

THE BRANDS METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

**THE BRANDS METROPOLITAN DISTRICT NO. 1
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	\$ (10,219)	\$ 74,678	\$ 141,420
REVENUES			
Property taxes	13	13	1,603
Specific ownership taxes	1	1	96
Developer advance	11,000	-	-
Public Improvement fees	230,512	307,000	313,000
Sales tax rebate	61,716	125,333	122,000
Other revenue	1	-	-
Total revenues	303,243	432,347	436,699
Total funds available	293,024	507,025	578,119
EXPENDITURES			
General and administrative			
Accounting	53,063	61,000	61,000
Auditing	6,700	14,600	7,800
County Treasurer's Fee	-	-	32
District management/Office overhead	-	150,000	150,000
Dues and Membership	1,073	1,088	1,500
Election	-	1,895	-
Engineering	6,715	370	10,000
Insurance	9,352	8,910	10,000
Legal	34,530	15,504	40,000
Miscellaneous	1,356	965	19,668
Operations and maintenance			
Landscape maintenance	8,233	16,058	20,000
Snow removal	403	540	5,000
Transfer to District No. 2 - PIF	96,921	60,800	92,000
Transfer to District No. 2 - Sales tax rebate	-	33,875	73,000
Total expenditures	218,346	365,605	490,000
Total expenditures and transfers out requiring appropriation	218,346	365,605	490,000
ENDING FUND BALANCES	\$ 74,678	\$ 141,420	\$ 88,119
EMERGENCY RESERVE	\$ 8,800	\$ 13,000	\$ 13,200
TOTAL RESERVE	\$ 8,800	\$ 13,000	\$ 13,200

See summary of significant assumptions.

**THE BRANDS METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
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
ASSESSED VALUATION			
Agricultural	\$ 11	\$ 11	\$ -
State assessed	310	322	210
Vacant land	-	-	40,732
Certified Assessed Value	\$ 321	\$ 333	\$ 40,942
 MILL LEVY			
General	39.000	39.000	39.153
Total mill levy	39.000	39.000	39.153
 PROPERTY TAXES			
General	\$ 13	\$ 13	\$ 1,603
Budgeted property taxes	\$ 13	\$ 13	\$ 1,603
 BUDGETED PROPERTY TAXES			
General	\$ 13	\$ 13	\$ 1,603
	\$ 13	\$ 13	\$ 1,603

**THE BRANDS METROPOLITAN DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Brands Metropolitan District No.1's (the "District") (formerly known as Eagle Crossing Loveland Metropolitan District No. 1) 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 6, 2015. The formation of the District was approved by the City of Loveland, Colorado in conjunction with the approval by the City Council of a Consolidated Service Plan for the District, The Brands Metropolitan District No. 2, The Brands Metropolitan District No. 3, and The Brands Metropolitan District No. 4 (formerly known as Eagle Crossing Loveland Metropolitan District No. 2, Eagle Crossing Loveland Metropolitan District No. 3, and Eagle Crossing Loveland Metropolitan District No. 4, respectively) on September 16, 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 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, 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.

For 2026 collection year, the District will levy 39.153 mills for operations.

**THE BRANDS METROPOLITAN DISTRICT NO. 1
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%

Assigned Revenues - Public Improvement Fees, Sales Tax Rebates

Pursuant to the BAA and PIF Revenues Assignment Agreement dated April 8, 2021, the Developers have agreed to pay the District the amount of Sales Tax rebated by the City of Loveland in accordance with the Business Assistance Agreement and PIF Matters Agreement dated April 8, 2021. Additionally, for the purpose of providing for costs of public improvements, the Developers have designated the District as the primary Public Improvement Fees (PIF) recipient and have assigned all revenues resulting from the PIF imposed within the boundaries of the District.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated costs of services necessary to maintain the District's administrative viability such as legal and accounting.

Transfers to The Brands Metropolitan District No. 2

Pursuant to the First Amendment to BAA and PIF Revenues Assignment Agreement, dated October 3, 2024, the District has agreed to remit all Assigned Revenues (as defined above), net of the annual operations amount, to The Brands Metropolitan District No. 2 for the benefit of repaying the Series 2024 Note and any additional Loans.

Debt and Leases

The District does not have any debt. Additionally, the District has no operating or capital leases.

**THE BRANDS METROPOLITAN DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2026 as defined under TABOR.

This information is an integral part of the accompanying budget.