

**RESOLUTION OF THE BOARD OF DIRECTORS  
4-WAY RANCH METROPOLITAN DISTRICT NO. 1**

BUDGET RESOLUTION FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board has authorized its treasurer, accountant and/or legal counsel to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, published in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 18, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Summary of 2022 Revenues and 2022 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2022, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. The budget as submitted, amended, attached hereto and incorporated herein is approved and adopted as the budget of the District fiscal year 2022. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 2 shall be deemed ratified by the Board.

Section 3. 2022 Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 10.812 mills upon each dollar of the total valuation of assessment of all taxable property within the District. Of this 10.812 mills, a temporary tax reduction of 0.000 mills shall be applied for the 2022 year only. In addition, the Board imposed a mill levy of 1.830 mills to collect refunds and abatements.

Section 4. 2022 Levy for Debt Service Obligations. For the purpose of meeting all debt service obligations of the District during the 2022 budget year, there is hereby a levied tax of 37.843 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. 2022 Levy for Contractual Obligation Expenses. For the purpose of meeting all contractual obligation 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.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures below are specifically appropriated for the general purposes thereof and no other:

General Fund Appropriation:	\$24,469
Debt Service Fund Appropriation:	\$50,891

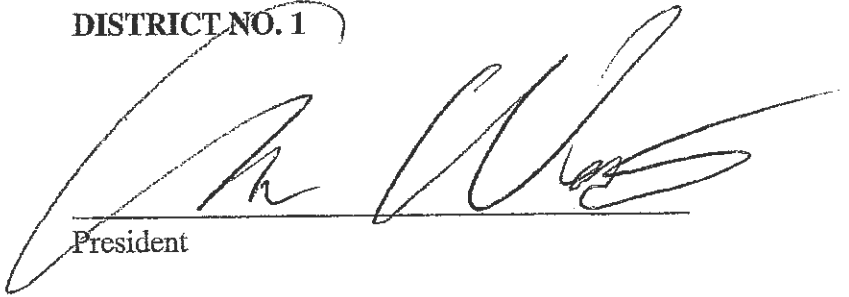
Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a board member of the District, the general counsel for the District, or the District Accountant, and made a part of the public records of the District.

The foregoing resolution was moved by Director Westra, seconded by Director Learn, and unanimously approved.

*[Remainder of page intentionally left blank]*

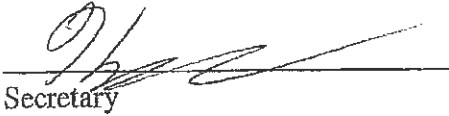
4-WAY RANCH METROPOLITAN  
DISTRICT NO. 1



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President

ATTEST:



\_\_\_\_\_

Secretary

STATE OF COLORADO  
COUNTY OF EL PASO  
4-WAY RANCH METROPOLITAN DISTRICT NO. 1

I hereby certify that the forgoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a District meeting held on Monday, November 18, 2021, via videoconference at the hour of 5:00 p.m., as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name.



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Sue Blair, District Manager



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

### **Accountant's Compilation Report**

Board of Directors  
4-Way Ranch Metropolitan District No. 1  
El Paso County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of 4-Way Ranch Metropolitan District No. 1 (District), for the year ending December 31, 2022, including the estimate of comparative information for the year ending December 31, 2021, and the actual comparative information for the year ending December 31, 2020, in the format required by Colorado Revised Statutes 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The actual comparative information for the year ending December 31, 2020 is presented for comparative purposes as required by Colorado Revised Statutes 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2020. Logan and Associates, L.L.C. audited the financial statements for the year ended December 31, 2020, whose report was dated September 9, 2021.

The budget is presented in accordance with the requirements of Colorado Revised Statutes 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to 4-Way Ranch Metropolitan District No. 1.

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
December 1, 2021

**4-WAY RANCH METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2022 BUDGET AS ADOPTED  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>ACTUAL 2020</u>	<u>ADOPTED 2021</u>	<u>ADOPTED 2022</u>
Assessed Valuation			
El Paso County	<u>\$ 1,996,620</u>	<u>\$ 2,056,280</u>	<u>\$ 2,192,400</u>
Total Assessed Valuation	<u>\$ 1,996,620</u>	<u>\$ 2,056,280</u>	<u>\$ 2,192,400</u>
Mill Levy			
General Fund	10.766	10.809	10.812
Abatements and refunds	<u>0.000</u>	<u>0.000</u>	<u>1.830</u>
	<u>10.766</u>	<u>10.809</u>	<u>12.642</u>
Debt Service Fund	<u>38.026</u>	<u>38.026</u>	<u>37.843</u>
Total	<u>48.792</u>	<u>48.835</u>	<u>50.485</u>
Tax Revenue Levied			
General Fund	<u>\$ 21,496</u>	<u>\$ 22,226</u>	<u>\$ 24,587</u>
Debt Service Fund	<u>75,923</u>	<u>78,192</u>	<u>86,096</u>
Total Tax Revenue Levied	<u>\$ 97,419</u>	<u>\$ 100,418</u>	<u>\$ 110,683</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**4-WAY RANCH METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2022 BUDGET AS ADOPTED  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<b>ACTUAL 2020</b>	<b>ESTIMATED 2021</b>	<b>ADOPTED BUDGET 2022</b>
<b>Beginning Funds Available</b>	<b>\$ (35,608)</b>	<b>\$ (19,312)</b>	<b>\$ (13,321)</b>
<b>Revenue</b>			
Property Taxes	21,190	22,226	24,587
Specific Ownership Taxes	2,336	2,634	2,459
Interest Income	13	(59)	20
Other revenues	4,405	-	-
<b>Total Revenue</b>	<b>27,944</b>	<b>24,801</b>	<b>27,066</b>
Transfer from other funds	16,125	-	-
<b>Total Funds Available</b>	<b>8,461</b>	<b>5,489</b>	<b>13,745</b>
<b>Expenditures</b>			
Accounting	5,085	3,833	4,000
Audit	4,400	4,400	4,400
Director's fees	75	-	600
Election/recall expenses	-	-	1,000
Insurance	2,662	2,731	3,000
Legal	15,135	6,455	2,000
Management fees	-	-	8,000
Treasurer fees	331	342	369
Other expenses	85	49	100
Contingency	-	1,000	1,000
<b>Total Expenditures requiring appropriation</b>	<b>27,773</b>	<b>18,810</b>	<b>24,469</b>
<b>Ending Funds Available</b>	<b>\$ (19,312)</b>	<b>\$ (13,321)</b>	<b>\$ (10,724)</b>
<b>Emergency Reserve Requirement</b>	<b>\$ 840</b>	<b>\$ 750</b>	<b>\$ 820</b>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**4-WAY RANCH METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
2022 BUDGET AS ADOPTED  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<b>ACTUAL 2020</b>	<b>ESTIMATED 2021</b>	<b>ADOPTED BUDGET 2022</b>
<b>Beginning Funds Available</b>	\$ 51,867	\$ 55,862	\$ 91,072
<b>Revenues</b>			
Property Tax	75,266	77,787	86,096
Specific Ownership taxes	7,554	9,220	8,610
Facility fees	2,750	-	-
System development fees	12,000	-	-
Net investment income	70	(201)	-
<b>Total Revenue</b>	<u>97,640</u>	<u>86,806</u>	<u>94,706</u>
<b>Total Funds Available</b>	<u>149,507</u>	<u>142,668</u>	<u>185,778</u>
<b>Expenditures</b>			
Bond interest expense - 2011A	39,200	38,400	37,600
Bond interest expense - 2011B	42,275	-	-
Bond principal	10,000	10,000	10,000
Paying agent fees	1,000	2,000	2,000
Treasurer fees	1,170	1,196	1,291
<b>Total Expenditures requiring appropriation</b>	<u>93,645</u>	<u>51,596</u>	<u>50,891</u>
<b>Ending Funds Available</b>	<u>\$ 55,862</u>	<u>\$ 91,072</u>	<u>\$ 134,887</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.



**4-WAY RANCH METROPOLITAN DISTRICT NO. 1  
WATER/SEWER ENTERPRISE FUND  
2022 BUDGET AS ADOPTED  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<b>ACTUAL 2020</b>	<b>ESTIMATED 2021</b>	<b>ADOPTED BUDGET 2022</b>
<b>Beginning Funds Available</b>	\$ (81,971)	\$ -	\$ -
<b>Revenue</b>			
Water service fees	16,125	-	-
Write off - court ordered obligation	81,971	-	-
<b>Total Revenue</b>	98,096	-	-
<b>Total Funds Available</b>	16,125	-	-
<b>Expenditures</b>			
Water Treatment & delivery expenditures			
Transfer to General Fund	16,125	-	-
Contingency	16,125	-	-
<b>Total Expenditures requiring appropriation</b>	16,125	-	-
<b>Ending Funds Available</b>	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**4-WAY RANCH METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS  
AND SERVICES PROVIDED**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2022 annual budget. Actual results may differ from the prospective results contained in the budget.

4-Way Ranch Metropolitan District No. 1 (District), a quasi-municipal corporation was organized in 2005 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in El Paso County, Colorado. The District was established to develop and provide financing, construction, acquisition and installation of street improvements, water and sanitation infrastructure and other improvements within the boundaries of the District. The District's primary revenue is property taxes. The District is governed by an elected Board of Directors.

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

The District prepares its budget on the modified accrual basis of accounting.

**REVENUE**

***Property Tax***

A significant source of revenue is property taxes. Property taxes are budgeted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page 2.

***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 consistent with amounts collected during 2021 by the General Fund and Debt Service Fund.

**EXPENDITURES**

***Administrative Expenditures***

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, management, insurance, and other administrative expenses.

**4-WAY RANCH METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS  
AND SERVICES PROVIDED**

***Debt Service***

The debt service payments for the District are provided based upon the debt amortization schedule for \$470,000 Limited Tax General Obligation Bonds, Series 2011A (2011A Bonds). The District's debt amortization schedules are on page 9. The Debt Service Fund levies taxes for the debt service payments on the 2011A Bonds. The District also has \$500,000 of Subordinate Limited Tax General Obligation Bonds, Series 2011B (2011B Bonds) outstanding. No debt service payments have been budgeted nor has a debt amortization schedule been provided for the 2011B Bonds. Payment of principal and interest on the 2011B Bonds is to be made only after payment of the principal and interest due for the current calendar year on the 2011A Bonds.

The District has no outstanding operating or capital leases.

**RESTRICTIONS**

The District has provided for an emergency reserve equal to 3% of fiscal year spending for 2022, as defined under TABOR.

This information is an integral part of the accompanying budget.

**4-WAY RANCH METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF DEBT SERVICE TO MATURITY**

<b>LIMITED TAX GENERAL OBLIGATION BONDS SERIES 2011A</b>			
<b>For the Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2022	\$ 10,000	\$ 37,600	\$ 47,600
2023	10,000	36,800	46,800
2024	15,000	36,000	51,000
2025	15,000	34,800	49,800
2026	15,000	33,600	48,600
2027	15,000	32,400	47,400
2028	20,000	31,200	51,200
2029	20,000	29,600	49,600
2030	20,000	28,000	48,000
2031	25,000	26,400	51,400
2032	25,000	24,400	49,400
2033	25,000	22,400	47,400
2034	30,000	20,400	50,400
2035	30,000	18,000	48,000
2036	35,000	15,600	50,600
2037	35,000	12,800	47,800
2038	40,000	10,000	50,000
2039	40,000	6,800	46,800
2040	45,000	3,600	48,600
	\$ 470,000	\$ 460,400	\$ 930,400

**NOTE:** The timing of payments on the Subordinate Limited Tax General Obligation Bonds, Series 2011B is uncertain, therefore no schedule is presented.

This information is an integral part of the accompanying budget.

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

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

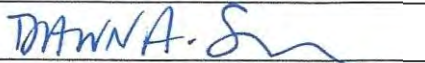
On behalf of the 4-Way Ranch Metropolitan District No. 1  
(taxing entity)<sup>A</sup>  
 the Board of Directors  
(governing body)<sup>B</sup>  
 of the 4-Way Ranch Metropolitan District No. 1  
(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,192,400 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 2,192,400  
(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

Submitted: 12/13/2021 for budget/fiscal year 2022  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	10.812 mills	\$ 23,704
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>10.812 mills</b>	<b>\$ 23,704</b>
3. General Obligation Bonds and Interest <sup>J</sup>	37.843 mills	\$ 82,967
4. Contractual Obligations <sup>K</sup>	mills	\$
5. Capital Expenditures <sup>L</sup>	mills	\$
6. Refunds/Abatements <sup>M</sup>	1.830 mills	\$ 4,012
7. Other <sup>N</sup> (specify): _____	mills	\$
_____	mills	\$
<b>TOTAL:</b> <small>[ Sum of General Operating Subtotal and Lines 3 to 7 ]</small>	<b>50.485 mills</b>	<b>\$ 110,683</b>

Contact person: (print) Dawn A. Schilling Daytime phone: ( 720 ) 348-1086  
 Signed:  Title: District Accountant

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

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

**CERTIFICATION OF TAX LEVIES, continued**

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

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1.	Purpose of Issue:	<u>\$530,000 Senior Developer Bonds</u>	
	Series:	<u>2011A</u>	
	Date of Issue:	<u>October 5, 2011</u>	
	Coupon Rate:	<u>8.000%</u>	
	Maturity Date:	<u>December 1, 2040</u>	
	Levy:	<u>37.829 mills</u>	
	Revenue:	<u>\$82,967</u>	

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

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

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.