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AUG 29 2006

CERTIFICATION OF VALUATION BY Douglas County ASSESSOR

Name of Jurisdiction: 4436 - Crowfoot Valley Ranch Metro #1

New Entity: Yes

IN Douglas COUNTY, COLORADO ON 8/25/2006

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT, FOR THE TAXABLE YEAR 2006 IN Douglas COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$0
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *		\$0
3. LESS TIF DISTRICT INCREMENT, IF ANY:		\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$0
5. NEW CONSTRUCTION: **		\$0
	NEW GROWTH ASSESSED:	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #		\$0
7. ANNEXATIONS/INCLUSIONS:		\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY #		\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b)C.R.S.):	##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a)C.R.S.:		\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):		\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo. Constitution

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2006 IN Douglas COUNTY ON AUGUST 25, 2006

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @		\$0
ADDITIONS TO TAXABLE REAL PROPERTY:		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !		\$0
	NEW GROWTH ACTUAL:	\$0
3. ANNEXATIONS/INCLUSIONS:		\$0
4. INCREASED MINING PRODUCTION: %		\$0
5. PREVIOUSLY EXEMPT PROPERTY:		\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:		\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:		\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:		\$0
9. DISCONNECTIONS/EXCLUSION:		\$0
10. PREVIOUSLY TAXABLE PROPERTY:		\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH (39-5-128(1), C.R.S.) AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:-----		\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2006

Data Date: 08/24/2006

DLG-57(Rev.7/00)

**CERTIFIED COPY OF RESOLUTION TO ADOPT 2006 BUDGET
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1**

COMES NOW, the Secretary/Treasurer of the Crowfoot Valley Ranch Metropolitan District No. 1, and certifies that at a regular meeting of the Board of Directors of the District, held December 2, 2005, at 9:30 a.m, at 1515 Arapahoe Street, Tower III, Suite 900, Denver, Colorado, the following Resolution was adopted by the affirmative vote of a majority of the Board of Directors, to-wit:

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2006 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 CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2006, AND ENDING ON THE LAST DAY OF DECEMBER, 2006,

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch 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 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 December 2, 2005, 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 so that the budget remains in balance, as required by law; and

WHEREAS, at the election held on November 5, 2002, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Article and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1 OF DOUGLAS COUNTY, COLORADO:

Section 1. 2006 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2006 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2006. 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 Crowfoot Valley Ranch Metropolitan District No. 1 for calendar year 2006.

Section 4. 2006 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expense is \$-0-; the amount of a temporary tax credit or rate reduction is \$-0-> and the amount necessary to balance the budget for the Debt Service Fund for retirement of debt, bonds and interest thereon and payment of any contractual obligation approved by a majority of the qualified electors of the District is \$-0-, for a total of \$-0-. That the 2005 valuation for assessment, as certified by the Douglas County Assessor, is \$-0-.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2006 budget year, there is hereby levied a tax of 5.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2005.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt retirement expense of the District during the 2006 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 30.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2005.

C. Levy for Abatement. That for the purposes of recoupment of the abatement of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.0000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2005.

D. 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 2005.

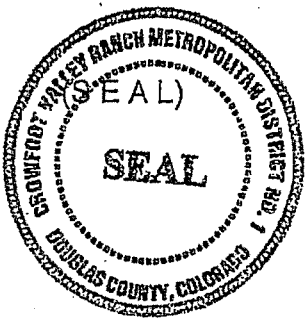
Section 5. Designation of Ending Fund Balances as Reserves. That pursuant to Const. Colo. Article X, Section 20, the December 31, 2006 ending fund balance to the General Fund, the exact amount to be determined as part of the audit of the December 31, 2006 financial statements, is designated as a general reserve for future contingencies.

Section 6. 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 7. Certification. That the Certification of Tax Levies certified on or before December 15, 2005, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, is hereby approved and ratified. That said certification is in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 8. 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.

The foregoing is a true and accurate copy of the action taken by the governing body of the Crowfoot Valley Ranch Metropolitan District No. 1.



Secretary/Treasurer

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

1700 LINCOLN STREET, SUITE 3800
DENVER, COLORADO 80203

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2006


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

Attached is the 2006 budget and budget message for **CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1** in Douglas County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This budget was adopted on December 2, 2005. If there are any questions on the budget, please contact Susan J. Schledorn, paralegal, c/o Grimshaw & Haring, PC, 1700 Lincoln Street, Suite 3800, Denver, Colorado 80203, telephone number 303-839-3800. The mill levy certified to the county commissioners is .000 mills for all general operating purposes (not G.O. bonds and interest or contractual obligations approved at elections or levies for capital expenditures).

Based on prior electoral approval, the property tax revenue is not subject to statutory limitation.

Attached is a copy of the Certification of Tax Levies as sent to the Board of County Commissioners in Douglas County, Colorado.

I, Donald E. Hunt, hereby certify that I am the duly elected and qualified Secretary/Treasurer of the Crowfoot Valley Ranch Metropolitan District No. 1, and that the attached is a true and correct copy of the budget and budget message for the fiscal year 2006, and certification of tax levies to the Board of County Commissioners as duly adopted at a meeting of the Board of Directors for the District held on the 2th day of December, 2005.



Secretary/Treasurer

2006 BUDGET MESSAGE

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1 DOUGLAS COUNTY, COLORADO

I. DISTRICT SERVICES

The Crowfoot Valley Ranch Metropolitan District No. 1 consists of approximately 1.0 acre within unincorporated Douglas County, Colorado, in an area which is co-extensive with the boundaries of the master planned residential golf community known as Crowfoot Valley Ranch. Services to be provided through the District are sanitation, water, streets, traffic and safety controls, parks and recreation, transportation, television relay and translator, mosquito and pest control, and fire protection and emergency medical services.

Pursuant to the terms of the District's Service Plan, the District will construct, own and operate the majority of the public services and facilities for the Crowfoot Valley Ranch Development. The District has no ability to tax property within its own boundaries, and will collect revenues from Crowfoot Valley Ranch Metropolitan District No. 2 and from service users. The District, therefore, qualifies as an enterprise for purposes of Section 20 of Article X of the Colorado Constitution.

II. BASIS OF ACCOUNTING

The basis of accounting utilized in the preparation of the 2006 budget for the District is the cash method.

III. IMPORTANT FEATURES OF THE BUDGET

The 2006 budget does not result in a violation of any applicable property tax or fiscal year spending limitations.

A. REVENUE - District funds at this time will be derived from developer advances.

B. EXPENDITURES - The District anticipates spending revenue funds for general operational expenses only.

IV. ANTICIPATED PROJECTS

The District does anticipate beginning construction projects this year.

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
DOUGLAS COUNTY, COLORADO**

**GENERAL FUND
2006 BUDGET**

	ACTUAL 2004	ESTIMATED 2005	ADOPTED 2006
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
Property Taxes	\$ -0-	\$ -0-	\$ -0-
Developer Advance	-0-	-0-	25,000
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ 25,000
Expenditures:			
Accounting	\$ -0-	\$ -0-	\$ 1,000
Audit	-0-	-0-	-0-
Insurance	-0-	-0-	500
Legal	-0-	-0-	5,000
Contingency	-0-	-0-	18,500
Total Expenditures	\$ -0-	\$ -0-	\$ 25,000
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

CERTIFICATION OF TAX LEVIES

Taxing Entity No.: 4436

CROWFOOT VALLEY RANCH METRO DISTRICT NO. 1

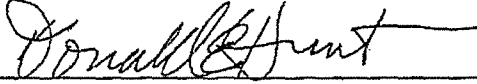
TO: THE BOARD OF COUNTY COMMISSIONERS, DOUGLAS COUNTY, COLORADO

The Board of Directors of the **CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1** of Douglas County, Colorado, hereby certifies the following mill levies to be extended upon the net assessed valuation of \$-0-

Submitted this date: December 8, 2005

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	0.000 mills	\$ 0
2. (Minus) Temporary Property Tax Credit/Temporary Mill Levy Rate Reduction, 39-1-111.5, C.R.S. If the credit does not apply to the General Operating Expenses levy, please indicate here the levy to which the credit applies	< 0.000 > mills	\$ < 0 >
SUBTOTAL	0.000 mills	\$ 0
3. General Obligation Bonds and Interest <i>See attached</i>	0.000 mills	\$ 0
4. Contractual Obligations Approved at Election	0.000 mills	\$ 0
5. Capital Expenditures levied pursuant to 29-1-302(1.5) C.R.S. or approved at election	0.000 mills	\$ 0
6. Refunds/Abatements	0.000 mills	\$ 0
7. Other _____	0.000 mills	\$ 0
TOTAL	0.000 mills	\$ 0

Contact Person: Susan J. Schledorn, Paralegal, Grimshaw & Haring, PC
Daytime Telephone: 303-839-3912

Signed: 
Title: Secretary/Treasurer

Based on prior electoral approval, the property tax revenue IS NOT subject to statutory limitations imposed by Section 29-1-301, C.R.S. or limitations imposed by Article X, Section 20 of the Colorado Constitution.

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CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

GENERAL FUND

2006 BUDGET AS AMENDED

For the Year Ended and Ending December 31,

*Presented @ Budget
12-01-06
Amendment
Hearing*

11/29/06

	BUDGET 2006	ACTUAL 8/31/06	AMENDED 2006
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Developer advance	25,000	17,031	50,000
Transfer from District No. 2	-	-	-
Total revenue	<u>25,000</u>	<u>17,031</u>	<u>50,000</u>
TRANSFERS IN			
Capital Projects Fund	-	-	-
Total transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>25,000</u>	<u>17,031</u>	<u>50,000</u>
EXPENDITURES			
Accounting	1,000	-	7,500
Insurance	500	398	398
Legal	5,000	6,646	17,500
District management	-	9,987	20,000
Contingency	18,500	-	4,602
Total expenditures	<u>25,000</u>	<u>17,031</u>	<u>50,000</u>
TRANSFERS OUT			
Capital Projects Fund	-	-	-
Total transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>25,000</u>	<u>17,031</u>	<u>50,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

"PRELIMINARY DRAFT - SUBJECT TO REVISION"

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

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GRIMSHAW & HARRING
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 3800
WELLS FARGO CENTER
1700 LINCOLN STREET
DENVER, COLORADO 80203-4538



TELEPHONE (303) 839-3800
TELECOPIER (303) 839-3838
WWW.GRIMSHAWHARRING.COM

Susan J. Schledorn
303-839-3912

sjs@grimshawharring.com
www.grimshawharring.com

January 30, 2006

VIA COURIER

Susanna Lienhard
Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203-2241

Re: Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2

Dear Ms. Lienhard:

I am enclosing the Certified Copies of Resolution relating to the adoption of the 2006 budgets for Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2 with attached copies of the letters of budget transmittal, budgets with budget message and Certifications of Tax Levies.

To confirm for our records that you have received the budget, please sign and certify the enclosed Certificate of Filing and return it to our office. A self-addressed, stamped envelope is enclosed for your convenience.

Thank you.

Sincerely,

GRIMSHAW & HARRING,
A Professional Corporation

Susan J. Schledorn
Paralegal

Enclosures

CERTIFICATE OF FILING

IT IS HEREBY CERTIFIED by the undersigned that the certified copies of resolution relating to the adoption of the 2006 budgets with attached copies of the budgets and budget message for **CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NOS. 1 and 2** was filed with the Division of Local Government in compliance with Section 29-1-116, C.R.S., as amended.

Division of Local Government

Title: _____

Date: _____

Sign, date, and return to:
(Envelope enclosed)

Grimshaw & Haring, PC
1700 Lincoln Street, Suite 3800
Denver, Colorado 80202
Attn: SJS

13878.005
13879.005

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**CERTIFIED COPY OF RESOLUTION TO ADOPT 2006 BUDGET
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1**

COMES NOW, the Secretary/Treasurer of the Crowfoot Valley Ranch Metropolitan District No. 1, and certifies that at a regular meeting of the Board of Directors of the District, held December 2, 2005, at 9:30 a.m, at 1515 Arapahoe Street, Tower III, Suite 900, Denver, Colorado, the following Resolution was adopted by the affirmative vote of a majority of the Board of Directors, to-wit:

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2006 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 CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2006, AND ENDING ON THE LAST DAY OF DECEMBER, 2006,

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch 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 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 December 2, 2005, 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 so that the budget remains in balance, as required by law; and

WHEREAS, at the election held on November 5, 2002, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Article and Section 29-1-301, C.R.S., as amended.

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NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1 OF DOUGLAS COUNTY, COLORADO:

Section 1. 2006 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2006 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2006. 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 Crowfoot Valley Ranch Metropolitan District No. 1 for calendar year 2006.

Section 4. 2006 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expense is \$-0-; the amount of a temporary tax credit or rate reduction is \$<-0-> and the amount necessary to balance the budget for the Debt Service Fund for retirement of debt, bonds and interest thereon and payment of any contractual obligation approved by a majority of the qualified electors of the District is \$-0-, for a total of \$-0-. That the 2005 valuation for assessment, as certified by the Douglas County Assessor, is \$-0-.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2006 budget year, there is hereby levied a tax of 5.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2005.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt retirement expense of the District during the 2006 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 30.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2005.

C. Levy for Abatement. That for the purposes of recoupment of the abatement of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.0000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2005.

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D. 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 2005.

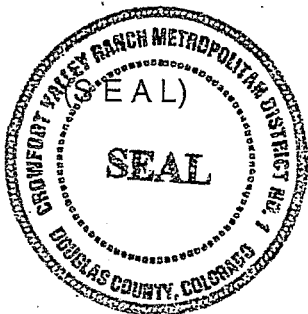
Section 5. Designation of Ending Fund Balances as Reserves. That pursuant to Const. Colo. Article X, Section 20, the December 31, 2006 ending fund balance to the General Fund, the exact amount to be determined as part of the audit of the December 31, 2006 financial statements, is designated as a general reserve for future contingencies.

Section 6. 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 7. Certification. That the Certification of Tax Levies certified on or before December 15, 2005, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, is hereby approved and ratified. That said certification is in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 8. 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.

The foregoing is a true and accurate copy of the action taken by the governing body of the Crowfoot Valley Ranch Metropolitan District No. 1.



Donald E. Hunt
Secretary/Treasurer

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CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

1700 LINCOLN STREET, SUITE 3800
DENVER, COLORADO 80203

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2006

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

Attached is the 2006 budget and budget message for **CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1** in Douglas County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This budget was adopted on December 2, 2005. If there are any questions on the budget, please contact Susan J. Schledorn, paralegal, c/o Grimshaw & Haring, PC, 1700 Lincoln Street, Suite 3800, Denver, Colorado 80203, telephone number 303-839-3800. The mill levy certified to the county commissioners is .000 mills for all general operating purposes (not G.O. bonds and interest or contractual obligations approved at elections or levies for capital expenditures).

Based on prior electoral approval, the property tax revenue is not subject to statutory limitation.

Attached is a copy of the Certification of Tax Levies as sent to the Board of County Commissioners in Douglas County, Colorado.

I, Donald E. Hunt, hereby certify that I am the duly elected and qualified Secretary/Treasurer of the Crowfoot Valley Ranch Metropolitan District No. 1, and that the attached is a true and correct copy of the budget and budget message for the fiscal year 2006, and certification of tax levies to the Board of County Commissioners as duly adopted at a meeting of the Board of Directors for the District held on the 2th day of December, 2005.



Secretary/Treasurer

2006 BUDGET MESSAGE

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1 DOUGLAS COUNTY, COLORADO

I. DISTRICT SERVICES

The Crowfoot Valley Ranch Metropolitan District No. 1 consists of approximately 1.0 acre within unincorporated Douglas County, Colorado, in an area which is co-extensive with the boundaries of the master planned residential golf community known as Crowfoot Valley Ranch. Services to be provided through the District are sanitation, water, streets, traffic and safety controls, parks and recreation, transportation, television relay and translator, mosquito and pest control, and fire protection and emergency medical services.

Pursuant to the terms of the District's Service Plan, the District will construct, own and operate the majority of the public services and facilities for the Crowfoot Valley Ranch Development. The District has no ability to tax property within its own boundaries, and will collect revenues from Crowfoot Valley Ranch Metropolitan District No. 2 and from service users. The District, therefore, qualifies as an enterprise for purposes of Section 20 of Article X of the Colorado Constitution.

II. BASIS OF ACCOUNTING

The basis of accounting utilized in the preparation of the 2006 budget for the District is the cash method.

III. IMPORTANT FEATURES OF THE BUDGET

The 2006 budget does not result in a violation of any applicable property tax or fiscal year spending limitations.

- A. REVENUE - District funds at this time will be derived from developer advances.
- B. EXPENDITURES - The District anticipates spending revenue funds for general operational expenses only.

IV. ANTICIPATED PROJECTS

The District does anticipate beginning construction projects this year.

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CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
DOUGLAS COUNTY, COLORADO

GENERAL FUND
2006 BUDGET

	ACTUAL 2004	ESTIMATED 2005	ADOPTED 2006
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
Property Taxes	\$ -0-	\$ -0-	\$ -0-
Developer Advance	-0-	-0-	25,000
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ 25,000
Expenditures:			
Accounting	\$ -0-	\$ -0-	\$ 1,000
Audit	-0-	-0-	-0-
Insurance	-0-	-0-	500
Legal	-0-	-0-	5,000
Contingency	-0-	-0-	18,500
Total Expenditures	\$ -0-	\$ -0-	\$ 25,000
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

CERTIFICATION OF TAX LEVIES

Taxing Entity No.: 4436

CROWFOOT VALLEY RANCH METRO DISTRICT NO. 1

TO: THE BOARD OF COUNTY COMMISSIONERS, DOUGLAS COUNTY, COLORADO

The Board of Directors of the **CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1** of Douglas County, Colorado, hereby certifies the following mill levies to be extended upon the net assessed valuation of \$-0-

Submitted this date: December 8, 2005

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	0.000 mills	\$ 0
2. (Minus) Temporary Property Tax Credit/Temporary Mill Levy Rate Reduction, 39-1-111.5, C.R.S. If the credit does not apply to the General Operating Expenses levy, please indicate here the levy to which the credit applies	< 0.000 > mills	\$ < 0 >
SUBTOTAL	0.000 mills	\$ 0
3. General Obligation Bonds and Interest <i>See attached</i>	0.000 mills	\$ 0
4. Contractual Obligations Approved at Election	0.000 mills	\$ 0
5. Capital Expenditures levied pursuant to 29-1-302(1.5) C.R.S. or approved at election	0.000 mills	\$ 0
6. Refunds/Abatements	0.000 mills	\$ 0
7. Other _____	0.000 mills	\$ 0
TOTAL	0.000 mills	\$ 0

Contact Person: Susan J. Schledorn, Paralegal, Grimshaw & Haring, PC
Daytime Telephone: 303-839-3912

Signed: Donald Hunt
Title: Secretary/Treasurer

Based on prior electoral approval, the property tax revenue IS NOT subject to statutory limitations imposed by Section 29-1-301, C.R.S. or limitations imposed by Article X, Section 20 of the Colorado Constitution.