

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
KINSTON METROPOLITAN DISTRICT NO. 10
LARIMER COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2022

STATE OF COLORADO)
)
COUNTY OF LARIMER)ss.
)
KINSTON)
METROPOLITAN)
DISTRICT NO. 10)

The Board of Directors of the Kinston Metropolitan District No. 10, Larimer County, Colorado, held a meeting via Microsoft Teams on Thursday, November 11, 2021 at 12:00 P.M.

The following members of the Board of Directors were present: (Via Teleconference)

Tim DePeder, Vice President
Brad Lenz, Asst. Secretary & Asst. Treasurer
Kim Perry, Secretary
Josh Kane, Treasurer & Asst. Secretary

Also in Attendance: Alan Pogue; Icenogle Seaver Pogue, P.C. (Via Teleconference)
Jeff Breidenbach and Abby Kirkbride; McWhinney (Via Teleconference)
Ryan Abbott, Andrew Kunkel, Irene McCaffrey, Casey Milligan, Joan Howell, and
Jason Woolard; Pinnacle Consulting Group, Inc. (Via Teleconference)

Mr. Abbott 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 moved to adopt 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 KINSTON METROPOLITAN DISTRICT NO. 10, 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 Kinston Metropolitan District No. 10 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 October 26, 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 November 11, 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 KINSTON METROPOLITAN DISTRICT NO. 10 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 Kinston Metropolitan District No. 10 for calendar year 2022.

Section 4. 2022 Levy of Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget from property taxes for the 2022 Budget year is \$0.39. That the 2021 valuation for assessment, as certified by the Larimer County Assessor, is \$9.00.

A. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all general obligation bonds and interest expense of the District during the 2022 budget year, there is hereby levied a tax of 27.786 mills upon each dollar of the 2021 total valuation of assessment of all taxable property within the District.

B. Levy for Contractual Obligations. That for the purposes of meeting all contractual obligations expense of the District during the 2022 budget year, there is hereby levied a tax of 15.00 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 42.786 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

[Remainder of Page Left Blank Intentionally.]

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Larimer County, Colorado.

On behalf of the Kinston Metropolitan District No. 10
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Kinston Metropolitan District No. 10
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 1270 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ 9 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

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

| PURPOSE (see end notes for definitions and examples) | LEVY ² | REVENUE ² |
|--|----------------------------|-------------------------|
| 1. General Operating Expenses ^H | _____ mills | \$ _____ |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < _____ > mills | \$ < _____ > |
| SUBTOTAL FOR GENERAL OPERATING: | <input type="text"/> mills | \$ <input type="text"/> |
| 3. General Obligation Bonds and Interest ^J | 27.786 mills | \$ 0.25 |
| 4. Contractual Obligations ^K | 15.000 mills | \$ 0.14 |
| 5. Capital Expenditures ^L | _____ mills | \$ _____ |
| 6. Refunds/Abatements ^M | _____ mills | \$ _____ |
| 7. Other ^N (specify): _____ | _____ mills | \$ _____ |
| _____ | _____ mills | \$ _____ |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | 42.786 mills | \$ 0.39 |

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) 864-7720.

¹ 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.
² 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 Perry, Secretary of the District, and made a part of the public records of Kinston Metropolitan District No. 10.

The foregoing Resolution was seconded by Director Lenz.

[Remainder of Page Left Blank Intentionally.]

ADOPTED AND APPROVED this 11th day of November 2021.

DocuSigned by:
Ally Kirkbride
D8B2263FD73340F...

President

ATTEST:
DocuSigned by:
Kim Perry
B786C9D42F3647F...

STATE OF COLORADO)
)
COUNTY OF LARIMER)ss.
)
KINSTON)
METROPOLITAN)
DISTRICT NO. 10)

I, Kim Perry, Secretary to the Board of Directors of the Kinston Metropolitan District No. 10, Larimer County, Colorado, do hereby certify that the foregoing pages 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 Thursday, November 11, 2021, at 12:00 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 11th day of November 11, 2021.

DocuSigned by:
Kim Perry
9786C9D42F3647F...

| KINSTON METROPOLITAN DISTRICT NO. 10 | | | | |
|--|-------------|---------------|-------------|---------------|
| STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS | | | | |
| December 31, 2020 Actual, 2021 Adopted and Projected Budget, | | | | |
| 2022 Adopted Budget | | | | |
| Modified Accrual Budgetary Basis | | | | |
| | 2020 | 2021 | 2021 | 2022 |
| GENERAL FUND | Unaudited | Adopted | Projected | Adopted |
| Revenues | Actual | Budget | Actual | Budget |
| Property Taxes | \$ - | \$ - | \$ 2 | \$ - |
| Specific Ownership Taxes | - | - | 6 | - |
| Interest & Other | - | 100 | - | 100 |
| Total Revenues | \$ - | \$ 100 | \$ 8 | \$ 100 |
| Expenditures | | | | |
| Payment for Services to No. 1 - O&M | \$ - | \$ - | \$ 3 | \$ - |
| Payment for Services to No. 5 - Debt | - | - | 5 | - |
| Treasurer Fees | - | - | - | - |
| Contingency | - | 100 | - | 100 |
| Total Operating Expenditures | \$ - | \$ 100 | \$ 8 | \$ 100 |
| Revenues Over/(Under) Expenditures | \$ - | \$ - | \$ - | \$ - |
| Beginning Fund Balance | \$ - | \$ - | \$ - | \$ - |
| Ending Fund Balance | \$ - | \$ - | \$ - | \$ - |

KINSTON METROPOLITAN DISTRICT NO. 10
2022 BUDGET MESSAGE

Kinston Metropolitan District No. 10 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed November 2019. The District was established in the City of Loveland, Colorado consisting of approximately 620 acres for primarily residential development. Along with its companion Districts No. 1 (“Service District”) and Nos. 2 through 9 (“Finance Districts”), this Finance 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

The District certified 42.786 mills on an assessed value of \$9 resulting in revenues of \$0.39. The District budgeted \$100 in interest income and a \$100 contingency expense in 2022. All services of the District will be provided through Kinston Metropolitan District No. 1. The District transfers all revenue to District Nos. 1 and 5 as provided for in intergovernmental agreements between District Nos. 1-10. No emergency reserve is held by District No. 10.

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 379 - KINSTON METRO DISTRICT NO. 10

IN LARIMER COUNTY ON 11/23/2021

New Entity: Yes

| |
|--|
| USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY |
|--|

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: | \$0 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$1,270 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$1,261 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$9 |
| 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.

| |
|---|
| USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY |
|---|

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: @ | \$4,370 |
| 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: | \$0 |
| 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 |
|--|-----|

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. | |