

**BANNING LEWIS RANCH REGIONAL
METROPOLITAN DISTRICT NO. 1
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
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YEAR ENDED DECEMBER 31, 2023**

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BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Banning Lewis Ranch Regional Metropolitan District No. 1

El Paso County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Banning Lewis Ranch Regional Metropolitan District No. 1 ("District"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2023, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the

basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

BiggsKofford, P.C.

Colorado Springs, Colorado
July 22, 2024

BASIC FINANCIAL STATEMENTS

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities
ASSETS	
Cash and Investments	\$ 143,700
Cash and Investments - Restricted	1,958,359
Prepaid Insurance	100
Receivable from County Treasurer	8,557
Property Tax Receivable	1,392,964
Total Assets	3,503,680
LIABILITIES	
Accounts Payable	3,500
Due to Banning Lewis Ranch MD 1	4,525
Accrued Interest	47,860
Noncurrent Liabilities:	
Due Within One Year	115,000
Due in More Than One Year	14,801,824
Total Liabilities	14,972,709
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,392,964
Total Deferred Inflows of Resources	1,392,964
NET POSITION	
Restricted for:	
Emergency Reserve	3,600
Unrestricted	(12,865,593)
Total Net Position	\$ (12,861,993)

See accompanying Notes to Basic Financial Statements.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS				
Primary Government:				
Governmental Activities:				
General Government	\$ 77,847	\$ -	\$ -	\$ (77,847)
Interest on Long-Term Debt and Related Costs	924,888	-	-	(924,888)
Total Governmental Activities	\$ 1,002,735	\$ -	\$ -	(1,002,735)
GENERAL REVENUES				
Property Taxes				1,063,979
Specific Ownership Taxes				111,396
Interest Income				112,265
Total General Revenues and Transfers				1,287,640
CHANGES IN NET POSITION				
				284,905
Net Position - Beginning of Year				(13,146,898)
NET POSITION - END OF YEAR				\$ (12,861,993)

See accompanying Notes to Basic Financial Statements.

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 143,700	\$ -	\$ 143,700
Cash and Investments - Restricted	3,600	1,954,759	1,958,359
Receivable from County Treasurer	855	7,702	8,557
Prepaid Insurance	100	-	100
Property Tax Receivable	72,527	1,320,437	1,392,964
Total Assets	\$ 220,782	\$ 3,282,898	\$ 3,503,680
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 3,500	\$ -	\$ 3,500
Due to Banning Lewis Ranch MD 1	4,525	-	4,525
Total Liabilities	8,025	-	8,025
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	72,527	1,320,437	1,392,964
Total Deferred Inflows of Resources	72,527	1,320,437	1,392,964
FUND BALANCES			
Nonspendable:			
Prepaid Expense	100	-	100
Restricted for:			
Emergency Reserves	3,600	-	3,600
Debt Service	-	1,962,461	1,962,461
Assigned to:			
Subsequent Year's Expenditures	1,220	-	1,220
Unassigned	135,310	-	135,310
Total Fund Balances	140,230	1,962,461	2,102,691
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 220,782	\$ 3,282,898	

Amounts reported for governmental activities in the statement of net position are different because:

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued Interest	(1,199,753)
Bonds Payable	(13,741,000)
Unamortized Bond Premium	(23,931)

Net Position of Governmental Activities	\$ (12,861,993)
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**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	\$ 106,323	\$ 957,656	\$ 1,063,979
Specific Ownership Taxes	11,132	100,264	111,396
Interest Income	766	111,499	112,265
Total Revenues	118,221	1,169,419	1,287,640
EXPENDITURES			
Current:			
Accounting	30,476	-	30,476
Auditing	5,000	-	5,000
County Treasurer's Fee	1,596	14,371	15,967
Directors' Fees	500	-	500
District Management	22,281	-	22,281
Dues and Membership	634	-	634
Election	5,968	-	5,968
Insurance	3,021	-	3,021
Legal	8,306	-	8,306
Miscellaneous	27	-	27
Payroll Taxes	38	-	38
Debt Service:			
Bond Interest - 2018A	-	577,544	577,544
Bond Interest - 2018B	-	279,492	279,492
Bond Principal - 2018A	-	60,000	60,000
Paying Agent Fees	-	7,000	7,000
Total Expenditures	77,847	938,407	1,016,254
NET CHANGE IN FUND BALANCES	40,374	231,012	271,386
Fund Balances - Beginning of Year	99,856	1,731,449	1,831,305
FUND BALANCES - END OF YEAR	\$ 140,230	\$ 1,962,461	\$ 2,102,691

See accompanying Notes to Basic Financial Statements.

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$	271,386
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Amounts reported for governmental activities in the statement of activities are different because:

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Bond Principal		60,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable - Change in Liability		(47,870)
Amortization of Bond Premium		1,389
		1,389

Changes in Net Position of Governmental Activities	\$	284,905
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**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 106,319	\$ 106,323	\$ 4
Specific Ownership Taxes	10,632	11,132	500
Interest Income	2,000	766	(1,234)
Total Revenues	<u>118,951</u>	<u>118,221</u>	<u>(730)</u>
EXPENDITURES			
Accounting	28,750	30,476	(1,726)
Auditing	4,700	5,000	(300)
Contingency	6,941	-	6,941
County Treasurer's Fee	1,595	1,596	(1)
Directors' Fees	-	500	(500)
District Management	18,400	22,281	(3,881)
Dues and Membership	600	634	(34)
Election	6,000	5,968	32
Insurance	5,200	3,021	2,179
Legal	20,000	8,306	11,694
Miscellaneous	1,000	27	973
Payroll Taxes	-	38	(38)
Total Expenditures	<u>93,186</u>	<u>77,847</u>	<u>15,339</u>
NET CHANGE IN FUND BALANCE	25,765	40,374	14,609
Fund Balance - Beginning of Year	<u>104,633</u>	<u>99,856</u>	<u>(4,777)</u>
FUND BALANCE - END OF YEAR	<u>\$ 130,398</u>	<u>\$ 140,230</u>	<u>\$ 9,832</u>

See accompanying Notes to Basic Financial Statements.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

Banning Lewis Ranch Regional Metropolitan District No. 1 (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized concurrently with Banning Lewis Ranch Metropolitan District Nos. 1, 2, 3, 4, 5, and 7 (now Banning Lewis Ranch Regional Metropolitan District No. 2) (collectively, the Districts) 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 Districts Act (Title 32, Article 1, Colorado Revised Statutes). The Districts' service area is located entirely within the city of Colorado Springs, El Paso County, Colorado. The Districts operate under a Consolidated Service Plan to provide financing for the design, acquisition, installation and construction of public improvements and services, including street improvements, parks and recreational facilities, water supply, wastewater facilities, traffic and safety controls, public transportation, fire protection, mosquito control, and television relay. Pursuant to the Service Plan, the District, along with District Nos. 2, 3, 4, 5, and Banning Lewis Ranch Regional Metropolitan District No. 2 are intended to serve as the Taxing Districts related to District No. 1, which will serve as the Operating District.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2023.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Amortization

Original Issue Premium

In the government-wide financial statements, bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 143,700
Cash and Investments - Restricted	1,958,359
Total Cash and Investments	<u>\$ 2,102,059</u>

Cash and investments as of December 31, 2023, consist of the following:

Deposits with Financial Institutions	\$ 141,003
Investments	1,961,056
Total Cash and Investments	<u>\$ 2,102,059</u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District's cash deposits had a bank balance and carrying balance of \$141,003.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 1,961,056
		<u>\$ 1,961,056</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

COLOTRUST (Continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAaf/S1 by FitchRatings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Bonds Payable:					
Series 2018A Senior G.O. Limited Tax Bonds	\$ 10,745,000	\$ -	\$ 60,000	\$ 10,685,000	\$ 115,000
Series 2018B Subordinate G.O. Limited Tax Bonds	1,255,000	-	-	1,255,000	-
Series 2018C Subordinate G.O. Limited Tax Bonds	1,801,000	-	-	1,801,000	-
Bond Issue Premium	25,320	-	1,389	23,931	-
Accrued Interest on:					
Series 2018B Subordinate G.O. Limited Tax Bonds	443,817	130,756	279,492	295,081	-
Series 2018C Subordinate G.O. Limited Tax Bonds	659,937	196,875	-	856,812	-
Total Long-Term Obligations	<u>\$ 14,930,074</u>	<u>\$ 327,631</u>	<u>\$ 340,881</u>	<u>\$ 14,916,824</u>	<u>\$ 115,000</u>

The details of the District's long-term obligations are as follows:

\$10,745,000 General Obligation Limited Tax Bonds, Series 2018A, dated December 11, 2018, (the Senior Bonds) with interest of 5.375%, payable semi-annually on June 1 and December 1, beginning on June 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2023. The Senior Bonds mature on December 1, 2048, and are subject to redemption prior to maturity, at the option of the District, on December 1, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2023 to November 30, 2024	3.00%
December 1, 2024 to November 30, 2025	2.00
December 1, 2025 to November 30, 2026	1.00
December 1, 2026 and Thereafter	0.00

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds

The Senior Bonds are secured by and payable solely from Senior Pledged Revenue, consisting of moneys derived by the District from the following sources, net of any costs of collections: (i) the Senior Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; and (iii) any other legally available moneys of the District which the District deposits with the Trustee for application as Senior Pledged Revenue.

Pursuant to the Senior Indenture, the District has covenanted to levy a Senior Required Mill Levy to be imposed in an amount sufficient (together with certain other amounts held under the Senior Indenture) to pay the principal of, premium if any, and interest on the Senior Bonds, and to fund the Senior Reserve Fund to the Required Reserve, but (a) not in excess of nine mills (subject to adjustment as described below), and (b) for so long as the Surplus Fund is less than the Maximum Surplus Amount of \$1,074,500, not less than nine mills (subject to adjustment as described below) or such lesser mill levy which, when combined with other Senior Pledged Revenue legally available in the Senior Bond Fund will permit the District to fully fund the Senior Bond Fund for the next Senior Bond Year and pay the Senior Bonds as they come due, to fund the Senior Reserve Fund up to the Required Reserve, and to fund the Surplus Fund up to the Maximum Surplus Amount. Such maximum and minimum mill levies are subject to adjustment for changes occurring in the method of calculating assessed valuation after the date of issuance of the Bonds.

The Senior Bonds are also secured by amounts held in the Senior Reserve Fund, which was funded upon issuance of the Senior Bonds in the amount of the Required Reserve equal to \$875,075, and amounts accumulated in the Surplus Fund, if any.

Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount. Under the Senior Indenture, the Surplus Fund shall be maintained for so long as any Senior Bonds are outstanding. The District has acknowledged that State Law places certain restrictions on the use of money derived from the Senior Required Mill Levy. In no event is the District to be required to impose the Senior Required Mill Levy after December 2047 (for collection in calendar year 2048).

\$1,255,000 Subordinate General Obligation Limited Tax Bonds, Series 2018B, dated December 11, 2018, (the 2018B Subordinate Bonds) with interest of 7.750%, payable annually from Subordinate Pledged Revenue on December 15, beginning on December 15, 2019. The Subordinate Bonds are structured as cash flow bonds, meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. The Subordinate Bonds are also subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2023 to December 14, 2024	3.00%
December 15, 2024 to December 14, 2025	2.00
December 15, 2025 to December 14, 2026	1.00
December 15, 2026 and Thereafter	0.00

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

The Subordinate Bonds are secured by and payable solely from Subordinate Pledged Revenue, consisting of moneys derived by the District from the following sources, net of any costs of collections: (i) the Subordinate Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy; (iii) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue; and (iv) Subordinate Capital Fee Revenue.

The Subordinate Indenture requires that a Subordinate Required Mill Levy be imposed in the amount of (i) nine mills (subject to adjustment as described above) less the amount of the Senior Bond Mill Levy; or (ii) such lesser mill levy which, when combined with other Subordinate Pledged Revenue legally available in the Subordinate Bond Fund, will permit the District to fully fund the Subordinate Bond Fund for the next Subordinate Bond Year and pay all of the principal of and interest on the Subordinate Bonds in full. No payments can be made on the Subordinate Bonds until the Required Reserve and Maximum Surplus Amount on the Senior Bonds have been funded. In no event is the District to be required to impose the Subordinate Required Mill Levy after December 2047 (for collection in calendar year 2048).

\$1,801,000 Subordinate General Obligation Limited Tax Bonds, Series 2018C, dated December 11, 2018 (2018C Junior Lien Bonds) with interest of 6.000% and 8.000%, payable annually from Junior Lien Pledged Revenue on December 15, beginning on December 15, 2019. The 2018C Junior Lien Bonds are structured as cash flow bonds, meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the 2018C Junior Lien Bonds compounds annually on each December 15. The 2018C Junior Lien Bonds mature on December 15, 2041 and are also subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2023 to December 14, 2024	3.00%
December 15, 2024 to December 14, 2025	2.00
December 15, 2025 to December 14, 2026	1.00
December 15, 2026 and thereafter	0.00

The 2018C Junior Lien Bonds are secured by and payable solely from Junior Lien Pledged Revenue, consisting of moneys derived by the District from the following sources, net of any costs of collections: (i) the Junior Lien Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Junior Lien Required Mill Levy; (iii) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Junior Lien Pledged Revenue; and (iv) Junior Lien Capital Fee Revenue.

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

The Junior Lien Indenture requires that a Junior Lien Required Mill Levy be imposed in the amount of (i) nine mills (subject to adjustment as described above) less the Senior/Subordinate Required Mill Levy (the sum of the Senior Required Mill Levy, the 2018B 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 2047 (for collection in calendar year 2048).

The proceeds from the sale of the Senior and Subordinate Bonds were used for the purposes of funding and reimbursing a portion of the costs of acquiring, constructing, and installing certain public improvements and paying costs of issuance, and, with respect to proceeds of the Senior Bonds only: (a) funding a Senior Reserve Fund and (b) providing capitalized interest for the Senior Bonds.

The District's long-term G.O. Senior Bond obligations will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 115,000	\$ 574,319	\$ 689,319
2025	135,000	568,138	703,138
2026	160,000	560,881	720,881
2027	165,000	552,281	717,281
2028	190,000	543,413	733,413
2029-2033	1,205,000	2,547,212	3,752,212
2034-2038	1,785,000	2,164,244	3,949,244
2039-2043	2,530,000	1,609,274	4,139,274
2044-2048	4,400,000	827,750	5,227,750
Total	<u>\$ 10,685,000</u>	<u>\$ 9,947,512</u>	<u>\$ 20,632,512</u>

Events of Default and Remedies on Occurrence of Event of Default for the Revenue Bonds

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an event of default under the Indenture:

- (i) The issuer fails to impose the required mill levy as provided in the indenture.
- (ii) The issuer fails to observe or perform any covenant and agreement on its part under the indenture.
- (iii) The issuer institutes proceedings to be adjudicated as bankrupt or insolvent.

It is acknowledged that due to the limited nature of the revenues, the failure to pay the principal of or interest on the bonds when due shall not, in and of itself, constitute an event of default hereunder, if the issuer is otherwise in compliance with all provisions under the indenture.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Events of Default and Remedies on Occurrence of Event of Default for the Revenue Bonds (Continued)

Upon the occurrence and continuance of an Event of Default, the trustee shall have the following rights:

- (i) Trustee's Right to Receiver: The trustee shall be entitled as the right to the appointment of a receiver ex parte upon prior written notice to the issuer.
- (ii) Legal Proceedings by Trustee: The trustee in its discretion may, and upon the written request of the majority interest and receipt of indemnity of its satisfaction, shall, in its own name:
 - a. By mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Issuer to enforce any rights under this Indenture, the Cooperation Agreement, and to require the Issuer to carry out any other provisions of this Indenture for the benefit of the Bondholders; and
 - b. By action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

No Acceleration

Except as may be provided in the supplemental indenture applicable to all series of bonds outstanding hereunder, there shall be no rights of acceleration with respect to the bonds.

As of December 31, 2023, the District was not in default.

Developer Advances

On August 2, 2018 and subsequently amended and restated on November 12, 2018, the District entered into an Advance, Acquisition, and Reimbursement Agreement (the Agreement) with Banning Lewis Ranch Metropolitan District No. 1 (BLR No. 1) and Clayton Properties Group II, Inc. (the Developer) that will allow the District and BLR No. 1 to acquire completed public improvements from the Developer or, in the alternative, the Developer will advance to the District funds necessary to construct and complete public improvements, which will be constructed and completed by BLR No. 1. The Developer, in its sole discretion may, but shall not be obligated to, advance funds to the District to pay the costs of public improvements and any management, operating, and administrative expenses. Any sums advanced to the District or on behalf of BLR No. 1 prior to the date of this Agreement shall be considered advances pursuant to this Agreement.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

The District agrees to repay the Developer along with a simple interest of 7% from the date of the advance or, in the event the Developer has paid construction or acquisition costs directly for public improvements constructed by third parties, such costs shall bear said interest from the date the completed improvements are accepted by the District. The Agreement does not constitute “debt” or a “multiple-fiscal year direct or indirect District debt or other financial obligations” within the meaning of the Colorado constitution or any other Colorado law, and shall not constitute the District’s pledge of funds from any specific source except as contemplated in the Agreement, including: 1) bond or note proceeds, 2) imposition of fees, charges, and general ad valorem taxes, and 3) the creation and maintenance of reserve and contingency funds. As of December 31, 2023, there were no outstanding Developer Advances.

Debt Authorization

On November 7, 2006 and November 6, 2007, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$1,929,500,000 for infrastructure improvements and operations, such debt to bear interest at a rate not in excess of 18% per annum. At December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 7, 2006	Authorized November 6, 2007	Authorization Used Series 2018A	Authorization Used Series 2018B	Authorization Used Series 2018C	Remaining at December 31, 2023
Street Improvements	\$ 84,500,000	\$ -	\$ -	\$ -	\$ -	\$ 84,500,000
Water	84,500,000	500,000,000	7,212,965	842,464	1,208,985	575,235,586
Sanitation	84,500,000	500,000,000	3,532,035	412,536	592,015	579,963,414
Traffic and Safety	84,500,000	-	-	-	-	84,500,000
Fire Protection, Ambulance Service	84,500,000	-	-	-	-	84,500,000
Park and Recreation	84,500,000	-	-	-	-	84,500,000
Mosquito Control	84,500,000	-	-	-	-	84,500,000
Television Relay and Translation	84,500,000	-	-	-	-	84,500,000
Public Transportation	84,500,000	-	-	-	-	84,500,000
Operations and Maintenance	84,500,000	-	-	-	-	84,500,000
Debt Refunding	84,500,000	-	-	-	-	84,500,000
Total	<u>\$ 929,500,000</u>	<u>\$ 1,000,000,000</u>	<u>\$ 10,745,000</u>	<u>\$ 1,255,000</u>	<u>\$ 1,801,000</u>	<u>\$ 1,915,699,000</u>

Pursuant to the Consolidated Service Plan and the Amended and Restated Service Plan, the District is only permitted to issue debt up to \$600,000,000. District Nos. 2, 3, 4, 5, and Banning Lewis Ranch Regional Metropolitan District No. 2 will be permitted to issue additional debt only at such time that such additional debt is approved by the city and that repayment of such additional debt can be accomplished only to the extent of the maximum permitted residential or commercial mill levy of 30.000 mills and 50.000 mills, respectively, as may be adjusted by a change in the ratio of actual valuation.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District’s service area.

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 NET POSITION

The District has net position consisting of two components – restricted and unrestricted.

Restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 3,600
Total Restricted Net Position	\$ 3,600

The District has a deficit in unrestricted net position. This deficit amount is the result of the District being responsible for the repayment of bonds issued for public improvements and for Developer advances for capital improvements which were recorded by BLR No.1.

NOTE 6 RELATED PARTIES

The Developer of the property which constitutes the District is Clayton Properties Group II, Inc. Certain members of the Board of Directors are officers of, employees of, or associated with the Developer and may have conflicts of interest in dealing with the District. See Note 4 concerning advances made by the Developer.

NOTE 7 INTERGOVERNMENTAL AGREEMENT

Effective on January 1, 2021, the District and Banning Lewis Ranch Regional Metropolitan District No. 2 entered into a District Facilities Agreement (Agreement) wherein the District has agreed to construct, own, operate, and maintain facilities benefitting both the District and District No. 2. The District has agreed to pay for the costs of operation and maintenance of such facilities from: 1) the imposition of a mill levy not to exceed 1.000 mills, adjusted as described below, and as authorized under the Districts’ Service Plan, as amended (the Service Levy), and (2) such other revenues of Financing District as may be legally available to pay, as and when due, the obligations hereunder; provided, that nothing in the foregoing shall limit the Service District’s power or ability to acquire the funds necessary to perform its rights and obligations hereunder from any other source including, but not limited to, the exercise of the Service District’s power, independent of this Agreement, to assess fees and charges as described in Section 32-1-1001, C.R.S. As of March 31, 2023, this Agreement was terminated.

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 7, 2006, the District's voters authorized the District to increase property taxes \$8,000,000 annually, without limitation of rate and without regard to any spending, revenue raising, or other limitations contained within Article X, Section 20 of the Colorado Constitutions (TABOR) or Section 29-1-301, C.R.S., to pay the District's operations, maintenance, and other expenses. Additionally, the District's electors authorized the District to collect, spend, or retain all revenue without regard to any limitations under TABOR.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 957,618	\$ 957,618	\$ 957,656	\$ 38
Specific Ownership Taxes	95,762	95,762	100,264	4,502
Interest Income	9,500	9,500	111,499	101,999
Total Revenues	<u>1,062,880</u>	<u>1,062,880</u>	<u>1,169,419</u>	<u>106,539</u>
EXPENDITURES				
County Treasurer's Fee	14,364	14,364	14,371	(7)
Paying Agent Fees	7,000	7,000	7,000	-
Bond Interest - 2018A	577,544	577,544	577,544	-
Bond Interest - 2018B	149,302	285,000	279,492	5,508
Bond Principal - 2018A	60,000	60,000	60,000	-
Contingency	10,964	16,092	-	16,092
Total Expenditures	<u>819,174</u>	<u>960,000</u>	<u>938,407</u>	<u>21,593</u>
NET CHANGE IN FUND BALANCE	243,706	102,880	231,012	128,132
Fund Balance - Beginning of Year	<u>1,705,869</u>	<u>1,705,869</u>	<u>1,731,449</u>	<u>25,580</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,949,575</u>	<u>\$ 1,808,749</u>	<u>\$ 1,962,461</u>	<u>\$ 153,712</u>

OTHER INFORMATION

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

\$10,745,000
General Obligation Limited Tax Bonds
Series 2018A
Dated December 11, 2018
Principal Due December 1
Interest Rate 5.375% Payable
June 1 and December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 115,000	\$ 574,319	\$ 689,319
2025	135,000	568,138	703,138
2026	160,000	560,881	720,881
2027	165,000	552,281	717,281
2028	190,000	543,413	733,413
2029	200,000	533,200	733,200
2030	225,000	522,450	747,450
2031	235,000	510,356	745,356
2032	265,000	497,725	762,725
2033	280,000	483,481	763,481
2034	310,000	468,431	778,431
2035	325,000	451,769	776,769
2036	360,000	434,300	794,300
2037	375,000	414,950	789,950
2038	415,000	394,794	809,794
2039	435,000	372,487	807,487
2040	475,000	349,106	824,106
2041	500,000	323,575	823,575
2042	545,000	296,700	841,700
2043	575,000	267,406	842,406
2044	620,000	236,500	856,500
2045	655,000	203,175	858,175
2046	705,000	167,969	872,969
2047	745,000	130,075	875,075
2048	1,675,000	90,031	1,765,031
Total	<u>\$ 10,685,000</u>	<u>\$ 9,947,512</u>	<u>\$ 20,632,512</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 as those payment become due.

**BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 46,540,920	1.105	9.950	\$ 514,509	\$ 476,667	92.65 %
2020	57,795,510	1.112	10.019	643,321	642,014	99.80 %
2021	68,987,900	1.112	10.019	767,904	767,962	100.01 %
2022	85,094,380	1.113	10.019	947,270	946,758	99.95 %
2023	93,755,420	1.134	10.214	1,063,936	1,063,979	100.00 %
Estimated for Year Ending December 31, 2024	\$ 111,579,960	0.650	11.834	\$ 1,392,964		

NOTE:

Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessments.