

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2024**

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

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 818,420	\$ 1,334,869	\$ 206,952
REVENUES			
Property taxes	128,782	140,931	198,065
Specific ownership taxes	9,213	10,028	13,865
Interest income	8,928	25,020	15,000
Transfers from District No. 1	415,935	431,061	464,984
Transfers from District No. 2	32,055	32,604	32,023
Transfers from District No. 3	334,941	437,439	447,479
Loan Issuance (refunding)	-	6,095,000	-
Total revenues	<u>929,854</u>	<u>7,172,083</u>	<u>1,171,416</u>
TRANSFERS IN	<u>19,304</u>	-	-
Total funds available	<u>1,767,578</u>	<u>8,506,952</u>	<u>1,378,368</u>
EXPENDITURES			
Debt Service Fund	413,405	8,300,000	610,000
Capital Projects Fund	-	-	-
Total expenditures	<u>413,405</u>	<u>8,300,000</u>	<u>610,000</u>
TRANSFERS OUT	<u>19,304</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>432,709</u>	<u>8,300,000</u>	<u>610,000</u>
ENDING FUND BALANCES	<u>\$ 1,334,869</u>	<u>\$ 206,952</u>	<u>\$ 768,368</u>
DEBT SERVICE RESERVE - SERIES 2018A	\$ 135,000	\$ -	-
DEBT SERVICE RESERVE - SERIES 2019A	65,695	-	-
DEBT SERVICE RESERVE - SERIES 2019B	51,464	-	-
DEBT SERVICE RESERVE - SERIES 2020A	78,830	-	-
TOTAL RESERVE	<u>\$ 330,989</u>	<u>\$ -</u>	<u>\$ -</u>

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

01/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
<b>ASSESSED VALUATION</b>			
Commercial	\$ 4,011,236	\$ 4,413,644	\$ 6,060,642
Agricultural	318	290	298
State assessed	1,248	3,840	3,940
Vacant land	279,937	279,937	287,007
Certified Assessed Value	\$ 4,292,739	\$ 4,697,711	\$ 6,351,887
 <b>MILL LEVY</b>			
Debt Service	30.000	30.000	31.182
Total mill levy	30.000	30.000	31.182
 <b>PROPERTY TAXES</b>			
Debt Service	\$ 128,782	\$ 140,931	\$ 198,065
Budgeted property taxes	\$ 128,782	\$ 140,931	\$ 198,065
 <b>BUDGETED PROPERTY TAXES</b>			
Debt Service	\$ 128,782	\$ 140,931	\$ 198,065
	\$ 128,782	\$ 140,931	\$ 198,065

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

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 50	\$ 50	\$ 50
REVENUES			
Total revenues	-	-	-
Total funds available	50	50	50
EXPENDITURES			
General and administrative			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCES	\$ 50	\$ 50	\$ 50

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

01/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 834,506	\$ 1,331,650	\$ 203,713
<b>REVENUES</b>			
Property taxes	128,782	140,931	198,065
Specific ownership taxes	9,213	10,028	13,865
Interest income	8,927	25,000	15,000
Transfers from District No. 1	415,935	431,061	464,984
Transfers from District No. 2	32,055	32,604	32,023
Transfers from District No. 3	334,941	437,439	447,479
Loan Issuance (refunding)	-	6,095,000	-
Total revenues	<u>929,853</u>	<u>7,172,063</u>	<u>1,171,416</u>
Total funds available	<u>1,764,359</u>	<u>8,503,713</u>	<u>1,375,129</u>
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's fee	2,596	2,830	3,961
Cost of issuance	-	240,950	-
Miscellaneous	10	-	-
Non-Use fees	17,378	18,000	-
Paying agent fees	4,200	2,000	3,000
Contingency	-	174,757	32,930
Debt Service			
Loan interest - Series 2018A	102,732	101,167	-
Loan interest - Series 2019A	44,348	43,565	-
Loan interest - Series 2019B	34,606	33,502	-
Loan interest - Series 2020A	28,211	27,115	-
Loan interest - Series 2023	-	-	302,000
Loan principal - Series 2018A	40,000	2,585,000	-
Loan principal - Series 2019A	30,746	1,711,887	-
Loan principal - Series 2019B	42,887	1,300,895	-
Loan principal - Series 2020A	65,691	2,058,332	-
Loan principal - Series 2023A	-	-	268,109
Total expenditures	<u>413,405</u>	<u>8,300,000</u>	<u>610,000</u>
<b>TRANSFERS OUT</b>			
Transfers to other fund	<u>19,304</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>432,709</u>	<u>8,300,000</u>	<u>610,000</u>
ENDING FUND BALANCES	<u>\$ 1,331,650</u>	<u>\$ 203,713</u>	<u>\$ 765,129</u>
DEBT SERVICE RESERVE - SERIES 2018A	\$ 135,000	\$ -	\$ -
DEBT SERVICE RESERVE - SERIES 2019A	65,695	-	-
DEBT SERVICE RESERVE - SERIES 2019B	51,464	-	-
DEBT SERVICE RESERVE - SERIES 2020A	78,830	-	-
TOTAL RESERVE	<u>\$ 330,989</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4  
 CAPITAL PROJECTS FUND  
 2024 BUDGET  
 WITH 2022 ACTUAL AND 2023 ESTIMATED  
 For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (16,136)	\$ 3,169	\$ 3,189
REVENUES			
Interest income	1	20	-
Total revenues	<u>1</u>	<u>20</u>	<u>-</u>
Total funds available	<u>3,169</u>	<u>3,189</u>	<u>3,189</u>
EXPENDITURES			
Contingency	-	-	3,189
Total expenditures	<u>-</u>	<u>-</u>	<u>3,189</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>3,189</u>
ENDING FUND BALANCES	<u>\$ 3,169</u>	<u>\$ 3,189</u>	<u>\$ -</u>

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Brands East Metropolitan District No. 4's (the "District") (formerly known as Eagle Crossing Windsor Metropolitan District No. 4) organization was approved by eligible electors of the District at an election held on November 4, 2014. The District was organized by order of the District Court in and for Larimer County on January 20, 2015. The formation of the District was approved by the Town of Windsor, Colorado in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District, The Brands East Metropolitan District No. 1, The Brands East Metropolitan District No. 2, and The Brands East Metropolitan District No. 3 (formerly known as Eagle Crossing Windsor Metropolitan District No. 1, Eagle Crossing Windsor Metropolitan District No. 2, and Eagle Crossing Windsor Metropolitan District No. 3, respectively) on September 8, 2014. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.).

At a special election of the eligible electors of the District on November 4, 2014, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security.

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**

**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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the mill levy adopted by the District.

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>	<b>Actual Value Reduction</b>	<b>Amount</b>
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

**Transfers from The Brands East Metropolitan District No. 1**

Pursuant to a certain BAA and PIF Revenues Assignment Agreement, the Brands East Metropolitan District No. 1 has agreed to remit all Assigned Revenues, net of the annual operations amount, to the District for the benefit of repaying the Loan (discussed below).

**Transfers from The Brands East Metropolitan District Nos. 2-3**

Pursuant to a certain Amended and Restated Capital Pledge Agreement between the District, District No. 2, and District No. 3 (Financing Districts), the Financing Districts agreed to impose a mill levy against taxable property within each Financing District's boundaries to pay principal and interest due on the refunding loan issued by the District in December 2023.

**Bond Issuance**

Principal and interest payments for 2024 are provided based upon the debt amortization schedule of the Loan discussed below under Debts and Leases.



**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**County Treasurer's Fees**

County Treasurer's collection fees have been computed at 2% of property taxes.

**Debt and Leases**

On December 21, 2023, the District entered into a loan agreement with Points West Community Bank to obtain a loan in the amount of \$6,040,000 (Loan). The Loan has an interest rate of 4.70%, payable semiannually on June 1 and December 1. Principal payment is scheduled every December 1, starting December 1, 2024. The Loan matures on December 1, 2028. Proceeds from the Loan were used to refund the District's prior loans with US Bank. The Loan is secured and payable from the pledged revenues consisting of property tax revenues, specific ownership revenue, and revenues assigned by the Developer to the District (public improvements fees and sales tax rebates).

The District has no operating or capital lease.

**Reserves**

**Emergency Reserves**

The District has not provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2024, as defined under TABOR, because there is no operating budget.

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