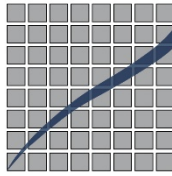


**BANNING LEWIS RANCH
METROPOLITAN DISTRICT NO. 3
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2025**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
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YEAR ENDED DECEMBER 31, 2025**

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BiggsKofford

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Banning Lewis Ranch Metropolitan District No. 3

El Paso County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Banning Lewis Ranch Metropolitan District No. 3 ("District"), as of and for the year ended December 31, 2025, 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, 2025, 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 LLP

Colorado Springs, Colorado
July 28, 2026

BASIC FINANCIAL STATEMENTS

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments - Restricted	\$ 1,002,526
Receivable from County Treasurer	9,410
Property Tax Receivable	<u>1,192,700</u>
Total Assets	2,204,636
LIABILITIES	
Due to Banning Lewis Ranch MD 1	6,133
Accrued Interest	20,828
Noncurrent Liabilities:	
Due Within One Year	225,000
Due in More Than One Year	<u>109,496,858</u>
Total Liabilities	109,748,819
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>1,192,700</u>
Total Deferred Inflows of Resources	1,192,700
NET POSITION	
Restricted for:	
Debt Service	396,318
Unrestricted	<u>(109,133,201)</u>
Total Net Position	<u><u>\$(108,736,883)</u></u>

See accompanying Notes to Basic Financial Statements.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 884,926	\$ -	\$ -	\$ -	\$ (884,926)
Interest on Long-Term Debt and Related Costs	<u>2,649,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,649,880)</u>
Total Governmental Activities	<u>\$ 3,534,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(3,534,806)</u>
GENERAL REVENUES					
Property Taxes					1,230,428
Specific Ownership Taxes					118,102
Interest Income					<u>54,333</u>
Total General Revenues and Transfers					<u>1,402,863</u>
CHANGES IN NET POSITION					(2,131,943)
Net Position - Beginning of Year					<u>(106,604,940)</u>
NET POSITION - END OF YEAR					<u>\$ (108,736,883)</u>

See accompanying Notes to Basic Financial Statements.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments - Restricted	\$ -	\$ 952,669	\$ 49,857	\$ 1,002,526
Receivable from County Treasurer	6,133	3,277	-	9,410
Property Tax Receivable	769,660	423,040	-	1,192,700
	<u>769,660</u>	<u>423,040</u>	<u>-</u>	<u>1,192,700</u>
Total Assets	<u>\$ 775,793</u>	<u>\$ 1,378,986</u>	<u>\$ 49,857</u>	<u>\$ 2,204,636</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Due to Banning Lewis Ranch MD 1	\$ 6,133	-	\$ -	\$ 6,133
Total Liabilities	6,133	-	-	6,133
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	769,660	423,040	-	1,192,700
Total Deferred Inflows of Resources	769,660	423,040	-	1,192,700
FUND BALANCES				
Restricted for:				
Debt Service	-	955,946	-	955,946
Capital Projects	-	-	49,857	49,857
Total Fund Balances	<u>-</u>	<u>955,946</u>	<u>49,857</u>	<u>1,005,803</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 775,793</u>	<u>\$ 1,378,986</u>	<u>\$ 49,857</u>	

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	(20,828)
Bonds Payable	(7,500,000)
Developer Advance Payable	(101,451,611)
Unamortized Bond Premium	(770,247)

Net Position of Governmental Activities	<u>\$ (108,736,883)</u>
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See accompanying Notes to Basic Financial Statements.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 801,889	\$ 428,539	\$ -	\$ 1,230,428
Specific Ownership Taxes	76,969	41,133	-	118,102
Interest Income	6,068	44,957	3,308	54,333
Total Revenues	884,926	514,629	3,308	1,402,863
EXPENDITURES				
Current:				
County Treasurer's Fee	12,034	6,431	-	18,465
Intergovernmental Expenditures - BLR No. 1	872,892	-	-	872,892
Debt Service:				
Bond Interest	-	254,663	-	254,663
Bond Principal	-	210,000	-	210,000
Paying Agent Fees	-	4,000	-	4,000
Total Expenditures	884,926	475,094	-	1,360,020
NET CHANGE IN FUND BALANCES	-	39,535	3,308	42,843
Fund Balances - Beginning of Year	-	916,411	46,549	962,960
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 955,946</u>	<u>\$ 49,857</u>	<u>\$ 1,005,803</u>

See accompanying Notes to Basic Financial Statements.

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
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, 2025**

Net Change in Fund Balances - Total Governmental Funds	\$	42,843
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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, receipt of developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Bond Principal		210,000
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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		394
Accrued Interest Payable Developer Advance - Change in Liability		(2,444,238)
Amortization of Bond Premium		59,058
		59,058

Changes in Net Position of Governmental Activities	\$	(2,131,943)
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**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 803,006	\$ 801,889	\$ (1,117)
Specific Ownership Taxes	80,301	76,969	(3,332)
Interest Income	3,600	6,068	2,468
Other Revenue	13,093	-	(13,093)
Total Revenues	900,000	884,926	(15,074)
EXPENDITURES			
Contingency	13,093	-	13,093
County Treasurer's Fee	12,045	12,034	11
Intergovernmental Expenditures - BLR No. 1	874,862	872,892	1,970
Total Expenditures	900,000	884,926	15,074
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 DEFINITION OF REPORTING ENTITY

Banning Lewis Ranch Metropolitan District No. 3 (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, 4, 5, 6 (now Banning Lewis Ranch Regional Metropolitan District No. 1), 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 District 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. District Nos. 1-5 operate under an Amended and Restated 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, 4, 5, and Banning Lewis Ranch Regional Metropolitan District Nos. 1 and 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.

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

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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.

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 Discount/Premium

In the government-wide financial statements, bond premiums and discounts 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 and discounts, 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 issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures* (Statement 102). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments - Restricted	\$ 1,002,526
Total Cash and Investments	<u>\$ 1,002,526</u>

Cash and investments as of December 31, 2025 consist of the following:

Investments	\$ 1,002,526
Total Cash and Investments	<u>\$ 1,002,526</u>

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.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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.

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, 2025, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 952,669
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	49,857
		<u>\$ 1,002,526</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates similarly to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under Section 24-75-601.1, C.R.S.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

CSAFE (Continued)

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE 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.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAaf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

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.

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.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2025:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
General Refunding Bonds					
Series 2020	\$ 7,710,000	\$ -	\$ 210,000	\$ 7,500,000	\$ 225,000
Bond Premium	829,305	-	59,058	770,247	-
Subtotal of Bonds Payable	8,539,305	-	269,058	8,270,247	225,000
Other Debts:					
Developer Advance - Operating	3,626,207	-	-	3,626,207	-
Developer Advance - Capital	31,291,487	-	-	31,291,487	-
Accrued Interest on:					
Developer Advance - Operating	3,091,072	253,834	-	3,344,906	-
Developer Advance - Capital	60,998,607	2,190,404	-	63,189,011	-
Subtotal of Other Debts	99,007,373	2,444,238	-	101,451,611	-
Total Long-Term Obligations	\$ 107,546,678	\$ 2,444,238	\$ 269,058	\$ 109,721,858	\$ 225,000

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

General Obligation Bonds

On December 10, 2020, the District issued *\$8,470,000 of General Obligation Limited Tax Refunding Bonds, Series 2020* (the 2020 Bonds). The 2020 Bonds are serial and term bonds that bear interest between 2.250% and 4.000% per annum payable on June 1 and December 1, commencing on June 1, 2021. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The Bonds mature on December 1, 2045, and are subject to redemption prior to maturity, at the option of the District, on December 1, 2030, and on any date thereafter, upon payment of par. The Indenture provides that, notwithstanding any other provision therein, all of the Bonds and interest thereon shall be deemed to be paid, satisfied and discharged on December 2, 2053 regardless of the amount of principal and interest paid previously.

Pledged Revenue consists of (i) revenues produced from the required debt service mill levy to produce an amount sufficient to pay debt service up to the District's mill levy cap of 30 mills, as adjusted (the Required Mill Levy), (ii) capital fees, if any, (iii) the portion of the specific ownership taxes generated from the Required Mill Levy, and (iv) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as pledged revenue. The Bonds are also secured by amounts on deposit in the Reserve Fund, which was funded upon issuance of the Bonds in the amount of the Required Reserve of \$538,800, and by amounts, if any, accumulated in the Surplus Fund. The Surplus Fund was not funded with proceeds of the Bonds at issuance but is required under the Indenture to be funded with excess Pledged Revenue, if any, up to the Maximum Surplus Amount of \$847,000.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

Proceeds of the 2020 Bonds and other District funds were used to: (i) pay and cancel all of the District's outstanding General Obligation Limited Tax Bonds, Series 2015A, in the aggregate principal amount of \$8,455,000 at date of payment (the Senior Bonds); (ii) pay all of the District's outstanding Subordinate General Obligation Limited Tax Bonds, Series 2015B, in the aggregate principal amount of \$1,620,000 at date of payment (the Subordinate Bonds), (iii) pay the cost of issuing the 2020 Bonds, and (iv) realize a net present value savings of \$5,411,869.

The District's long-term General Obligation Limited Tax Refunding Bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 225,000	\$ 249,938	\$ 474,938
2027	230,000	244,875	474,875
2028	245,000	239,700	484,700
2029	250,000	232,350	482,350
2030	270,000	224,850	494,850
2031-2035	1,535,000	996,150	2,531,150
2036-2040	1,910,000	743,100	2,653,100
2041-2045	2,835,000	390,400	3,225,400
Total	<u>\$ 7,500,000</u>	<u>\$ 3,321,363</u>	<u>\$ 10,821,363</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 or to apply pledged revenue 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 METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (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 a matter of 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, 2025, the District was not in default.

Developer Advances

Effective January 1, 2014, the District entered into an Advance, Acquisition and Reimbursement Agreement (Agreement) with Banning Lewis Ranch Metropolitan District No. 1 (BLR No. 1) and MREC Oakwood Colorado, LLC (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.

During 2014, Banning Lewis Ranch Metropolitan District No. 2 (BLR No. 2) issued bonds. In connection with that bond issuance, BLR No. 2 entered into a Termination Agreement with the Developer whereby amounts previously advanced to BLR No. 2 on behalf of BLR No. 1 were deemed fully performed and were terminated and no longer of any force or effect. As a result of the Termination Agreement, \$93,225,471 of advances and accrued interest was transferred from BLR No. 2 to the District and was shown as an assumption of debt on the government-wide financial statements of the District. These advances represent costs associated with the development as a whole, and the repayment obligation of each of the Districts will be determined as build out is reached.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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, 2025, outstanding Developer advances totaled \$101,451,611 consisting of \$3,626,207 for operations advances, \$31,291,487 for capital advances, and \$66,533,917 of accrued interest.

During 2017, MREC Oakwood Colorado LLC was purchased by Clayton Properties Group II, Inc.

Subsequent to December 31, 2025, the District and Clayton Properties Group, Inc., as successor in interest to MREC Oakwood Colorado Ranch LLC, have proposed a waiver and release agreement that, if executed, would waive and release certain outstanding developer advances and related accrued interest owed by the District. The agreement had not been executed as of the date of issuance of these financial statements; therefore, no adjustment has been made to the accompanying financial statements.

Debt Authorization

Pursuant to the amended and restated Consolidated Service Plan, the District is only permitted to issue debt up to \$100,000,000. District Nos. 2, 4, 5, and Banning Lewis Ranch Regional Metropolitan District Nos. 1 and 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. On November 8, 2016, the Consolidated Service Plan was amended for the sole purpose of allowing District No. 2 to levy an unlimited maximum debt service levy. Currently, Banning Lewis Ranch Regional Metropolitan District No. 1 operates under its Amended and Restated Service plan dated March 15, 2018, and Banning Lewis Ranch Regional Metropolitan District No. 2 operates under its Amended and Restated Service plan dated June 18, 2018.

The District has voter authorization in excess of the Service Plan Debt Issuance Limit as at the time of the election, the actual costs of construction were not known. Without knowing the costs of construction, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer or streets). Therefore, the Service Plan Debt Issuance Limit was voted in every power relative to debt for public improvements. With that understanding, on November 7, 2006, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$929,500,000 at an interest rate not to exceed 18% per annum.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization (Continued)

In no event is the District authorized to issue debt in excess of the Service Plan Debt Issuance Limit, with the exception that such limit is not applicable to refundings of the debt authorized to be issued under the Service Plan. At December 31, 2025, the District had authorized but unissued indebtedness of \$89,925,000.

NOTE 5 NET POSITION

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

Restricted assets include amounts that are restricted for use 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, 2025 as follows:

	<u>Governmental Activities</u>
Restricted Net Position:	
Debt Service Reserve	<u>\$ 396,318</u>
Total Restricted Net Position	<u><u>\$ 396,318</u></u>

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the restricted component of net position.

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 along with the assumption of developer advance debt for capital and operations costs transferred from BLR No. 2, and for the District being responsible for the repayment of Developer advances for operations and maintenance costs 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 and MREC Oakwood Colorado, LLC. 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.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 7 INTERGOVERNMENTAL AGREEMENTS

Effective as of December 1, 2014, and as amended and restated November 8, 2018, the District and Banning Lewis Ranch Metropolitan District No. 1 (District No. 1) entered into a District Facilities Agreement (Agreement) wherein District No. 1 has agreed to construct, own, operate, and maintain facilities benefitting both the District and District No. 1. 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 20.000 mills, adjusted to account for constitutional and legislative changes, including new exemptions, in the manner, method or base percentage calculation for the computation of assessed values of taxable property, provided that the levy shall never exceed 50.000 mills, 2) to the extent that the 20.000 mills are insufficient to pay the costs of operations, from the imposition of fees assessed and collected from each single family lot and from each multi-family unit, and from each square foot of commercial development, their pro rata share of the operating costs, and 3) from any other revenues the District may have legally available to pay for such costs.

The District and District No. 1 entered into a joint resolution effective January 1, 2016, that imposes service fees on all dwelling units within the District. The fees collected under this resolution are recorded as revenue on District No. 1's financial statements.

On July 18, 2019, The District entered into a Cooperation Agreement with District No. 1, Banning Lewis Ranch Metropolitan District No. 2 (District No. 2), Banning Lewis Ranch Metropolitan District No. 4 (District No. 4), and Banning Lewis Ranch Metropolitan District No. 5 (District No. 5) whereas District No. 1 is responsible for the operations and maintenance of public improvements and facilities and District Nos. 2-5 are responsible for providing funding for the costs of such operations and maintenance through the imposition of property tax and various fees. An advisory committee is established for the purpose of providing advice related to ongoing operations and maintenance. The advisory committee will consist of representatives appointed by each of District Nos. 2-5 and District No. 1.

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 (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.

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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. The District transfers its net operating revenue to District No. 1 (Operating District) pursuant to an intergovernmental agreement. Therefore, the Emergency Reserves related to the District's revenues are reported in District No. 1.

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 Constitution (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.

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado.

Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues.

The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 429,136	\$ 428,539	\$ (597)
Specific Ownership Taxes	42,914	41,133	(1,781)
Interest Income	46,500	44,957	(1,543)
Total Revenues	518,550	514,629	(3,921)
EXPENDITURES			
County Treasurer's Fee	6,437	6,431	6
Paying Agent Fees	4,000	4,000	-
Bond Interest	254,663	254,663	-
Bond Principal	210,000	210,000	-
Contingency	10,900	-	10,900
Total Expenditures	486,000	475,094	10,906
NET CHANGE IN FUND BALANCE	32,550	39,535	6,985
Fund Balance - Beginning of Year	911,908	916,411	4,503
FUND BALANCE - END OF YEAR	<u>\$ 944,458</u>	<u>\$ 955,946</u>	<u>\$ 11,488</u>

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ 1,100	\$ 3,308	\$ 2,208
Total Revenues	1,100	3,308	2,208
EXPENDITURES			
Contingency	48,697	-	48,697
Total Expenditures	48,697	-	48,697
NET CHANGE IN FUND BALANCE	(47,597)	3,308	50,905
Fund Balance - Beginning of Year	47,597	46,549	(1,048)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 49,857</u>	<u>\$ 49,857</u>

OTHER INFORMATION

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

\$8,470,000			
General Obligation Limited Tax Bonds			
Refunding Bonds			
Dated December 10, 2020			
Principal Due December 1			
Interest Rate 2.250 - 4.000%			
June 1 and December 1			
<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 225,000	\$ 249,938	\$ 474,938
2027	230,000	244,875	474,875
2028	245,000	239,700	484,700
2029	250,000	232,350	482,350
2030	270,000	224,850	494,850
2031	275,000	216,750	491,750
2032	295,000	208,500	503,500
2033	305,000	199,650	504,650
2034	325,000	190,500	515,500
2035	335,000	180,750	515,750
2036	355,000	170,700	525,700
2037	365,000	160,050	525,050
2038	385,000	149,100	534,100
2039	395,000	137,550	532,550
2040	410,000	125,700	535,700
2041	425,000	113,400	538,400
2042	440,000	96,400	536,400
2043	460,000	78,800	538,800
2044	475,000	60,400	535,400
2045	<u>1,035,000</u>	<u>41,400</u>	<u>1,076,400</u>
Total	<u>\$ 7,500,000</u>	<u>\$ 3,321,363</u>	<u>\$ 10,821,363</u>

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

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	
2021	\$ 23,779,360	22.266	18.328	\$ 965,299	\$ 967,399	100.22 %
2022	26,049,390	22.266	18.328	1,057,449	1,057,449	100.00
2023	25,335,500	22.904	18.853	1,057,934	1,057,934	100.00
2024	30,635,390	26.199	15.400	1,274,402	1,274,074	99.97
2025	30,652,580	26.197	14.000	1,232,142	1,230,428	99.86
Estimated for Year Ending December 31, 2026	\$ 30,217,120	25.471	14.000	\$ 1,192,700		

Source: El Paso County Assessor and Treasurer

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.