

**EL PASO COUNTY SPECIAL DISTRICTS
ANNUAL REPORT and DISCLOSURE FORM**

1. Name of District (s):	Lorson Ranch Metropolitan District Nos. 1-7
2. Report for Calendar Year:	2013
3. Contact Information	<p>William P. Ankele, Jr. c/o White, Bear & Ankele, PC 2154 E. Commons Avenue, Suite 2000 Centennial, CO 80128 (303) 858-1800 wpankele@wbapc.com</p>
4. Meeting Information	<p>Board Meetings of the Districts are scheduled for the second and fourth Thursdays of each month at 9:00 a.m. at the district offices located at 212 N. Wahsatch Avenue, Suite 301, Colorado Springs, Colorado 80903, but may be subject to change and may be cancelled at the discretion of the Board, including if there is no business to transact. Up-to-date meeting times, locations, and agendas can be obtained by calling the number listed above under the Districts' Contact Information.</p>
5. Type of District(s)/ Unique Representational Issues (if any)	<p>The Lorson Ranch Metropolitan Districts consist of 7 separate but interrelated Title 32 Special Metropolitan Districts. District No. 1 is the Service District and will contain no residential units. District Nos. 2-7 are the Financing Districts and, among these, it is anticipated that District Nos. 2-6 will contain all of the residential development, and District No. 7 will contain the commercial development. Pursuant to the Service Plan for the Districts, either the Service District and/or the Financing Districts may issue bonds or other financial obligations as appropriate to deliver the improvements and services to the property within the boundaries of the Districts. District No. 1, as the Service District, is expected to construct and maintain the public facilities throughout the property within the Districts, and District Nos. 2-6 as the residential districts and District No. 7 as the commercial district, are expected to generate the tax revenue to pay the costs of the capital improvements, administration and operations and maintenance, as well as create benefits for the inhabitants of the community within the combined Districts. Ownership and long term maintenance of public facilities may be turned over to another public entity such as El Paso County for roads and Widefield Water & Sanitation District for water and sewer utilities.</p>

	<p>All residents and property owners within the Financing District Nos. 2-7 who have registered to vote in the State of Colorado are eligible electors of their respective District and eligible to provide input to and, if they desire, run for the Board of Directors of such District.</p>
<p>6. Authorized Purposes of the District(s)</p>	<p>The Service Plan, as amended, authorizes the following services to be provided by the Districts: streets; traffic and safety controls; parks and recreation; water; sanitation; fire protection; and, mosquito control; and, the Districts further have the power to provide such additional services and exercise such other powers as are incidental to or implied from the specific powers set forth above, and to utilize any method, mechanism or institutional structure permitted at law to exercise said powers and/or deliver such services.</p>
<p>7. Active Purposes of the District(s)</p>	<p>The current primary active purposes of the Districts include construction of infrastructure improvements for streets, recreation, drainage, parks and trails, water and sanitation. Once completed, it is contemplated that operation of the water and sanitation improvements will be transferred to Widefield Water and Sanitation District.</p> <p>For additional details, please contact the Districts.</p>
<p>8. Current Certified Mill Levies a. Debt Service (District 2 only) b. Operational (All 7 Districts) c. Fire Service (District 2 only) d. Total</p>	<p>District No. 1: a. 0 mills b. 10 mills c. FMIC Judgment Obligation 10 mills d. 20 mills</p> <p>District No. 2: a. Obligation to District No. 1 Bonds 50 mills b. 10 mills c. FMIC Judgment Obligation 10 mills Fire Protection 3 mills d. 73 mills</p> <p>District No. 3: a. Obligation to District No. 1 Bonds 50 mills b. 10 mills c. FMIC Judgment Obligation 10 mills d. 70 mills</p> <p>District No. 4: a. 0 mills b. 10 mills c. FMIC Judgment Obligation 10 mills d. 20 mills</p>

	<p>District No. 5: a. 0 mills b. 10 mills c. FMIC Judgment Obligation 10 mills d. 20 mills</p> <p>District No. 6: a. 0 mills b. 10 mills c. FMIC Judgment Obligation 10 mills d. 20 mills</p> <p>District No. 7: a. 0 mills b. 10 mills c. FMIC Judgment Obligation 10 mills d. 20 mills</p>
<p>9. Sample Calculation of Current Mill Levy for a Residential and Commercial Property (as applicable).</p>	<p>Assumptions:</p> <p>\$200,000 is the total actual value of a typical single family home as determined by El Paso County.</p> <p>\$500,000 is the total actual value of the sample commercially-assessed property.</p> <p>Aggregate total mill levy is currently 53.0 mills.</p> <p>Sample District No. 3 Mill Levy Calculation for a <u>Residential Property</u>: $\\$200,000 \times .0796 = \\$15,920$ (Assessed Value) $\\$15,920 \times .070$ mills = \$1,114 per year in sample taxes owed solely to this District if it imposes its maximum mill levy.</p> <p>Sample District No. 7 Mill Levy Calculation for a <u>Commercial Property</u>: $\\$500,000 \times .2900 = \\$145,000$ (Assessed Value) $\\$145,000 \times .020$ mills = \$2,900 per year in sample taxes owed solely to this District if it imposes its maximum mill levy.</p>
<p>10. Maximum Authorized Mill Levy Caps (Note: these are maximum allowable mill levies which could be certified in the future unless there was a change in state statutes or Board of County Commissioners approvals)</p> <p>a. Debt Service b. Operational c. Fire Service d. Total</p>	<p>a. 50 mills for each District b. 10 mills for each District c. 13 mills for each District d. 73 mills for each District</p>

<p>11. Sample Calculation of Mill Levy Cap for a Residential and Commercial Property (as applicable).</p>	<p>Assumptions: See Assumptions in #9 above.</p> <p>Sample Maximum Mill Levy Calculation for a <u>Residential Property</u>:</p> <p>\$200,000 x .0796 = \$15,920 (Assessed Value) \$15,920 x .0730 mills = \$1,162 per year in sample taxes owed solely to this District if it imposes its maximum mill levies.</p> <p>Sample Maximum Mill Levy Calculation for a <u>Commercial Property</u>:</p> <p>\$500,000 x .2900 = \$145,000 (Assessed Value) \$145,000 x .0730 mills = \$10,585 per year in sample taxes owed solely to this District if it imposes its maximum mill levies.</p>
<p>12. Current Outstanding Debt of the Districts (as of the end of year of this report)</p>	<p>District No. 1 issued a Limited Tax General Obligation Bond on July 27, 2011, in the principal amount of \$18,191,145. The outstanding balance on this bond as of December 31, 2013, stood at \$11,711,043.</p> <p>District No. 1 issued a second Limited Tax General Obligation Bond on June 1, 2012, in the principal amount of \$13,929,164. The outstanding balance on this bond as of December 31, 2013, stood at \$13,929,164. Neither bond has scheduled principal payments except the balance at maturity.</p> <p>Mill levy revenues for repayment of the District No. 1 bonds are transferred from the Financing Districts pursuant to a Funding and Reimbursement Agreement for Capital Costs between the Districts.</p>
<p>13. Total voter-authorized debt of the Districts (including current debt)</p>	<p>At formation, the voters of each of the Financing Districts (District Nos. 2-7) authorized general obligation indebtedness in an amount not to exceed \$640,000,000 for each Financing District, and not to exceed \$2,400,000,000 for the Service District (District No. 1). The Service Plan limits issuance of general obligation debt for the Financing Districts to \$300,000,000 combined, and to \$80,000,000 for each Financing District individually. Some or all of this entire amount may be issued by vote of the Boards of the Districts in the future without the necessity of a vote of the Districts' electors.</p>

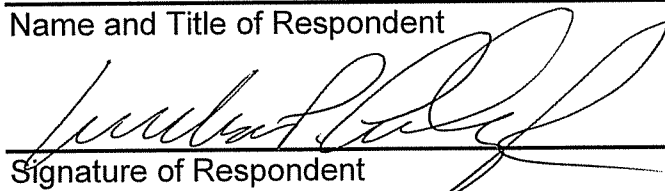
14.	Debt proposed to be issued, reissued or otherwise obligated in the coming year.	District No. 2 has begun preliminary work toward the issuance of debt in 2014, and has authorized its consultants to negotiate terms leading to such an issuance in 2014.
15.	Major facilities/ infrastructure improvements initiated or completed in the prior year	District No. 1 plans to construct infrastructure for approximately 140 lots in 2014.
16.	Summary of major property exclusion or inclusion activities in the past year.	There were no property exclusions or inclusions in 2013.

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Reminder:

- A. As per Colorado Revised Statutes, Section 32-1-306, the special district shall maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the County Assessor.
- B. Colorado Revised Statutes, Section 32-1-306, states a certificate of election results shall be filed with the County Clerk and Recorder.

William P. Anhele, District General Counsel
Name and Title of Respondent


Signature of Respondent

4/28/2014
Date

RETURN COMPLETED FORM TO: specialdistrictnotices@elpasoco.com

Or mail to:

El Paso County
Clerk and Recorder

Attention: Clerk to the Board Department
P.O. Box 2007
Colorado Springs, Colorado 80901-2007

****NOTE:** As per CRS Section 32-1-104(2), a copy of this report should also be submitted to:

County Assessor – 1675 W. Garden of the Gods Road, Colorado Springs, CO 80907

County Treasurer - 1675 W. Garden of the Gods Road, Colorado Springs, CO 80907