

LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2022

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

Attached are the 2022 budget and budget message for BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 15, 2021. If there are any questions on the budget, please contact:

CliftonLarsonAllen
Attn: Josh Miller
111 South Tejon Street, Suite 705
Colorado Springs, CO 80903
Tel.: 719-645-0330

I, Josh Miller, as District Manager of the Banning Lewis Ranch Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2022 budget.

By: _____



**RESOLUTION
TO ADOPT 2022 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAID 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. 1, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2022, AND ENDING ON THE LAST DAY OF DECEMBER, 2022,

WHEREAS, the Board of Directors of the Banning Lewis 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, 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 15, 2021 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 \$0 and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; 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; 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; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2021 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$830; 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. 1 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. 1 for calendar year 2022.

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 2022 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 2022 budget year, 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 District for the year 2021.

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 2021.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2022 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 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2021.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2022 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 2021.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2022 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 2021.

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 2021.

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 by December 15, 2021, 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 on or about December 10, 2021 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.

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ADOPTED this 15th day of November, 2021.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1

DocuSigned by:
Thomas Garmong
AB85E8C50C73485...

President

ATTEST:

DocuSigned by:
Kelly Reid
639A8BA27EBE4FB...

Secretary

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 124,884	\$ 472,346	\$ 1,548,235
REVENUES			
Interest Income	2,825	500	500
Other Revenue	22,678	16,800	400
Village 1 Operating Fees	925,361	925,360	925,360
Village 2 West Operating Fees	668,259	681,570	681,570
V2W-Carriage House Operating Fees	405,945	410,306	410,306
Village 2 East Operating Fees	271,453	479,583	573,164
V2E-Carriage House Operating Fees	284,528	493,519	647,558
Village 2E-Bungalow Operating Fees	156,133	199,047	262,722
Village 3 Operating Fees	52,531	235,849	344,329
Village 3 West Operating Fees	15,390	322,752	722,880
Design Review Fee	30,125	34,750	45,000
Ranch House Rentals	-	8,218	25,000
YMCA Program Revenues	65,192	65,000	65,000
Intergovernmental - O&M Taxes District No. 2	545,372	545,990	591,259
Intergovernmental - O&M Taxes District No. 3	558,459	582,931	629,718
Intergovernmental - O&M Taxes District No. 4	217,084	406,414	666,000
Intergovernmental - O&M Taxes District No. 5	4,306	84,107	153,676
Intergovernmental - O&M Taxes District No. 8	-	-	9,628
Insurance Proceeds	25,000	-	-
FBB Lease	6,000	-	-
Total revenues	<u>4,256,641</u>	<u>5,492,696</u>	<u>6,754,070</u>
Total funds available	<u>4,381,525</u>	<u>5,965,042</u>	<u>8,302,305</u>
EXPENDITURES			
General and administrative	1,515,573	1,794,635	3,279,070
Landscape maintenance	1,458,176	1,480,600	1,490,000
Landscape maintenance - Carriage House	260,645	546,462	560,000
Recreation Center	402,485	377,540	855,000
Swimming Pool	272,300	217,570	570,000
Total expenditures	<u>3,909,179</u>	<u>4,416,807</u>	<u>6,754,070</u>
Total expenditures and transfers out requiring appropriation	<u>3,909,179</u>	<u>4,416,807</u>	<u>6,754,070</u>
ENDING FUND BALANCES	<u>\$ 472,346</u>	<u>\$ 1,548,235</u>	<u>\$ 1,548,235</u>

No assurance provided. See summary of significant assumptions.

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Vacant land	\$ 830	\$ 830	\$ 830
Certified Assessed Value	\$ 830	\$ 830	\$ 830
MILL LEVY			
Total mill levy	0.000	0.000	0.000
PROPERTY TAXES			
Budgeted property taxes	\$ -	\$ -	\$ -
BUDGETED PROPERTY TAXES			
	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 124,884	\$ 472,346	\$ 1,548,235
REVENUES			
Insurance proceeds	25,000	-	-
Other revenue	6,641	300	400
Other revenue	16,037	16,500	-
Interest income	2,825	500	500
Village 1 operating fees	925,361	925,360	925,360
Village 2 West operating fees	668,259	681,570	681,570
V2W-Carriage House operating fees	405,945	410,306	410,306
Village 2 East operating fees	271,453	479,583	573,164
V2E-Carriage House operating fees	284,528	493,519	647,558
Village 2E-Bungalow operating fees	156,133	199,047	262,722
Village 3 operating fees	52,531	235,849	344,329
Village 3 West operating fees	15,390	322,752	722,880
Design review fee	30,125	34,750	45,000
Ranch house rentals	-	8,218	25,000
YMCA program revenues	65,192	65,000	65,000
FBB Lease	6,000	-	-
Intergovernmental - O&M taxes District No. 2	545,372	545,990	591,259
Intergovernmental - O&M taxes District No. 3	558,459	582,931	629,718
Intergovernmental - O&M taxes District No. 4	217,084	406,414	666,000
Intergovernmental - O&M taxes District No. 5	4,306	84,107	153,676
Intergovernmental - O&M taxes District No. 8	-	-	9,628
Total revenues	<u>4,256,641</u>	<u>5,492,696</u>	<u>6,754,070</u>
Total funds available	<u>4,381,525</u>	<u>5,965,042</u>	<u>8,302,305</u>
EXPENDITURES			
General and administrative			
Accounting	242,760	250,000	275,000
Auditing	24,463	30,000	39,000
Billing services	145,192	180,900	188,000
Community management	107,837	148,370	210,000
Design review fee	24,131	34,750	65,000
Directors' fees	1,746	1,900	2,500
District management	221,329	230,000	285,000
Dues and memberships	4,203	5,000	6,000
Election expense	4,791	-	100,000
Engineering	11,152	2,861	-
Insurance and bonds	47,454	132,829	145,000
Legal services	136,451	190,000	220,000
Mailbox repairs (S&K)	-	5,000	5,000
Miscellaneous	9,342	6,500	10,000
Payroll taxes	191	400	750
Repairs and maintenance	45,349	125	50,000
Trash removal and recycle	487,477	572,000	572,000
Website maintenance	1,705	4,000	12,500
Contingency	-	-	1,093,320
Landscape Maintenance	1,458,176	1,480,600	1,490,000
Landscape Maintenance - Carriage House	260,645	546,462	560,000
Recreation Center	402,485	377,540	855,000
Swimming Pool	272,300	217,570	570,000
Total expenditures	<u>3,909,179</u>	<u>4,416,807</u>	<u>6,754,070</u>
Total expenditures and transfers out requiring appropriation	<u>3,909,179</u>	<u>4,416,807</u>	<u>6,754,070</u>
ENDING FUND BALANCE	<u>\$ 472,346</u>	<u>\$ 1,548,235</u>	<u>\$ 1,548,235</u>
EMERGENCY RESERVE	\$ 125,300	\$ 164,800	\$ 203,000
REPLACEMENT RESERVE	300,000	1,000,000	500,000
AVAILABLE FOR OPERATIONS	47,646	383,435	845,235
TOTAL RESERVE	<u>\$ 472,346</u>	<u>\$ 1,548,235</u>	<u>\$ 1,548,235</u>

No assurance provided. See summary of significant assumptions.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
GENERAL FUND EXPENDITURES
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
Landscape maintenance - Village 1			
LS maint-Village 1-Contract maintenance	6,190	36,256	81,000
LS maint-Village 1-Electricity	4,030	4,962	5,500
LS maint-Village 1-Enhancements	69,875	-	5,000
LS maint-Village 1-Irrigation repairs/maintenance	45,669	220,000	50,000
LS maint-Village 1-Irrigation system replacements	815	-	9,000
LS maint-Village 1-Miscellaneous	4,386	90	4,500
LS maint-Village 1-Snow removal	70,463	107,784	105,000
LS maint-Village 1-Water	358,312	232,206	223,000
LS maint-Village 1-Stormwater fees	14,633	15,396	17,000
Total Landscape maintenance - Village 1	574,373	616,694	500,000
Landscape maintenance - Village 2 West			
LS maint-Village 2 W-Contract maintenance	471,662	471,662	490,000
LS maint-Village 2 W-Electricity	2,503	3,174	3,500
LS maint-Village 2 W-Enhancements	37,625	-	25,000
LS maint-Village 2 W-Irrigation repairs/maintenance	14,000	-	10,000
LS maint-Village 2 W- Miscellaneous	-	-	2,500
LS maint-Village 2 W-Snow removal	17,375	52,902	65,000
LS maint-Village 2 W-Water	134,803	87,340	139,000
LS maint-Village 2 W-Stormwater fees	12,823	14,824	20,000
Total Landscape maintenance - Village 2 West	690,791	629,902	755,000
Landscape maintenance - Village 2 East			
LS maint-Village 2 E-Contract maintenance	193,012	164,004	85,000
LS maint-Village 2 E-Electricity	-	-	3,000
LS maint-Village 2 E-Irrigation repairs/maintenance	-	-	15,000
LS maint-Village 2 E-Miscellaneous	-	-	3,000
LS maint-Village 2 E-Snow removal	-	-	40,000
LS maint-Village 2 E-Water	-	-	4,000
Total Landscape maintenance - Village 2 East	193,012	164,004	150,000
Landscape maintenance - Village 3			
LS maint -Village 3-Contract Maintenance	-	70,000	85,000
Total Landscape maintenance - Village 2 East	-	70,000	85,000
Landscape maintenance - Carriage House			
LS maint-Carriage House-Front Yard Maint & Repairs	90,272	90,272	145,000
LS maint-Carriage House-Utilities -Electricity	215	166	750
LS maint-Carriage House-Park & Common Area Maintenance	12,500	-	27,000
LS maint-Carriage House-Irrigation repairs/maintenance	10,000	-	35,000
LS maint-Carriage House-Snow removal	91,242	430,000	250,000
LS maint-Carriage House-Utilities -Water	54,443	23,908	95,000
LS maint-Carriage House-Stormwater fees	1,973	2,116	7,250
Total Landscape maintenance - Carriage House	260,645	546,462	560,000

No assurance provided. See summary of significant assumptions.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
GENERAL FUND EXPENDITURES
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/5/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
Recreation Center			
Rec Ctr-Village 1-Cleaning services	14,279	20,442	25,000
Rec Ctr-Village 1-Cleaning supplies	-	-	3,500
Rec Ctr-Village 1-Coffee, bottled water, etc.	-	-	1,500
Rec Ctr-Village 1-Decorations	-	-	1,000
Rec Ctr-Village 1-Electricity	12,204	12,612	15,000
Rec Ctr-Village 1-Fitness equipment maintenance	202	-	1,500
Rec Ctr-Village 1-Fitness equipment replacement	-	-	7,500
Rec Ctr-Village 1-Gas	6,650	15,212	20,000
Rec Ctr-Village 1-HVAC maintenance	8,580	5,840	15,000
Rec Ctr-Village 1-Management fee	267,714	267,718	380,000
Rec Ctr-Village 1-Miscellaneous	504	-	214,000
Rec Ctr-Village 1-Office supplies	-	-	1,500
Rec Ctr-Village 1-Plant maintenance	21,433	3,018	25,000
Rec Ctr-Village 1-Printing	-	-	750
Rec Ctr-Village 1-Repairs and maintenance	8,251	5,244	10,000
Rec Ctr-Village 1-Security services	13,242	20,016	32,000
Rec Ctr-Village 1-Sewer	1,308	1,846	2,500
Rec Ctr-Village 1-Telephone	4,202	4,786	5,500
Rec Ctr-Village 1-Trash	3,136	2,736	3,750
Rec Ctr-Village 1-Water	40,780	18,070	45,000
Rec Ctr-Playground repairs	-	-	45,000
Total Recreation Center - Village 1	402,485	377,540	855,000
Swimming Pool - Village 1			
Swim pool-Village 1-Management staffing	34,035	50,000	75,000
Swim pool-Village 1-Chemicals	-	-	3,500
Swim pool-Village 1-Water	-	-	145,000
Swim pool-Village 1-Miscellaneous	1,951	330	2,500
Swim pool-Village 1-Operations and maintenance	998	7,612	10,000
Swim pool-Village 1-Pool furniture	-	-	4,000
Contingency	-	-	37,000
Total Swimming Pool - Village 1	36,984	57,942	277,000
Swimming Pool - Village 2 West			
Swim pool-Village 2 W-Management staffing	80,250	-	95,000
Swim Pool-Village 2 W-Security	-	708	1,000.00
Swim pool-Village 2 W-Chemicals	5,894	-	3,500
Swim pool-Village 2 W-Water	136,708	56,104	107,000
Swim pool-Village 2 W-Miscellaneous	2,933	1,234	2,500
Swim pool-Village 2 W-Operations and maintenance	9,088	68,528	10,000
Swim pool-Village 2 W-Electricity	387	8,326	9,500
Swim pool-Village 2 W-Gas	24	22,690	25,000
Swim pool-Village 2 W-Sewer	32	2,038	2,500
Swim pool-Village 2 W-Contingency	-	-	37,000
Total Swimming Pool - Village 2 West	235,316	159,628	293,000
LANDSCAPE MAINTENANCE	1,458,176	1,480,600	1,490,000
LANDSCAPE MAINTENANCE - CARRIAGE HOUSE	260,645	546,462	560,000
RECREATION CENTER	402,485	377,540	855,000
SWIMMING POOL	272,300	217,570	570,000
Total expenditures	2,393,606	2,622,172	3,475,000

No assurance provided. See summary of significant assumptions.

**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 service 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 fee 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 fee 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 or expects to collect a service fee 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 No. 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.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of EL PASO COUNTY, Colorado.

On behalf of the BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
(local government)^C


Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 830 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ 830 (NET^G 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: 12/06/2021 for budget/fiscal year 2022.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>0.000</u> mills	\$ <u>0</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>0.000</u> mills	\$ <u>0</u>

Contact person: Carrie Bartow Daytime phone: (719) 635-0330
(print)

Signed:  Title: Accountant for the District

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.

¹ 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.
² 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^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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.

Proof of Publication

THE TRANSCRIPT
Colorado Springs, Colorado

STATE OF COLORADO } ss.
COUNTY OF EL PASO }

I, Amy Sweet, Publisher and Executive Editor, or the undersigned Authorized Agent of the Publisher and Executive Editor, do solemnly swear that I am the Publisher and Executive Editor, or Authorized Agent of the Publisher and Executive Editor 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:

08, OCTOBER, A.D. 2021.

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

08, OCTOBER, A.D. 2021.

In witness whereof, I have hereunto set my hand this 8th day of October, A.D. 2021.

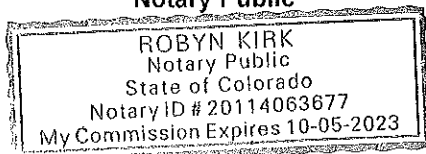
Cathy Reim

Publisher and Executive Editor / Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 8th day of October, A.D. 2021.

Robyn Kirk

Notary Public



NOTICE OF HEARING
ON PROPOSED 2022
BUDGET AND 2021
BUDGET AMENDMENT

NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2022 has been submitted to the Banning Lewis Ranch Metropolitan District No. 1 ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held at 3:00 p.m. on November 15, 2021 via telephone and videoconference. To attend and participate by telephone, dial 720-547-5281 and enter passcode 907 447 61#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at <http://banninglewisranchmetrodistrict.com/> or by contacting Kimbrie Garcia by email at Kimbrie.Garcia@claconnect.com or by telephone at 719-635-0330.

NOTICE IS FURTHER GIVEN that an amendment to the 2021 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 2022 budget and the amended 2021 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP, 111 S. Tejon Street, Suite 7015, Colorado Springs, Colorado 80903. Please contact Kimbrie Garcia by email at Kimbrie.Garcia@claconnect.com or by telephone at 719-635-0330 to make arrangements to inspect the budgets prior to visiting the foregoing office. Any interested elector within the District may, at any time prior to final adoption of the 2022 budget and the amended 2021 budget, if required, file or register any objections thereto.

BANNING LEWIS RANCH
METROPOLITAN DISTRICT
NO. 1

By: /s/ Thomas Garmong
President

Publication Date: October 8, 2021
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