



**GRMD Board Members**  
Matt Girard, President  
Stefan Haberer, Treasurer  
Jason Bearden, Secretary  
Tom Young, Director  
Natascha Drekonja, Director

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January 27, 2025

Dear Fellow Homeowners & Property Owners of Granby Ranch Metropolitan District (“GRMD”) -

First and most important, I hope that this newsletter finds you well in the new year and that you had a wonderful and healthy December '24 holiday season.

## **2025 Board of Director Elections**

Are you interested in becoming more engaged in your Granby Ranch community and running for a board position for the GRMD board of directors ? Good news – four of the five board seats are up for election on May 6, 2025. Due to a previous board member resigning during their term and this seat being temporarily filled via an interim appointment, this one (1) director seat will be up for election for the partial 2-yr term remaining, while the other three (3) director seats up for election will be for full 4-yr terms. Therefore, there will be two separate elections for the different terms. If interesting in running, you will need to declare which term you are interested in running for (i.e. the one 2-yr term seat, or one of the three 4-yr term seats).

### **What are the responsibilities and time commitment of being a director on the GRMD board?**

As an elected official representing all members of the District, directors have the fiduciary responsibility to look out for the best interest of the District, and it’s members and taxpayers, as a whole. The primary time commitment for the board of directors includes at least 4 quarterly board meetings which are held virtually. The primary financial responsibility of the board of directors is setting the tax mill levy rates such that our debt (which paid for District’s road/water/sewer infrastructure) is paid and managed accordingly. The District currently relies on two primary consultants to the board, one – (1) the District manager and accountant (Charles Wolfersberger of Wolfersberger, LLC), and (2) the District’s attorney (Alan Pogue of Icenogle, Seaver, Pogue P.C).

**What are the requirements to be an eligible candidate for the election?** Candidates are required to be an “eligible elector” of the District, which by State law requires the following:

- Registered voter in the state of Colorado AND must meet one of the following criteria:
  - Resident of the District
  - Direct owner of property in the District (i.e. cannot own property through a Trust or LLC)
  - Spouse of an owner of property in the District

**How do I become a candidate?** Candidates are required to fill out a self-nomination form and return to Charles Wolfersberger at the below address. These forms are available via any of the following methods:

- 1) Request a form by emailing the District Manager at [charles@wolfersbergerLLC.com](mailto:charles@wolfersbergerLLC.com)
- 2) Download a form from the District’s website at [www.granbyranchmetro.org](http://www.granbyranchmetro.org)
- 3) Pick up a form in person from the offices of Wolfersberger LLC at 8354 Northfield Blvd, Building G, Suite 3700; Denver, CO

**What is the deadline to submit a self-nomination form ?** Self-nomination forms must be received by the District Manager (Charles Wolfersberger) by 5:00pm on Friday **February 28, 2025**



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## **November 2024 Ballot Measure Passes**

On November 5, 2024, the GRMD ballot measure to repeal and rescind any unused debt capacity of the District passed. The GRMD voters overwhelmingly (87%) voted in favor of the ballot measure. What was the ballot measure and what does it mean for GRMD?

- When the District was initially formed by the original Developer in 2003, the Developer obtained approval from the Town of Granby and the limited number of GRMD voters at that time for substantial debt capacity, far more than was needed or was used to pay for the District’s original infrastructure at the time – that being water, sewer, and roads. GRMD’s current outstanding debt on that infrastructure expenditure is ~\$11.4 million.
- Prior to the November 2024 ballot measure, GRMD had a ~\$170 million in unused additional borrowing power remaining from its original formation in 2003. This means the GRMD board or future GRMD board had the ability themselves to borrow up to an additional \$170 million in debt on the GRMD taxpayer’s backs, which would have represented an amount 15x larger than the District’s current debt level, representing almost \$200,000 of additional debt for each home lot in GRMD, which would have required substantial property tax increases to pay off such potential additional debt. The voter-approved November 2024 ballot measure removed and rescinded completely the District’s remaining borrowing power, while retaining the District’s option to potentially refinance on more favorable terms the District’s existing \$11.4 million of debt.
- Removing this \$170 million of unused additional borrowing power from GRMD does not constrain the District from utilizing additional debt capacity in the future. If the current or any future GRMD board desires to advance a reasonable and quality capital project that is in the best interest of GRMD, the Board would first need District voters to approve a ballot measure allowing the District to issue additional debt. In other words, going forward the GRMD voters themselves again control what additional debt GRMD should or shouldn’t take on.

## **Property Taxes & Mill Levy Rates**

Similar to last year, we wanted to address a topic that is near and dear to us all – increasing property values and maintaining or reducing associated property tax rates. While property value increases have stabilized a bit as compared to the substantial increases in 2022 and 2023, our overall property taxes remain very high – actually, some of the overall highest property tax rates in the entire County.

On this topic of property taxes, in November, the GRMD Board approved the District’s budget for the 2025 calendar year, and as part of that process, the Board established the District’s tax mill levies (i.e. “mills”) to be assessed for the next year. The District’s tax mill levies are part of the total property tax mill levies, including from other public bodies, together which then make up your overall 2024 property tax bill (payable in 2025)

As background information, property taxes are generally assessed by the following generic formula:

$$\text{Property Taxes} = (\text{Assessed Value}) \times (\text{Total Mill Levy}/1000)$$

**Where:**

- 1) *Assessed Value = (Tax Assessor Appraised Property Value) x (Assessment Rate)*
- 2) *Assessment Rate is set by the State of Colorado, which for 2025 tax bill is 6.7%*
- 3) *First \$55k of property value is exempt from taxes per current State law*



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As an example, a property valued at \$900,000 by the County Assessor and subject to a total of 120 mills assessed by all taxing districts would calculate property taxes as follows:

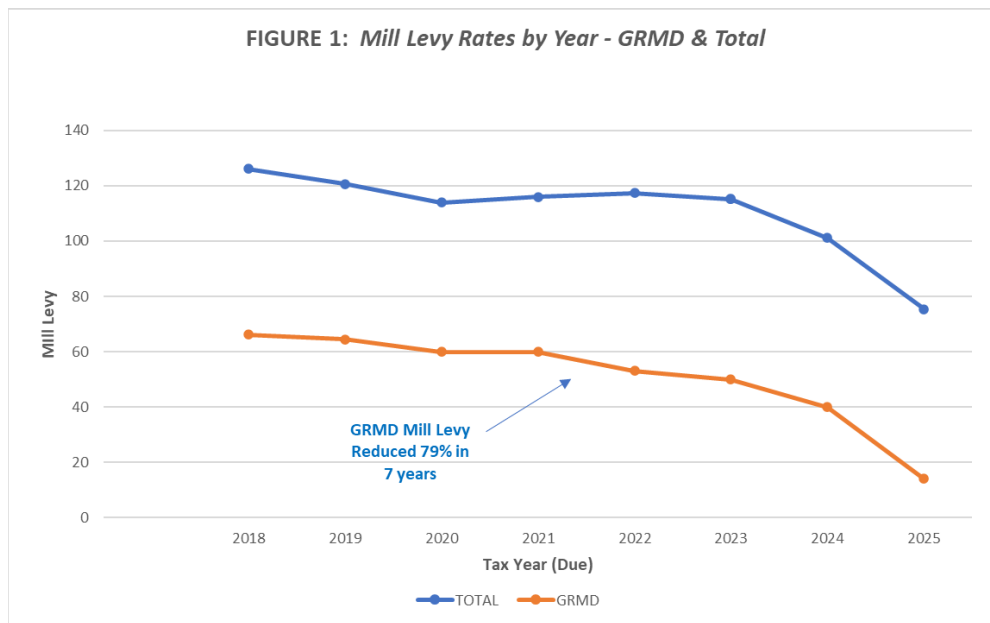
$$\text{Property Taxes} = (\$900,000 - \$55,000) \times (6.7\%) \times (120 \text{ mills} / 1000)$$

**Property Taxes = \$6,794**

For more detailed information on how County Assessor appraised values and mill levies determine your property tax amount, please visit the Colorado State website link: <https://dpt.colorado.gov/understanding-property-taxes-in-colorado>

On November 18<sup>th</sup>, 2024, the GRMD Board of Directors voted to reduce the total GRMD mill levy from 40 mills to 14 mills, a 65% reduction in a single year. This is the fourth consecutive year that the GRMD mill levy has been reduced.

**Figure 1** below shows the GRMD mill levy rate since 2018, which has been reduced from 66 mills to 14 mills, for a ~79% reduction, over the last 7 years. Figure 1 also shows the total mill levy rate (which includes all property mills from all taxing public bodies including Grand County Schools, Grand County Fire, Town of Granby, and Library District among others) charged on GRMD properties since 2018. As you can see from this graph, the decrease in the overall property tax mill levy over the 7 years closely resembles GRMD’s decrease in tax mill levy rates over the same timeframe. Also, while GRMD represented ~50% of your property tax bill in 2018, GRMD will represent less than 20% of your property tax bill in 2025.



So, what does all of this mean for your property tax bill? While property values have continued to increase over the last year, due to GRMD’s substantial tax mill levy reduction for 2025, GRMD property owners should see a sizeable net decrease in their 2025 property tax bill compared to last year’s 2024 property tax bill.

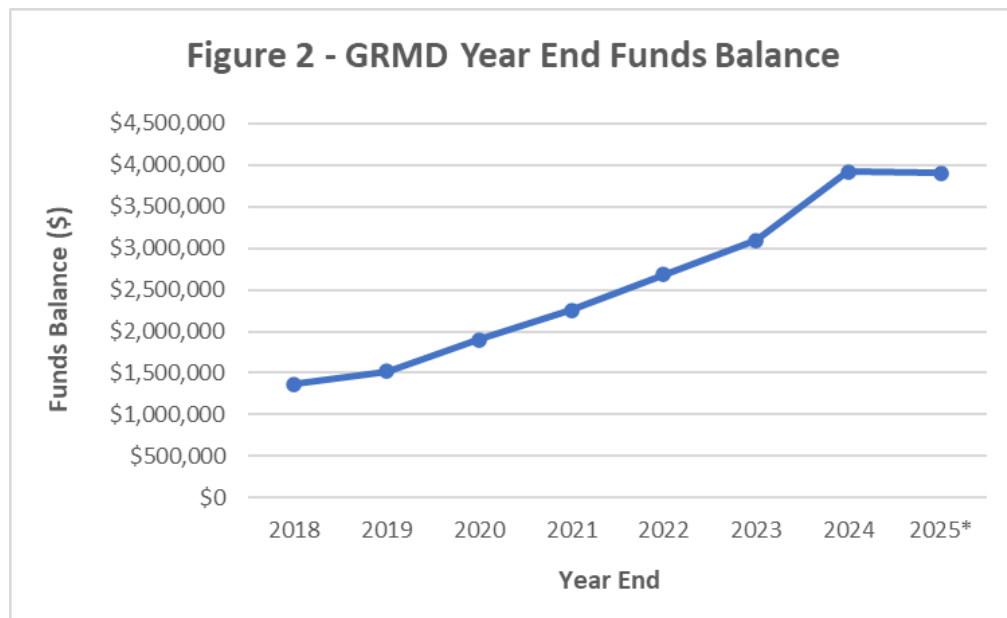


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## District's Financial Condition

The overall financial strength of GRMD continues to grow, all in positioning for a possible refinance of GRMD's existing \$11.4 million in debt in the near future. A few points of background information and considerations here:

- GRMD's original infrastructure debt payments were refinanced in May 2018, and this was not done from a point of financial strength at the time. Not only did GRMD not have substantial fiscal reserves, but the ratio of debt to combined property Assessed Values (*see above discussion on mill levy rates and the definition of Assessed Values, or AV's*) was well above 50%, which is a key financial metric in the bond finance world. This caused GRMD's refinanced debt to have relatively higher interest rates (short term 5-year bonds having an interest rate of 4.875%, and longer term 30-year bonds having an interest rate of 5.5%) over the not extremely competitive rates for municipal bond debt markets at the time.
- Today, as can be seen in **Figure 2** below, the GRMD combined funds year-end balance continues to grow since 2018 and indicates an extremely solid financial position which will help with a future refinance of GRMD's debt. The GRMD board decided to lower the GRMD property tax mill levy substantially in 2025 while maintaining the \$3.9 million reserve "plateau" as can be seen in the graph. GRMD's ratio of fiscal reserves/debt now sits at ~34% (\$3.9m / \$11.4m), once again indicating a very strong financial position from which to refinance GRMD's current debt.
- Due to the increase in property assessed valuations throughout the district totaling ~\$39 million, GRMD's ratio of debt to AV's now sits at ~29%, well below the key bond market metric of 50%, once again indicating a strong financial position from which GRMD could refinance its debt.





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The ultimate timeline for a refinance of GRMD's existing ~\$11.4m of bond debt will likely be dictated by the following two primary factors (plus the needed GRMD board of directors formal decision to do so):

- 1) GRMD's debt as refinanced in 2018 includes a declining premium if GRMD wants to pay off or refinance the debt early in the term. This premium currently sits at 2% of the current debt (\$228,000) until December 1, 2025, and then declines to 1% (\$114,000) until December 1, 2026. Therefore, to refrain from having to pay any premium in a refinance, a refinance may not be decided upon until after December 1, 2026.
- 2) As we all know, interest rates still remain relatively high. Waiting for December 1, 2026 per #1 should allow more time for the economy to stabilize and interest rates to continue to come down from their recent highs, but this is something that would have to be watched and evaluated as to how far would interest rates need to decline to make a refinancing of GRMD's debt be a prudent decision.

### **Stay in touch and in the loop with GRMD**

For those of you who were unable to attend the recent GRMD budget meetings or other meetings in recent years, a recording of all board meetings is available on the GRMD website, at [www.granbyranchmetro.org](http://www.granbyranchmetro.org).

If you or other neighbors are not registered for GRMD email update distributions and general meeting notices, anybody can register their email address on the GRMD website above, or email our District Manager, Charles Wolfersberger, at [charles@wolfersbergerLLC.com](mailto:charles@wolfersbergerLLC.com).

Best Regards,

Granby Ranch Metropolitan District Board of Directors

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