

LIBERTY RANCH METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**LIBERTY RANCH METRO DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 121,724	\$ 108,424	\$ 89,107
REVENUES			
Property taxes	458,896	487,855	738,392
Property Tax - URA	20,769	49,790	86,336
Specific ownership taxes	28,361	22,422	30,012
Interest income	7,130	13,378	13,500
Other revenue	-	2,238	5,000
Total revenues	<u>515,156</u>	<u>575,683</u>	<u>873,240</u>
TRANSFERS IN	<u>4,000</u>	-	-
Total funds available	<u>640,880</u>	<u>684,107</u>	<u>962,347</u>
EXPENDITURES			
General and administrative	75,619	107,069	131,548
Debt service	452,837	487,931	731,885
Total expenditures	<u>528,456</u>	<u>595,000</u>	<u>863,433</u>
TRANSFERS OUT	<u>4,000</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>532,456</u>	<u>595,000</u>	<u>863,433</u>
ENDING FUND BALANCES	<u>\$ 108,424</u>	<u>\$ 89,107</u>	<u>\$ 98,915</u>
EMERGENCY RESERVE	\$ 2,200	\$ 2,500	\$ 3,700
AVAILABLE FOR OPERATIONS	101,919	86,607	95,215
TOTAL RESERVE	<u>\$ 104,119</u>	<u>\$ 89,107</u>	<u>\$ 98,915</u>

No assurance provided. See summary of significant assumptions.

**LIBERTY RANCH METRO DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 6,441,770	\$ 6,267,050	\$ 7,907,800
Commercial	180	15,310	330
Oil & Gas	746,040	1,715,170	2,636,660
Agricultural	700	640	600
State assessed	230,520	260,910	96,270
Vacant land	113,060	113,060	117,320
	7,532,270	8,372,140	10,758,980
Adjustments	(331,418)	(786,026)	(1,141,616)
Certified Assessed Value	\$ 7,200,852	\$ 7,586,114	\$ 9,617,364

MILL LEVY

General	8.775	8.870	10.590
Debt Service	54.844	55.439	66.187
Total mill levy	63.619	64.309	76.777

PROPERTY TAXES

General	\$ 63,187	\$ 67,289	\$ 101,848
Debt Service	394,924	420,566	636,544
Levied property taxes	458,111	487,855	738,392
Budgeted property taxes	\$ 458,111	\$ 487,855	\$ 738,392

BUDGETED PROPERTY TAXES

General	\$ 63,187	\$ 67,289	\$ 101,848
Debt Service	394,924	420,566	636,544
	\$ 458,111	\$ 487,855	\$ 738,392

No assurance provided. See summary of significant assumptions.

**LIBERTY RANCH METRO DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 101,578	\$ 104,119	\$ 89,107
REVENUES			
Property taxes	63,295	67,289	101,848
Property Tax - URA	2,865	6,867	11,909
Specific ownership taxes	3,912	3,093	4,550
Interest income	2,148	3,500	3,500
Total revenues	72,220	80,749	121,807
Total funds available	173,798	184,868	210,914
EXPENDITURES			
General and administrative			
Accounting	15,980	17,500	17,500
Auditing	4,394	5,000	6,000
County Treasurer's fee	954	1,009	1,528
Dues and membership	-	1,000	1,000
Insurance	3,584	3,357	3,500
District management	9,956	26,500	20,000
Legal	23,277	25,000	25,000
Miscellaneous	385	200	450
Contingency	-	-	7,022
Election	7,149	1,195	-
Repay developer advance	-	15,000	30,000
Total expenditures	65,679	95,761	112,000
TRANSFERS OUT			
Transfers to other fund	4,000	-	-
Total expenditures and transfers out requiring appropriation	69,679	95,761	112,000
ENDING FUND BALANCES	\$ 104,119	\$ 89,107	\$ 98,915
EMERGENCY RESERVE	\$ 2,200	\$ 2,500	\$ 3,700
AVAILABLE FOR OPERATIONS	101,919	86,607	95,215
TOTAL RESERVE	\$ 104,119	\$ 89,107	\$ 98,915

No assurance provided. See summary of significant assumptions.

**LIBERTY RANCH METRO DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 20,146	\$ 4,305	\$ -
REVENUES			
Property taxes	395,601	420,566	636,544
Property Tax - URA	17,904	42,923	74,427
Specific ownership taxes	24,449	19,329	25,462
Interest income	4,982	9,878	10,000
Other revenue	-	2,238	5,000
Total revenues	<u>442,936</u>	<u>494,934</u>	<u>751,433</u>
TRANSFERS IN			
Transfers from other funds	<u>4,000</u>	<u>-</u>	<u>-</u>
Total funds available	<u>467,082</u>	<u>499,239</u>	<u>751,433</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	5,934	6,308	9,548
Miscellaneous	6	-	-
Paying agent fees	4,000	5,000	5,000
Contingency	-	-	5,000
Debt Service			
Bond interest - Series 2021	452,837	487,931	731,885
Total expenditures	<u>462,777</u>	<u>499,239</u>	<u>751,433</u>
Total expenditures and transfers out requiring appropriation	<u>462,777</u>	<u>499,239</u>	<u>751,433</u>
ENDING FUND BALANCES	<u>\$ 4,305</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**LIBERTY RANCH METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Liberty Ranch Metropolitan District (District), a quasi-municipal corporation located entirely in Weld County, Colorado, was organized on December 23, 2005, and is governed pursuant to provisions of the Colorado Special District Act. The District was established to provide for construction and financing for street, safety protection, water, sanitation and mosquito control facilities and improvements. The street and safety control improvements will be dedicated to and maintained by the Town of Mead. Water and sanitation improvements will be dedicated to and maintained by the Longs Peak Water District and St. Vrain Sanitation District, respectively.

On November 1, 2005, the District's voters authorized total indebtedness of \$36,100,000 for the above listed facilities and \$500,000 for operations and maintenance. Additionally the District's voters authorized a total indebtedness of \$36,100,000 each for debt refunding and intergovernmental contracts. The election also approved an annual increase in property taxes of \$500,000 without limitation of rate, to pay the District's operation and maintenance costs.

Pursuant to the District's Service Plan, the District is limited to issuing a total of \$18,500,000 in bonds. The District is also limited to a maximum debt service mill levy of 50.000 mills, as adjusted for changes in the ratio of actual value to assessed value of property within the District, pursuant to the Service Plan.

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

The District prepares its budget on the modified accrual basis of accounting and 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.

Revenues

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.

The calculation of the taxes levied is displayed on the Property Tax Summary Information page of the Budget.

The District is required to impose a maximum Required Mill Levy of 76.777 mills for collection in 2024. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up and deficiencies in the Reserve Fund].

**LIBERTY RANCH METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (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%			

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 both the General Fund and the Debt Service Fund. The budget assumes that specific ownership taxes allocable to property taxes collected by the Debt Service Fund will be pledged to debt service on the bonds during the term bonds are outstanding.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

Property Taxes – URA

A portion of the District is located in an urban renewal area. The District mill levy applied to the tax increment portion of the final certified assessed value will be remitted to the District as levied, net treasurer fees.

**LIBERTY RANCH METROPOLITAN DISTRICT
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 banking fees.

Debt and Leases

On February 30, 2021, the District issued its \$13,180,000 Limited Tax General Obligation Refunding Bonds, Series 2021A(3) (Series 2021A Bonds). The Series 2021A Bonds were issued for the purposes of (i) paying and discharging the District's Series 2017A Bonds, 2017B Bonds, and Series 2017C Bonds and (ii) paying the costs of issuance of the Series 2021A Bonds.

The Series 2021A Bonds are structured as limited tax "cash flow" bonds, meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Instead, principal on the Series 2021A Bonds is payable annually on each December 1 from and to the extent of Pledged Revenue available. To the extent principal of any Series 2021A Bonds is not paid when due, such principal is to remain outstanding until the earlier of its payment or the Termination Date and is to continue to bear interest at the rate then borne by the Series 2021A Bonds. The Series 2021A Bonds mature on December 1, 2051, subject to mandatory and optional redemption prior to maturity.

The Series 2021A Bonds bear interest at the rate of 5.25% per annum payable annually on each December 1, beginning on December 1, 2022, but only from and to the extent of available Pledged Revenue. In the event interest on any Series 2021A Bonds is not paid when due, such interest is to compound annually on each December 1, at the rate then borne by the Series 2021A Bonds.

If any amount of principal or interest due on the Series 2021A Bonds remains unpaid on the Termination Date of December 1, 2061, such unpaid amount will be deemed discharged.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2026, to November 30, 2027	3.00%
December 1, 2027, to November 30, 2028	2.00
December 1, 2028, to November 30, 2029	1.00
December 1, 2029, and thereafter	0.00

The District has no operating or capital leases.

The District has outstanding developer advances pursuant to advances made by LR Investments, LLC under the 2010-2011 Operation Funding Agreement by and between the District and LR Investments, LLC (Developer Advance). Anticipated activity is as follows:

**LIBERTY RANCH METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

	Balance at December 31, 2022	Additions *	Reductions *	Balance at December 31, 2023
2021 Limited Tax Obligation Refunding Bonds	\$ 13,180,000	\$ -	\$ -	\$ 13,180,000
Accrued Interest - 2021 Limited Tax Obligation Refunding Bonds	241,035	704,604	487,931	457,708
Developer Advance	215,642	-	-	215,642
Accrued Interest - Developer Advance	143,994	17,251	15,000	146,245
Total Developer Advances	\$ 13,780,671	\$ 721,855	\$ 502,931	\$ 13,999,595
	Balance at December 31, 2023	Additions *	Reductions *	Balance at December 31, 2024
2021 Limited Tax Obligation Refunding Bonds	\$ 13,180,000	\$ -	\$ -	\$ 13,180,000
Accrued Interest - 2021 Limited Tax Obligation Refunding Bonds	457,708	715,980	731,931	441,757
Developer Advance	215,642	-	-	215,642
Accrued Interest - Developer Advance	146,245	17,251	30,000	133,496
Total Developer Advances	\$ 13,999,595	\$ 733,231	\$ 761,931	\$ 13,970,895

* Estimates

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending, defined under TABOR.

This information is an integral part of the accompanying budget.