

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached are the 2024 budget and budget message for LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 20, 2023. If there are any questions on the budget, please contact:

Lisa Johnson  
Lisa.Johnson@claconnect.com  
8390 E. Crescent Pkwy., Ste. 300  
Greewood Village, CO 80111 Tel:  
303-779-5710

I, Lisa Johnson as District Manager of the Ledge Rock Center Residential Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2024 budget.

By:   
\_\_\_\_\_

**RESOLUTION TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY, AND  
AUTHORIZE THE CERTIFICATION OF THE TAX LEVY LEDGE ROCK CENTER  
RESIDENTIAL METROPOLITAN DISTRICT NO.1**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO.1, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the Ledge Rock Center Residential Metropolitan District No.1 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 20, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is 119; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$475; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of Weld is \$11,880; and

WHEREAS, at an election held on November 2, 2021, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO.1 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Ledge Rock Center Residential Metropolitan District No.1 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following

"Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 40.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as 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 or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

*[remainder of page intentionally left blank; signature page follows]*

ADOPTED this 20<sup>th</sup> day of November, 2023.

LEDGE ROCK CENTER RESIDENTIAL  
METROPOLITAN DISTRICT NO.1

DocuSigned by:  
*AMY CARROLL*  
\_\_\_\_\_  
B6556E9EC1C64A0...  
President

ATTEST:

DocuSigned by:  
*John Schlup*  
\_\_\_\_\_  
50742E77D6F3402...  
Secretary

**ATTACH COPY OF THE ADOPTED BUDGET AND  
THE CERTIFICATION OF TAX LEVIES**

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2024**

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ (8,920)	\$ -
REVENUES			
Property taxes	-	-	594
Specific ownership taxes	-	-	24
Developer advance	10,891	38,920	15,096,486
Other revenue	1	-	-
Total revenues	<u>10,892</u>	<u>38,920</u>	<u>15,097,104</u>
Total funds available	<u>10,892</u>	<u>30,000</u>	<u>15,097,104</u>
EXPENDITURES			
General Fund	19,812	30,000	96,600
Debt Service Fund	-	-	7
Capital Projects Fund	-	-	15,000,000
Total expenditures	<u>19,812</u>	<u>30,000</u>	<u>15,096,607</u>
Total expenditures and transfers out requiring appropriation	<u>19,812</u>	<u>30,000</u>	<u>15,096,607</u>
ENDING FUND BALANCES	<u>\$ (8,920)</u>	<u>\$ -</u>	<u>\$ 497</u>
EMERGENCY RESERVE	\$ -	\$ -	\$ 10
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10</u>

No assurance provided. See summary of significant assumptions.



**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/21/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

**ASSESSED VALUATION**

Agricultural	\$ 14,770	\$ 12,710	\$ 11,880
	20,120	12,710	11,880
Certified Assessed Value	\$ 20,120	\$ 12,710	\$ 11,880

**MILL LEVY**

General	0.000	0.000	10.000
Debt Service	0.000	0.000	40.000
Total mill levy	0.000	0.000	50.000

**PROPERTY TAXES**

General	\$ -	\$ -	\$ 119
Debt Service	-	-	475
Levied property taxes	-	-	594
Budgeted property taxes	\$ -	\$ -	\$ 594

**BUDGETED PROPERTY TAXES**

General	\$ -	\$ -	\$ 119
Debt Service	-	-	475
	\$ -	\$ -	\$ 594

No assurance provided. See summary of significant assumptions.

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ (8,920)	\$ -
<b>REVENUES</b>			
Property taxes	-	-	119
Specific ownership taxes	-	-	5
Developer advance	10,891	38,920	96,486
Other revenue	1	-	-
Total revenues	10,892	38,920	96,610
Total funds available	10,892	30,000	96,610
<b>EXPENDITURES</b>			
General and administrative			
Accounting	5,934	15,672	30,000
County Treasurer's fee	-	-	2
Dues and membership	825	347	400
Insurance	1,357	2,608	3,000
District management	8,857	2,500	35,000
Legal	-	6,000	20,000
Miscellaneous	671	-	1,500
Election	-	646	-
Contingency	-	1,527	5,998
Website	2,168	700	700
Total expenditures	19,812	30,000	96,600
Total expenditures and transfers out requiring appropriation	19,812	30,000	96,600
ENDING FUND BALANCES	\$ (8,920)	\$ -	\$ 10
EMERGENCY RESERVE	\$ -	\$ -	\$ 10
TOTAL RESERVE	\$ -	\$ -	\$ 10

No assurance provided. See summary of significant assumptions.

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1**  
**DEBT SERVICE FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	475
Specific ownership taxes	-	-	19
Total revenues	<u>-</u>	<u>-</u>	<u>494</u>
Total funds available	<u>-</u>	<u>-</u>	<u>494</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	7
Total expenditures	<u>-</u>	<u>-</u>	<u>7</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>7</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 487</u>

No assurance provided. See summary of significant assumptions.

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1**  
**CAPITAL PROJECTS FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	-	15,000,000
Total revenues	<u>-</u>	<u>-</u>	<u>15,000,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>15,000,000</u>
EXPENDITURES			
General and Administrative			
Capital Projects			
Capital outlay	-	-	15,000,000
Total expenditures	<u>-</u>	<u>-</u>	<u>15,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>15,000,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Ledge Rock Center Residential Metro District No. 1 (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by Order and Decree of the District Court for Weld County recorded on December 1, 2021, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Johnstown on September 8<sup>th</sup>, 2021.

The District was organized to provide for the planning, design, acquisition, construction installation, relocation, redevelopment, financing, repair, replacement, operations and maintenance of the Public Improvements from the proceeds of Debt that may be issued by the District and to provide for the ownership, operation or maintenance by the Town or District where appropriate.

On November 2, 2021, the District's voters authorized total indebtedness of an amount not to exceed \$43,200,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$7,200,000 for debt refunding and \$3,600,000 debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$10,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

Pursuant to the Service Plan, the District is permitted to issue combined bond indebtedness of up to \$3,600,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenue**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenue (continued)**

**Property Taxes (continued)**

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

**Developer Advance**

The District is in the development state. As such, the operating and administrative expenditures will be mainly funded by the Developer. A portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023*
Developer Advances:				
Developer Advance O&M	\$ 10,891	\$ 38,920	\$ -	\$ 49,811
Developer Advance Capital	-	-	-	-
Developer Advances - Accrued Interest:				
Accrued Interest O&M	271	2,350	-	2,621
Accrued Interest Capital	-	-	-	-
Total	<u>\$ 11,162</u>	<u>\$ 41,270</u>	<u>\$ -</u>	<u>\$ 52,432</u>
	Balance at December 31, 2023*	Additions	Reductions	Balance at December 31, 2024*
Developer Advances:				
Developer Advance O&M	\$ 49,811	\$ 96,600	\$ -	\$ 146,411
Developer Advance Capital	-	15,000,000	15,000,000	-
Developer Advances - Accrued Interest:				
Accrued Interest O&M	2,621	11,710	-	14,331
Accrued Interest Capital	-	-	-	-
Total	<u>\$ 52,432</u>	<u>\$ 15,108,310</u>	<u>\$ 15,000,000</u>	<u>\$ 160,742</u>

\*Based on estimates

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, and meeting expense.

**Capital Outlay**

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**Debt and Leases**

The District has no outstanding debt, nor operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending, as defined under Tabor.

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





**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- 1. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
- 2. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

- 3. Purpose of Contract: Public Improvements  
Title: Funding and Reimbursement Agreement  
Date: 12/14/2021  
Principal Amount: NA  
Maturity Date: \_\_\_\_\_  
Levy: 40.000  
Revenue: 475
  
- 4. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**NOTICE OF HEARING ON PROPOSED 2024 BUDGET  
AND 2023 BUDGET AMENDMENT**

NOTICE IS HEREBY GIVEN that the proposed budgets for the ensuing year of 2024 have been submitted to the Ledge Rock Center Residential Metropolitan District Nos. 1 and 2 (collectively, the "Districts"). Such proposed budgets will be considered at a meeting and public hearing of the Boards of Directors of the Districts to be held at 10:15 a.m. on November 20, 2023 via telephone and videoconference. To attend and participate by telephone, dial 720-547-5281 and enter Phone Conference ID: 531 880 766#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at [www.LedgeRockCenterResidentialMD1.com](http://www.LedgeRockCenterResidentialMD1.com) and [www.LedgeRockCenterResidentialMD2.com](http://www.LedgeRockCenterResidentialMD2.com), respectively.

NOTICE IS FURTHER GIVEN that amendments to the 2023 budgets of the Districts may also be considered at the above-referenced meeting and public hearing of the Boards of Directors of the Districts. A copy of the proposed 2024 budgets and the amended 2023 budgets, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, CO 80111. Any interested elector within the Districts may, at any time prior to final adoption of the 2024 budgets and the amended 2023 budgets, if required, file or register any objections thereto.

LEDGE ROCK CENTER RESIDENTIAL  
METROPOLITAN DISTRICT NOS.1 AND 2  
By: /s/ Amy Carroll, President

Published On: November 9, 2023

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