



## ICENOGLE SEAVER POGUE

February 28, 2022

Moses Garcia, Esq.  
City of Loveland  
500 East 3<sup>rd</sup> Street, Suite 330  
Loveland, Colorado 80537

Office of the State Auditor  
1525 Sherman Street, 7<sup>th</sup> Floor  
Denver, Colorado 80203

Division of Local Government  
1313 Sherman Street  
Room 521  
Denver, Colorado 80203  
(Via E-Portal)

Larimer County Clerk and Recorder  
Larimer County Colorado  
P.O. Box 1280  
Fort Collins, Colorado 80522  
(Via E-Portal)

**Re: Annual Report for VDW Metropolitan Districts Nos. 1 – 3**

To Whom It May Concern:

Pursuant to Section 32-1-207(3) C.R.S., enclosed please find the 2021 Annual Report for VDW Metropolitan Districts Nos. 1 – 3.

Please contact our office with any questions regarding the Annual Report.

Sincerely,

ICENOGLE SEAVER POGUE  
A Professional Corporation

  
Stacie L. Pacheco  
Paralegal

Stacie L. Pacheco | SPacheco@isp-law.com | Direct 303.867.3000

4725 S. Monaco St., Suite 360 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | www.isp-law.com

## VDW METROPOLITAN DISTRICTS NOS. 1 – 3

### 2021 ANNUAL REPORT TO THE CITY OF LOVELAND

Pursuant to the Consolidated Service Plan for VDW Metropolitan Districts Nos. 1 – 3 (individually, “District No. 1,” “District No. 2,” and “District No. 3;” collectively, the “Districts”), the Districts are required to provide filings to the City of Loveland (“City”) with regard to the following matters that occurred during calendar year 2021, and as of the date of submission of this Annual Report in 2022:

A. Audited financial statements of the Districts.

Upon completion, a copy of the audited 2021 financial statements and accompanying auditor’s report for District No. 2 will be forwarded to the City. Districts Nos. 1 and 3 intend to apply to the State Auditor’s Office for audit exemptions for fiscal year 2021.

B. Annual budgets of the Districts.

Please see attached **Exhibit A** for the Districts’ 2022 budgets adopted for fiscal year 2022.

C. Construction contracts.

The Districts did not enter into any construction contracts in 2021.

D. Intergovernmental agreements.

The Districts did not enter into any intergovernmental agreements in 2021. However, on February 10, 2022, the Districts entered into an Amended and Restated Intergovernmental Agreement Concerning District Operations. A copy of this agreement is attached as **Exhibit D**.

E. Resolutions regarding issuance of bonds or other financial obligations, including relevant financing documents, credit agreements, and official statements.

As previously reported, District No. 1 issued its Limited Property Tax Supported Revenue Bonds, Series 2011, in the amount of \$1,200,000 (“Series 2011 Bonds”). In connection with District No. 1’s issuance of the Series 2011 Bonds, District No. 2 and No. 3 approved Capital Pledge Agreement for purposes of pledging revenue to District No. 1 for the repayment of the Series 2011 Bonds. A copy of the resolution authorizing the Series 2011 Bonds was previously submitted to the City.

As previously reported, District No. 2 issued its Limited Tax General Obligation Refunding and Improvement Bonds, Series 2016A in the principal amount of \$7,465,000 and Subordinate Limited Tax General Obligation Bonds, Series 2016B in the principal amount of \$3,869,000 (the “Series 2016 Bonds”). In connection with District No. 2’s issuance of the Series 2016 Bonds,

District No. 3 approved an Amended and Restated Senior Capital Pledge Agreement for purposes of pledging revenue to District No. 2 for the repayment of the Series 2016 Bonds. A copy of the resolution authorizing the Series 2016 Bonds was previously submitted to the City.

On February 10, 2022, District No. 2 issued its Limited Tax General Obligation Refund Bonds, Taxable Series 2022A-1 in the principal amount of \$7,220,000 and Limited Tax General Obligation Refunding Bonds, Series 2022A-2 in the principal amount of \$3,600,000, for the purpose of refunding the Series 2011 Bonds and the Series 2016 Bonds (the “Series 2022 Bonds”). A copy of the resolution authorizing the Series 2022 Bonds is attached hereto as **Exhibit B**. As required by City Council Resolution #R-13-2016, prior to the issuance of the Series 2022 Bonds, District No. 2 provided the City Manager and City Attorney with an opinion of an independent financial advisor that the Series 2022 Bonds generated a positive net present value savings.

In connection with District No. 2’s issuance of the Series 2022 Bonds, District No. 3 adopted a resolution authorizing the imposition of an ad valorem mill levy and the execution and delivery of a capital pledge agreement to assist in the payment of debt service on the Series 2022 Bonds. A copy of the resolution authorizing the imposition of the ad valorem mill levy and execution and delivery of a capital pledge agreement is attached hereto as **Exhibit C**.

**EXHIBIT A**  
**2022 BUDGETS**  
**FOR**  
**VDW METROPOLITAN DISTRICTS NOS. 1 – 3**

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

STATE OF COLORADO     )  
  )  
COUNTY OF LARIMER    )ss.  
  )  
VDW                             )  
METROPOLITAN            )  
DISTRICT NO. 1            )

Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, the Board of Directors of the VDW Metropolitan District No. 1, Larimer County, Colorado, held a virtual meeting via MS Teams on November 1, 2021, at 11:00 a.m.

The following members of the Board of Directors were present:

- Kim Perry, President & Chairperson
- Josh Kane, Treasurer/Asst. Secretary
- Wendy Messinger, Asst. Secretary
- Wendi Cudmore, Secretary

Also in attendance were: Alan Pogue, Icenogle Seaver Pogue, P.C.; Abby Kirkbride, McWhinney; Shannon McEvoy, Irene McCaffrey, Brendan Campbell, Kirsten Starman, Doug Campbell, Dillon Gamber, Josh McReynolds, Tracie Kaminski and Andrew Kunkel, Pinnacle Consulting Group, Inc.

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 VDW 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 VDW 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 October 19, 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 1, 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 VDW 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 VDW 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. That the 2021 valuation for assessment, as certified by the Larimer County Assessor, is \$20.

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 VDW Metropolitan District No. 1,  
(taxing entity)<sup>A</sup>

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

of the VDW Metropolitan District No. 1,  
(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 20 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: \$ 20 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/14/2021 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>0.000</b> mills	<b>\$ 0.00</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>0.000</b> mills	<b>\$ 0.00</b>

Contact person: (print) Brendan Campbell Daytime phone: (970) 669-3611  
Signed: [Signature] 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).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
2. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

3. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
4. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

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 Cudmore, Secretary of the District, and made a part of the public records of VDW Metropolitan District No. 1.

The foregoing resolution was seconded by Director Messinger.

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

ADOPTED AND APPROVED this 1<sup>st</sup> day of November 2021.

DocuSigned by:  
*Kim Perry*  
B786C9D42F3647F...

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President

ATTEST:

DocuSigned by:  
*Josh Kane*  
SECRETARY 842A...

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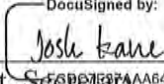
Treasurer/Asst. Secretary

STATE OF COLORADO    )  
                                  )  
COUNTY OF LARIMER    )ss.  
                                  )  
VDW                        )  
METROPOLITAN            )  
DISTRICT NO. 1            )

I, Josh Kane, Treasurer/Asst. Secretary to the Board of Directors of the VDW Metropolitan District No. 1, 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 virtual meeting of the Board held via MS Teams on November 1, 2021, at 11:00 A.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 1<sup>st</sup> day of November 2021.

(S E A L)

DocuSigned by:  
  
\_\_\_\_\_  
Treasurer/Asst. Secretary





# PINNACLE

CONSULTING GROUP, INC.

## Management Budget Report

BOARD OF DIRECTORS  
VDW 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.

Pinnacle Consulting Group, Inc.  
January 17, 2022

VDW Metropolitan District No. 1  
Statement of Revenues and Expenditures with Budgets  
From 01/01/2021 Through 11/30/2021

1 - General Fund  
(In Whole Numbers)

	Actual Through 12/31/2020	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
Beginning Fund Balance				
	<u>568,022</u>	<u>545,611</u>	<u>562,884</u>	<u>484,904</u>
Total Beginning Fund Balance	<u>568,022</u>	<u>545,611</u>	<u>562,884</u>	<u>484,904</u>
Revenue				
Service Fees, District 2	165,301	167,709	167,803	168,403
Service Fees, District 3	72,587	73,809	73,822	75,512
Interest & Other Income	<u>3,890</u>	<u>5,000</u>	<u>815</u>	<u>5,000</u>
Total Revenue	<u>241,778</u>	<u>246,518</u>	<u>242,440</u>	<u>248,915</u>
Expenditures				
Accounting & Financial Mgmt	35,420	38,640	38,640	41,860
Auditing	5,000	5,500	5,500	5,500
District Management	47,850	55,200	55,200	58,630
Director Fees	1,016	2,000	1,000	1,500
Election Costs	2,257	-	-	18,000
Engineering	-	1,500	-	1,500
Insurance and Bonds	9,991	11,190	10,232	11,255
Landscape Maintenance	59,808	67,312	61,679	75,040
Hardscape Maintenance	5,218	8,500	9,000	12,000
Undeveloped Public Land Maint	4,478	6,500	4,185	7,000
Storm Water Facility Maint	1,110	46,300	41,800	18,100
Misc Services	-	500	-	500
Repairs and Replacements	16,620	29,000	26,652	31,000
Legal Services	9,841	20,000	20,000	20,000
Office, Dues & Other	2,525	4,000	11,100	5,500
Utilities	45,782	36,330	57,000	53,847
Contingency	-	25,000	-	25,000
Total Expenditures	<u>246,916</u>	<u>357,472</u>	<u>341,988</u>	<u>386,232</u>
Revenue Over/(Under) Expenditures	<u>(5,138)</u>	<u>(110,954)</u>	<u>(99,548)</u>	<u>(137,317)</u>
Ending Fund Balance	<u>562,884</u>	<u>434,657</u>	<u>463,336</u>	<u>347,587</u>
Components of Ending Fund Balance				
TABOR Reserve	7,253	7,328	7,328	7,467
Operating Reserve	89,368	90,893	92,382	96,558
Repairs and Replacement Reserve	<u>466,263</u>	<u>336,436</u>	<u>363,626</u>	<u>243,561</u>
Total	<u>562,884</u>	<u>434,657</u>	<u>463,336</u>	<u>347,587</u>

VDW Metropolitan District No. 1  
Statement of Revenues and Expenditures with Budgets  
From 01/01/2021 Through 11/30/2021

2 - Debt Service Fund  
(In Whole Numbers)

	Actual Through 12/31/2020	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
Beginning Fund Balance				
	<u>17,313</u>	<u>17,669</u>	<u>17,196</u>	<u>17,202</u>
Total Beginning Fund Balance	<u>17,313</u>	<u>17,669</u>	<u>17,196</u>	<u>17,202</u>
Revenue				
Service Fees, District 2	83,956	89,428	89,428	86,156
Service Fees, District 3	36,982	39,357	39,357	38,633
Interest & Other Income	<u>945</u>	<u>5,000</u>	<u>109</u>	<u>5,000</u>
Total Revenue	<u>121,883</u>	<u>133,785</u>	<u>128,894</u>	<u>129,789</u>
Expenditures				
Interest Expense - 2011 Bonds	80,000	76,800	76,800	72,800
Bond Principal	40,000	50,000	50,000	50,000
Trustee & Paying Agent Fees	2,000	2,000	2,000	2,000
Contingency	-	5,000	-	5,000
Total Expenditures	<u>122,000</u>	<u>133,800</u>	<u>128,800</u>	<u>129,800</u>
Revenue Over/(Under) Expenditures	<u>(117)</u>	<u>(15)</u>	<u>94</u>	<u>(11)</u>
Ending Fund Balance	<u>17,196</u>	<u>17,654</u>	<u>17,290</u>	<u>17,191</u>



VDW Metropolitan District No. 1  
Statement of Revenues and Expenditures with Budgets  
From 01/01/2021 Through 11/30/2021

*3 - Capital Projects Fund*  
*(In Whole Numbers)*

	Actual Through 12/31/2020	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
Beginning Fund Balance				
	<u>429,658</u>	<u>606,848</u>	<u>605,527</u>	<u>825,527</u>
Total Beginning Fund Balance	<u>429,658</u>	<u>606,848</u>	<u>605,527</u>	<u>825,527</u>
Revenue				
Capital Reimbursement	<u>181,700</u>	<u>-</u>	<u>220,000</u>	<u>-</u>
Total Revenue	<u>181,700</u>	<u>-</u>	<u>220,000</u>	<u>-</u>
Expenditures				
District Management	2,990	5,000	-	5,000
District Engineering	-	2,500	1,040	2,500
District Planning/Engineering Mgmt	838	7,500	35	7,500
Office, Dues & Other	70	-	-	-
VDW Residential	1,933	-	-	-
Contingency	-	100,000	-	100,000
Total Expenditures	<u>5,831</u>	<u>115,000</u>	<u>1,075</u>	<u>115,000</u>
Revenue Over/(Under) Expenditures	<u>175,869</u>	<u>(115,000)</u>	<u>218,925</u>	<u>(115,000)</u>
Ending Fund Balance	<u>605,527</u>	<u>491,848</u>	<u>824,452</u>	<u>710,527</u>

**VDW METROPOLITAN DISTRICT NO. 1**  
**2022 BUDGET MESSAGE**

VDW 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 established as the "Service District" as part of a "Multiple District Structure" for the mixed-use development known as "Van de Water" located in the City of Loveland, Colorado. Along with its companion Districts No.2, and No.3 ("Financing Districts"), this District was organized to provide construction, installation, financing and operation of public improvements, including streets, traffic safety controls, landscaping, water, sanitary sewer, storm drainage, television relay, transportation, and park and recreation facilities.

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:

- To make the appropriate debt service payments, complete capital projects, and provide the level of services desired by the constituents of the District in the most economic manner possible.

**General Fund**

*Revenue*

Revenue budgeted in the amount of \$248,915 consists mainly of Service Fees received from VDW Metropolitan District Nos. 2 and 3 through intergovernmental agreements.

*Expenses*

General and administrative expenses are budgeted in the amount of \$386,232, a net increase of \$28,760 over the prior year budget. This is attributable to \$18,000 in 2022 election cost, an increase of \$6,650 in District Administrative and Financial Management as well as \$24,983 in general repairs and maintenance. The District will recognize cost savings of \$28,200 in storm water facility maintenance.

*Fund Balance/Reserves*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2022, as defined under TABOR. The District also holds the reserve funds for VDW Metropolitan District Nos. 2 and 3.

The District has provided for a replacement reserve fund in the amount of \$243,561. The replacement reserve was established as a reserve for future capital repairs and replacement spending.

### **Debt Service Fund**

#### *Revenue*

The District budgeted revenue in the amount of \$129,789 from Service Fees received from VDW Metropolitan District Nos. 2 and 3 through intergovernmental agreements.

#### *Expenses*

Limited Property Tax Supported Revenue Bonds, Series 2011, were issued August 30, 2011, in the original amount of \$1,200,000. The bonds are term bonds due on December 1, 2032 with a mandatory redemption principal payment due annually. The bonds carry an interest rate of 8% and are payable semi-annually on June 1 and December 1.

#### *Fund Balance/Reserves*

The District has budgeted to end fiscal year 2022 with \$17,191.

### **Capital Projects Fund**

The District has budgeted \$115,000 for Capital Projects to be funded with capital reserves in 2022. The anticipated ending fund balance is \$710,527.

# CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 127 - VAN DE WATER 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>
--

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:	\$20
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$20
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$20
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 'LABOR' LOCAL GROWTH CALCULATIONS ONLY</b>
---

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: @	\$70
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
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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.	

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**VDW METROPOLITAN DISTRICT NO. 2**  
LARIMER COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
2022

STATE OF COLORADO    )  
                                  )  
COUNTY OF LARIMER    )ss.  
                                  )  
VDW                        )  
METROPOLITAN            )  
DISTRICT NO. 2            )

Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, the Board of Directors of the VDW Metropolitan District No. 2, Larimer County, Colorado, held a virtual meeting via MS Teams on November 1, 2021 at 11:00 a.m.

The following members of the Board of Directors were present:

Kim Perry, President & Chairperson  
Josh Kane, Treasurer/Asst. Secretary  
Wendy Messinger, Asst. Secretary  
Clark Cummings, Asst Secretary

Also in attendance were: Alan Pogue, Icenogle Seaver Pogue, P.C.; Abby Kirkbride, McWhinney; Shannon McEvoy, Irene McCaffrey, Brendan Campbell, Kirsten Starman, Doug Campbell, Dillon Gamber, Josh McReynolds, Tracie Kaminski and Andrew Kunkel, Pinnacle Consulting Group, Inc.

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 VDW METROPOLITAN DISTRICT NO. 2, 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 VDW Metropolitan District No. 2 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 19, 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 1, 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 VDW METROPOLITAN DISTRICT NO. 2 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 VDW Metropolitan District No. 2 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 budgeted 2022 expenses is \$1,245,596. That the 2021 valuation for assessment, as certified by the Larimer County Assessor, is \$24,736,289.



A. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all general contractual obligations approved at elections of the District during the 2022 budget year, there is hereby levied a tax of 43.902 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 general contractual obligations approved at elections of the District during the 2022 budget year, there is hereby levied a tax of 6.453 mills upon each dollar of the 2021 total valuation of assessment of all taxable property within the District.

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 50.355 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 VDW Metropolitan District No. 2,  
(taxing entity)<sup>A</sup>

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

of the VDW Metropolitan District No. 2,  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 26,506,829 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: \$ 24,736,289 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** 12/14/2021 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>	0.000 mills	\$ 0.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>0.000</b> mills	<b>0.00</b>
3. General Obligation Bonds and Interest <sup>J</sup>	43.902 mills	\$ 1,085,972.56
4. Contractual Obligations <sup>K</sup>	6.453 mills	\$ 159,623.27
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>50.355</b> mills	<b>\$ 1,245,595.83</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).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.)**. Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- |    |                   |  |
|----|-------------------|--|
| 1. | Purpose of Issue: | Repay VDW Metropolitan District No. 2's Series 2016A Revenue Bond issue to refund VDW Metropolitan District No. 1's Series 2007 Bond and fund public infrastructure. |
|    | Series:           | 2016A/2016B  |
|    | Date of Issue:    | 03/17/2016   |
|    | Coupon Rate:      | 4.0% - 7.25%   |
|    | Maturity Date:    | 12/01/2045   |
|    | Levy:             | 40.419   |
|    | Revenue:          | \$999,816.07   |
|    |                   |  |
| 2. | Purpose of Issue: | Repay VDW Metropolitan District No. 1's Series 2011 Revenue Bond issue of \$1,200,000 to fund infrastructure improvement   |
|    | Series:           | 2011   |
|    | Date of Issue:    | 8/30/2011  |
|    | Coupon Rate:      | 8.0%   |
|    | Maturity Date:    | 12/01/2032   |
|    | Levy:             | 3.483  |
|    | Revenue:          | \$86,156.49  |

**CONTRACTS<sup>K</sup>:**

- |    |                      |   |
|----|----------------------|---|
| 3. | Purpose of Contract: | To fund the operations and maintenance of VDW Metropolitan District No. 2's infrastructure improvements |
|    | Title:               | District Facilities Construction and Service Agreement  |
|    | Date:                | 4/16/2003   |
|    | Principal Amount:    |   |
|    | Maturity Date:       |   |
|    | Levy:                | 6.453   |
|    | Revenue:             | \$159,623.27  |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

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 Crowder, Secretary of the District, and made a part of the public records of VDW Metropolitan District No. 2.

The foregoing resolution was seconded by Director Messinger.

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

ADOPTED AND APPROVED this 1<sup>st</sup> day of November 2021.

DocuSigned by:  
*Kim Perry*  
B786C9D42F3647F ..

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President

ATTEST:

DocuSigned by:  
*Josh Kane*  
5786F687A1B42A...

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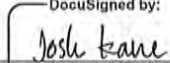
Treasurer/Asst. Secretary

STATE OF COLORADO )  
 )  
COUNTY OF LARIMER )ss.  
 )  
VDW )  
METROPOLITAN )  
DISTRICT NO. 2 )

I, Josh Kane, Treasurer/Asst. Secretary to the Board of Directors of the VDW Metropolitan District No. 2, 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 virtual meeting of the Board held via MS Teams on November 1, 2021, at 11:00 A.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 1<sup>st</sup> day of November 2021.

(S E A L)

DocuSigned by:  
  
\_\_\_\_\_  
Treasurer/Asst. Secretary

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## Management Budget Report

BOARD OF DIRECTORS  
VDW METROPOLITAN DISTRICT NO. 2

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 blue ink, appearing to be "BGM", is written over a light blue horizontal line.

Pinnacle Consulting Group, Inc.  
January 17, 2022

VDW Metropolitan District No. 2  
Statement of Revenues and Expenditures with Budgets  
From 01/01/2021 Through 11/30/2021

*1 - General Fund  
(In Whole Numbers)*

	Actual Through 12/31/2020	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
Beginning Fund Balance	514	-	-	-
Total Beginning Fund Balance	<u>514</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue				
Property Tax	156,632	158,966	158,968	159,623
Specific Ownership Tax	11,275	11,922	11,922	11,972
Interest & Other	12	10,000	95	10,000
Total Revenue	<u>167,919</u>	<u>180,888</u>	<u>170,985</u>	<u>181,595</u>
Expenditures				
Treasurer's Fees	3,132	3,179	3,182	3,192
Service Fees to District No. 1	165,301	167,709	167,803	168,403
Contingency	-	10,000	-	10,000
Total Expenditures	<u>168,433</u>	<u>180,888</u>	<u>170,985</u>	<u>181,595</u>
Revenue Over/(Under) Expenditures	<u>(514)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

VDW Metropolitan District No. 2  
Statement of Revenues and Expenditures with Budgets  
From 01/01/2021 Through 11/30/2021

2 - Debt Service Fund  
(In Whole Numbers)

	Actual Through 12/31/2020	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
Beginning Fund Balance				
Total Beginning Fund Balance	<u>757,094</u>	<u>1,080,905</u>	<u>773,852</u>	<u>1,028,337</u>
Revenue				
Property Tax - 2011 Bonds	83,956	89,428	89,428	86,156
Property Tax - 2016 Bonds	922,971	915,701	915,710	999,816
Specific Ownership Tax	72,499	75,385	75,385	81,448
Service Fee Revenue from #3	312,880	309,988	310,047	353,933
Interest & Other	<u>9,151</u>	<u>25,000</u>	<u>792</u>	<u>25,000</u>
Total Revenue	<u>1,401,457</u>	<u>1,415,502</u>	<u>1,391,362</u>	<u>1,546,353</u>
Expenditures				
Treasurer's Fees	20,136	20,103	20,115	21,719
Bond Principal - 2016A Bond	130,000	125,000	125,000	130,000
Interest Expense - 2016A Bond	269,713	267,113	267,113	264,613
Bond Principal - 2016B Bond	475,000	361,000	640,000	1,053,002
Interest Expense - 2016B Bond	400,394	266,873	246,065	240,700
Pmt to Dist. 1 - 2011 Bonds	83,956	89,428	89,428	86,156
Trustee & Paying Agent Fees	5,500	5,500	7,000	7,000
Contingency	-	25,000	-	25,000
Total Expenditures	<u>1,384,699</u>	<u>1,160,017</u>	<u>1,394,721</u>	<u>1,828,190</u>
Revenue Over/(Under) Expenditures	<u>16,758</u>	<u>255,485</u>	<u>(3,359)</u>	<u>(281,837)</u>
Ending Fund Balance	<u>773,852</u>	<u>1,336,390</u>	<u>770,493</u>	<u>746,500</u>
Components of Ending Fund Balance				
Surplus Fund	746,500	746,500	746,500	746,500
Bond Fund	<u>27,352</u>	<u>589,890</u>	<u>23,993</u>	<u>-</u>
Total	<u>773,852</u>	<u>1,336,390</u>	<u>770,493</u>	<u>746,500</u>



**VDW METROPOLITAN DISTRICT NO. 2**  
**2022 BUDGET MESSAGE**

VDW Metropolitan District No. 2 (“District”) is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established as the “Service District” as part of a “Multiple District Structure” for the mixed-use development known as “Van de Water” located in the City of Loveland, Colorado. Along with its companion Districts No. 1 (“Service District”), and No. 3 (“Financing District”), this District was organized to provide construction, installation, financing and operation of public improvements, including streets, traffic safety controls, landscaping, water, sanitary sewer, storm drainage, television relay, transportation, and park and recreation facilities.

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:

- Collect the appropriate level of property taxes for distribution to the Service District in order to provide the level of services desired by the constituents and be able to make debt service payments related to the acquisition and construction of public improvements.

**Overview**

Highlights of the 2022 budget include the following:

- The assessed value of the District increased by \$1,951,982 in 2022, resulting in an overall increase in revenues of \$81,500.

The District has an assessed value of \$24,736,289 and certified a mill levy of 50.355 mills, which will produce property tax revenue of \$1,245,595.

**General Fund**

*Revenue*

The District has budgeted revenue totaling \$181,595. Revenues are primarily Property Tax and Specific Ownership Tax revenue.

### *Expenses*

With exception of the County Treasurer's fees, expenditures are related to transfers to the Service District for overall operating costs and debt service as required by an intergovernmental agreement.

### *Fund Balance/Reserves*

The District transfers all revenue to VDW Metropolitan District No. 1 as provided for in an intergovernmental agreement between VDW Metropolitan District Nos. 1-3. Therefore, no emergency reserve has been provided for in VDW Metropolitan District No. 2. The emergency reserve related to this District is held in VDW Metropolitan District No. 1.

## **Debt Service Fund**

### *Revenue*

Total revenues of \$1,546,353 have been budgeted for 2022. The District anticipates \$353,933 in Service Fees from VDW Metropolitan District No. 3. Remaining revenues are primarily Property Tax and Specific Ownership tax revenue.

### *Expenses*

Limited Tax General Obligation Bonds, Series 2016, were issued March 17, 2016 in the amount of \$11,334,000 maturing December 2045. Budgeted expenses of \$1,828,190 are primarily related to payment on the 2016 Bonds as detailed in the bond documents and payment to VDW Metropolitan District No. 1 for payment of the 2011 Bonds.

### *Fund Balance/Reserves*

The District has budgeted to end fiscal year 2022 with \$746,500, which is equal to the Surplus Fund maximum limit.

# CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 128 - VAN DE WATER METRO DISTRICT NO. 2

IN LARIMER COUNTY ON 11/23/2021

New Entity: No

## 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:	\$22,784,307
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$26,506,829
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$1,770,540
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$24,736,289
5. NEW CONSTRUCTION: **	\$534,068
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.):	\$1,480.92

\* 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: @	\$350,248,250
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	\$7,465,800
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
<small>(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.)</small>	
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.

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**VDW METROPOLITAN DISTRICT NO. 3**  
LARIMER COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
2022

STATE OF COLORADO     )  
  )  
COUNTY OF LARIMER    )ss.  
  )  
VDW                             )  
METROPOLITAN            )  
DISTRICT NO. 3            )

Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, the Board of Directors of the VDW Metropolitan District No. 3, Larimer County, Colorado, held a virtual meeting via MS Teams on November 1, 2021, at 11:00 a.m.

The following members of the Board of Directors were present:

Kim Perry, President & Chairperson  
Josh Kane, Treasurer/Asst. Secretary  
Wendy Messinger, Asst. Secretary  
Wendi Cudmore, Secretary

Also in attendance were: Alan Pogue, Icenogle Seaver Pogue, P.C.; Abby Kirbride, McWhinney; Shannon McEvoy, Irene McCaffrey, Brendan Campbell, Kirsten Starman, Doug Campbell, Dillon Gamber, Josh McReynolds, Tracie Kaminski and Andrew Kunkel, Pinnacle Consulting Group, Inc.

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 VDW METROPOLITAN DISTRICT NO. 3, 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 VDW Metropolitan District No. 3 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 19, 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 1, 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 VDW METROPOLITAN DISTRICT NO. 3 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 VDW Metropolitan District No. 3 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 budgeted 2022 expenses is \$443,676. That the 2021 valuation for assessment, as certified by the Larimer County Assessor, is \$11,091,909.



A. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all general contractual obligations approved at elections of the District during the 2022 budget year, there is hereby levied a tax of 33.547 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 general contractual obligations approved at elections of the District during the 2022 budget year, there is hereby levied a tax of 6.453 mills upon each dollar of the 2021 total valuation of assessment of all taxable property within the District.

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 40.000 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 VDW Metropolitan District No. 3,  
(taxing entity)<sup>A</sup>

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

of the VDW Metropolitan District No. 3,  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 11,091,909 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: \$ 11,091,909 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** 12/14/2021 for budget/fiscal year 2022.  
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
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>0.000</b> mills	\$ <b>0.00</b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>33.547</u> mills	\$ <u>372,100.27</u>
4. Contractual Obligations <sup>K</sup>	<u>6.453</u> mills	\$ <u>71,576.09</u>
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>40.000</b> mills	\$ <b>443,676.36</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).



**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1.	Purpose of Issue:	Repay VDW Metropolitan District No. 2's Series 2016A Revenue Bond issue to refund VDW Metropolitan District No. 1's Series 2007 Bond and fund public infrastructure.
	Series:	2016A/2016B
	Date of Issue:	03/17/2016
	Coupon Rate:	4.0% - 7.25%
	Maturity Date:	12 /01/2045
	Levy:	30.064
	Revenue:	\$333,467.15
2.	Purpose of Issue:	Repay VDW Metropolitan District No. 1's Series 2011 Revenue Bond issue of \$1,200,000 to fund infrastructure improvement
	Series:	2011
	Date of Issue:	8/30/2011
	Coupon Rate:	8.0%
	Maturity Date:	12/01/2032
	Levy:	3.483
	Revenue:	\$38,633.12

**CONTRACTS<sup>K</sup>:**

3.	Purpose of Contract:	To fund the operations and maintenance of VDW Metropolitan District No. 3's infrastructure improvements
	Title:	District Facilities Construction and Service Agreement
	Date:	4/16/2003
	Principal Amount:	
	Maturity Date:	
	Levy:	6.453
	Revenue:	\$71,576.09

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

<sup>A</sup> **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a taxing entity is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an

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 Cudmore, Secretary of the District, and made a part of the public records of VDW Metropolitan District No. 3.

The foregoing resolution was seconded by Director Messinger.

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

ADOPTED AND APPROVED this 1<sup>st</sup> day of November 2021.

DocuSigned by:  
*Kim Perry*  
B786C9D42F3647F...  
\_\_\_\_\_  
President

ATTEST:

DocuSigned by:  
*Josh Kane*  
C0D9F6572A0642A...  
\_\_\_\_\_  
Treasurer/Asst. Secretary

STATE OF COLORADO )  
)  
COUNTY OF LARIMER )ss.  
)  
VDW )  
METROPOLITAN )  
DISTRICT NO. 3 )

I, Josh Kane, Treasurer/Asst. Secretary to the Board of Directors of the VDW Metropolitan District No. 3, 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 virtual meeting of the Board held via MS Teams on November 1, 2021, at 11:00 A.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 1<sup>st</sup> day of November 2021.

(S E A L)

DocuSigned by:  
*Josh Kane*  
Treasurer/Asst. Secretary



## Management Budget Report

BOARD OF DIRECTORS  
VDW METROPOLITAN DISTRICT NO. 3

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 blue ink, appearing to be "BLM", is written over a faint horizontal line.

Pinnacle Consulting Group, Inc.  
January 17, 2022

VDW Metropolitan District No. 3  
Statement of Revenues and Expenditures with Budgets  
From 01/01/2021 Through 11/30/2021

1 - General Fund  
(In Whole Numbers)

	Actual Through 12/31/2020	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
Beginning Fund Balance	-	-	-	-
Total Beginning Fund Balance	-	-	-	-
Revenue				
Property Tax	68,995	69,961	69,961	71,576
Specific Ownership	4,972	5,247	5,247	5,368
Interest & Other	-	10,000	13	10,000
Total Revenue	<u>73,967</u>	<u>85,208</u>	<u>75,221</u>	<u>86,944</u>
Expenditures				
Treasurer's Fees	1,380	1,399	1,399	1,432
Service Fees to District No. 1	72,587	73,809	73,822	75,512
Contingency	-	10,000	-	10,000
Total Expenditures	<u>73,967</u>	<u>85,208</u>	<u>75,221</u>	<u>86,944</u>
Revenue Over/(Under) Expenditures	-	-	-	-
Ending Fund Balance	-	-	-	-

VDW Metropolitan District No. 3  
Statement of Revenues and Expenditures with Budgets  
From 01/01/2021 Through 11/30/2021

2 - Debt Service Fund  
(In Whole Numbers)

	Actual Through 12/31/2020	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
Beginning Fund Balance				
Total Beginning Fund Balance	-	-	-	-
Revenue				
Property Tax - 2011 Bonds	36,982	39,357	39,357	38,633
Property Tax - 2016 Bonds	295,567	291,776	291,776	333,467
Specific Ownership	23,964	24,835	24,835	27,908
Interest & Other	-	25,000	59	25,000
Total Revenue	<u>356,513</u>	<u>380,968</u>	<u>356,027</u>	<u>425,008</u>
Expenditures				
County Treasurer's Fees	6,651	6,623	6,623	7,442
Pmt of Services Dist 1 - 2011 Bonds	36,982	39,357	39,357	38,633
Pmt of Services Dist 2 - 2016 Bonds	312,880	309,988	310,047	353,933
Contingency	-	25,000	-	25,000
Total Expenditures	<u>356,513</u>	<u>380,968</u>	<u>356,027</u>	<u>425,008</u>
Revenue Over/(Under) Expenditures	-	-	-	-
Ending Fund Balance	-	-	-	-



**VDW METROPOLITAN DISTRICT NO. 3**  
**2022 BUDGET MESSAGE**

VDW Metropolitan District No. 3 (“District”) is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established as a “Financing District” as part of a “Multiple District Structure” for the mixed-use development known as “Van de Water” located in the City of Loveland, Colorado. Along with its companion Districts No. 1 (“Service District”), and No. 2 (“Financing District”), this District was organized to provide construction, installation, financing and operation of public improvements, including streets, traffic safety controls, landscaping, water, sanitary sewer, storm drainage, television relay, transportation, and park and recreation facilities.

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:

- Collect the appropriate level of property taxes for distribution to the Service District in order to provide the level of services desired by the constituents and be able to make debt service payments related to the acquisition and construction of public improvements.

**Overview**

Highlights of the 2022 budget include the following:

- The assessed value of the District increased by \$1,064,566 in 2022, resulting in an increase in overall revenues of \$42,582.
- The District’s debt service mill levy calculation is based on the assessed valuation of both Financing Districts combined.

*Revenue*

The District has an assessed value of \$11,091,909 and certified a mill levy of 40 mills, which will produce property tax revenue of \$443,676. In 2022, 33.547 mills of the District’s total 40 mills are dedicated to repayment of debt. Specific ownership tax is estimated at 7.5% of property tax revenue in 2022 based on historic trends. Total budgeted specific ownership tax is \$33,276.

### *Expenses*

With exception of the County Treasurer's fees, expenditures are related to transfers to the Service District for overall operating costs and debt service as required by an intergovernmental agreement.

### *Fund Balance/Reserves*

The District transfers all of its revenue to VDW Metropolitan District No. 1 and No. 2 as provided for in an intergovernmental agreement between VDW Metropolitan District Nos. 1-3. Therefore, no emergency reserve has been provided for in VDW Metropolitan District No. 3. The emergency reserve related to this District is held in VDW Metropolitan District No. 1.

# CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 129 - VAN DE WATER METRO DISTRICT NO. 3

IN LARIMER COUNTY ON 11/23/2021

New Entity: No

<b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY</b>
--

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:	\$10,027,343
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$11,091,909
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$11,091,909
5. NEW CONSTRUCTION: **	\$23,465
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: @	\$36,421,200
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
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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): **	\$36,982
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\*\* 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.

**EXHIBIT B**

**DISTRICT NO. 2 RESOLUTION AUTHORIZING SERIES 2022 BONDS**

**CERTIFIED RECORD**

**OF**

**PROCEEDINGS**

**VDW METROPOLITAN DISTRICT NO. 2  
(IN THE CITY OF LOVELAND)  
LARIMER COUNTY, COLORADO**

**RELATING TO**

**LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS  
TAXABLE SERIES 2022A-1**

**AND**

**LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS  
SERIES 2022A-2**

STATE OF COLORADO )  
 )  
LARIMER COUNTY )  
 )  
VDW METROPOLITAN DISTRICT NO. 2 )

The Board of Directors of VDW Metropolitan District No. 2, in the City of Loveland, Larimer County, Colorado, met in special session held via MS Teams: [Click here to join the meeting](#), and by tele-conference:

Telephone: 1-720-721-3140

Password: 511 530 465#

on Friday, the 14<sup>th</sup> day of January, 2022, at the hour of 2:30 p.m.

The following members of the Board of Directors were present, constituting a quorum:

President and Chair:	Kim Perry
Treasurer/ Asst. Secretary:	Josh Kane
Secretary:	Timothy DePeder
Asst. Secretary:	Wendy Messinger
Asst. Secretary:	Clark Cummings

Absent:

Thereupon there was introduced the following resolution:

## RESOLUTION

**WHEREAS**, VDW Metropolitan District No. 2, in the City of Loveland, Larimer County, Colorado (the “**District**”), is a quasi-municipal corporation and political subdivision duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado, including particularly Title 32, Article 1, C.R.S.; and

**WHEREAS**, the District was organized by Order and Decree of the District Court for Larimer County, Colorado issued on June 6, 2002, recorded in the real property records of Larimer County, Colorado (the “**County**”) on June 20, 2002; and

**WHEREAS**, the District is authorized by the provisions of Title 32, Article 1, C.R.S. (the “**Special District Act**”) to provide certain public infrastructure improvements and services, including street improvements, water system, sanitary sewer, park and recreation and traffic and safety controls and other infrastructure within and without its boundaries (collectively, the “**Public Improvements**”), as authorized pursuant to the Consolidated Service Plan for VDW Metropolitan Districts Nos. 1, 2 and 3 approved by the City Council for the City of Loveland, Colorado (the “**City**”) on March 20, 2002 (as amended and restated from time to time, the “**Service Plan**”); and

**WHEREAS**, under the Service Plan, VDW Metropolitan District No. 1 (“**District No. 1**”), the District and VDW Metropolitan District No. 3 (“**District No. 3**” and, together, the “**Districts**”) are intended to work together and coordinate their activities with respect to the financing, construction, operation and maintenance of public improvements necessary to serve development within the Districts, which is generally anticipated to consist of residential development in the District and commercial development in District No. 3; and

**WHEREAS**, at an election of the qualified electors of the District duly called and held on Tuesday, May 7, 2002 (the “**Election**”), in accordance with law and pursuant to due notice, a majority of eligible electors who voted at such elections voted in favor of, inter alia, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of funding the Public Improvements, and for the purpose of refunding such indebtedness; and

**WHEREAS**, the returns of the Election were duly canvassed and the results thereof duly declared; and

**WHEREAS**, it has been determined by the District that it is necessary to finance and refinance Public Improvements and that for the purpose of issuing debt to be applied toward debt service or otherwise used to defease debt, the District should authorize the incurrence of debt in the form of the bonds described herein; and

**WHEREAS**, District No. 1 previously issued its Limited Property Tax Supported Revenue Bonds, Series 2011 in the aggregate principal amount of \$1,200,000 (the “**Series 2011 Bonds**”) for the purpose of financing a portion of the costs of the Public Improvements; and



**WHEREAS**, the District previously issued its Limited Tax General Obligation Refunding and Improvement Bonds, Series 2016A in the aggregate principal amount of \$7,465,000 (the “**Series 2016A Bonds**”) for the purposes of refunding prior obligations of the District and financing a portion of the costs of the Public Improvements; and

**WHEREAS**, the District previously issued its Subordinate Limited Tax General Obligation Bonds, Series 2016B in the aggregate principal amount of \$3,869,000 (the “**Series 2016B Bonds**” and, together with the Series 2011 Bonds and the Series 2016A Bonds, the “**Refunded Obligations**”) for the purpose of financing a portion of the costs of the Public Improvements; and

**WHEREAS**, the Series 2011 Bonds are currently outstanding in the aggregate principal amount of \$910,000; and

**WHEREAS**, the Series 2011 Bonds were issued pursuant to and are secured by an authorizing bond resolution dated August 18, 2011 (the “**2011 Bond Resolution**”);

**WHEREAS**, in accordance with the 2011 Bond Resolution, the 2011 Bonds are subject to redemption at the option of District No. 1 commencing on December 1, 2021, at a redemption price equal to the payment of par plus accrued interest thereon to the redemption date; and

**WHEREAS**, the Series 2016A Bonds are currently outstanding in the aggregate principal amount of \$6,870,000; and

**WHEREAS**, the Series 2016A Bonds were issued pursuant to and are secured by an Indenture of Trust dated as of March 1, 2016 (the “**2016A Indenture**”), between the District and UMB Bank, n.a., as trustee (the “**2016 Trustee**”);

**WHEREAS**, in accordance with the 2016A Indenture, the 2016A Bonds are subject to redemption at the option of the District commencing on December 1, 2026, at a redemption price equal to the payment of par plus accrued interest thereon to the redemption date; and

**WHEREAS**, the Series 2016B Bonds are currently outstanding in the aggregate principal amount of \$2,754,000; and

**WHEREAS**, the Series 2016B Bonds were issued pursuant to and are secured by an Indenture of Trust (Subordinate) dated as of March 1, 2016 (the “**2016B Indenture**”), between the District and the 2016 Trustee, as trustee for the 2016B Bonds;

**WHEREAS**, in accordance with the 2016B Indenture, the 2016B Bonds are subject to redemption at the option of the District commencing on December 15, 2021, at a redemption price equal to the payment of par, accrued interest thereon to the redemption date, and a redemption premium equal to 3.00% of the principal amount redeemed; and

**WHEREAS**, in order to provide for the payment of senior obligations, the District and District No. 3 previously entered into a Capital Pledge Agreement dated as of December 1,

2007, as amended and restated by the Amended and Restated Senior Capital Pledge Agreement dated as of March 1, 2016 (as amended and restated, the “**Original Senior Pledge Agreement**”); and

**WHEREAS**, in order to provide for the payment of the 2016B Bonds, the District and District No. 3 entered into a Subordinate Capital Pledge Agreement dated as of March 1, 2016 (the “**Original Subordinate Pledge Agreement**”); and

**WHEREAS**, after extended discussions and consultation, it has been determined by the Board that it is necessary and in the best interest of the District and its residents and taxpayers to pay the costs of (i) paying and discharging all of the Refunded Obligations, (ii) funding a debt service reserve fund for the benefit of the Bonds (as defined below), and (iii) paying costs of issuance in connection with the Bonds (as defined below) (collectively, the “**Refunding Project**”); and

**WHEREAS**, the District wishes to refund the Refunded Obligations in order to achieve interest rate savings and effect other economies; and

**WHEREAS**, the Board has determined and hereby determines that it is in the best interests of the District, and the residents and taxpayers thereof, that the Refunding Project be financed by the issuance of limited tax general obligation bonds, and that for such purpose there shall be issued the District’s (i) Limited Tax General Obligation Refunding Bonds, Taxable Series 2022A-1 (the “**Series 2022A-1 Bonds**”), and (ii) Limited Tax General Obligation Refunding Bonds, Series 2022A-2 (the “**Series 2022A-2 Bonds**”) (collectively, the Series 2022A-1 Bonds and the Series 2022A-2 Bonds are referred to herein as the “**Bonds**”); and

**WHEREAS**, the Bonds will be issued and secured by an Indenture of Trust (the “**Indenture**”), between the District and UMB Bank, n.a., as trustee (the “**Trustee**”); and

**WHEREAS**, in in order to facilitate the issuance of the Bonds, the District and District No. 3 shall enter into a Capital Pledge Agreement (the “**Pledge Agreement**”), dated as of February 1, 2022, for the purpose of pledging certain revenues and covenanting to take certain actions with respect to generating such revenues, for the benefit of the owners of the Bonds, and the Original Pledge Agreement and the Original Subordinate Pledge Agreement shall be terminated; and

**WHEREAS**, for the purpose of effectuating the payment and defeasance of the Series 2016A Bonds, the District proposes to enter into a Refunding Escrow Agreement between the District and UMB Bank, n.a., as escrow agent (the “**Escrow Agreement**”); and

**WHEREAS**, the Bonds shall be issued pursuant to the provisions of Title 32, Article 1, Part 11, C.R.S., the Refunding Act (defined herein), and all other laws thereunto enabling; and

**WHEREAS**, the Board specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds; and

**WHEREAS**, the Bonds shall be limited obligations of the District, payable solely from the revenues pledged thereto by the applicable Indenture; and

**WHEREAS**, the Bonds will be rated in one of the four highest rating categories by a nationally recognized organization that regularly rates instruments such as the Bonds pursuant to §32-1-1101 (6)(a)(I) or are being issued only to financial institutions or institutional investors pursuant to §32-1-1101 (6)(a)(IV), C.R.S., and thus the issuance of the Bonds is permitted pursuant to such statute; and

**WHEREAS**, the Bonds initially shall be issued in denominations of \$500,000 each, and in integral multiples of \$1,000 in excess thereof, unless such Bonds are rated in one of the four highest rating categories by a nationally recognized rating agency, in which case they shall be issued in denominations of \$5,000 each, and in integral multiples of \$1,000 in excess thereof, and thus will be exempt from registration under the Colorado Municipal Bond Supervision Act; and

**WHEREAS**, the Bonds are being issued for the purpose of refinancing District debt (consisting of the Refunded Obligations) at a lower interest rate, and, in accordance with Article X, Section 20 of the Colorado Constitution, the Board now determines that: (a) no portion of the District's electoral authorization for indebtedness shall be required to be allocated to the portion of the Bonds that does not exceed the outstanding principal amount of the Refunded Obligations; and (b) there shall be allocated to the District's electoral authorization at the Election for indebtedness for refunding the principal amount of such portion of the Bonds that exceeds the outstanding principal amount of the Refunded Obligations; and

**WHEREAS**, the Board has been presented with a proposal in the form of a Bond Purchase Agreement (the "**Bond Purchase Agreement**") from Wells Fargo Bank, National Association, of Denver, Colorado (the "**Underwriter**"), to purchase the Bonds; and

**WHEREAS**, after consideration, the Board has determined that the sale of the Bonds to the Underwriter is in the best interests of the District and the residents and taxpayers thereof; and

**WHEREAS**, pursuant to §32-1-902(3), C.R.S., and §18-8-308, C.R.S., all known potential conflicting interests of the Directors were disclosed to the Colorado Secretary of State and to the Board in writing at least 72 hours in advance of this meeting; additionally, in accordance with §24-18-110, C.R.S., the appropriate Board members have made disclosure of their personal and private interests relating to the issuance of the Bonds in writing to the Secretary of State and the Board; finally, said officials have stated for the record immediately prior to the adoption of this Bond Resolution the fact that they have said interests and the summary nature of such interests and the participation of said officials is necessary to obtain a quorum or otherwise enable the Board to act; and

**WHEREAS**, there has been presented to this meeting of the Board the current forms of the "Financing Documents" as defined hereafter; and

**WHEREAS**, the Board desires to authorize the issuance and sale of the Bonds and the execution of the Financing Documents;

**THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF  
VDW METROPOLITAN DISTRICT NO. 2:**

**Section 1. Definitions.** Unless the context indicates otherwise, as used herein, capitalized terms shall have the meanings ascribed by the preambles hereto and the applicable Indenture, and the following capitalized terms shall have the respective meanings set forth below:

Authorized Officer: the person or persons authorized to sign the Indenture and the Bond Purchase Agreement pursuant to the Delegated Authority, and to sign other documents pertaining to the Bonds as provided in this Bond Resolution, which shall be any member of the Board.

Bond Resolution: this resolution which authorizes the issuance of the Bonds, and any amendment or supplement lawfully made hereto.

Continuing Disclosure Obligation: an agreement, certificate, or undertaking of the District to provide certain post-issuance information as described in the Official Statement.

Delegated Authority: the authority delegated by this Bond Resolution to any Authorized Officer to sign the Bond Purchase Agreement and to make the following determinations with respect to the Bonds in the Indenture, which determinations shall be subject to the restrictions and parameters set forth below:

- (1) the rate or rates of interest on the Bonds;
- (2) the conditions on which and the prices at which the Bonds may be redeemed before maturity;
- (3) the existence and amount of any capitalized interest or reserve funds;
- (4) the price or prices at which the Bonds will be sold;
- (5) the principal amount and denominations of the Bonds;
- (6) the amount of principal maturing in any particular year;
- (7) the dates on which principal and interest shall be paid; and
- (8) providing for financial guaranty insurance policies and/or debt service reserve fund surety policies with respect to the Bonds.

The foregoing authority shall be subject to the following restrictions and parameters:

- (1) the interest rate or rates on the Bonds shall be such that the Bonds bear interest at a net effective interest rate which does not exceed the net effective interest rate of the Refunded Obligations;

(2) the total repayment cost of the Bonds and the maximum annual repayment costs thereof shall not exceed, respectively, the total repayment cost and maximum annual tax increase limitations of the Elections;

(3) the sale price of the Bonds shall be an amount not less than 95% of the aggregate principal amount of the Bonds;

(4) the Bonds shall mature not later than December 1, 2045; and

(5) the aggregate principal amount of the Bonds shall not exceed \$14,000,000, and the allocation of such maximum amount between the Series 2022A-1 Bonds and the Series 2022A-2 Bonds shall be as determined pursuant to the Delegated Authority.

Escrow Agent: UMB Bank, n.a., as escrow agent for the Series 2016A Bonds.

Escrow Agreement: the Refunding Escrow Agreement by and between the District and the Escrow Agent.

Financing Documents: collectively, the Indenture, the Continuing Disclosure Obligation, the Pledge Agreement, the Escrow Agreement, and the Bond Purchase Agreement.

Letter of Representations: the letter of representations from the District to DTC to induce DTC to accept the Bonds as eligible for deposit at DTC.

Official Statement: the final version of the Official Statement.

Preliminary Official Statement: the preliminary version of the Official Statement concerning the Series 2021A Senior Bonds and the District.

Refunding Act: the “Public Securities Refunding Act,” being Title 11, Article 56, C.R.S., as amended.

**Section 2. Approvals, Authorizations, and Amendments.** The Financing Documents are incorporated herein by reference and are hereby approved. All Authorized Officers are hereby authorized and directed to execute the Financing Documents and to affix the seal of the District thereto, and further to execute and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to issue and secure the Bonds. Such documents are to be executed in substantially the forms presented at this meeting of the Board, provided that such documents may be completed, corrected, or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Bond Resolution. Copies of all of the Financing Documents shall be delivered, filed, and recorded as provided therein.

Upon execution and delivery of the Financing Documents, the covenants, agreements, recitals, and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted and incorporated herein by reference.

The proper officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District relating to the Bonds and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any instrument by an authorized officer of the District in connection with the issuance, sale, or delivery of the Bonds not inconsistent herewith shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

**Section 3. Authorization.** In accordance with the Constitution of the State of Colorado; the Supplemental Act; Title 32, Article 1, Part 11, C.R.S.; the Refunding Act; the Election; and all other laws of the State of Colorado thereunto enabling, there shall be issued the Bonds for the purpose of: (i) paying and discharging all of the Refunded Obligations, (ii) funding a debt service reserve fund for the benefit of the S Bonds, and (iii) paying issuance and other costs in connection with the Bonds. The Bonds shall constitute limited obligations of the District as provided in the Indenture. The District hereby elects to apply all of the provisions of the Supplemental Act to the Bonds.

**Section 4. Bond Details; Delegated Authority.** The Bonds shall be issued only as fully registered Bonds without coupons in Authorized Denominations. Unless the District shall otherwise direct, the Bonds of each series shall be numbered separately from 1 upward, with the number of each Bond preceded by “R-”. The Bonds shall be dated as of the date of issuance, and shall be payable at such time or times, shall be subject to redemption prior to maturity, and otherwise shall be as determined in the Indenture. Pursuant to §11-57-205, C.R.S., of the Supplemental Act, the Board hereby delegates the Delegated Authority to an Authorized Officer and authorizes the signing of the Financing Documents pursuant thereto.

**Section 5. Authorization for Separate Issuances.** It is the intent of the District that if practicable, both series of Bonds should be issued and closed on or about the same date; provided however, that nothing herein requires the same, and the authorization herein is intended to authorize the issuance of the Series 2022A-1 Bonds and the Series 2022A-2 Bonds independently of each other. Nothing herein is intended to impair, alter, or affect the District’s ability to issue one series prior to the other, or to issue only one of the two series.

**Section 6. Authorization to Execute Documents.** The officers and agents of the District are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Bond Resolution, including but not limited to the execution of (i) a direction to the Trustee to provide a conditional notice of redemption to the registered owners of any of the Refunded Obligations, and (ii) such certificates and affidavits as may be reasonably required by the Underwriter or the Placement Agent.

**Section 7. Permitted Amendments to Bond Resolution.** The District may amend this Bond Resolution in the same manner and subject to the same terms and conditions as apply to an amendment or supplement to the applicable Indenture.

**Section 8. Appointment of District Representative.** The District President is hereby appointed District Representative, as defined in the Indenture. A different District Representative may be appointed by resolution adopted by the Board and a certificate filed with the Trustee.

**Section 9. Costs and Expenses.** All costs and expenses incurred in connection with the issuance and payment of the Bonds shall be paid either from the proceeds of the Bonds or from legally available moneys of the District, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

**Section 10. Acceptance of Bond Purchase Agreement.** The Board hereby reaffirms its determination to accept the Bond Purchase Agreement as submitted by the Underwriter, and to sell the Bonds to the Underwriter upon the terms, conditions, and provisions as set forth in the Bond Purchase Agreement. All Authorized Officers are hereby authorized to execute the Bond Purchase Agreement and to attest to such execution, all on behalf of the District.

**Section 11. Official Statement.** The draft of the Preliminary Official Statement is hereby authorized and approved in the form presented to the Board at this meeting. The Board hereby authorizes the finalization and posting of the Preliminary Official Statement, the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the marketing of the Bonds, and the preparation and distribution of a final Official Statement in conjunction with an offer of the Bonds to investors. The final Official Statement shall contain such corrections and additional or updated information so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. All Authorized Officers are hereby authorized to execute copies of the Preliminary Official Statement and the Official Statement on behalf of the District.

**Section 12. Ratification and Approval of Prior Actions.** All actions heretofore taken by any Authorized Officer or the officers, agents, attorneys, or employees of the District, not inconsistent with the provisions of this Bond Resolution, relating to the authorization, sale, issuance, and delivery of the Bonds, are hereby ratified, approved, and confirmed.

**Section 13. Bond Resolution Irrepealable.** After any of the Bonds have been issued, this Bond Resolution shall constitute a contract between the Owners and the District, and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged in accordance with the Indenture.

**Section 14. Repealer.** All orders, bylaws, and resolutions of the District, or parts thereof, inconsistent or in conflict with this Bond Resolution, are hereby repealed to the extent only of such inconsistency or conflict.


**Section 15. Severability.** If any section, paragraph, clause, or provision of this Bond Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Bond Resolution, the intent being that the same are severable.



**Section 16. Effective Date.** This Bond Resolution shall take effect immediately upon its adoption and approval.

**ADOPTED AND APPROVED** this 14<sup>th</sup> day of January, 2022.

( S E A L )

  
\_\_\_\_\_  
President or Vice President

ATTESTED:

\_\_\_\_\_  
Secretary or Assistant Secretary



**ADOPTED AND APPROVED** this 14<sup>th</sup> day of January, 2022.

( S E A L )

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President or Vice President

ATTESTED:



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Secretary or Assistant Secretary



Thereupon, Director Kane moved the adoption of the foregoing resolution. The motion to adopt the resolution was duly seconded by Director Cummings, put to a vote, and carried on the following recorded vote:

Those voting AYE:

Kim Perry  
Josh Kane  
Timothy DePeder  
Wendy Messinger  
Clark Cummings

Those voting NAY:

Those absent:

Thereupon the President, as Chair of the meeting, declared the Bond Resolution duly adopted and the Secretary was directed to enter the foregoing proceedings and resolution upon the minutes of the Board.

Thereupon, after consideration of other business before the Board, the meeting was adjourned.

STATE OF COLORADO )  
 )  
LARIMER COUNTY )  
 )  
VDW METROPOLITAN DISTRICT NO. 2 )

The undersigned, as the Secretary or an Assistant Secretary of VDW Metropolitan District No. 2, hereby certifies that the foregoing pages constitute a true and correct copy of that portion of the record of proceedings of the Board of Directors of said District relating to the adoption of a resolution authorizing the issuance of its Limited Tax General Obligation Refunding Bonds, Taxable Series 2022A-1, and its Limited Tax General Obligation Refunding Bonds, Series 2022A-2, adopted at a special meeting of the Board held via MS Teams: [Click here to join the meeting](#) and by tele-conference:

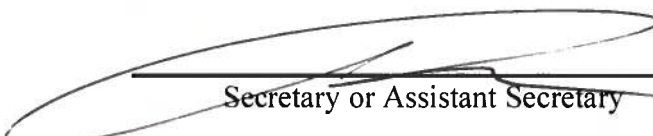
Telephone: 1-720-721-3140

Password: 511 530 465#

on Friday, the 14<sup>th</sup> day of January, 2022, at the hour of 2:30 p.m., as recorded in the official record of proceedings of said District kept in my office; that the proceedings were duly had and taken; that the meeting was duly held; that the persons therein named were present at said meeting and voted as shown therein; that each director of the Board was informed of the date, time, place, and purpose of the special meeting; and that a notice of meeting, in the form herein set forth at page 1, was posted in a designated public place within the boundaries of the District no less than twenty-four (24) hours prior to the meeting, in accordance with law.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal of the District, as of the 14<sup>th</sup> day of January, 2022.



  
Secretary or Assistant Secretary

**EXHIBIT C**

**DISTRICT NO. 3 RESOLUTION AUTHORIZING AD VALOREM MILL LEVY AND  
EXECUTION OF CAPITAL PLEDGE AGREEMENT FOR DISTRICT NO. 2'S  
SERIES 2022 BONDS**

## RESOLUTION

**A RESOLUTION OF THE BOARD OF DIRECTORS OF VDW METROPOLITAN DISTRICT NO. 3 AUTHORIZING THE IMPOSITION OF AN AD VALOREM MILL LEVY AND THE EXECUTION AND DELIVERY OF A CAPITAL PLEDGE AGREEMENT; PROVIDING FOR THE EXECUTION AND DELIVERY OF DOCUMENTS WITH RESPECT TO THE CAPITAL PLEDGE AGREEMENT; AND PROVIDING OTHER COVENANTS AND DETAILS IN CONNECTION THEREWITH.**

## RECITALS

**WHEREAS**, VDW Metropolitan District No. 3 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State duly organized and existing as a metropolitan district pursuant to the provisions of the Act (as defined herein); and

**WHEREAS**, the District was organized by Order and Decree of the District Court for Larimer County, Colorado issued on June 6, 2002, recorded in the real property records of Larimer County, Colorado (the “**County**”); and

**WHEREAS**, the members of the Board of Directors of the District (the “**Board**”) have been duly elected or appointed and qualified; and

**WHEREAS**, the District is authorized to furnish certain public facilities and services, including but not limited to street, park and recreation, water, sanitation, transportation, mosquito control, safety, fire protection, television relay and translation and security improvements (collectively, “**Public Improvements**”), as authorized pursuant to the Consolidated Service Plan for VDW Metropolitan Districts Nos. 1, 2 and 3 (the “**VDW Districts**”) approved by the City Council for the City of Loveland, Colorado (the “**City**”) on March 20, 2002 (as amended and restated from time to time, the “**Service Plan**”); and

**WHEREAS**, under the Service Plan, the Districts are intended to work together and coordinate their activities with respect to the financing, construction, operation and maintenance of public improvements necessary to serve development within the Districts, which is generally anticipated to consist of residential development in VDW Metropolitan District No. 2 (“**District No. 2**”) and commercial development in the District; and

**WHEREAS**, at an election of the qualified electors of the District duly called and held on Tuesday, May 7, 2002 (the “**Election**”), in accordance with law and pursuant to due notice, a majority of eligible electors who voted at such elections voted in favor of, inter alia, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of funding the Public Improvements, and for the purpose of refunding such indebtedness; and

**WHEREAS**, the returns of the Election were duly canvassed and the results thereof duly declared; and



**WHEREAS**, VDW Metropolitan District No.1 (“**District No. 1**”) previously issued its Limited Property Tax Supported Revenue Bonds, Series 2011 in the aggregate principal amount of \$1,200,000 (the “**Series 2011 Bonds**”) for the purpose of financing a portion of the costs of the Public Improvements; and

**WHEREAS**, District No. 2 previously issued its Limited Tax General Obligation Refunding and Improvement Bonds, Series 2016A in the aggregate principal amount of \$7,465,000 (the “**Series 2016A Bonds**”) for the purposes of refunding prior obligations of the District and financing a portion of the costs of the Public Improvements; and

**WHEREAS**, in order to provide for the payment of senior obligations, the VDW Districts previously entered into a Capital Pledge Agreement dated as of December 1, 2007, as amended and restated by the Amended and Restated Senior Capital Pledge Agreement dated as of March 1, 2016 (as amended and restated, the “**Original Senior Pledge Agreement**”); and

**WHEREAS**, in connection with the refunding and payment of the Series 2011 Bonds and the Series 2016A Bonds in full, the Original Senior Pledge Agreement shall be terminated; and

**WHEREAS**, District No. 2 previously issued its Subordinate Limited Tax General Obligation Bonds, Series 2016B in the aggregate principal amount of \$3,869,000 (the “**Series 2016B Bonds**” and, together with the Series 2011 Bonds and the Series 2016A Bonds, the “**Refunded Obligations**”) for the purpose of financing a portion of the costs of the Public Improvements; and

**WHEREAS**, in order to provide for the payment of the 2016B Bonds, the Taxing Districts entered into a Subordinate Capital Pledge Agreement dated as of March 1, 2016 (the “**Original Subordinate Pledge Agreement**”); and

**WHEREAS**, in connection with the refunding and payment of the Series 2016B Bonds in full, the Original Subordinate Pledge Agreement shall be terminated; and

**WHEREAS**, after extended discussions and consultation, it has been determined by the Taxing Districts that it is necessary and in the best interest of the District and its residents and taxpayers to pay the costs of (i) paying and discharging all of the Refunded Obligations, (ii) funding a debt service reserve fund for the benefit of the Bonds (as defined below), and (iii) paying costs of issuance in connection with the Bonds (as defined below) (collectively, the “**Refunding Project**”); and

**WHEREAS**, for the purpose financing the Refunding Project, the Board of Directors of District No. 2 has previously determined to issue its (i) Limited Tax General Obligation Refunding Bonds, Federally Taxable Series 2022A-1 (the “**Series 2022A-1 Bonds**”), and (ii) Limited Tax General Obligation Refunding Bonds, Series 2022A-2 (the “**Series 2022A-2 Bonds**”) (collectively, the Series 2022A-1 Bonds and the Series 2022A-2 Bonds are referred to herein as the “**Bonds**”) pursuant to an Indenture of Trust dated as of [February] 1, 2022 (the “**Indenture**”) between District No. 2 and UMB Bank, n.a., as trustee; and

**WHEREAS**, in order to facilitate the issuance of the Bonds, the Taxing Districts have agreed to enter into a Capital Pledge Agreement (the “**Capital Pledge Agreement**”) for the

purpose of pledging certain revenues and covenanting to take certain actions with respect to generating such revenues, for the benefit of the Owners (as defined herein) of the Bonds; and

**WHEREAS**, pursuant to the Capital Pledge Agreement, the District has agreed to pledge to District No. 2 for the repayment of the Bonds, a pledge of revenues available from the imposition of an ad valorem mill levy upon all taxable property within the District of not more than 40 mills, less the O&M Mill Levy (as defined in the Capital Pledge Agreement), (as may be adjusted for constitutional or statutory mandated adjustments occurring after March 20, 2002) (the “**District No. 3 Required Mill Levy**”) for the annual payment of financing obligations, including bonds or notes issued by the District (the “**Pledged Revenues**”); and

**WHEREAS**, pursuant to Section 32-1-902(3), C.R.S., and Section 18-8-308, C.R.S., all known potential conflicting interests of the Directors were disclosed to the Colorado Secretary of State and to the Board of Directors of the District (the “Board”) in writing at least 72 hours in advance of this meeting; additionally, in accordance with Section 24-18-110, C.R.S., the appropriate Directors have made disclosure of their personal and private interests relating to the issuance of the Bonds in writing to the Secretary of State and the Board; and such Directors have stated for the record immediately prior to the adoption of this Resolution the fact that they have said interests and the summary nature of such interests and the participation of such Directors is necessary to obtain a quorum or otherwise enable the Board to act; and

**WHEREAS**, there is on file with the District the proposed form of the Capital Pledge Agreement; and

**WHEREAS**, the Board desires to authorize the execution of the Capital Pledge Agreement and the execution of all documentation necessary to effect the issuance of the Bonds by District No. 2.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VDW METROPOLITAN DISTRICT NO. 3, IN THE CITY OF LOVELAND, LARIMER COUNTY, COLORADO:**

**Section 1. Definitions.** In addition to the terms defined in the Recitals to this Resolution, which are incorporated in this section by reference, the following terms as used in this Resolution shall have the meanings set forth below unless the context indicates otherwise. All such defined terms importing the singular include the plural and *vice versa*.

“*Act*” means the Special District Act, Title 32, Article 1, C.R.S., as amended from time to time.

“*Annual Bond Costs*” shall mean the Bond Costs to become due and payable in accordance with the resolution authorizing the issuance of bonds, notes, contracts, or other obligations issued or incurred by District No. 2, in the next-succeeding calendar year, including any amounts to be paid pursuant to any mandatory redemption provisions.

“*Bonds*” means the Series 2022A-1 Bonds and the Series 2022A-2 Bonds.

“*Bond Costs*” shall mean the debt service on or related costs in connection with any bonds, notes, contracts, or other obligations issued or incurred by District No. 2, including without

limitation payments with respect to principal, interest, prepayment premium, reserve funds, surplus funds, sinking funds, costs of issuance, credit enhancement fees and costs, fees and expenses of any trustee, bond registrar, paying agent, authenticating agent, or remarketing agent, and other administrative costs related to the foregoing.

“*Bond Register*” means the record maintained by the Trustee that lists the names and addresses of the Owner of the Bonds.

“*District No. 3 Required Mill Levy*” the pledge of revenues available from the imposition of an ad valorem mill levy upon all taxable property within the District of not more than 40 mills, less the O&M Mill Levy (as defined in the Capital Pledge Agreement), (as may be adjusted for constitutional or statutory mandated adjustments occurring after March 20, 2002) for the annual payment of financing obligations, including bonds or notes issued by the District.

“*Election*” means the election of the qualified electors of the District, duly called and held on May 7, 2002.

“*Event of Default*” means any one or more of the events set forth in the Section hereof captioned “Events of Default.”

“*Indenture*” means the Indenture of Trust dated as of its date, by and between District No. 2 and the Trustee, authorizing the issuance of the Bonds.

“*O&M Mill Levy*” shall have the meaning set forth in the Capital Pledge Agreement.

“*Owner*” means the registered owner of any Bond as shown by the Bond Register.

“*Pledged Revenues*” shall have the meaning set forth in the Recitals hereof.

“*Recitals*” means those preliminary clauses that precede Section 1 of this Resolution.

“*Series 2022A-1 Bonds*” means District No. 2’s Limited Tax General Obligation Refunding Bonds, Federally Taxable Series 2022A-1.

“*Series 2022A-2 Bonds*” means District No. 2’s Limited Tax General Obligation Refunding Bonds, Series 2022A-2.

“*Resolution*” means this resolution, which authorizes the imposition of the District No. 3 Required Mill Levy and the execution and delivery of a Capital Pledge Agreement and related documents.

“*Trustee*” means UMB Bank, n.a., in Denver, Colorado, as trustee under the Indenture.

**Section 2. Authorization of Capital Pledge Agreement and Related Documents.**

The District hereby approves the execution and delivery of the Capital Pledge Agreement, in substantially the form and with substantially the same content as presented to this meeting of the Board, with such changes, modifications and completions thereof not inconsistent with the provisions of this Resolution as may be approved by the President and Secretary of the District, such approval to be evidenced by the execution thereof by the President and Secretary, and the execution and delivery of any related documents thereto.

**Section 3. Imposition of District No. 3 Required Mill Levy.** During the term of the Capital Pledge Agreement, there shall be levied on all of the taxable property in the District, in addition to all other taxes, direct annual taxes in each of the years 2022 (for collection in 2023) and in each year thereafter to the extent necessary to provide for payment of the Annual Bond Costs, in the amount of the District No. 3 Required Mill Levy determined by District No. 2. Nothing herein shall be construed to require the District to levy an ad valorem property tax in excess of the District No. 3 Required Mill Levy.

**Section 4. Additional Covenants.** For so long as any of the Bonds are outstanding, the District hereby covenants as follows:

(a) The District will not issue or incur bonds, notes, or other obligations payable in whole or in part from, or constituting a lien upon, the District No. 3 Required Mill Levy or other Pledged Revenues, other than as permitted under the terms of the Capital Pledge Agreement.

(b) The District will not impose, in any given year, an administrative, operations and maintenance mill levy in excess of the O&M Mill Levy. However, for purposes of clarification, it is acknowledged that the proceeds of any general property tax levy imposed to pay current administrative, operations and maintenance (including the O&M Mill Levy) shall not be payable to District No. 2, shall not be payable to the Trustee (or other entity designated by the District No. 2) and shall not be subject to the lien of the Pledge Agreement.

(c) The District shall keep and maintain, or cause to be kept and maintained, accurate records and accounting entries reflecting all funds received or delivered pursuant to the Capital Pledge Agreement and the use(s) of such funds, including monthly unaudited financial statements reflecting the information contained in the accounting records.

(d) At least once a year, the District will either cause an audit to be performed of the records relating to its revenues and expenditures or, if applicable under State statute, will apply for an audit exemption, and the District will use its best commercially reasonable efforts to have such audit report or application for audit exemption completed no later than September 30 of each calendar year. The foregoing covenant shall apply notwithstanding any different time requirements for the completion of such audit or application for audit exemption under State law. In addition, at least once a year in the time and manner provided by law, the District will cause a budget to be prepared and adopted. Copies of the budget and the audit or audit exemption will be filed and recorded in the places, time, and manner provided by law.

(e) The District will provide District No. 2 with information promptly upon request by District No. 2 necessary for District No. 2 to comply on an ongoing basis with the requirements of the Continuing Disclosure Agreement entered into by District No. 2 in connection with the issuance of the Bonds, and any similar agreement entered into by District No. 2 in connection with the issuance of Additional Obligations.

(f) The District will not issue Additional Obligations which would cause the VDW Districts to exceed the maximum permissible Debt under the Service Plan.

**Section 5. Events of Default and Remedies.** The occurrence or existence of any one or more of the following events shall constitute an Event of Default under this Resolution, and there shall be no default or Event of Default under this Resolution except as provided in this Section:

(a) the District fails or refuses to impose the District No. 3 Required Mill Levy, or to apply the proceeds thereof, as required by this Resolution and the Capital Pledge Agreement;

(b) any representation or warranty made the District in the Capital Pledge Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompleteness would have a material adverse effect upon any other party to the Capital Pledge Agreement;

(c) the District fails in the performance of any other of its covenants in the Capital Pledge Agreement, and such failure continues for 30 days after written notice specifying such default and requiring the same to be remedied is given to any of the parties to the Capital Pledge Agreement; or

(g) (i) the District shall commence any case, proceeding, or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, or other similar official for itself or for any substantial part of its property, or any party shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the District any case, proceeding, or other action of a nature referred to in clause (i) and the same shall remain not dismissed within 90 days following the date of filing; or (iii) there shall be commenced against the District any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed, or bonded pending appeal within 90 days from the entry thereof; or (iv) the District shall take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the District shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

Upon the occurrence and continuance of an Event of Default, any Owner as a third-party beneficiary of the Capital Pledge Agreement may proceed to protect and enforce the rights of the Owner under this Resolution by mandamus or such other suit, action or special proceedings, in equity or at law, in any court of competent jurisdiction; provided, however, that acceleration of the Bonds shall not be an available remedy for an Event of Default. All such proceedings shall be instituted, had and maintained for the equal benefit of the Owner of all Bonds then outstanding.

**Section 6. Permitted Amendments.** The District may, with the consent of the Owner, adopt amendments or supplements to this Resolution and which amendments or supplements shall

thereafter form a part hereof or thereof, as the case may be, for any one or more of the following purposes:

(a) to cure any ambiguity, to cure, correct, or supplement any formal defect or omission or inconsistent provision contained in such documents, to make any provision necessary or desirable due to a change in law, to make any provisions with respect to matters arising under such documents, or to make any provisions for any other purpose, if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owner of the Bonds;

(b) to, subject to this Resolution, pledge to the payment of the Bonds additional revenues, properties, or collateral; and

(c) to grant or confer upon the Owner any additional rights, remedies, powers, or authority that may be lawfully granted to or conferred upon the Owner.

**Section 7. Effect of Amendment.** Upon the execution of any amendatory or supplemental resolution or agreement pursuant to this Resolution, the resolution or agreement so amended or supplemented shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations thereunder of the District shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such modifications and amendments.

**Section 8. Authorization to Execute Documents.** The President and Secretary or any Assistant Secretary of the District shall, and they are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Resolution. The execution by the President of the District of any document authorized herein shall be conclusive proof of the approval by the District of the terms thereof.

**Section 9. Pledge of Revenues.** The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Bonds as provided herein and in the Capital Pledge Agreement shall be governed by § 11-57-208 of the Supplemental Public Securities Act and this Resolution. The revenues pledged for the payment of the Bonds, as received by or otherwise credited to the District or the Trustee shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the revenues pledged for payment of the Bonds and the obligation to perform the contractual provisions made herein shall have priority over any or all other obligations and liabilities of the District. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

**Section 10. No Recourse Against Officers and Agents.** Pursuant to Section 11-57-209, C.R.S., if a member of the Board or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer or agent for payment of the Bonds. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling Bonds specifically waives any such recourse.

**Section 11. Limitation of Actions.** Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Bonds shall be commenced more than 30 days after the authorization of the Bonds.

**Section 12. Ratification and Approval of Prior Actions.** All actions heretofore taken by the officers of the District and the members of the Board, not inconsistent with the provisions of this Resolution, relating to the authorization, issuance and delivery of the Bonds, are hereby ratified, approved and confirmed.

**Section 13. Headings.** The headings to the various sections and subsections to this Resolution have been inserted solely for the convenience of the reader, are not a part of this Resolution and shall not be used in any manner to interpret this Resolution.

**Section 14. Resolution Irrepealable.** After the Capital Pledge Agreement has been entered into and the Bonds have been issued, this Resolution shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged, as herein provided.

**Section 15. Repealer.** All orders, bylaws and resolutions of the District, or parts thereof, inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

**Section 16. Severability.** If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

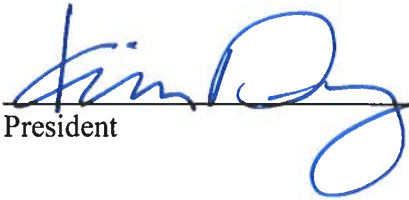
**Section 17. Effective Date.** This Resolution shall take effect immediately upon its adoption and approval.



ADOPTED AND APPROVED this 14<sup>th</sup> day of January, 2022.



ATTEST:

  
\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

**ADOPTED AND APPROVED** this 14<sup>th</sup> day of January, 2022.



ATTEST:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

**EXHIBIT D**

**AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT  
CONCERNING DISTRICT OPERATIONS**

**AMENDED AND RESTATED  
INTERGOVERNMENTAL AGREEMENT CONCERNING DISTRICT OPERATIONS**

THIS AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT CONCERNING DISTRICT OPERATIONS (the “Agreement”) is made and entered into this 10th day of February, 2022, by and among VDW METROPOLITAN DISTRICT NO. 1 (“District No. 1” or the “Operating District”), VDW METROPOLITAN DISTRICT NO. 2 (“District No. 2”), and VDW METROPOLITAN DISTRICT NO. 3 (“District No. 3”), quasi-municipal corporations and political subdivisions of the State of Colorado. District No. 1, District No. 2, and District No. 3 are collectively referred to herein as the “Districts” or individually as the “District.” District No. 2 and District No. 3 are collectively referred to herein as the “Taxing Districts.”

**RECITALS**

WHEREAS, the formation of the Districts was approved by the City of Loveland, Colorado (the “City”) as multiple districts whose purposes are to provide essential public improvements and services as contemplated in the Consolidated Service Plan for VDW Metropolitan District Nos. 1, 2 and 3, as the same may be amended from time to time (the “Service Plan”); and

WHEREAS, pursuant to the Service Plan, the Districts are intended to work together and coordinate their activities with respect to the financing, construction, operation and maintenance of the public improvements authorized by the Service Plan (the “Public Improvements”), and for which the Districts have received electoral authorization to issue indebtedness in order to serve development within their common service areas; and

WHEREAS, the Service Plan discloses and establishes the necessity for and desirability of an intergovernmental agreement or intergovernmental agreements among the Districts concerning the manner in which the Districts shall implement the Service Plan, and the role of the Operating District with respect thereto; and

WHEREAS, to that end, the Districts have previously entered into that certain Intergovernmental Agreement Concerning District Operations, dated February 2, 2016 (the “Prior Master IGA”) pursuant to which the Operating District was generally responsible for coordinating the financing, construction, ownership, operation and maintenance of the Public Improvements and the Taxing Districts were to provide funding and the necessary tax base for financing the construction, operation and maintenance of the Public Improvements; and

WHEREAS, in order to pay a portion of the Public Improvements and to pay certain reimbursement obligations to VDW Properties, LLC (“VDW Properties”) for advancing funds to the District to finance Public Improvements (the “Developer Obligations”), District No. 1 previously issued its Limited Property Tax Supported Revenue Bonds, Series 2011 in the aggregate principal amount of \$1,200,000 (the “Series 2011 Bonds”); and

WHEREAS, for the purpose of funding additional costs of the Public Improvements and paying a portion of the outstanding Developer Obligations, the Board of Directors of District No. 2 issued its Limited General Obligation Refunding and Improvement Bonds, Series 2016A in an aggregate principal amount of \$7,040,000 (the “Series 2016A Bonds”); and

WHEREAS, for the purpose of paying amounts outstanding under the Developer Obligations, the Board of District No. 2 issued its Subordinate Limited General Obligation Bonds, Series 2016B” in an aggregate principal amount of \$4,158,700 (the “Series 2016B Bonds” and, together with the Series 2011 Bonds and the Series 2016A Bonds, the “Refunded Obligations”); and

WHEREAS, upon review and evaluation, the Board of Directors of District No. 2 has determined that it is necessary and in the best interest of the District and its residents and taxpayers to pay the costs associated with (i) paying and discharging all of the Refunded Obligations, (ii) funding a debt service reserve fund for the benefit of the Bonds (as defined below), and (iii) paying costs of issuance in connection with the Bonds (as defined below) (collectively, the “Refunding Project”); and

**WHEREAS**, the Board of Directors of District No. 2 has determined that the Refunding Project be financed by the issuance of District No. 2’s (i) Limited Tax General Obligation Refunding Bonds, Taxable Series 2022A-1 (the “Series 2022A-1 Bonds”), and (ii) Limited Tax General Obligation Refunding Bonds, Series 2022A-2 (the “Series 2022A-2 Bonds,” and together with the Series 2022A-1 Bonds, the “Series 2022 Bonds”); and

WHEREAS, in in order to facilitate the issuance of the Series 20022 Bonds, the District and District No. 3, and UMB Bank, n.a., as Trustee, entered into a Capital Pledge Agreement (the “Pledge Agreement”), dated as of February 1, 2022, for the purpose of pledging certain revenues and covenanting to take certain actions with respect to generating such revenues, for the benefit of the owners of the Bonds; and

WHEREAS, in connection with the issuance of the Series 2022 Bonds, the Districts desire to amend and restate the Prior Master IGA for the purpose of amending the respective roles and responsibilities of the Districts related to the repayment of the Series 2022 Bonds, and the rights and responsibilities with respect to the Districts’ operations and the funding of costs related thereto, including the capital costs of Public Improvements and the provision of administrative services.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Districts hereby agree as follows:

**1. Funding of Capital Costs.** Notwithstanding any other provisions contained herein, the Districts acknowledge that, as contemplated by the Service Plan, the Operating District has and will continue to manage the construction of the Public Improvements needed for development within the Districts, while the Taxing Districts will provide the necessary financing to support the District’s construction of Public Improvements. As of the date of this Agreement,

the Districts acknowledge that all Public Improvements necessary to support the development of property in the Taxing Districts have been completed. The Districts acknowledge that proceeds from the Series 2022 Bonds were used to refund the Refunding Obligations and that District No. 2 and District No. 3 have pledged certain revenues for the repayment of the Series 2022 Bonds, subject to the terms of the Pledge Agreement. VDW Properties may construct additional Public Improvements and seek reimbursement from the Operating District in the future or advance funds to the Operating District for the Operating District to construct Public Improvements subject to reimbursement of such funds to VDW Properties. Alternatively, the Taxing Districts may, each in their own sole discretion, determine to issue additional indebtedness in the future for the financing and construction of any future Public Improvements in such manner as may be deemed most efficient and effective to implement the objectives of the Service Plan; provided, however, that the issuance of any future indebtedness by the Taxing Districts shall be subject to (i) the terms and conditions of the Service Plan and (ii) the electoral authorization of the Districts; and shall be subject to the terms and conditions of, and such repayment obligations shall be subordinate to, the Taxing Districts' repayment obligations of the Series 2022 Bonds and any further refundings thereof, and the provisions of any bond resolution, indenture or any other document related thereto.

**2. Ownership and Operation of Public Improvements.** It is acknowledged by the Districts that all Public Improvements funded by the Districts will be either dedicated to the City or other governmental entity, or will be owned and operated by the Operating District. As of the date of this Agreement, all street, water, and sewer improvements have been dedicated to the City. The Operating District owns landscaping, irrigation facilities, storm drainage facilities, and a monument sign, and may own additional Public Improvements in the future (the "District-Owned Improvements"). With respect to the District-Owned Improvements, the Taxing Districts hereby engage the Operating District, and the Operating District hereby accepts such engagement, as the "operator" of the District-Owned Improvements located within each respective District, which engagement the Districts hereby agree and acknowledge is further defined and limited by the following:

a) Subject to subparagraph 2.c) hereof, the Operating District shall hold fee simple title to the District-Owned Improvements and shall operate and maintain the same solely on behalf of, and for the benefit of, the Taxing Districts and the property owners and residents thereof. The Operating District shall not impose any fees for the use of the District-Owned Improvements by property owners and residents of the Taxing Districts, except as expressly agreed by the applicable Taxing District(s). The Operating District shall engage all contractors required to carry out all functions necessary for the operation and maintenance of the District-Owned Improvements, provided that any such engagement shall be subject to termination by District or the Taxing Districts upon notice, as provided in Paragraph 7 and Paragraph 8 hereof, respectively.

b) The Operating District shall operate the District-Owned Improvements in accordance with such written guidance (including operating policies and procedures, and minimum maintenance standards) as may be provided by the Taxing Districts and agreed upon by the Operating District. Operation of the District-Owned Improvements shall include obtaining necessary insurance for the District-Owned Improvements, in the

manner determined appropriate by the Operating District (subject to any direction by the Taxing Districts) and in compliance with applicable law, and providing such other specific services as may be set forth in a writing executed by the applicable parties hereto. Until such time as any such guidance is provided by the Taxing Districts, the District-Owned Improvements shall be operated and maintained in such manner as is reasonably determined from time to time by the Operating District, subject to the funding of costs of such operation and maintenance (including insurance premiums and related costs) by the Taxing Districts, as applicable (as more particularly provided in subparagraph 2.e) hereof). Any written document providing for a level or standard of operation or maintenance of the District-Owned Improvements executed by the Operating District and the Taxing Districts, as applicable, shall constitute a supplement to this Agreement, shall be binding upon the applicable parties hereto, and may not be amended except by written agreement executed by the applicable parties.

c) The Operating District shall not sell, transfer, convey or otherwise encumber any portion of the District-Owned Improvements without the prior written consent of the Taxing Districts. The Operating District shall cause the proceeds of any sale of any portion of the District-Owned Improvements to be paid to or at the direction of the Taxing Districts.

d) If, at the request of the City, or if the District No. 1 Board deems it to be in the best interests of District No. 1, that District No. 1 pursue dissolution in accordance with Section 32-1-701, et seq., C.R.S., District No. 1 shall cause all District-Owned Improvements, to be conveyed to, or at the direction of, the Taxing Districts prior to dissolution.

e) The obligation of the Operating District to operate and maintain the District-Owned Improvements is subject to the Taxing Districts providing moneys sufficient to fund the same. Each Taxing District hereby agrees, that so long as it has not terminated the engagement of the Operating District as operator of the District-Owned Improvements as provided Paragraph 8 hereof, to impose an ad valorem mill levy (subject to each Financing District's electoral authorization, the limits set forth in the Service Plan, and the provisions set forth in any bond resolution, indenture, pledge agreement, loan document and/or any other document related to the issuance of bonds by any of the Financing District) and, if necessary, fees or other charges, sufficient to fund the operation and maintenance costs (together with the administrative services costs set forth in subparagraph 3.d) below) of the District-Owned Improvements at the levels or standards set forth in a written agreement among the Operating District and the Taxing Districts or, in the event no written agreement with respect to a level or standard has been executed, as may be determined by the Operating District from time to time.

f) The Operating District shall submit to the Taxing Districts, no later than September 30, or such other date as may be agreed upon by the Districts, an estimate of the costs anticipated for the operation and maintenance of the District-Owned Improvements benefiting the Taxing Districts. The allocation of such costs among the Taxing Districts shall be determined by the Operating District based on the current and

anticipated benefit of the District-Owned Improvements to each Taxing District. Each Taxing District shall, in its sole discretion, accept or modify such estimate, which acceptance or modification shall be reflected in the annual adopted budgets of the Taxing Districts. The Operating District shall be obligated to provide the operation and maintenance of the District-Owned Improvement only to the extent that funding is made available by the Taxing Districts as provided in subparagraph 2.d) hereof. Under no circumstances shall the Operating District be obligated to provide or fund operation and maintenance costs of the District-Owned Improvements that are not funded by the Taxing Districts.

**3. Administrative Services.** The Districts hereby acknowledge that the Service Plan contemplated that the Districts would enter into an intergovernmental agreement to provide for the procedures for coordinated financing, budgeting, and administrative oversight and management of the Districts. In accordance with the Service Plan, the Taxing Districts hereby engage the Operating District, and the Operating District hereby accepts such engagement, as the “district administrator,” which engagement the Districts hereby agree and acknowledge is further defined and limited by the following:

a) Subject to subparagraph 3.d) hereof, the Operating District shall perform, or cause to be performed, the following administrative services for the Taxing Districts: accounting, legal, management, insurance administration, election administration, budget and audit preparation, preparation of notices, meeting materials, district information, record keeping, financial planning, and any other services required from time to time to ensure statutory compliance of the Districts. The Operating District shall engage all contractors required to carry out all functions necessary for the provisions of such administrative services, provided that any such engagement shall be subject to termination by District or the Taxing Districts upon notice, as provided in Paragraph 7 and Paragraph 8 hereof, respectively.

b) The Operating District shall provide the administrative services in accordance with such written guidance (including policies and procedures) as may be provided by the Taxing Districts and agreed upon by the Operating District. Until such time as any such guidance is provided by the Taxing Districts, the Operating District shall provide such administrative services in such manner as is reasonably determined by the Operating District, subject to the funding of costs thereof by the Taxing Districts (as more particularly provided subparagraph 3.d) hereof).

c) The Districts acknowledge that one or more developers of the Service Area may record one or more covenants (“Covenants”) against the real property in one or more of the Taxing Districts, and may designate the Operating District to enforce the Covenants and/or provide design review services as provided in the Covenants (“Covenant Services”). The Districts acknowledge and agree that, if Covenants are recorded against the real property in one or more of the Taxing Districts and the Operating District is designated therein as the entity to provide the Covenant Services, the Operating District will perform, or cause to be performed, such Covenant Services as provided in the Covenants, subject to the applicable Taxing Districts providing moneys



sufficient to fund the same. The applicable Taxing Districts hereby agree to fund the Operating District's provision of Covenant Services until such time that a supplement or other instrument is recorded against the real property in the Service Area designating another entity as the provider of Covenant Services. The Taxing Districts acknowledge that their ability to terminate the provision of Covenant Services by the Operating District shall be subject to the terms of the Covenants and applicable law.

d) The obligation of the Operating District to provide the administrative services described herein is subject to the Taxing Districts providing moneys sufficient to fund the same. The Taxing Districts hereby agree, that so long as it has not terminated the engagement of the Operating District as district administrator as provided in Paragraph 8 hereof, to impose an ad valorem mill levy on property within its boundaries (subject to each Taxing District's electoral authorization, the limits set forth in the Service Plan and the provisions set forth in any bond resolution, indenture, pledge agreement, loan document and/or any other document related to the issuance of bonds by any of the Districts) and, if necessary, fees or other charges, sufficient to fund the costs of administrative services (together with the costs of operation and maintenance services provide by the Operating District as provided in subparagraph 2.e) above), as such costs are estimated and set forth in the annual budgets of the Taxing Districts.

e) The Operating District shall submit to the Taxing Districts, no later than September 30, or such other date as may be agreed upon by the Districts, an estimate of the costs anticipated for such administrative services. The Taxing Districts shall, in their sole discretion, accept or modify such estimate, which acceptance or modification shall be reflected in the annual adopted budgets of the Taxing Districts. The Operating District shall be obligated to provide the administrative services described in this Paragraph 3 only to the extent of funding made available by the Taxing Districts as provided in subparagraph 3.d) hereof. Under no circumstances shall the Operating District be obligated to fund administrative costs, or to provide administrative services that are not funded by the Taxing Districts.

**4. Effectuation of Pledge of Security, Current Appropriation.** The sums herein required to pay the amounts due hereunder are hereby appropriated for that purpose, and said amounts for each year shall be included in the annual budget and the appropriation resolution or measures to be adopted or passed by the Boards of Directors of the Taxing Districts in each year while any of the obligations herein authorized are outstanding and unpaid. No provisions of any constitution, statute, resolution or other order or measure enacted after the execution of this Agreement shall in any manner be construed as limiting or impairing the obligation of the Taxing Districts to levy ad valorem property taxes, or as limiting or impairing the obligation of the Taxing Districts to levy, administer, enforce and collect the ad valorem property taxes as provided herein for the payment of the obligations hereunder.

**5. Subordination.** This Agreement shall be subordinate to the Taxing Districts' obligations under the Pledge Agreement. Notwithstanding the provisions of the prior paragraph, no payment shall be made by a Taxing District to the Operating District in any given year or

amounts due under this Agreement until there has been deposited with the Trustee the amounts required by the Pledge for such year.

**6. Operating District Compensation.** The compensation for the provision of services described hereunder by the Operating District shall be agreed upon by the Districts each year, on or before the adoption of an annual budget by the Taxing Districts.

**7. Operating District Termination Rights.** The Operating District shall have the option to terminate the provisions hereof pertaining to its engagement as operator of the Public Improvements (as provided in Paragraph 2 hereof) and/or district administrator (as provided in Paragraph 3 hereof) to one or more of the Taxing Districts at the end of any fiscal year; provided that written notice of such termination is provided to the Taxing District(s) no later than September 30 of the final fiscal year in which operations and maintenance services and/or administrator services are sought to be provided. In addition, in the event that one or more of the Taxing Districts cannot agree upon a budget for the provision of such operations and maintenance services and/or administrator services, including the Operating District's compensation for the same, the Operating District shall have the option to terminate this agreement (with respect to the services described in Paragraph 2, Paragraph 3, or both) at the end of the then-current fiscal year with the applicable Taxing District(s). Upon the termination by the Operating District of the services provided pursuant to Paragraph 2 hereof, the Operating District shall cause legal title in the applicable District-Owned Improvements to be conveyed to, or at the direction of, the applicable Taxing District(s), and shall cause all contracts relating to the operation and maintenance of such District-Owned Improvements and administrative services to be assigned to or at the direction of the applicable Taxing District(s) as provided herein.

**8. Termination Rights of the Taxing Districts.** Any Taxing District may determine to terminate its engagement of the Operating District as operator of the District-Owned Improvements that solely benefit such Taxing District, and/or terminate the engagement of the Operating District as district administrator at the end of any fiscal year; provided that written notice of such termination is provided to the Operating District no later than September 30 of the final fiscal year in which operations and maintenance services and/or administrative services are to be provided by the Operating District. No later than December 31 of the fiscal year in which the Operating District is in receipt of written termination of its operations and maintenance services by a Taxing District, the Operating District shall cause legal title in the applicable District-Owned Improvements to be conveyed to or at the direction of the applicable Taxing District(s) seeking termination as provided herein, and shall cause all contracts relating to the operation and maintenance of the District-Owned Improvements to be assigned to or at the direction of, the applicable Taxing District(s) seeking termination of their engagement of the Operating District.

**9. No Unintended Third-Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the parties hereto, any rights, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the parties shall be for

the sole and exclusive benefit of the parties. The covenants, terms, conditions, and provisions contained herein shall inure to and be binding upon the representatives, successors, and permitted assigns of the parties hereto. This Agreement is not intended to create any third-party beneficiaries, implied trusts, or similar implied agreements, nor may the provisions hereof be enforced by any person or entity not a party hereto, including without limitation, the owners of bonds issued by the Districts.

**10. Amendment.** This Agreement may be amended from time to time by agreement among the Districts; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the Districts unless the same is in writing and duly executed by all of the Districts.

**11. Assignment.** Except as contemplated herein and in the Service Plan, neither this Agreement, nor any Districts' rights, obligations, duties or authority hereunder may be assigned in whole or in part by any District without the prior written consent of all the other Districts. Any such attempt of assignment without the requisite consent shall be deemed void and of no force and effect at the election of any District with consent rights. Consent to one assignment shall not be deemed to be consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment.

**12. Instruments of Further Assurance.** The Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

**13. Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.

**14. Severability.** If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

**15. Recovery of Costs.** In the event of any litigation between or among the Districts hereto concerning the subject matter hereof, the prevailing District(s) in such litigation shall be entitled to receive from the losing District(s), in addition to the amount of any judgment or other award entered therein, all reasonable costs and expenses incurred by the prevailing District(s) in such litigation, including reasonable attorneys' fees.

**16. Governmental Immunity.** Nothing herein shall be construed as a waiver of the rights and privileges of the Districts pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., as amended from time to time.

**17. Integration.** This Agreement contains the entire agreement between and among the Districts regarding the subject matter hereof, and no statement, promise or


inducement made by any District or the agent of any District that is not contained in this Agreement or separate written instrument shall be valid or binding.

**18. Termination of Prior Master IGA.** The Prior Master IGA is hereby terminated and shall be of no force or effect as of the date hereof.


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IN WITNESS WHEREOF, the Districts have executed this Agreement on the date first above written.


VDW METROPOLITAN DISTRICT NO. 1

DocuSigned by:  
  
B786C9D42F3647F...  
By: Kim L. Perry, President

VDW METROPOLITAN DISTRICT NO. 2

DocuSigned by:  
  
B786C9D42F3647F...  
By: Kim L. Perry, President

VDW METROPOLITAN DISTRICT NO. 3

DocuSigned by:  
  
B786C9D42F3647F...  
By: Kim L. Perry, President