

LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 41,630,264	\$ 18,929,770	\$ 14,424,656
REVENUES			
Property taxes	8,910	29,854	117,084
Specific ownership taxes	314	1,237	4,683
Interest Income	1,446,470	720,000	380,000
Developer advance	20,404,171	1,766,758	3,949,749
Other Revenue	847,621	200	82,584
Credit PIF Revenue	7,789	677,760	780,000
Add-On PIF Revenue	7,081	622,148	860,000
Total revenues	22,722,356	3,817,957	6,174,100
TRANSFERS IN	7,500	-	-
Total funds available	64,360,120	22,747,727	20,598,756
EXPENDITURES			
General Fund	89,928	114,285	176,000
Debt Service Fund	4,829,767	4,878,358	4,910,000
Capital Projects Fund	40,503,155	3,330,428	7,785,000
Total expenditures	45,422,850	8,323,071	12,871,000
TRANSFERS OUT	7,500	-	-
Total expenditures and transfers out requiring appropriation	45,430,350	8,323,071	12,871,000
ENDING FUND BALANCES	\$ 18,929,770	\$ 14,424,656	\$ 7,727,756
EMERGENCY RESERVE	\$ 200	\$ 500	\$ 1,800
SURPLUS FUND 2022A	7,198,170	7,507,720	7,725,956
BOND FUND 2022A	17,186	1,338,381	-
CAPITALIZED INTEREST 2022A	6,354,379	1,728,027	-
TOTAL RESERVE	\$ 13,569,935	\$ 10,574,628	\$ 7,727,756

See summary of significant assumptions.

LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
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ASSESSED VALUATION

Commercial	\$ 790,620	\$ 2,762,750	\$ 8,409,830
Agricultural	860	540	-
Vacant land	-	-	2,258,460
Personal property	430	460	402,450
Certified Assessed Value	<u>\$ 791,910</u>	<u>\$ 2,763,750</u>	<u>\$ 11,070,740</u>

MILL LEVY

General	5.472	5.401	5.206
Debt Service	5.472	5.401	5.370
Total mill levy	<u>10.944</u>	<u>10.802</u>	<u>10.576</u>

PROPERTY TAXES

General	\$ 4,333	\$ 14,927	\$ 57,634
Debt Service	4,333	14,927	59,450
Levied property taxes	<u>8,666</u>	<u>29,854</u>	<u>117,084</u>
Adjustments to actual/rounding	244	-	-
Budgeted property taxes	<u>\$ 8,910</u>	<u>\$ 29,854</u>	<u>\$ 117,084</u>

BUDGETED PROPERTY TAXES

General	\$ 4,455	\$ 14,927	\$ 57,634
Debt Service	4,455	14,927	59,450
	<u>\$ 8,910</u>	<u>\$ 29,854</u>	<u>\$ 117,084</u>

See summary of significant assumptions.

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET**

**WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (13,026)	\$ 1,925	\$ 5,300
REVENUES			
Property taxes	4,455	14,927	57,634
Specific ownership taxes	157	640	2,305
Developer advance	107,767	101,893	112,561
Other Revenue	-	200	-
Total revenues	112,379	117,660	172,500
Total funds available	99,353	119,585	177,800
EXPENDITURES			
General and administrative			
Accounting	40,416	52,000	55,000
Auditing	5,575	6,135	7,050
County Treasurer's Fee	67	224	865
Dues and Membership	402	413	600
Insurance	2,710	2,813	3,900
District management	22,255	25,000	40,000
Legal	18,260	23,000	42,000
Miscellaneous	83	100	1,500
Election	160	1,000	3,000
Website	-	3,600	3,500
Contingency	-	-	18,585
Total expenditures	89,928	114,285	176,000
TRANSFERS OUT			
Transfers to other fund	7,500	-	-
Total expenditures and transfers out requiring appropriation	97,428	114,285	176,000
ENDING FUND BALANCES	\$ 1,925	\$ 5,300	\$ 1,800
EMERGENCY RESERVE	\$ 200	\$ 500	\$ 1,800
TOTAL RESERVE	\$ 200	\$ 500	\$ 1,800

See summary of significant assumptions.

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 16,671,911	\$ 13,569,735	\$ 10,574,128
REVENUES			
Property taxes	4,455	14,927	59,450
Specific ownership taxes	157	597	2,378
Interest Income	852,988	560,000	360,000
Developer advance	-	7,319	-
Other Revenue	847,621	-	-
Credit PIF Revenue	7,789	677,760	780,000
Add-On PIF Revenue	7,081	622,148	860,000
Total revenues	1,720,091	1,882,751	2,061,828
TRANSFERS IN			
Transfers from other funds	7,500	-	-
Total funds available	18,399,502	15,452,486	12,635,956
EXPENDITURES			
General and administrative			
County Treasurer's Fee	67	224	892
PIF Collection Fees	1,331	49,772	68,800
Paying agent fees	7,506	7,500	7,500
Contingency	-	-	11,946
Debt Service			
Bond Interest - 2022A	4,820,863	4,820,862	4,820,862
Total expenditures	4,829,767	4,878,358	4,910,000
Total expenditures and transfers out requiring appropriation	4,829,767	4,878,358	4,910,000
ENDING FUND BALANCES	\$ 13,569,735	\$ 10,574,128	\$ 7,725,956
SURPLUS FUND 2022A	\$ 7,198,170	\$ 7,507,720	\$ 7,725,956
BOND FUND 2022A	17,186	1,338,381	-
CAPITALIZED INTEREST 2022A	6,354,379	1,728,027	-
TOTAL RESERVE	\$ 13,569,735	\$ 10,574,128	\$ 7,725,956

See summary of significant assumptions.

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 24,971,379	\$ 5,358,110	\$ 3,845,228
REVENUES			
Interest Income	593,482	160,000	20,000
Developer advance	20,296,404	1,657,546	3,837,188
Other Revenue	-	-	82,584
Total revenues	20,889,886	1,817,546	3,939,772
Total funds available	45,861,265	7,175,656	7,785,000
EXPENDITURES			
General and Administrative			
Accounting	10,733	-	-
Legal	24,276	-	10,000
Contingency	-	-	100,624
Capital Projects			
Repay developer advance	20,212,816	1,646,795	3,837,188
Engineering	42,514	40,000	-
Land	-	-	3,837,188
Capital outlay	20,212,816	1,643,633	-
Total expenditures	40,503,155	3,330,428	7,785,000
Total expenditures and transfers out requiring appropriation	40,503,155	3,330,428	7,785,000
ENDING FUND BALANCES	\$ 5,358,110	\$ 3,845,228	\$ -

See summary of significant assumptions.

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Ledge Rock Center Commercial Metro District (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 2, 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 8th, 2021.

The District was organized to provide for the planning, design, acquisition, construction installation relocation, redevelopment, financing, repair, replacement and 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 \$2,085,422,400 for the above listed facilities. The District's voters also authorized total indebtedness of \$347,570,400 for debt refunding and \$173,785,200 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 \$173,785,000. 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 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.

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

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 COMMERCIAL METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue (Continued)

Property Taxes (Continued)

The District's Service Plan sets a mill levy cap of 25.000 mills (subject to adjustment) inclusive of both Debt and operations and maintenance.

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 2026, HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected by the General Fund.

Net Investment Income

Interest earned on the District's available funds has been estimated at historical interest rates earnings.

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.

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue (Continued)

Developer Advance (Continued)

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025*
Developer Advances:				
Developer Advance O&M	\$ 294,161	\$ 101,893	\$ -	\$ 396,054
Developer Advance Capital	719,613	1,657,546	1,646,795	730,364
Developer Advances - Accrued Interest:				
Accrued Interest O&M	28,953	25,080	-	54,033
Accrued Interest Capital	250,200	58,429	-	308,629
Total	<u>\$ 1,292,927</u>	<u>\$ 1,842,948</u>	<u>\$ 1,646,795</u>	<u>\$ 1,489,080</u>
	Balance at December 31, 2025*	Additions	Reductions	Balance at December 31, 2026*
Developer Advances:				
Developer Advance O&M	\$ 396,054	\$ 112,561	\$ -	\$ 508,615
Developer Advance Capital	730,364	3,837,188	3,837,188	730,364
Developer Advances - Accrued Interest:				
Accrued Interest O&M	54,033	35,830	-	89,863
Accrued Interest Capital	308,629	58,429	-	367,058
Total	<u>\$ 1,489,080</u>	<u>\$ 4,044,008</u>	<u>\$ 3,837,188</u>	<u>\$ 1,695,900</u>

*Based on estimates

Public Improvement Fees

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The Credit PIF is applied to the sale of goods at a rate of 2.75%, the Add-On PIF is applied to the sale of goods at a rate of 2.50%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

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.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Capital Outlay

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

Debt Service

The principal and interest payments are based on the estimated debt amortization schedule for the Limited Tax General Obligation Bonds, Series 2022A.

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On December 2, 2022 the District issued Limited Tax General Obligation Bonds Series 2022A, in the amount of \$66,815,000 and Subordinate Limited Tax General Obligation Bonds Series 2022B in the amount of \$9,189,000. The Bonds were issued for the purpose of (a) paying or reimbursing project costs, (b) funding capitalized interest on the 2022A Bonds, (c) funding a deposit to the Surplus Fund in the amount of the Initial Surplus Deposit, and (d) paying certain costs incurred in connection with the issuance of the 2022A Bonds. The 2022B Bonds are being issued for the purpose of paying or reimbursing additional project costs and to pay costs of issuance of the 2022B Bonds.

2022A Bonds

The 2022A Bonds will bear interest at the rate of 6.500% - 7.000% per annum from the issuance date until November 1, 2052, which is the scheduled final maturity date for the 2022A Bonds. Interest is payable semiannually on May 1 and November 1, commencing on May 1, 2023. Principal is payable annually on November, beginning November 1, 2027.

2022B Subordinate Bonds

The 2022B Bonds will bear interest at the rate of 9.250% per annum from the issuance date until the bonds are repaid in full. Interest is payable annually on each December 1, commencing on December 1, 2023. The 2022B Subordinate Bonds are structured as “cash flow” bonds, meaning there are no regularly scheduled principal payments due on the 2022B Bonds prior to their scheduled maturity date, but rather the 2022B Bonds are subject to mandatory redemption on December 1 of each year, commencing December 1, 2023, to the extent of available pledged revenues.

Reserves

Emergency Reserve

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

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the 2022A Bonds.

This information is an integral part of the accompanying budget.

**LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
DEBT SERVICE REQUIREMENTS TO MATURITY**

\$66,815,000 Limited Tax General Obligation Bonds

Series 2022A

Interest Rate: 6.500 - 7.000%

Date: December 2, 2022

Interest Payable May 1 and November 1

Principal Payable November 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ 4,820,862	\$ 4,820,862
2027	425,000	4,820,862	5,245,862
2028	505,000	4,793,238	5,298,238
2029	595,000	4,760,412	5,355,412
2030	685,000	4,721,738	5,406,738
2031	785,000	4,677,212	5,462,212
2032	890,000	4,626,188	5,516,188
2033	1,005,000	4,568,338	5,573,338
2034	1,135,000	4,496,732	5,631,732
2035	1,270,000	4,415,862	5,685,862
2036	1,415,000	4,325,376	5,740,376
2037	1,575,000	4,224,556	5,799,556
2038	1,745,000	4,112,338	5,857,338
2039	1,930,000	3,988,006	5,918,006
2040	2,125,000	3,850,494	5,975,494
2041	2,335,000	3,699,088	6,034,088
2042	2,565,000	3,532,718	6,097,718
2043	2,805,000	3,349,962	6,154,962
2044	3,075,000	3,145,062	6,220,062
2045	3,360,000	2,920,418	6,280,418
2046	3,670,000	2,674,944	6,344,944
2047	4,000,000	2,406,813	6,406,813
2048	4,355,000	2,114,569	6,469,569
2049	4,740,000	1,796,388	6,536,388
2050	5,150,000	1,450,056	6,600,056
2051	5,595,000	1,073,750	6,668,750
2052	9,080,000	664,926	9,744,926
Total	<u>\$ 66,815,000</u>	<u>\$ 96,030,908</u>	<u>\$ 162,845,908</u>

See summary of significant assumptions.