

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**THE LAKES AT CENTERRA METROPOLITAN DISTRICT NO. 1**  
LARIMER COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
2022

STATE OF COLORADO )  
 )  
COUNTY OF LARIMER )ss.  
 )  
THE LAKES AT CENTERRA )  
METROPOLITAN )  
DISTRICT NO. 1 )

The Board of Directors of The Lakes at Centerra Metropolitan District No. 1, Larimer County, Colorado, held a meeting via Microsoft Teams on December 3, 2021 at 1:30 p.m.

The following members of the Board of Directors were present:

Kim Perry, President  
Tim DePeder, Vice President/Asst. Secretary  
Wendy Messinger, Asst. Secretary  
Wendi Cudmore, Asst. Secretary  
Josh Kane, Secretary/Treasurer

Also in attendance were:

Alan Pogue; Icenogle Seaver Pogue, P.C.  
Jonathan Heroux; Piper Sandler  
Jim Niemczyk; McWhinney  
Brendan Campbell, Irene McCaffrey, Shannon McEvoy, Andrew Kunkel, Elaina Cobb, Kieyesia Conaway, Casey Milligan, and Dillon Gamber; Pinnacle Consulting Group, Inc.  
Diana Kline, Douglas Denio, Gary Dreith, and Ralph Mathes; Residents of The Lakes at Centerra

Mr. McEvoy stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2022 budget. Director Perry opened the public hearing on the District's proposed 2022 budget. There being no public comment on the District's budget, the public hearing was closed.

Thereupon, Director Kane introduced and moved the adoption of the following Resolution:

## RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, SETTING FORTH MILL LEVIES, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE LAKES AT CENTERRA METROPOLITAN DISTRICT NO. 1, LARIMER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022, AND ENDING ON THE LAST DAY OF DECEMBER 2022,

WHEREAS, the Board of Directors of The Lakes at Centerra Metropolitan District No. 1 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published on November 9, 2021, in The Loveland Reporter-Herald, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 3, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LAKES AT CENTERRA METROPOLITAN DISTRICT NO. 1 OF LARIMER COUNTY, COLORADO:

Section 1. 2022 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2022 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2022. That the budget as submitted and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of The Lakes at Centerra Metropolitan District No. 1 for calendar year 2022.

Section 4. 2022 Levy of General Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget for the General Fund from property taxes for operating expenses is \$0.00. That the 2021 valuation for assessment, as certified by the Larimer County Assessor, is \$2,465.

A. Levy for General Fund. That for the purposes of meeting all general operating expense 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 for the year 2021.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification to County Commissioners. The District's manager is hereby authorized and directed to immediately certify to the County Commissioners of Larimer County, Colorado, the 0.000 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

**[Remainder of this page left intentionally blank]**

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

**TO:** County Commissioners<sup>1</sup> of Larimer County, Colorado.

On behalf of the The Lakes at Centerra Metropolitan District No. 1,  
(taxing entity)<sup>A</sup>

the Board of Directors,  
(governing body)<sup>B</sup>


of the The Lakes at Centerra Metropolitan District No. 1  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,465 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: \$ 2,465 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** 12/15/2021 for budget/fiscal year 2022.  
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>0.000</u> mills	\$ <u>0.00</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>0.000</u> mills</b>	<b>\$ <u>0.00</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b><u>0.000</u> mills</b>	<b>\$ <u>0.00</u></b>

Contact person: (print) Brendan Campbell Daytime phone: (970) 669-3611  
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) 866-2156.*

<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).

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 8. Budget Certification. That the budget shall be certified by Director Kane, Secretary and Treasurer to the District, and made a part of the public records of The Lakes at Centerra Metropolitan District No. 1.

The foregoing resolution was seconded by Director Cudmore.

**[Remainder of page intentionally left blank]**

ADOPTED AND APPROVED this 3<sup>rd</sup> day of December 2021.

DocuSigned by:  
*Kim Perry*  
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\_\_\_\_\_  
President

ATTEST:

DocuSigned by:  
*Josh Kane*  
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\_\_\_\_\_  
\_\_\_\_\_

STATE OF COLORADO     )  
  )  
COUNTY OF LARIMER    )ss.  
  )  
THE LAKES AT CENTERRA)  
METROPOLITAN            )  
DISTRICT NO. 1         )

I, Josh Kane, Secretary and Treasurer to the Board of Directors of The Lakes at Centerra Metropolitan District No. 1, Larimer County, Colorado, do hereby certify that the foregoing pages, inclusive, constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a meeting of the Board held via Microsoft Teams on December 3, 2021, at 1:30 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2022 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 3<sup>rd</sup> day of December, 2021.

(S E A L)

DocuSigned by:  
*Josh Kane*  
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## Management Budget Report

BOARD OF DIRECTORS  
THE LAKES AT CENTERRA METROPOLITAN DISTRICT NO. 1

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2022 including the comparative information of the forecasted estimate for the year ending December 31, 2021 and the actual historic information for the year 2020.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

A handwritten signature in black ink, appearing to be "B. J. ...", is positioned above the typed name of the representative.

Pinnacle Consulting Group, Inc.  
January 15, 2022

<b>THE LAKES AT CENTERRA METROPOLITAN DISTRICT NO. 1</b>				
<b>STATEMENT OF REVENUES &amp; EXPENDITURES WITH BUDGETS</b>				
<b>December 31, 2020 Actual, 2021 Adopted and Projected Actual</b>				
<b>2022 Adopted Budget</b>				
	<b>Modified Accrual Budgetary Basis</b>			
<b>GENERAL FUND</b>	<b>2020</b>	<b>2021</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Adopted</b>
<b>Revenues</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Payment for Services: District No. 2	\$ 229,913	\$ 232,872	\$ 233,122	\$ 237,941
Payment for Services: District No. 3	34,822	84,453	84,453	134,789
Interest and Other Income	681	500	100	17
<b>Total Revenues</b>	<b>\$ 265,416</b>	<b>\$ 317,825</b>	<b>\$ 317,675</b>	<b>\$ 372,747</b>
<b>Expenditures</b>				
Accounting	\$ 43,340	\$ 47,280	\$ 47,280	\$ 51,250
Audit	11,000	11,000	11,000	11,000
District Management and Admin	46,860	64,800	64,800	78,520
Director's Fees	4,800	4,200	4,200	4,200
Elections	16,895	-	-	25,000
Engineering and Other Professional Services	765	18,000	18,000	10,000
Insurance	11,456	12,600	10,763	11,839
Storm Water Facility Maintenance	210	10,000	9,500	11,000
Amenities Maintenance	-	1,000	1,600	2,000
Miscellaneous Facilities Services	-	-	-	-
Utilities	11,034	-	-	-
Legal	54,620	60,000	60,000	60,000
Office and Other	7,039	5,500	8,600	7,000
Payment to HOA	50,000	50,000	50,000	77,000
Contingency	-	10,000	-	10,000
<b>Total Operating Expenditures</b>	<b>\$ 258,019</b>	<b>\$ 294,380</b>	<b>\$ 285,743</b>	<b>\$ 358,809</b>
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ 7,398</b>	<b>\$ 23,445</b>	<b>\$ 31,932</b>	<b>\$ 13,938</b>
<b>Beginning Fund Balance</b>	<b>135,193</b>	<b>119,208</b>	<b>142,591</b>	<b>174,523</b>
<b>Ending Fund Balance</b>	<b>\$ 142,591</b>	<b>\$ 142,653</b>	<b>\$ 174,523</b>	<b>\$ 188,461</b>
<b>Components of Ending Fund Balance</b>				
Repairs and Maintenance Reserve				
Beginning	\$ -	\$ 40,210	\$ 40,210	\$ 74,523
Addition	40,210	34,313	34,313	35,000
Ending	\$ 40,210	\$ 74,523	\$ 74,523	\$ 109,523
Operating Reserve	57,688	58,595	58,218	67,952
TABOR Reserve	7,962	9,535	8,025	11,182
Unreserved	36,731	-	33,757	(196)
<b>Total Ending Fund Balance</b>	<b>\$ 142,591</b>	<b>\$ 142,653</b>	<b>\$ 174,523</b>	<b>\$ 188,461</b>

<b>THE LAKES AT CENTERRA METROPOLITAN DISTRICT NO. 1</b>				
<b>STATEMENT OF REVENUES &amp; EXPENDITURES WITH BUDGETS</b>				
<b>December 31, 2020 Actual, 2021 Adopted and Projected Actual</b>				
<b>2022 Adopted Budget</b>				
<b>Modified Accrual Budgetary Basis</b>				
<b>CAPITAL PROJECTS FUND</b>	<b>2020</b>	<b>2021</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Adopted</b>
<b>Revenues</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Capital Advance	\$ 6,935,533	\$ 5,114,068	\$ 2,322,007	\$ 2,888,932
Contribution from Other Government	367,725	920,789	1,067,601	-
<b>Total Revenues</b>	<b>\$ 7,303,258</b>	<b>\$ 6,034,857</b>	<b>\$ 3,389,608</b>	<b>\$ 2,888,932</b>
<b>Expenditures</b>				
District Management	\$ 21,970	\$ 20,000	\$ 20,000	\$ 20,000
District Planning/Engineering Mgmt	3,533	10,000	5,000	5,000
District Engineering	-	10,000	2,500	5,000
Lakes Residential - PH6A	84,424	23,000	13,000	-
Lakes Residential - PH6B	20,454	8,000	5,000	-
Lakes Residential - PH7	5,455,843	149,300	291,675	61,516
Lakes Residential - PH6C	9,758	453,374	365,323	9,823
Lakes Residential - PH8	1,057,635	73,845	19,281	31,954
Lakes Residential - PH9	694,941	2,676,897	2,010,248	419,454
Lakes Residential - PH10	-	-	772,335	16,434
Explorer Park	-	2,510,441	215,690	2,294,751
Lakes Residential - PH4	3,882	-	-	-
Office, Dues, & Other	1,110	-	-	-
Contingency	-	100,000	-	25,000
<b>Total Capital Project Expenditures</b>	<b>\$ 7,353,550</b>	<b>\$ 6,034,857</b>	<b>\$ 3,720,052</b>	<b>\$ 2,888,932</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$ (50,292)</b>	<b>\$ -</b>	<b>\$ (330,444)</b>	<b>\$ -</b>
<b>Beginning Fund Balance</b>	<b>425,738</b>	<b>-</b>	<b>\$ 375,446</b>	
<b>Ending Fund Balance</b>	<b>\$ 375,446</b>	<b>\$ -</b>	<b>\$ 45,002</b>	<b>\$ -</b>

## **THE LAKES AT CENTERRA METROPOLITAN DISTRICT NO. 1 2022 BUDGET MESSAGE**

The Lakes at Centerra Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was formed in November 2007. The District was established for approximately 226 acres located south of East 37<sup>th</sup> Street, east of Boyd Lake Avenue and north of Lost Creek Drive in the City of Loveland, Colorado. Along with its companion Districts No. 2 and No. 3, (“Finance Districts”), this “Service District” was organized to initially own, operate and construct public facilities within the service area including sanitation, water, streets, traffic and safety controls, park and recreation, transportation, television relay and translation, mosquito and pest control, and security and covenant enforcement services.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

In preparing the 2022 budget, the following goals are foremost for the District:

- Provide services as desired by the property owners and residents of the Multiple Districts in the most economic manner possible.

### **General Fund**

#### *Revenue*

Budgeted revenues total \$372,747 and are primarily services fees from Districts No. 2 and No. 3. The District certified 0.000 mills on an assessed value of \$2,465 for \$0 in property tax revenue.

#### *Expenses*

Budgeted expenses total \$358,809. Increases in the 2022 budget are primarily due to anticipated increases in management services, and due to election costs.

#### *Fund Balance/Reserves*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2021, as defined under TABOR and holds the TABOR reserve for District Nos. 1-3. Ending fund balance is budgeted to be \$188,463 for fiscal year 2022.

## **Capital Projects Fund**

### *Revenue*

Capital advances and contributions from other governments are budgeted to be \$2,888,932 for fiscal year 2022 to fund capital project expenses.

### *Expenses*

Capital expenses are budgeted to be \$2,888,932 in 2022 for design and construction of public infrastructure.

### *Fund Balance/Reserves*

The capital projects ending fund balance is budgeted to be \$0 for fiscal year 2022.

# CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 182 - THE LAKES AT CENTERRA METRO DISTRICT NO. 1

IN LARIMER COUNTY ON 11/23/2021

New Entity: No

<b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY</b>
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IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$4,408
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$2,465
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$2,465
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

<b>USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY</b>
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IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2021

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$8,500
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$5,600
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

† Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2021

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3), C.R.S.	