

**LAFFERTY CANYON METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR YEAR ENDING DECEMBER 31, 2026**

**LAFFERTY CANYON METROPOLITAN DISTRICT  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (6,202)	\$ 268	\$ 1,932,294
REVENUES			
Property Taxes	-	20,916	346,759
Specific Ownership Taxes	-	837	13,871
Common Area Fee	-	-	34,560
Villas Alley Load Fee	-	-	7,200
Interest Income	-	67,892	31,000
Developer Advance	35,928	11,502,977	148,510
Bond Issuance Proceeds	-	13,555,500	-
Total revenues	<u>35,928</u>	<u>25,148,122</u>	<u>581,900</u>
TRANSFERS IN	<u>-</u>	<u>2,319,063</u>	<u>-</u>
Total funds available	<u>29,726</u>	<u>27,467,453</u>	<u>2,514,194</u>
EXPENDITURES			
General Fund	29,458	84,733	100,000
Debt Service Fund	-	454,973	680,186
Capital Projects Fund	-	22,676,390	45,252
Special Revenue Fund	-	-	71,642
Total expenditures	<u>29,458</u>	<u>23,216,096</u>	<u>897,080</u>
TRANSFERS OUT	<u>-</u>	<u>2,319,063</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>29,458</u>	<u>25,535,159</u>	<u>897,080</u>
ENDING FUND BALANCES	<u>\$ 268</u>	<u>\$ 1,932,294</u>	<u>\$ 1,617,114</u>
EMERGENCY RESERVE	\$ -	\$ 700	\$ 700
AVAILABLE FOR OPERATIONS	268	13,188	28,083
TOTAL RESERVE	<u>\$ 268</u>	<u>\$ 13,888</u>	<u>\$ 28,783</u>

See summary of significant assumptions.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>			
Residential	\$ 54,338	\$ 50,653	\$ 71,118
Agricultural	16,522	16,521	-
State assessed	-	2,329	-
Vacant land	1,254,297	1,254,313	6,642,648
Personal property	-	7,126	-
Oil and gas	102,003	383	-
Certified Assessed Value	<u>\$ 1,427,160</u>	<u>\$ 1,331,325</u>	<u>\$ 6,713,766</u>
<b>MILL LEVY</b>			
General	0.000	15.711	3.279
Debt Service	0.000	0.000	48.370
Total mill levy	<u>0.000</u>	<u>15.711</u>	<u>51.649</u>
<b>PROPERTY TAXES</b>			
General	\$ -	\$ 20,916	\$ 22,014
Debt Service	-	-	324,745
Budgeted property taxes	<u>\$ -</u>	<u>\$ 20,916</u>	<u>\$ 346,759</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ -	\$ 20,916	\$ 22,014
Debt Service	-	-	324,745
	<u>\$ -</u>	<u>\$ 20,916</u>	<u>\$ 346,759</u>

See summary of significant assumptions.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
GENERAL FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (6,202)	\$ 268	\$ 13,888
<b>REVENUES</b>			
Property Taxes	-	20,916	22,014
Specific Ownership Taxes	-	837	881
Developer Advance	35,928	76,600	92,000
Total revenues	<u>35,928</u>	<u>98,353</u>	<u>114,895</u>
Total funds available	<u>29,726</u>	<u>98,621</u>	<u>128,783</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	3,192	34,962	35,000
County Treasurer's Fees	-	314	330
Auditing	-	-	7,500
Dues and Membership	150	293	400
Insurance	2,517	3,200	3,800
District management	391	14,588	21,000
Legal	22,608	27,926	26,250
Miscellaneous	-	-	525
Election	-	1,750	-
Website	600	1,700	1,500
Contingency	-	-	3,695
Total expenditures	<u>29,458</u>	<u>84,733</u>	<u>100,000</u>
Total expenditures and transfers out requiring appropriation	<u>29,458</u>	<u>84,733</u>	<u>100,000</u>
ENDING FUND BALANCES	<u>\$ 268</u>	<u>\$ 13,888</u>	<u>28,783</u>
EMERGENCY RESERVE	\$ -	\$ 700	700
AVAILABLE FOR OPERATIONS	<u>268</u>	<u>13,188</u>	<u>28,083</u>
TOTAL RESERVE	<u>\$ 268</u>	<u>\$ 13,888</u>	<u>28,783</u>

See summary of significant assumptions.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Common Area Fee	-	-	34,560
Villas Alley Load Fee	-	-	7,200
Developer advance	-	-	34,384
Total revenues	<u>-</u>	<u>-</u>	<u>76,144</u>
Total funds available	<u>-</u>	<u>-</u>	<u>76,144</u>
<b>EXPENDITURES</b>			
Landscaping	-	-	11,707
Community Management	-	-	2,222
Billing	-	-	2,400
Snow removal	-	-	17,000
Utilities	-	-	16,000
Irrigation Repairs	-	-	12,000
Play Ground Maintenance	-	-	2,500
Trash collection	-	-	6,480
Tree Replacement	-	-	1,333
Total expenditures	<u>-</u>	<u>-</u>	<u>71,642</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>71,642</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,502</u>

See summary of significant assumptions.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 1,896,280
REVENUES			
Property Taxes	-	-	324,745
Specific Ownership Taxes	-	-	12,990
Interest Income	-	32,190	30,000
Total revenues	-	32,190	367,735
TRANSFERS IN			
Transfers from other funds	-	2,319,063	-
Total funds available	-	2,351,253	2,264,015
EXPENDITURES			
General and administrative			
County Treasurer's Fee	-	-	4,871
Contingency	-	-	6,784
Debt Service			
Bond interest	-	454,973	668,531
Total expenditures	-	454,973	680,186
Total expenditures and transfers out requiring appropriation	-	454,973	680,186
ENDING FUND BALANCES	\$ -	\$ 1,896,280	\$ 1,583,829

See summary of significant assumptions.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 22,126
<b>REVENUES</b>			
Interest Income	-	35,702	1,000
Developer Advance	-	11,426,377	22,126
Bond Issuance Proceeds	-	13,555,500	-
"    Total revenues	-	25,017,579	23,126
Total funds available	-	25,017,579	45,252
<b>EXPENDITURES</b>			
Capital Projects			
Bond issue costs	-	601,485	-
Repay developer advance	-	10,648,528	23,126
Capital outlay	-	11,426,377	22,126
Total expenditures	-	22,676,390	45,252
<b>TRANSFERS OUT</b>			
Transfers to other fund	-	2,319,063	-
Total expenditures and transfers out requiring appropriation	-	24,995,453	45,252
ENDING FUND BALANCES	\$ -	\$ 22,126	\$ -

See summary of significant assumptions.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Boulder County on March 14, 2023, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the Town of Erie, Boulder County, Colorado.

The District was established to provide for the planning, design, acquisition, construction, installation, financing, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District, primarily for single family residential development within the District.

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.

**Revenues**

**Developer Advances**

The District is in the development stage. As such, the operating and administrative costs for 2026 are to be funded primarily 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.

**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 page of the budget using the adopted mill levy imposed by the District.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Property Taxes (Continued)**

For property tax collection year 2026, HB24B-1001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>		<b>Category</b>	<b>Rate</b>
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 City Treasurer primarily on vehicle licensing within the City as a whole. The taxes are allocated by the City Treasurer to all taxing entities within the City. The budget assumes that the District's share will be equal to approximately 4% of the total property taxes collected.

**Expenditures**

**General and Administrative Expenditures**

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

**County Treasurer's Fees**

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

**Debt and Leases**

The District issued Senior and Subordinate Bonds on March 26, 2025, in the amounts of \$11,885,000 and \$1,670,000, respectively.

**LAFFERTY CANYON METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

Proceeds of the Bonds

The Senior Bonds were issued for the purpose of: (i) financing a portion of the public improvements necessary to support the Development; (ii) funding a Minimum Surplus Amount to the Senior Surplus Fund, (iii) funding capitalized interest for the Senior Bonds; and (iv) paying other costs in connection with the Bonds.

The Subordinate Bonds were issued for the purpose of: (i) financing a portion of the public improvements necessary to support the Development; and (ii) paying other costs in connection with the Bonds.

Details of the Senior Bonds

The Senior Bonds will bear interest at the rate of 5.625%, payable semi-annually to the extent of Senior Pledged Revenue available on June 1 and December 1 (the "Interest Payment Date"), beginning on June 1, 2025. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2030. The Senior Bonds mature on December 1, 2055.

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 1, 2065 (the "Senior Termination Date"). To the extent interest on any Senior Bond is not paid when due, such interest shall compound semi-annually on each June 1 and December 1 at the rate then borne by the Senior Bond. The District shall not be obligated to pay more than the amount permitted by law in repayment of the Senior Bonds.

If any amount of principal of or interest on the Senior Bonds remains unpaid after the application of all Senior Pledged Revenue available therefor on December 1, 2065, the Senior Bonds will be deemed discharged.

Subordinate Bonds Details

The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Rather, principal on the Subordinate Bonds is payable annually on each December 15, commencing December 15, 2025, from, and to the extent of available Subordinate Pledged Revenue (defined below). The Subordinate Bonds mature on December 15, 2055.

The Subordinate Bonds will bear interest at the rate of 8.00% per annum payable annually on December 15, but only from and to the extent of available Subordinate Pledged Revenue, beginning on December 15, 2025.

To the extent principal of any Subordinate Bonds is not paid when due, such principal shall remain outstanding until the earlier of its payment or December 15, 2065 (the "Subordinate Termination Date").

**LAFFERTY CANYON METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

In the event interest on any Subordinate Bonds is not paid when due, such interest is to compound annually on each December 15, at the rate then borne by the Subordinate Bonds.

If any amount of principal of or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available therefor on December 15, 2065, the Subordinate Bonds will be deemed discharged.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on March 1, 2030, 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>—</u>	<u>Date of Redemption</u>	<u>Redemption Premium</u>
	March 1, 2030, to February 28, 2031	3.00%
	March 1, 2031, to February 29, 2032	2.00
	March 1, 2032, to February 28, 2033	1.00
	March 1, 2033, and thereafter	0.00

Senior Pledged Revenue

The Senior Bonds are secured by and payable solely from and to the extent of Senior Pledged Revenue which is defined generally in the Senior Indenture as:

- (a) all Senior Property Tax Revenues;
- (b) all Senior Specific Ownership Tax Revenues; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3.00% of fiscal year spending for 2026, as defined under TABOR.

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

**LAFFERTY CANYON METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$11,885,000 General Obligation Bonds**

**Series 2025A**

**Interest 5.625%**

**Dated March 26, 2025**

**Interest Payable June 1 and December 1**

<b>Year Ended December 31,</b>	<b>Principal Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ -	\$ 668,531	\$ 668,531
2027	-	668,531	668,531
2028	-	668,531	668,531
2029	-	668,531	668,531
2030	115,000	668,531	783,531
2031	125,000	662,063	787,063
2032	150,000	655,031	805,031
2033	155,000	646,594	801,594
2034	180,000	637,875	817,875
2035	190,000	627,750	817,750
2036	220,000	617,063	837,063
2037	230,000	604,688	834,688
2038	260,000	591,750	851,750
2039	275,000	577,125	852,125
2040	310,000	561,656	871,656
2041	325,000	544,219	869,219
2042	360,000	525,938	885,938
2043	380,000	505,688	885,688
2044	420,000	484,313	904,313
2045	445,000	460,688	905,688
2046	490,000	435,656	925,656
2047	515,000	408,094	923,094
2048	565,000	379,125	944,125
2049	595,000	347,344	942,344
2050	650,000	313,875	963,875
2051	685,000	277,313	962,313
2052	740,000	238,781	978,781
2053	785,000	197,155	982,155
2054	845,000	153,000	998,000
2055	1,875,000	105,467	1,980,467
	<u>\$ 11,885,000</u>	<u>\$ 14,900,906</u>	<u>\$ 26,785,906</u>

See summary of significant assumptions.