

BANNING LEWIS RANCH METRO DISTRICT NO. 1

FINANCIAL STATEMENTS

APRIL 30, 2022

BANNING LEWIS RANCH METRO DISTRICT NO. 1
BALANCE SHEET - GOVERNMENTAL FUNDS
APRIL 30, 2022

	General	Debt Service	Total
ASSETS			
Cash - Colorado Business Bank	\$ 252,824	\$ -	\$ 252,824
Cash - 1ST Bank	612,736	-	612,736
Colotrust	1,786,182	-	1,786,182
Colotrust - Regional Taxes	-	6	6
Due from other Districts - BLR Metro District No. 2	310,105	-	310,105
Due from other Districts - BLR Metro District No. 3	43,771	-	43,771
Due from other Districts - BLR Regional No. 1	5,000	-	5,000
Due from other Districts - BLR Metro District No. 4	52,169	-	52,169
Due from other Districts - BLR Metro District No. 5	27,164	-	27,164
Due from other Districts - BLR Metro District No. 8	10,836	-	10,836
Accts receivable - District operating fees Village 1	145,802	-	145,802
Accts receivable - District operating fees Village 2	397,271	-	397,271
Accounts receivable - District operating fees Village 3W	3,529	-	3,529
Accounts receivable - Other	38,002	-	38,002
TOTAL ASSETS	\$ 3,685,391	\$ 6	\$ 3,685,397
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 305,206	\$ -	\$ 305,206
Due to BLR Community Foundation	23,625	-	23,625
Due to other districts - BLR Regional No. 1	-	6	6
District operating fee deposit	8,056	-	8,056
Landscape deposit	513,500	-	513,500
Prepaid assessments - Village 1	39,142	-	39,142
Prepaid assessments - Village 2	64,223	-	64,223
Prepaid Assessments - Village 3W	605	-	605
Property tax escrow	2,002	-	2,002
Metro service fees payable	39,000	-	39,000
Total Liabilities	995,359	6	995,365
FUND BALANCES			
Total Fund Balances	2,690,032	-	2,690,032
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,685,391	\$ 6	\$ 3,685,397

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

BANNING LEWIS RANCH METRO DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022

	GENERAL FUND				
	<u>Current Month</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Year-to-date</u> <u>Budget</u>	<u>Year-to-date-</u> <u>Variance</u>	<u>Annual</u> <u>Budget</u>
REVENUES					
Interest income	\$ 561	\$ 990	\$ 500	490	\$ 500
Other revenue	-	300	400	(100)	400
Late fees / penalties	1,760	7,465	-	7,465	-
Operating Fees - Holding Account	124	21,116	-	21,116	-
Operating Fees - Village 1	77,200	308,799	925,360	(616,561)	925,360
Operating Fees - Village 2W	56,884	227,364	681,570	(454,206)	681,570
Operating Fees - Village 2W Carriage	34,367	137,467	410,306	(272,839)	410,306
Operating Fees - Village 2E	52,562	204,800	573,164	(368,364)	573,164
Operating Fees - Village 2E Carriage	51,986	206,898	647,558	(440,660)	647,558
Operating Fees - Village 2E Bungalow	16,398	65,593	262,722	(197,129)	262,722
Operating Fees - Village 3E Duets	21,408	85,632	344,329	(258,697)	344,329
Operating Fees - Village 3W The Retreat	70,272	246,816	722,880	(476,064)	722,880
Operating Fees - Village 3E	11,041	14,246	-	14,246	-
Design review fee	2,875	9,875	45,000	(35,125)	45,000
Ranch house rentals	1,985	3,510	25,000	(21,490)	25,000
YMCA program revenues	-	-	65,000	(65,000)	65,000
Intergovernmental - O&M taxes District No. 2	22,488	304,736	591,259	(286,523)	591,259
Intergovernmental - O&M taxes District No. 3	28,868	329,438	629,718	(300,280)	629,718
Intergovernmental - O&M taxes District No. 4	27,051	333,191	666,000	(332,809)	666,000
Intergovernmental - O&M taxes District No. 5	13,142	64,194	153,676	(89,482)	153,676
Intergovernmental - O&M taxes District No. 8	5,616	6,101	9,628	(3,527)	9,628
TOTAL REVENUES	<u>496,588</u>	<u>2,578,531</u>	<u>6,754,070</u>	<u>(4,175,539)</u>	<u>6,754,070</u>
EXPENDITURES					
Accounting	14,000	58,448	275,000	216,552	275,000
Auditing	-	-	39,000	39,000	39,000
Billing Services	21,000	78,049	188,000	109,951	188,000
Community Management	12,965	49,723	210,000	160,277	210,000
Design review fee	438	7,069	65,000	57,931	65,000
Mailbox repairs (S&K)	-	413	5,000	4,587	5,000
Trash removal and recycle	50,842	198,860	572,000	373,140	572,000
Website maintenance	-	3,279	12,500	9,221	12,500
Directors' fees	277	739	2,500	1,761	2,500
Dues and memberships	-	4,739	6,000	1,261	6,000
Insurance and bonds	2,970	85,367	145,000	59,633	145,000
District management	22,234	97,022	285,000	187,978	285,000
Legal services	15,609	62,592	220,000	157,408	220,000
Miscellaneous	276	1,064	10,000	8,936	10,000
Payroll taxes	46	107	750	643	750
Election expense	286	5,996	100,000	94,004	100,000
Repairs and maintenance	-	-	50,000	50,000	50,000
Contingency	-	-	1,093,320	1,093,320	1,093,320
Landscape maintenance	131,704	559,477	1,490,000	930,523	1,490,000
Landscape maintenance - Carriage House	10,031	74,134	560,000	485,866	560,000

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**BANNING LEWIS RANCH METRO DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022**

	GENERAL FUND				
	<u>Current Month Actual</u>	<u>Year to Date Actual</u>	<u>Year-to-date Budget</u>	<u>Year-to-date- Variance</u>	<u>Annual Budget</u>
EXPENDITURES (CONTINUED)					
Recreation Center	56,132	185,541	855,000	669,459	855,000
Swimming pool	4,108	19,273	570,000	550,727	570,000
TOTAL EXPENDITURES	<u>342,918</u>	<u>1,491,892</u>	<u>6,754,070</u>	<u>5,262,178</u>	<u>6,754,070</u>
NET CHANGE IN FUND BALANCES	<u>\$ 153,670</u>	1,086,639	<u>\$ -</u>	1,086,639	-
FUND BALANCES - BEGINNING		<u>1,603,394</u>		<u>1,603,394</u>	<u>1,548,235</u>
FUND BALANCES - ENDING		<u>\$ 2,690,034</u>		<u>\$ 2,690,033</u>	<u>\$ 1,548,235</u>

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BANNING LEWIS RANCH METRO DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022

GENERAL FUND

	<u>Current Month</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Year-to-date</u> <u>Budget</u>	<u>Year-to-date-</u> <u>Variance</u>	<u>Annual</u> <u>Budget</u>
Recreation Center					
Cleaning services	\$ 2,286	\$ 7,805	\$ 25,000	\$ 17,195	\$ 25,000
Cleaning supplies	-	-	3,500	3,500	3,500
Coffee, bottled water, etc.	-	-	1,500	1,500	1,500
Decorations	-	-	1,000	1,000	1,000
Electricity	849	3,833	15,000	11,167	15,000
Fitness equipment maintenance	-	-	1,500	1,500	1,500
Fitness equipment replacement	-	-	7,500	7,500	7,500
Gas	415	3,835	20,000	16,165	20,000
HVAC maintenance	1,475	4,438	15,000	10,562	15,000
Management fee	36,459	145,835	380,000	234,165	380,000
Miscellaneous	-	-	214,000	214,000	214,000
Office supplies	-	-	1,500	1,500	1,500
Plant maintenance	252	1,006	25,000	23,994	25,000
Printing	-	-	750	750	750
Repairs and maintenance	9,537	9,864	10,000	136	10,000
Security services	855	1,698	32,000	30,302	32,000
Sewer	483	633	2,500	1,867	2,500
Telephone	335	1,342	5,500	4,158	5,500
Trash	340	1,158	3,750	2,592	3,750
Water	2,848	4,095	45,000	40,905	45,000
Playground repairs	-	-	45,000	45,000	45,000
Total Recreation Center	<u>\$ 56,132</u>	<u>\$ 185,541</u>	<u>\$ 855,000</u>	<u>\$ 669,458</u>	<u>\$ 855,000</u>

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BANNING LEWIS RANCH METRO DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022

GENERAL FUND

	<u>Current Month</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Year-to-date</u> <u>Budget</u>	<u>Year-to-date-</u> <u>Variance</u>	<u>Annual</u> <u>Budget</u>
Landscape maintenance					
Landscape maint. - Irr. repairs & maint.	\$ 20,937	\$ 103,499	\$ -	\$ (103,499)	\$ -
LS maint-Village 1-Contract maintenance	516	2,063	81,000	78,937	81,000
LS maint-Village 1-Electricity	8,582	9,392	5,500	(3,892)	5,500
LS maint-Village 1-Enhancements	-	-	5,000	5,000	5,000
LS maint-Village 1-Irrigation repairs/maintenance	-	-	50,000	50,000	50,000
LS maint-Village 1-Irrigation system replacements	-	-	9,000	9,000	9,000
LS maint-Village 1-Miscellaneous	-	241	4,500	4,259	4,500
LS maint-Village 1-Snow removal	-	4,971	105,000	100,029	105,000
LS maint-Village 1-Water	20,932	25,986	223,000	197,014	223,000
LS maint-Village 1- stormwater fees	865	3,545	17,000	13,455	17,000
LS maint-Village 2 W-Contract maintenance	52,047	208,187	490,000	281,813	490,000
LS maint-Village 2 W-Electricity	34	1,010	3,500	2,490	3,500
LS maint-Village 2 W-Enhancements	-	-	25,000	25,000	25,000
LS maint-Village 2 W-Irrigation repairs/maintenance	-	-	10,000	10,000	10,000
LS maint-Village 2 W-Miscellaneous	-	-	2,500	2,500	2,500
LS maint-Village 2 W-Snow removal	-	54,428	65,000	10,572	65,000
LS maint-Village 2 W-Water	312	905	139,000	138,095	139,000
LS maint-Village 2 W- Stormwater fees	1,689	6,744	20,000	13,256	20,000
LS maint-Village 2 E-Contract maintenance	13,667	54,668	85,000	30,332	85,000
LS maint-Village 2 E-Electricity	-	-	3,000	3,000	3,000
LS maint-Village 2 E-Irrigation repairs/maintenance	-	-	15,000	15,000	15,000
LS maint-Village 2 E-Miscellaneous	-	-	3,000	3,000	3,000
LS maint-Village 2 E-Snow removal	-	-	40,000	40,000	40,000
LS maint-Village 2 E-Water	-	-	4,000	4,000	4,000
LS maint -Village 3-Contract Maintenance	12,125	48,500	85,000	36,500	85,000
LS maint-Village 3-Snow removal	-	35,339	-	(35,339)	-
Total Landscape maintenance	<u>\$ 131,704</u>	<u>\$ 559,477</u>	<u>\$ 1,490,000</u>	<u>\$ 930,522</u>	<u>\$ 1,490,000</u>

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**BANNING LEWIS RANCH METRO DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FOUR MONTHS ENDED APRIL 30, 2022**

GENERAL FUND

	<u>Current Month Actual</u>	<u>Year to Date Actual</u>	<u>Year-to-date Budget</u>	<u>Year-to-date- Variance</u>	<u>Annual Budget</u>
Swimming pool					
Swim pool-Village 1-Management staffing	\$ 3,591	\$ 14,362	\$ 75,000	\$ 60,638	\$ 75,000
Swim pool-Village 1-Chemicals	-	-	3,500	3,500	3,500
Swim pool-Village 1-Miscellaneous	-	-	2,500	2,500	2,500
Swim pool-Village 1-Operations and maintenance	-	-	192,000	192,000	192,000
Swim pool-Village 1-Pool furniture	-	-	4,000	4,000	4,000
Swim Pool-Village 2 W-Security	-	372	1,000	628	1,000
Swim pool-Village 2 W-Management staffing	-	-	95,000	95,000	95,000
Swim pool-Village 2 W-Chemicals	-	-	3,500	3,500	3,500
Swim pool-Village 2 W-Water	473	2,276	107,000	104,724	107,000
Swim pool-Village 2 W-Miscellaneous	-	-	2,500	2,500	2,500
Swim pool-Village 2 W-Operations and maintenance	-	-	10,000	10,000	10,000
Swim pool-Village 2 W-Building operations & maintenance	-	-	37,000	37,000	37,000
Swim pool-Village 2 W-Electricity	-	1,953	9,500	7,547	9,500
Swim pool-Village 2 W-Gas	-	97	25,000	24,903	25,000
Swim pool-Village 2 W-Sewer	45	213	2,500	2,287	2,500
Total Swimming pool	<u>\$ 4,108</u>	<u>\$ 19,273</u>	<u>\$ 570,000</u>	<u>\$ 550,727</u>	<u>\$ 570,000</u>
Landscape maintenance - Carriage House					
Front Yard Maint & Repairs	\$ 9,707	\$ 38,827	\$ 145,000	\$ 106,173	\$ 145,000
Utilities -Electricity	15	66	750	684	750
Park & Common Area Maintenance	-	-	27,000	27,000	27,000
Irrigation repairs/maintenance	-	-	35,000	35,000	35,000
Snow removal	-	33,986	250,000	216,014	250,000
Utilities -Water	89	374	95,000	94,626	95,000
Stormwater fees	220	881	7,250	6,369	7,250
Total Landscape maintenance - Carriage House	<u>\$ 10,031</u>	<u>\$ 74,134</u>	<u>\$ 560,000</u>	<u>\$ 485,866</u>	<u>\$ 560,000</u>

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SUPPLEMENTARY INFORMATION

**BANNING LEWIS RANCH METRO DISTRICT NO. 1
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE FOUR MONTHS ENDED APRIL 30, 2022**

DEBT SERVICE FUND

	<u>Current Month Actual</u>	<u>Year to Date Actual</u>	<u>Year-to-date Budget</u>	<u>Year-to-date- Variance</u>	<u>Annual Budget</u>
REVENUES					
TOTAL REVENUES	-	-	-	-	-
EXPENDITURES					
TOTAL EXPENDITURES	-	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	-	<u>\$ -</u>	-	-
FUND BALANCES - BEGINNING		-		-	-
FUND BALANCES - ENDING		<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>

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**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Banning Lewis Ranch Metropolitan District No. 1 (“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 the City of Colorado Springs, El Paso County, Colorado on December 1, 2005, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide street improvements, parks and recreational facilities, water supply, wastewater facilities, traffic and safety controls, public transportation, fire protection, mosquito control, television relay and operation and maintenance. The District, organized in conjunction with six other related Districts - Banning Lewis Ranch Metropolitan District Nos. 2-5, 6 (now Banning Lewis Ranch Regional Metropolitan District No. 1), and 7 (now Banning Lewis Ranch Regional Metropolitan District No. 2), is the Operating District which will pay all vendors of and receive reimbursement/contributions from the Financing Districts. District Nos. 2-5, and Banning Lewis Ranch Regional Metropolitan District No. 1 are the Financing Districts which will issue debt, levy ad valorem taxes on taxable properties within each District and assess fees, rates and other charges as authorized by law. Banning Lewis Ranch Regional Metropolitan District will serve as the Regional Improvement District serving all of the Districts. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

During elections held on November 1, 2005, the District's voter's authorized total general obligation indebtedness of \$929,500,000 for the above listed facilities and powers as well as for refunding of debt. The elections also approved annual increases in property taxes of up to \$8,000,000, without limitation to rate, to pay the District's operations and maintenance costs. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado constitution or any other law.

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

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

District Operating Fees

The District currently collects a fee of \$86.45 per month for homeowners of the following: Northtree Village No. 1 in BLR MD No. 2, Northtree Village No. 2 West in District No. 3, and Northtree Village No. 2 East in District No. 4. The service fees charged helps pay the costs of trash removal and recycling and to cover a portion of the recreation center expenditures. No operating fee increases have been budgeted for 2022.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues - (continued)

The District collects or expects to collect a service fees of \$174.45 per month from homeowners of the Carriage House, Bungalows, and Town-homes in District Nos. 3 and 4 to pay for costs of trash removal and recycling, to cover a portion of the recreation center expenditures, and to cover the costs of front yard landscaping, maintenance and repairs, park and common area maintenance, snow removal within the common driveway, and utilities (water and electric).

The District collected service fees of \$179.90 per month from homeowners of the Village 3 East in District No. 4 and service fees of \$261.00 per month from the homeowners of the Village 3 West in District No. 5 to pay for costs of trash removal and recycling, to cover a portion of the recreation center expenditures, and to cover the costs of front yard landscaping, maintenance and repairs, park and common area maintenance, snow removal within the common driveway, and utilities (water and electric).

Intergovernmental Revenue – Operations and Maintenance Taxes

The District has entered into a District Facilities Agreement (Agreements) with each of District Nos. 2, 3, 4, 5 and 8 (the Financing Districts). Per the Agreements, each of the Financing Districts is to levy a tax for operations and maintenance and remit such tax to the District to be used to pay for a portion of the expenditures to operate and maintain the Northtree Recreation Center, swimming pool facilities, and landscaping, as well as for administrative expenditures for the Financing Districts. It is anticipated that District Nos. 2, 3, 4, 5 and 8 will levy an operations and maintenance mill levy of 22.266 and transfer these taxes to the District.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.01%.

Ranch House Rentals

Ranch house rentals includes District charges to residents for recreation center rental fees, recreation center access card replacements and other miscellaneous charges imposed by the District related to the recreation centers.

Design Review Fees

The District imposes a fee associated with the review and approval by the District for landscape design plans.

YMCA Program Revenues

The YMCA operates the recreational facilities within the District and charges fees to residents for additional recreational programs and special events. Net fees are remitted to the District.

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative Expenditures

Administrative expenditures include the services necessary to maintain the administrative viability such as legal, accounting, audit, managerial, insurance, meeting expense and other administrative expenses for the Districts.

Trash Removal

The District expects to pay \$16.41 for trash removal per month per homeowner within the Financing Districts. This cost will be recuperated from homeowners through the District Operating Fee (see related notes above for “District Operating Fees”).

Landscape Maintenance

The District will incur certain costs for landscaping within Northtree Village No. 1, Northtree Village No. 2 West, Northtree Village No. 2 East, Northtree Village No. 3 West, and Northtree Village No. 3 East. Such costs may include snow removal, electricity and other landscaping maintenance. These costs will be offset by a portion of the monthly District Operating Fees not used for trash removal, as well from the operations and maintenance property taxes remitted by the Financing Districts per the District Facilities Agreements.

Recreation Center

The District will incur certain costs to operate and maintain the Northtree Village Recreation Center. Such costs include management fees, utilities such as water, trash, telephone and electricity, security services, cleaning services, repairs and maintenance, office supplies, and other costs. These costs will be offset by a portion of the monthly District Operating Fees not used for trash removal, as well from the operations and maintenance property taxes remitted by the Financing Districts per the District Facilities Agreements.

Swimming Pools

The District will incur certain costs to operate and maintain the swimming pool located in the Northtree Recreation Center and the Aquatic Center located in Northtree Village No. 2 West. Such costs include chemicals, water, lifeguards and other operation and maintenance costs. These costs will be offset by a portion of the monthly District Operating Fees not used for trash removal, as well from the operations and maintenance property taxes remitted by the Financing Districts per the District Facilities Agreements.

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no outstanding debt and has no operating or capital leases.

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.