

THE BRANDS EAST METROPOLITAN DISTRICT NO. 4

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 372,750	\$ 875,476	\$ 143,517
REVENUES			
Property taxes	182,840	182,591	218,953
Specific ownership taxes	12,401	11,240	13,137
Transfers from District No. 1	106,010	-	-
Transfers from District No. 2	32,105	31,773	70,736
Transfers from District No. 3	448,590	471,911	643,110
Interest income	7,206	526	-
Total revenues	<u>789,152</u>	<u>698,041</u>	<u>945,936</u>
TRANSFERS IN	<u>10</u>	<u>-</u>	<u>-</u>
Total funds available	<u>1,161,912</u>	<u>1,573,517</u>	<u>1,089,453</u>
EXPENDITURES			
Debt Service Fund	286,426	1,430,000	1,000,000
Capital Projects Fund	-	-	3,222
Total expenditures	<u>286,426</u>	<u>1,430,000</u>	<u>1,003,222</u>
TRANSFERS OUT	<u>10</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>286,436</u>	<u>1,430,000</u>	<u>1,003,222</u>
ENDING FUND BALANCES	<u>\$ 875,476</u>	<u>\$ 143,517</u>	<u>\$ 86,231</u>

See summary of significant assumptions.

THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/29/26

ACTUAL	ESTIMATED	BUDGET
2024	2025	2026

ASSESSED VALUATION

Commercial	\$ 6,060,642	\$ 5,564,259	\$ 6,454,571
Agricultural	298	297	280
State assessed	3,940	4,086	3,530
Vacant land	287,007	287,007	336,747
Certified Assessed Value	\$ 6,351,887	\$ 5,855,649	\$ 6,795,128

MILL LEVY

Debt Service	31.182	31.182	32.222
Total mill levy	31.182	31.182	32.222

PROPERTY TAXES

Debt Service	\$ 198,065	\$ 182,591	\$ 218,953
Levied property taxes	198,065	182,591	218,953
Refunds and abatements	(15,225)	-	-
Budgeted property taxes	\$ 182,840	\$ 182,591	\$ 218,953

BUDGETED PROPERTY TAXES

Debt Service	\$ 182,840	\$ 182,591	\$ 218,953
	\$ 182,840	\$ 182,591	\$ 218,953

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
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

See summary of significant assumptions.

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 369,515	\$ 872,218	\$ 140,245
REVENUES			
Property taxes	182,840	182,591	218,953
Specific ownership taxes	12,401	11,240	13,137
Interest income	7,193	512	-
Transfers from District No. 1	106,010	-	-
Transfers from District No. 2	32,105	31,773	70,736
Transfers from District No. 3	448,590	471,911	643,110
Total revenues	<u>789,139</u>	<u>698,027</u>	<u>945,936</u>
Total funds available	<u>1,158,654</u>	<u>1,570,245</u>	<u>1,086,181</u>
EXPENDITURES			
County Treasurer's Fee	3,701	3,652	4,379
Cost of issuance	8,336	-	-
Loan interest - Series 2023	272,802	269,686	255,492
Loan principal - Series 2023	1,577	302,000	302,000
Prepayment - Series 2023	-	850,000	400,000
Miscellaneous	10	-	-
Paying agent fees	-	3,000	3,000
Contingency	-	1,662	35,129
Total expenditures	<u>286,426</u>	<u>1,430,000</u>	<u>1,000,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>10</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>286,436</u>	<u>1,430,000</u>	<u>1,000,000</u>
ENDING FUND BALANCES	<u>\$ 872,218</u>	<u>\$ 140,245</u>	<u>\$ 86,181</u>

See summary of significant assumptions.

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
 CAPITAL PROJECTS FUND
 2026 BUDGET
 WITH 2024 ACTUAL AND 2025 ESTIMATED
 For the Years Ended and Ending December 31,**

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,185	\$ 3,208	\$ 3,222
Interest income	13	14	-
Total revenues	<u>13</u>	<u>14</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>10</u>	<u>-</u>	<u>-</u>
Total funds available	<u>3,208</u>	<u>3,222</u>	<u>3,222</u>
EXPENDITURES			
Contingency	-	-	3,222
Total expenditures	<u>-</u>	<u>-</u>	<u>3,222</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>3,222</u>
ENDING FUND BALANCES	<u>\$ 3,208</u>	<u>\$ 3,222</u>	<u>\$ -</u>

See summary of significant assumptions.

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
2026 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
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		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 6% 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 Assigned Revenues, net of the annual operations amount, to the District, as needed, for the repayment of the Loan (discussed below). The District is not anticipating to receive Assigned Revenues during 2026.

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.

Expenditures

County Treasurer's Fees

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

Debt Service

Principal and interest payments for 2026 are provided based upon the debt amortization schedule of the Loan discussed below under Debts and Leases.

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 2026, as defined under TABOR, because there is no operating budget.

This information is an integral part of the accompanying budget.

**THE BRANDS EAST METROPOLITAN DISTRICT NO. 4
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2026**

**\$6,040,000
Limited Tax General Obligation Special Revenue
Refunding Loan dated December 21, 2023
Series 2023
Interest Rate of 4.70%
Payable June 1 and December 1
Principal Payable December 1**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 302,000	\$ 255,492	\$ 557,492
2027	302,000	241,298	543,298
2028	5,134,000	227,104	5,361,104
	<u>\$ 5,738,000</u>	<u>\$ 723,894</u>	<u>\$ 6,461,894</u>