true and correct copy of the Resolution of the Board and that all information contained within the Resolution is accurate.

IN WITNESS WHEREOF, I have hereunto subscribed my name this \_\_ day of \_\_\_\_\_, 2023

\_\_\_\_\_  
Director Signature

\_\_\_\_\_  
Printed Name

*Signature Page to Resolution Designating Authorized Signers*



**RESOLUTION  
OF THE BOARD OF DIRECTORS OF THE  
REMUDA RIDGE METROPOLITAN DISTRICT**

**DESIGNATING BANK ACCOUNT AUTHORIZED SIGNERS  
OF THE BOARD OF DIRECTORS [COLO TRUST]**

WHEREAS, the Remuda Ridge Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the District is governed by a five (5) member Board of Directors of the District (“**Board**”); and

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*[Remainder of page intentionally left blank.]*

ADOPTED this \_\_ day of \_\_\_\_\_, 2023.

REMUDA RIDGE METROPOLITAN DISTRICT

\_\_\_\_\_  
Officer of the District

ATTEST:

\_\_\_\_\_  
APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

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IN WITNESS WHEREOF, I have hereunto subscribed my name this \_\_ day of \_\_\_\_\_, 2023

\_\_\_\_\_  
Director Signature

\_\_\_\_\_  
Printed Name

*Signature Page to Resolution Designating Authorized Signers*



## Memorandum

**To:** Board of Directors  
Remuda Ridge Metropolitan District

**From:** Keenan Rice

**Date:** September 12, 2023

**Re:** Analysis of Reimbursement Rate  
Administrative, Operations and Maintenance Advance and Reimbursement Agreement

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MuniCap, Inc. has, in its capacity as financial advisor to Remuda Ridge Metropolitan District (the “District”), evaluated a reasonable reimbursement interest rate to be paid pursuant to the Administrative, Operations and Maintenance Advance and Reimbursement Agreement. This evaluation is based on a reimbursement rate as of the date of the agreement (i.e., October 16, 2017). This memorandum explains the research and evaluation conducted by MuniCap in this assignment.

### **Documents Reviewed**

MuniCap reviewed the Administrative, Operations and Maintenance Advance and Reimbursement Agreement by and between the District and Cola, LLC, entered into as of the 16<sup>th</sup> day of October 2017 (the “Reimbursement Agreement”) and other information available to and deemed relevant by MuniCap.

MuniCap believes the information it reviewed and relied upon to be reliable and accurate. MuniCap did not independently verify the information in these documents.

### **Evaluation of Interest Rate for the Reimbursement Agreements**

MuniCap’s approach to its evaluation of a reasonable interest rate to be paid pursuant to the Reimbursement Agreement was as follows:

1. MuniCap identified the interest rate on an appropriate benchmark that with an appropriate margin may be used to determine a reasonable interest rate to be paid pursuant to the Reimbursement Agreement.
2. For purposes of a benchmark, MuniCap used the rate on ten-year U.S. Treasury bonds as of October 16<sup>th</sup>, 2017. The U.S. Treasury rate on ten-year bonds was 2.30% as of October 16, 2017.

# MUNICAP, INC.

— PUBLIC FINANCE —

U.S. Treasury rates vary by maturity. U.S. Treasury rates for various maturities as of October 16<sup>th</sup>, 2017, were as follows:

3-years	1.68%
5-years	1.95%
7-years	2.15%
10-years	2.30%
20-years	2.58%

- MuniCap evaluated the appropriate margin over the benchmark by reviewing interest rates on other reimbursement agreements. Examples of interest rates on other reimbursement agreements proximate to the date of the Reimbursement Agreement were as follows:

District	Date	Interest Rates	US Treasury 10-Year Rate	Margin to 10-Year Treasuries
Elbert & Highway	8/30/2016	7.00%	1.57%	543
Bradley Heights Nos. 1-3	11/29/2016	8.00%	2.30%	570
Tuscan Foothills Village	1/30/2017	6.50%	2.49%	401
Ellicott Town Center	10/16/2018	8.00%	3.16%	484

The margins shown above are all as of the date of the agreements. The margins vary from a low of 401 basis points to a high of 570, with an average of 499.50 basis points. The US Treasury rate for a ten-year maturity as of October 16, 2017, was 2.30%, the same as the rate as of the date of the Bradley Heights reimbursement agreement. The margin on the Bradley Heights reimbursement agreement was 570 basis points. Using this margin for the Remuda Ridge agreement and adding it to the U.S. Treasury ten-year rate of 2.30% results in a reimbursement rate of 8.0%. This analysis is approximate, as shown by the variations in reimbursement rates and margins to US Treasury rates.

The interest rates paid on these reimbursement agreements were all simple interest without compounding. Based on our research and experience, simple interest is most common for reimbursement agreements entered into by metro districts. The margins on the interest rates paid on reimbursement agreements in the table above are based on simple interest rates. Accordingly, the reasonable reimbursement interest rate calculated with these margins must also be for simple reimbursement rates.

# MUNICAP, INC.

— PUBLIC FINANCE —

## **Conclusion**

MuniCap has undertaken the above-described evaluation to determine a reasonable interest rate to be paid pursuant to the Reimbursement Agreement and has concluded that a rate of 8.00% simple interest is reasonable.

Keenan Rice, President  
MuniCap, Inc.







2024 Mill Levy

	Assessed Valuation	O&M Mills	O&M Levy	Bond Mills	Bond Levy	Debt Service
Unmodified	\$ 2,495,544.00	10	\$ 24,955.44	40	\$ 99,821.76	\$ 73,836.00
Reduced levy to meet debt service	\$ 2,495,544.00	10	\$ 24,955.44	30	\$ 74,866.32	\$ 73,836.00
Scenario: Prop HH Passes (AV*.9)	\$ 2,245,989.60	10	\$ 22,459.90	40	\$ 89,839.58	\$ 73,836.00

“Required Mill Levy” shall have the following meaning:

(a) Subject to paragraphs (b) and (c) below, “Required Mill Levy” means an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in the amount of 40.000 mills, or such lesser mill levy which will fund the Bond Fund in an amount sufficient to pay all of the principal of, premium, if any, and interest on the Bonds in full; *provided, however*, that if, after August 14, 2007 (being the date of approval of the Original Service Plan), there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, such mill levy shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenue generated by such mill levy is neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the percentage of actual valuation used to calculate the assessed valuation of any residential real property shall be deemed to be a change in the method of calculating assessed valuation.



## Remuda Ridge Metropolitan District

## Balance Sheet

09/15/23

As of August 31, 2023

Accrual Basis

	<u>Aug 31, 23</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
First Bank Checking	42,470.20
Colo Trust	26,572.97
UMB Revenue Fund 157177.1	23.46
<b>Total Checking/Savings</b>	<u>69,066.63</u>
<b>Other Current Assets</b>	
Due From Other Districts	149.09
Due From Other Funds	8,410.84
<b>Total Other Current Assets</b>	<u>8,559.93</u>
<b>Total Current Assets</b>	<u>77,626.56</u>
<b>Other Assets</b>	
Amount to be Provided	88,065.27
<b>Total Other Assets</b>	<u>88,065.27</u>
<b>TOTAL ASSETS</b>	<b><u><u>165,691.83</u></u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	48,177.29
<b>Total Accounts Payable</b>	<u>48,177.29</u>
<b>Other Current Liabilities</b>	
Due To Other Funds	8,559.93
<b>Total Other Current Liabilities</b>	<u>8,559.93</u>
<b>Total Current Liabilities</b>	<u>56,737.22</u>
<b>Long Term Liabilities</b>	
Interest Payable - Develper	7,434.66
Note Payable - Developer	80,630.61
<b>Total Long Term Liabilities</b>	<u>88,065.27</u>
<b>Total Liabilities</b>	<u>144,802.49</u>
<b>Equity</b>	
Fund Balance - CF	4,106,309.11
Fund Balance - Debt	8,912.13
Fund Balance - O&M	4,486.46
Retained Earnings	69,145.47
Net Income	-4,167,963.83
<b>Total Equity</b>	<u>20,889.34</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>165,691.83</u></u></b>

## Remuda Ridge Metropolitan District Profit & Loss Budget vs. Actual January through August 2023

	TOTAL				
	Aug 23	Jan - Aug 23	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
Interest Income - CF	0.00	48,779.17			
Interest Income - Debt	0.00	33.41			
Developer Advance	40,487.56	40,487.56			
CY Property Tax - O&M	0.00	4,857.50	135.00	4,722.50	3,598.15%
Specific Ownership Tax - O&M	40.74	287.13	9.00	278.13	3,190.33%
CY Property Tax - Debt	0.00	19,429.99	338.00	19,091.99	5,748.52%
Specifice Ownership Tax - Debt	162.98	1,148.53	24.00	1,124.53	4,785.54%
<b>Total Income</b>	<u>40,691.28</u>	<u>115,023.29</u>	<u>506.00</u>	<u>114,517.29</u>	<u>22,731.88%</u>
<b>Expense</b>					
Accounting	0.00	5,799.88			
Audit	0.00	6,000.00			
Bank Fees - CF	0.00	2,444.04			
Capital Improvements	0.00	4,230,495.91			
District Management	1,464.85	3,543.85			
Insurance	450.00	3,921.00			
Legal	535.98	19,554.11			
Planning & Engineering	0.00	10,574.85			
SDA Dues	0.00	289.16			
Treasurer Collection Fee - O&M	0.00	72.87	2.00	70.87	3,643.5%
Treasurer Collection Fee - Debt	0.00	291.45	5.00	286.45	5,829.0%
<b>Total Expense</b>	<u>2,450.83</u>	<u>4,282,987.12</u>	<u>7.00</u>	<u>4,282,980.12</u>	<u>61,185,530.29%</u>
<b>Net Ordinary Income</b>	<u>38,240.45</u>	<u>-4,167,963.83</u>	<u>499.00</u>	<u>-4,168,462.83</u>	<u>-835,263.29%</u>
<b>Net Income</b>	<u><u>38,240.45</u></u>	<u><u>-4,167,963.83</u></u>	<u><u>499.00</u></u>	<u><u>-4,168,462.83</u></u>	<u><u>-835,263.29%</u></u>



**Remuda Ridge Metropolitan District**  
**PAYMENT REQUEST**  
 9/20/2023  
**GENERAL FUND ACCOUNT**

<b>Company</b>	<b>Invoice</b>	<b>Date</b>	<b>Amount</b>	<b>Comments</b>
Colorado Special District Prop	24WC-61343-0024	8/14/2023	450.00	
White Bear Ankle	29210	7/31/2023	1,263.29	
White Bear Ankle	29673	8/31/2023	1,535.98	
WSDM District Managers	7622	7/31/2023	579.00	
WSDM District Managers	7658	8/31/2023	1,464.85	
<b>TOTAL</b>			<b>5,293.12</b>	

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Balance Per Bank 9/12/23	1,211.03
Unpaid Payables 7/24/23	(2,625.00)
Current Payables	<u>(5,293.12)</u>
Shortage	(6,707.09)