

LETTER OF BUDGET TRANSMITTAL

Date: January 29, 2024

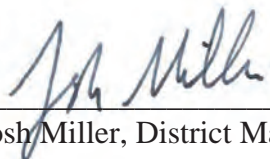
To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached are the 2024 budget and budget message for BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 27, 2023. If there are any questions on the budget, please contact:

Josh Miller, District Manager  
c/o CliftonLarsonAllen LLP  
121 S. Tejon Street, Suite 1100  
Colorado Springs, CO 80903  
Telephone number: 303-779-5710

I, Josh Miller, District Manager of the Banning Lewis Ranch Metropolitan District No. 4, hereby certify that the attached is a true and correct copy of the 2024 budget.

By:

  
\_\_\_\_\_  
Josh Miller, District Manager

**RESOLUTION  
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,  
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY  
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 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 BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 4 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, published or posted 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 November 27, 2023 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 or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$995,251; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$1,492,895; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0.00; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$37,439,380; and

WHEREAS, at an election held on November 1, 2005, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4 OF EL PASO COUNTY, COLORADO:

Section 1. Adoption of Budget. 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 Banning Lewis Ranch Metropolitan District No. 4 for calendar year 2024.

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

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 26.583 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. 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 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 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 39.875 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax 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 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax 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 2023.

Section 5. 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 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. 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.

*[remainder of page intentionally left blank; signature page follows]*

ADOPTED this 27<sup>th</sup> day of November, 2023.

BANNING LEWIS RANCH  
METROPOLITAN DISTRICT NO. 4

DocuSigned by:  
**Ronald Dodolak**  
ADFA17B2B319424...  
\_\_\_\_\_  
President

ATTEST:

DocuSigned by:  
*Bright Thompson*  
83734118AA8547D...  
\_\_\_\_\_  
Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND  
THE CERTIFICATION OF TAX LEVIES

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**  
**SUMMARY**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/19/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,755,853	\$ 2,172,982	\$ 2,313,786
REVENUES			
Property taxes	1,531,486	1,854,198	2,488,146
Specific ownership taxes	159,564	187,722	248,815
Interest income	40,433	125,692	111,000
Facilities fees	109,000	26,000	-
Other revenue	-	-	64,724
Total revenues	<u>1,840,483</u>	<u>2,193,612</u>	<u>2,912,685</u>
Total funds available	<u>3,596,336</u>	<u>4,366,594</u>	<u>5,226,471</u>
EXPENDITURES			
General Fund	677,659	822,468	1,112,500
Debt Service Fund	745,695	1,230,340	1,801,711
Total expenditures	<u>1,423,354</u>	<u>2,052,808</u>	<u>2,914,211</u>
Total expenditures and transfers out requiring appropriation	<u>1,423,354</u>	<u>2,052,808</u>	<u>2,914,211</u>
ENDING FUND BALANCES	<u>\$ 2,172,982</u>	<u>\$ 2,313,786</u>	<u>\$ 2,312,260</u>
DEBT SERVICE RESERVE (MAX OF \$1,057,325)	1,057,325	1,057,325	1,057,325
SURPLUS FUND (MAX OF \$1,252,000)	1,115,657	1,252,000	1,252,000
TOTAL RESERVE	<u>\$ 2,172,982</u>	<u>\$ 2,309,325</u>	<u>\$ 2,309,325</u>



**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/19/24

ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
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**ASSESSED VALUATION**

Residential	\$ 22,838,910	\$ 30,235,030	\$ 36,609,000
Commercial	140,340	120,220	34,820
Natural Resources	-	40	40
Vacant land	4,589,860	2,420,080	795,520
	<u>27,569,110</u>	<u>32,775,370</u>	<u>37,439,380</u>
Certified Assessed Value	<u>\$ 27,569,110</u>	<u>\$ 32,775,370</u>	<u>\$ 37,439,380</u>

**MILL LEVY**

General	22.266	22.681	26.583
Debt Service	33.398	34.021	39.875
Total mill levy	<u>55.664</u>	<u>56.702</u>	<u>66.458</u>

**PROPERTY TAXES**

General	\$ 613,854	\$ 743,378	\$ 995,251
Debt Service	920,753	1,115,051	1,492,895
Levied property taxes	<u>1,534,607</u>	<u>1,858,429</u>	<u>2,488,146</u>
Adjustments to actual/rounding	(3,121)	-	-
Refunds and abatements	-	(4,231)	-
Budgeted property taxes	<u>\$ 1,531,486</u>	<u>\$ 1,854,198</u>	<u>\$ 2,488,146</u>

**BUDGETED PROPERTY TAXES**

<b>General</b>	<b>\$ 612,606</b>	<b>\$ 741,686</b>	<b>\$ 995,251</b>
<b>Debt Service</b>	<b>918,880</b>	<b>1,112,512</b>	<b>1,492,895</b>
	<u><b>\$ 1,531,486</b></u>	<u><b>\$ 1,854,198</b></u>	<u><b>\$ 2,488,146</b></u>

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/19/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	612,606	741,686	995,251
Specific ownership taxes	63,827	75,090	99,525
Interest income	1,226	5,692	3,000
Other revenue	-	-	14,724
Total revenues	<u>677,659</u>	<u>822,468</u>	<u>1,112,500</u>
Total funds available	<u>677,659</u>	<u>822,468</u>	<u>1,112,500</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	9,197	11,151	14,929
Contingency	-	-	14,724
Intergovernmental expenditures	668,462	811,317	1,082,847
Total expenditures	<u>677,659</u>	<u>822,468</u>	<u>1,112,500</u>
Total expenditures and transfers out requiring appropriation	<u>677,659</u>	<u>822,468</u>	<u>1,112,500</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**  
**DEBT SERVICE FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/19/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,755,853	\$ 2,172,982	\$ 2,313,786
REVENUES			
Property taxes	918,880	1,112,512	1,492,895
Specific ownership taxes	95,737	112,632	149,290
Interest income	39,207	120,000	108,000
Facilities fees	109,000	26,000	-
Other revenue	-	-	50,000
Total revenues	<u>1,162,824</u>	<u>1,371,144</u>	<u>1,800,185</u>
TRANSFERS IN			
Total funds available	<u>2,918,677</u>	<u>3,544,126</u>	<u>4,113,971</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	13,795	16,726	22,393
Paying agent fees	7,000	7,000	7,000
Contingency	-	-	50,000
Debt Service			
Bond interest - Series 2018A	719,900	719,613	713,863
Bond Principal - Series 2018A	5,000	100,000	135,000
Bond interest - Series 2018B	-	387,001	795,455
Bond Principal - Series 2018B	-	-	78,000
Total expenditures	<u>745,695</u>	<u>1,230,340</u>	<u>1,801,711</u>
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	<u>745,695</u>	<u>1,230,340</u>	<u>1,801,711</u>
ENDING FUND BALANCES	<u>\$ 2,172,982</u>	<u>\$ 2,313,786</u>	<u>\$ 2,312,260</u>
DEBT SERVICE RESERVE (MAX OF \$1,057,325)	\$ 1,057,325	\$ 1,057,325	\$ 1,057,325
SURPLUS FUND (MAX OF \$1,252,000)	1,115,657	1,252,000	1,252,000
TOTAL RESERVE	<u>\$ 2,172,982</u>	<u>\$ 2,309,325</u>	<u>\$ 2,309,325</u>

No assurance provided. See summary of significant assumptions.

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Banning Lewis Ranch Metropolitan District No. 4 (“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 and television relay. The District is one of the Financing Districts organized in conjunction with ten other related Districts - Banning Lewis Ranch Metropolitan District Nos. 1, 2, 4, 5, 6 (now Banning Lewis Ranch Regional Metropolitan District No. 1), 7 (now Banning Lewis Ranch Regional Metropolitan District No. 2), 8, 9, 10, and 11. District No.1 serves as the Operating District which will pay all vendors of and receive reimbursements and/or contributions from the Financing Districts. All other Districts, including District No. 4, 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 No. 1 will serve as the Regional Improvement District serving District Nos. 1-5. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

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 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.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund].

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Property Taxes (continued)**

The calculation of property taxes is reflected 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:

<b>Category</b>	<b>Rate</b>		<b>Category</b>	<b>Rate</b>	<b>Actual Value Reduction</b>	<b>Amount</b>
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 10% of the property taxes collected.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5.00%.

**Expenditures**

**County Treasurer's Fees**

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

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures** (continued)

**Intergovernmental expenditure – Banning Lewis Ranch Metropolitan District No. 1 - O&M Taxes**

Property taxes generated from the mills levied by the District for operations and maintenance, net of fees, are expected to be transferred to District No. 1, the Operating District, which pays all administrative expenditures of the District.

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the District's Series 2018A General Obligation Bonds (discussed under Debt and Leases).

**Debt and Leases**

On December 11, 2018, the District issued General Obligation Bonds, Series 2018A (2018A Bonds), in the principal amount of \$12,520,000 for the purpose of paying and reimbursing the costs of capital infrastructure improvements, funding a Senior Reserve Fund, providing capitalized interest on the 2018A Bonds, and paying costs of issuance of the Bonds. The 2018A Bonds have a maturity date of December 1, 2048, and carry a fixed interest rate of 5.750%. Interest is payable on June 1 and December 1 of each year beginning on June 1, 2019. Principal payments are due annually on December 1, beginning on December 1, 2022. The debt to maturity schedule is provided on page 12 of the Budget.

On December 11, 2018, the District issued Subordinate General Obligation Limited Tax Bonds, Series 2018B (2018B Subordinate Bonds), in the principal amount of \$2,063,000 for the purpose of paying and reimbursing the costs of capital infrastructure improvements. The 2018B Subordinate Bonds have a maturity date of December 15, 2048 and carry a fixed interest rate of 8.000%. The 2018B Subordinate Bonds are cash-flow bonds and no payments are expected on these bonds until 2023. Therefore no estimated debt to maturity schedule is provided.

On December 11, 2018, the District issued Junior Lien General Obligation Bonds, Series 2018C (2018C Junior Lien Bonds), in the principal amount of \$4,134,000 for the purpose of reimbursing the costs of capital infrastructure improvements paid for by the Developer. The 2018C Junior Lien Bonds have a maturity date of December 15, 2051 and carry a fixed interest rate of 8.000%. The 2018C Junior Lien Bonds are cash-flow bonds and no payments are expected on these bonds until maturity. Therefore no estimated debt to maturity schedule is provided.

The 2018A Bonds are secured by and payable solely from the Senior Pledged Revenue, which includes property taxes derived from the Senior Required Mill Levy, net of the cost of collection, Specific Ownership Taxes attributable to the Senior Required Mill Levy, Facility Fees, and any other legally available moneys of the District credited to the Senior Revenue Fund.

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**  
**2024 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

Pursuant to the Senior Indenture, the District has covenanted to impose a Senior Required Mill Levy on all taxable property of the District each year in an amount which, if imposed by the District for collection in the succeeding calendar year, would generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds as the same become due and payable (less any amounts then on deposit in the Senior Bond Fund, and solely as provided in the Senior Indenture, the Surplus Fund and the Reserve Fund, respectively) and to replenish the Reserve Fund to the Reserve Requirement, but not in excess of 30 mills (subject to adjustment described below); provided, however, that (i) for so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount, the Senior Required Mill Levy shall be equal to 30 mills (as adjusted) or such lesser amount which, if imposed by the District for collection in the succeeding calendar year, would generate Senior Property Tax Revenues (A) sufficient to pay the principal of, premium if any, and interest on the Senior Bonds as the same become due and payable, to replenish the Reserve Fund to the Reserve Requirement, and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Senior Bond Fund and the Surplus Fund and the Reserve Fund, will pay the Senior Bonds in full in the year such levy is collected. In no event is the District to be required to impose the Senior Required Mill Levy after December 2057 (for collection in calendar year 2058).

In the event that the method of calculating assessed valuation is changed after January 1, 2008, the minimum and maximum mill levies of 30 mills will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

The Series 2018A Bonds are further secured by amounts held by the Trustee in the Reserve Fund in the amount of \$1,057,325, as well as a Surplus Fund up to a maximum amount of \$1,252,000. No payments may be made on the Series 2018B Subordinate Bonds or Series 2018C Junior Lien Bonds if the Reserve Fund and the Surplus Fund are less than the maximum amounts.

The 2018B Subordinate and 2018C Junior Lien Bonds are secured by and payable solely from the Subordinate Pledged Revenue, which includes property taxes derived from the required subordinate mill levy, net of the cost of collection, Specific Ownership Taxes attributable to the Subordinate Required Mill Levy, Subordinate Facility Fees, and any other legally available moneys of the District credited to Subordinate Pledged Revenue.

The Subordinate Indenture requires the District to impose a Subordinate Required Mill Levy on all taxable property of the District each year in an amount equal to (i) 30 mills (as adjusted) less the Senior Obligation Mill Levy (the sum of the Senior Required Mill Levy and any other ad valorem property tax levy required to be imposed by the District for the payment of Senior Obligations), or (ii) such lesser amount which, if imposed by the District for collection in the succeeding calendar year, would generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the Subordinate Bonds in full in the year such levy is collected. In no event is the District to be required to impose the Subordinate Required Mill Levy after December 2057 (for collection in calendar year 2058).



**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**  
**2024 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

The Junior Lien Indenture requires the District to impose a Junior Lien Required Mill Levy on all taxable property of the District each year in an amount equal to (i) 30 mills (as adjusted) less the Senior/Subordinate Required Mill Levy (the sum of the Senior Required Mill Levy, the Subordinate Required Mill Levy, and any other ad valorem property tax levy required to be imposed by the District for the payment of other Senior/Subordinate Obligations), or (ii) such lesser amount which, if imposed by the District for collection in the succeeding calendar year, would generate Junior Lien Property Tax Revenues which, when combined with moneys then on deposit in the Junior Lien Bond Fund, will pay the Junior Lien Bonds in full in the year such levy is collected. In no event is the District to be required to impose the Junior Lien Required Mill Levy after December 2057 (for collection in calendar year 2058).

**Schedule of Long Term Obligations**

	Balance at December 31, 2022	Additions*	Repayments*	Balance at December 31, 2023*
G.O. Limited Tax Bonds - Series 2018A	\$ 12,515,000	\$ -	\$ 100,000	\$ 12,415,000
G.O. Subordinate Bonds - Series 2018B	2,063,000	-	-	2,063,000
Series 2018B - Accrued Interest	755,362	224,179	387,001	592,540
Junior Lien Obligation Bonds - Series 2018C	4,134,000	-	-	4,134,000
Series 2018C - Accrued Interest	1,513,653	446,746	-	1,960,400
Developer Advances - Capital	4,046,448	-	-	4,046,448
Accrued interest - Capital	1,148,525	283,251	-	1,431,776
	<u>\$ 26,175,988</u>	<u>\$ 954,176</u>	<u>\$ 487,001</u>	<u>\$ 26,643,164</u>
	Balance at December 31, 2023*	Additions*	Repayments*	Balance at December 31, 2024*
G.O. Limited Tax Bonds - Series 2018A	\$ 12,415,000	\$ -	\$ 135,000	\$ 12,280,000
G.O. Subordinate Bonds - Series 2018B	2,063,000	-	78,000	1,985,000
Series 2018B - Accrued Interest	592,540	209,532	795,455	6,617
Junior Lien Obligation Bonds - Series 2018C	4,134,000	-	-	4,134,000
Series 2018C - Accrued Interest	1,960,400	365,664	-	2,326,064
Developer Advances - Capital	4,046,448	-	-	4,046,448
Accrued interest - Capital	1,431,776	283,251	-	1,715,027
	<u>\$ 26,643,164</u>	<u>\$ 858,447</u>	<u>\$ 1,008,455</u>	<u>\$ 26,493,155</u>

\* Estimate

The District has no operating or capital leases.



**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Debt Service Reserve**

The District maintains a Debt Service Reserve of \$1,057,325 as required with the issuance of the Series 2018A Bonds.

**Emergency Reserve**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 1, which pays for all the District's operations and maintenance costs, the Emergency Reserve for these funds is reflected in the budget of District No. 1.

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

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31, Year	\$12,520,000 General Obligation Bonds Series 2018A Dated December 11, 2018 Principal Due December 1 Interest Rate 5.750% Payable June 1 and December 1		Total
	Principal	Interest	
2024	\$ 135,000	\$ 713,863	\$ 848,863
2025	145,000	706,100	851,100
2026	170,000	697,763	867,763
2027	180,000	687,988	867,988
2028	205,000	677,638	882,638
2029	220,000	665,850	885,850
2030	250,000	653,200	903,200
2031	260,000	638,825	898,825
2032	295,000	623,875	918,875
2033	310,000	606,913	916,913
2034	350,000	589,088	939,088
2035	370,000	568,962	938,962
2036	410,000	547,687	957,687
2037	430,000	524,112	954,112
2038	475,000	499,387	974,387
2039	505,000	472,075	977,075
2040	550,000	443,037	993,037
2041	585,000	411,412	996,412
2042	635,000	377,775	1,012,775
2043	675,000	341,262	1,016,262
2044	735,000	302,450	1,037,450
2045	775,000	260,187	1,035,187
2046	840,000	215,625	1,055,625
2047	890,000	167,325	1,057,325
2048	2,020,000	116,150	2,136,150
	<u>\$ 12,415,000</u>	<u>\$ 12,508,549</u>	<u>\$ 24,923,549</u>

NOTE: This debt to maturity schedule only represents the senior obligation of the District.

No debt to maturity schedule has been provided for the 2018B Subordinate Bonds or the 2018C Junior Lien Bonds because amounts are payable from subordinate pledged revenue, which may or may not be sufficient to make debt service payments when due.

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

**TO:** County Commissioners<sup>1</sup> of El Paso County, Colorado.

On behalf of the Banning Lewis Ranch Metropolitan District No. 4,  
(taxing entity)<sup>A</sup>  
the Board of Directors  
(governing body)<sup>B</sup>  
of the Banning Lewis Ranch Metropolitan District No. 4  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 37,439,380 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 37,439,380 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** 12/28/2023 for budget/fiscal year 2024.  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
1. General Operating Expenses <sup>H</sup>	<u>26.583</u> mills	<u>\$995,251</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>26.583</b> mills	<b>\$ 995,251</b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>39.875</u> mills	<u>\$1,492,895</u>
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>66.458</b> mills	<b>\$ 2,488,146</b>

Contact person: Carrie Bartow Phone: (719) 635-0330  
Signed:  Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates?  Yes  No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.)**. Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:****BONDS<sup>J</sup>:**

- |    |                   |                                    |
|----|-------------------|------------------------------------|
| 1. | Purpose of Issue: | Public infrastructure improvements |
|    | Series:           | 2018A                              |
|    | Date of Issue:    | December 11, 2018                  |
|    | Coupon Rate:      | 5.750%                             |
|    | Maturity Date:    | December 1, 2048                   |
|    | Levy:             | 20.240                             |
|    | Revenue:          | \$ 757,794                         |
|    |                   |                                    |
| 2. | Purpose of Issue: | Public infrastructure improvements |
|    | Series:           | 2018B                              |
|    | Date of Issue:    | December 11, 2018                  |
|    | Coupon Rate:      | 8.000%                             |
|    | Maturity Date:    | December 15, 2048                  |
|    | Levy:             | 19.635                             |
|    | Revenue:          | \$ 735,101                         |
|    |                   |                                    |
| 3. | Purpose of Issue: | Public infrastructure improvements |
|    | Series:           | 2018C                              |
|    | Date of Issue:    | December 11, 2018                  |
|    | Coupon Rate:      | 6.000 - 8.000%                     |
|    | Maturity Date:    | December 15, 2051                  |
|    | Levy:             | 0.000                              |
|    | Revenue:          | \$ 0                               |

**CONTRACTS<sup>K</sup>:**

- |    |                      |       |
|----|----------------------|-------|
| 4. | Purpose of Contract: | _____ |
|    | Title:               | _____ |
|    | Date:                | _____ |
|    | Principal Amount:    | _____ |
|    | Maturity Date: Levy: | _____ |
|    | Revenue:             | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

## Notes:

<sup>A</sup> **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government<sup>C</sup>.

<sup>B</sup> **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

<sup>C</sup> **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

<sup>D</sup> **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* *Gross Assessed Value* found on Line 2 of Form DLG 57.

<sup>E</sup> **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25<sup>th</sup> each year and may amend it, one time, prior to December 10<sup>th</sup>. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

<sup>F</sup> **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

<sup>G</sup> **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

**H General Operating Expenses (DLG 70 Page 1 Line 1)**—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

**I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)**—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

**J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)**—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

**K Contractual Obligation (DLG 70 Page 1 Line 4)**—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

**L Capital Expenditures (DLG 70 Page 1 Line 5)**—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

**M Refunds/Abatements (DLG 70 Page 1 Line 6)**—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

**N Other (DLG 70 Page 1 Line 7)**—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.



Proof of Publication

THE TRANSCRIPT  
Colorado Springs, Colorado

STATE OF COLORADO, } ss.  
COUNTY OF EL PASO }

I, Fran Zankowski, Publisher, or the undersigned Authorized Agent of the Publisher, do solemnly swear that I am the Publisher, or Authorized Agent of the Publisher of The Transcript; that the same is a tri-weekly newspaper and published in the County of El Paso, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a tri-weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

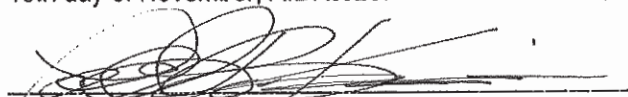
That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said tri-weekly newspapers for the period of 1 consecutive insertion(s), and/or once each week and on the same days of each week; and that the first publication of said notice was in the issue of said newspaper dated:

13, NOVEMBER, A.D. 2023.

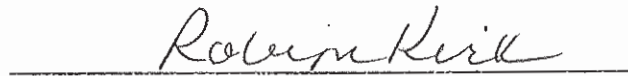
And that the last publication of said notice was in the issue of said newspaper dated:

13, NOVEMBER, A.D. 2023.

In witness whereof, I have hereunto set my hand this 13th day of November, A.D. 2023.

  
\_\_\_\_\_  
Publisher or Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 13th day of November, A.D. 2023.

  
\_\_\_\_\_  
Notary Public

ROBYN KIRK  
Notary Public  
State of Colorado  
Notary ID # 20114063677  
My Commission Expires 10-05-2027

**NOTICE OF HEARING  
ON PROPOSED 2024  
BUDGET AND 2023  
BUDGET AMENDMENT**  
NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2024 has been submitted to the Banning Lewis Ranch Metropolitan District No. 4 ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held on Monday, November 27, 2023, at 9:00 a.m., or as soon thereafter, via telephone and videoconference. To attend and participate by telephone, dial 720-547-5281 and enter Conference ID 845 888 428#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at [www.banninglewisranchmetrodistrict.com](http://www.banninglewisranchmetrodistrict.com).  
NOTICE IS FURTHER GIVEN that an amendment to the 2023 budget of the District may also be considered at the above-referenced meeting and public hearing of the Board of Directors of the District. A copy of the proposed 2024 budget and the amended 2023 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP, 111 S. Tejon Street, Suite 7015, Colorado Springs, Colorado. Any interested elector within the District may, at any time prior to final adoption of the 2024 budget and the amended 2023 budget, if required, file or register any objections thereto.  
BANNING LEWIS RANCH  
METROPOLITAN  
DISTRICT NO. 4  
By: Secretary  
Publication Date: November 13, 2023  
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