

ENCORE ON 34 METROPOLITAN DISTRICT NOS. 1, 2 & 3

2021 ANNUAL REPORT TO THE TOWN OF JOHNSTOWN, LARIMER COUNTY, COLORADO

Pursuant to the Consolidated Service Plan for Encore on 34 Metropolitan District Nos. 1, 2 & 3 (the “Districts”), the Districts are required to submit an annual report to the Town of Johnstown, Larimer County, Colorado pursuant to Section 32-1-207(3)(c), that shall include, but not be limited to, the information on the progress of the Districts and implementation of the Service Plan. To that end, the Districts report the following relating to significant events of the Districts through December 31, 2021:

- A. A narrative summary of the progress of the Districts in implementing their Service Plan for the report year.

No significant improvements were installed for the property by the Districts within the Encore on 34 Metropolitan District Nos. 1 - 3 during the report year.

- B. Audited financial statements of the Districts for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year.

Exemptions from audit were filed and accepted for District Nos. 2 and 3. The Auditor for the District No. 1 has filed for an extension for the 2021 Audit, which will be provided as a supplemental enclosure upon receipt. Copies of the audit exemption approval letters are collectively attached hereto as **Exhibit A**. The balance sheet with revenue and expenditures and the statement of operations for the report year 2021 are included within the 2022 budgets attached hereto as **Exhibit B**.

- C. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the Districts in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year.

There were no Public Improvements proposed or undertaken in the report year. There are currently no plans for the Districts to undertake construction of Public Improvements within the next five years following the report year.

- D. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the report year, including the amount of

outstanding Debt, the amount and terms of any new Debt issued in the report year, the amount of payment or retirement of existing Debt of the Districts in the report year, the total assessed valuation of all taxable properties within the Districts as of January 1 of the report year and the current mill levy of the Districts pledged to Debt retirement in the report year.

A summary of the financial obligations of the Districts at the end of the report year is included within a separate schedule to the financial statements. The following is disclosed within a separate schedule to the Notes to Financial Statements attached within Exhibit A:

1. Summary of Amount of Outstanding Bonded Indebtedness of the Districts: See Notes to Financial Statements included with Exhibit A.
2. The amount of payment or retirement of Debt of the Districts in the report year:

No bonded indebtedness was retired in the 2021 report year. Payments on outstanding debt were made as reflected in the financial statements attached within the 2022 budget attached as Exhibit B.

3. Total Assessed Valuation of the Taxable Properties within the Districts:

The Districts have received a certification of valuation from the Larimer County Assessor that reports the following net total taxable assessed valuations for 2021:

Encore on 34 Metropolitan District No. 1:	\$	10
Encore on 34 Metropolitan District No. 2:	\$	3,375,760
Encore on 34 Metropolitan District No. 3:	\$	22,913
Total Assessed Value of Districts:	\$	3,398,683

4. Current Mill Levy of the Districts Pledged to Debt Retirement in the Report Year.

The current mill levy of District No. 1 is 0.000, District No. 2 is 50.000 for contractual obligations, and District No. 3 is 33.000 for contractual obligations.

- E. The Districts' budgets for the calendar year in which the annual report is submitted.

The Districts' 2022 budgets are attached as Exhibit B.

- F. A summary of residential and commercial development in the Districts for the report year.

As of the date of this annual report, no commercial or residential development currently exists in the Districts.

- G. A summary of all fees, charges and assessments imposed by the Districts as of January 1 of the report year.

There were no fees, charges or assessments imposed by the Districts as of January 1, 2021

- H. Certification of the Boards that no action, event or condition enumerated in the Town Code has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by Town Council.

No actions or events enumerated in the Town Code occurred in 2021.

- I. The name, business address and telephone number of each member of the Boards together with the name of their chief administrative officers and general counsel and the date, place and time of the regular meetings of the Boards.

Board of Directors:

Mark Hunter, President
Jeffrey Reed, Secretary/ Treasurer
Scot Smith, Assistant Secretary

Business Address:

c/o Pinnacle Consulting Group, Inc.
550 W. Eisenhower Blvd. Loveland, CO 80537
(970) 669-3611

Districts' Manager:

Andrew Kunkel
Pinnacle Consulting Group Inc.
550 W. Eisenhower Blvd.
Loveland, CO 80537
(970) 669-3611

General Counsel for the Districts:

White Bear Ankele Tanaka & Waldron
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
Telephone: (303) 858-1800

Place and Time for Meetings of the Districts:

The Board determines to hold a regular meeting on December 5, 2022 at 1:00 p.m. by telephone, electronic, or other means not including physical presence.

- J. Certification from the Board of the Districts that the Districts are in compliance with all provisions of the Service Plan and, if requested by the Town, certification from the External Financial Advisor that the District is in compliance with all provisions of the

Service Plan relating to District Debt and financing.

The Districts hereby certify that the information provided herein is true and accurate and, as of the date hereof, the Districts are in full compliance with all provisions of the Service Plan.

The foregoing Annual Report and accompanying exhibits are submitted this 31st day of August, 2022.

Ex. A
Audit Exemption Approval Letters



OFFICE OF THE STATE AUDITOR • LOCAL GOVERNMENT AUDIT DIVISION
KERRI L. HUNTER, CPA, CFE • STATE AUDITOR

May 25, 2022

Board Of Directors
Encore on 34 Metropolitan District No. 2
550 W. Eisenhower Blvd.
Loveland, CO 80537

RE: 1068.02

To Whom it May Concern:

We have reviewed the *Application for Exemption from Audit* of the Encore on 34 Metropolitan District No. 2. Based on our review, the application for the year ended 12/31/2021 is approved.

If we may be of any assistance to you, please feel free to call us at 303-869-3000. For further resources see our web site at: www.colorado.gov/auditor

Sincerely,

Crystal L. Dorsey, CPA
Local Government Audit Manager



OFFICE OF THE STATE AUDITOR • LOCAL GOVERNMENT AUDIT DIVISION
KERRI L. HUNTER, CPA, CFE • STATE AUDITOR

May 25, 2022

Board Of Directors
Encore on 34 Metropolitan District No. 3
550 W. Eisenhower Blvd.
Loveland, CO 80537

RE: 1068.03

To Whom it May Concern:

We have reviewed the *Application for Exemption from Audit* of the Encore on 34 Metropolitan District No. 3. Based on our review, the application for the year ended 12/31/2021 is approved.

If we may be of any assistance to you, please feel free to call us at 303-869-3000. For further resources see our web site at: www.colorado.gov/auditor

Sincerely,

Crystal L. Dorsey, CPA
Local Government Audit Manager

Ex. B
2022 Budgets



PINNACLE

CONSULTING GROUP, INC.

Management Budget Report

BOARD OF DIRECTORS
ENCORE ON 34 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 03, 2022

ENCORE ON 34 METROPOLITAN DISTRICT NO. 1				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
2020 Actual, 2021 Adopted Budget & Projected Budget				
2022 Adopted Budget				
Modified Accrual Budgetary Basis				
GENERAL FUND	2020	2021	2021	2022
	Audited	Adopted	Projected	Adopted
Revenues	Actual	Budget	Actual	Budget
Service Fees District #2	\$ 462,812	\$ 291,397	\$ 295,290	\$ 175,540
Service Fees District #3	795	786	796	786
Developer Advances	-	-	32,360	-
Interest and Other Income	1,162	1,000	26	1,000
Total Revenues	\$ 464,769	\$ 293,183	\$ 328,472	\$ 177,326
Expenditures				
Accounting and Finance	\$ 13,020	\$ 15,000	\$ 15,000	\$ 17,160
Audit	6,800	7,000	7,000	7,500
District Management/Administration	6,180	10,800	10,800	18,590
Election	661	-	-	1,500
District Engineer	-	1,000	-	1,000
Insurance	300	336	300	300
Legal	18,599	10,000	35,000	30,000
Developer Reimbursement	-	-	-	32,360
Office, Dues, Newsletters & Other	2,075	2,000	1,750	3,000
Transfer to Capital Fund	452,340	270,000	305,740	-
Contingency	-	10,000	10,000	70,000
Total Expenditures	\$ 499,976	\$ 326,136	\$ 385,590	\$ 181,410
Revenues Over/(Under) Expenditures	\$ (35,208)	\$ (32,953)	\$ (57,118)	\$ (4,084)
Beginning Fund Balance	\$ 102,181	\$ 65,081	\$ 66,974	\$ 9,856
Ending Fund Balance	\$ 66,974	\$ 32,128	\$ 9,856	\$ 5,772

ENCORE ON 34 METROPOLITAN DISTRICT NO. 1				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
2020 Actual, 2021 Adopted Budget & Projected Budget				
2022 Adopted Budget				
Modified Accrual Budgetary Basis				
CAPITAL PROJECTS FUND	2020	2021	2021	2022
	Audited	Adopted	Projected	Adopted
Revenues	Actual	Budget	Actual	Budget
Proceeds from Capital Note	\$ 809,890	\$ -	\$ -	\$ -
Transfer from General Fund	452,340	270,000	305,740	-
Total Revenues	\$ 1,262,230	\$ 270,000	\$ 305,740	\$ -
Expenditures				
Capital Outlay	\$ 812,230	\$ -	\$ -	\$ -
Developer Reimbursement	450,000	270,000	305,740	-
Total Capital Expenditures	\$ 1,262,230	\$ 270,000	\$ 305,740	\$ -
Revenues over/(under) Expend	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

ENCORE ON 34 METROPOLITAN DISTRICT NO. 1
2022 BUDGET MESSAGE

Encore on 34 Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to the provisions set forth in the Colorado Special District Act. The District was established as part of a “Multiple District Structure” for the community located in the Town of Timnath, Colorado. The multiple structure of the Districts will assure that the construction and operation of each phase of public facilities will be primarily administered by a single board of directors consistent with a long-term construction and operations program. Along with Encore on 34 Metropolitan Districts Nos. 2 & 3, this District was organized to provide streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreational improvements; and to provide the operation and maintenance of these improvements for the benefit of the landowners and residents of the District.

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 provide the level of services desired by the constituents of the District in the most economic manner possible.

Overview

Highlights of the 2022 budget include the following:

- The assessed valuation for District 2 decreased to \$3,375,760, resulting in decreased service fee revenue of \$115,857.

General Fund

Revenue

The District collects revenues through Service Fees paid by Districts 2 and 3. In 2022, the District has budgeted to collect \$176,326 in service fee revenues, a decrease of \$115,857 from the 2021 budget.

Expenses

The District's General Fund expenditures total \$181,410 for 2022. This amount comprised of accounting, district management and legal amounting to \$17,160, \$18,590, \$30,000 respectively along with developer reimbursement of \$32,360 making up the largest expenditures.

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.

Capital Projects Fund

No revenues, expenditures or fund balance is budgeted in the Capital Projects Fund in 2022.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Larimer County, Colorado.

On behalf of the Encore on 34 Metropolitan District No. 1,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Encore on 34 Metropolitan District No. 1

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 10 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 10 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2021 for budget/fiscal year 2022.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

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

Contact person: Brendan Campbell Daytime phone: (970) 669-3611
 (print)

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.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

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^J:

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^K:

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.

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 234 - ENCORE ON 34 METRO DISTRICT NO. 1

IN LARIMER COUNTY ON 11/23/2021

New Entity: No

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

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

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

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

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

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

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

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

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$30
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.	



Management Budget Report

BOARD OF DIRECTORS
ENCORE ON 34 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 "B. J. ...", is written over a horizontal dashed line.

Pinnacle Consulting Group, Inc.
January 03, 2022

ENCORE ON 34 METROPOLITAN DISTRICT NO. 2				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
2020 Actual, 2021 Adopted Budget & Projected Actual				
2022 Adopted Budget				
Modified Accrual Budgetary Basis				
DISTRICT NO. 2	2020	2021	2021	2022
GENERAL FUND	Unaudited	Adopted	Projected	Adopted
Revenues	Actual	Budget	Actual	Budget
Property Taxes	\$ 440,072	\$ 280,190	\$ 280,190	\$ 168,788
Specific Ownership Taxes	31,542	16,811	20,704	10,127
Interest & Other	-	25,000	-	25,000
Total Revenues	\$ 471,614	\$ 322,001	\$ 300,894	\$ 203,915
Expenditures				
Payment for Services to No. 1	\$ 462,812	\$ 291,397	\$ 295,290	\$ 175,540
Treasurer's Fees	8,801	5,604	5,604	3,376
Contingency	-	25,000	-	25,000
Total Operating Expenditures	\$ 471,614	\$ 322,001	\$ 300,894	\$ 203,915
Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Larimer County, Colorado.

On behalf of the Encore on 34 Metropolitan District No. 2,
(taxing entity)^A

the Board of Directors,
(governing body)^B

of the Encore on 34 Metropolitan District No. 2,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,375,760 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 3,375,760 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2021 for budget/fiscal year 2022.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0.00</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u> </u> > mills	\$ < <u> </u> >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0.00
3. General Obligation Bonds and Interest ^J	<u> </u> mills	\$ <u> </u>
4. Contractual Obligations ^K	<u>50.000</u> mills	\$ <u>168,788.00</u>
5. Capital Expenditures ^L	<u> </u> mills	\$ <u> </u>
6. Refunds/Abatements ^M	<u> </u> mills	\$ <u> </u>
7. Other ^N (specify): <u> </u>	<u> </u> mills	\$ <u> </u>
	<u> </u> mills	\$ <u> </u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	50.000 mills	\$ 168,788.00

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.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

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^J:

- 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^K:

- 3. Purpose of Contract: To fund the operations and maintenance of Encore Metropolitan District No. 2's infrastructure improvements.
Title: Master Intergovernmental Agreement
Date: 2018
Principal Amount: _____
Maturity Date: _____
Levy: 50.000
Revenue: \$168,788.00

- 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.

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 235 - ENCORE ON 34 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
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IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$5,603,795
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$3,375,760
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$3,375,760
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

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

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

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

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

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

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

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$4,224,653
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): **	
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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.

ENCORE ON 34 METROPOLITAN DISTRICT NO. 2
2022 BUDGET MESSAGE

Encore on 34 Metropolitan District No. 2 is a quasi-municipal corporation organized and operated pursuant to the provisions set forth in the Colorado Special District Act. The District was established as part of a “Multiple District Structure” for the community located in the Town of Timnath, Colorado. The multiple structure of the Districts will assure that the construction and operation of each phase of public facilities will be primarily administered by a single board of directors consistent with a long-term construction and operations program. Along with Encore on 34 Metropolitan Districts Nos. 1 & 3, this District was organized to provide streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreational improvements; and to provide the operation and maintenance of these improvements for the benefit of the landowners and residents of the District.

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 collect property taxes for distribution to District No. 1 (the “Service District”) in order to provide the level of services desired by the constituents.

Overview

Highlights of the 2022 budget include the following:

- The taxable assessed value of the District decreased by \$2,228,035 to \$3,375,760

General Fund

Revenue

The District has an assessed value of \$3,375,760 and certified a mill levy of 50.000 mills, which will produce property tax revenue of \$168,788. Specific ownership tax is estimated at 6% of property tax revenue in the amount of \$10,127. The District also estimates \$25,000 in interest and other revenue for combined revenues of \$203,915.

Expenses

With exception of the County Treasurer’s fees and a contingency, expenditures are related to transfers to the Service District for overall operating costs.

Fund Balance/Reserves

The District transfers all its revenue to the Service District. Therefore, the emergency reserve related to this District is held in Encore on 34 Metropolitan District No. 1.



PINNACLE

CONSULTING GROUP, INC.

Management Budget Report

BOARD OF DIRECTORS
ENCORE ON 34 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.

Pinnacle Consulting Group, Inc.
January 03, 2022

ENCORE ON 34 METROPOLITAN DISTRICT NO. 3				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
2020 Actual, 2021 Adopted Budget & Projected Actual				
2022 Adopted Budget				
Modified Accrual Budgetary Basis				
DISTRICT NO. 3	2020	2021	2021	2022
GENERAL FUND	Unaudited	Adopted	Projected	Adopted
Revenues	Actual	Budget	Actual	Budget
Property Taxes	\$ 755	\$ 755	\$ 755	\$ 756
Specific Ownership Taxes	54	45	56	45
Interest & Other	-	100	-	100
Total Revenues	\$ 809	\$ 901	\$ 811	\$ 901
Expenditures				
Payment for Services to No. 1	\$ 794	\$ 786	\$ 796	\$ 786
Treasurer's Fees	15	15	15	15
Contingency	-	100	-	100
Total Operating Expenditures	\$ 809	\$ 901	\$ 811	\$ 901
Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Larimer County, Colorado.

On behalf of the Encore on 34 Metropolitan District No. 3
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Encore on 34 Metropolitan District No. 3
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 22,913 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^B)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 22,913 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2021 for budget/fiscal year 2022
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0.00</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0.00
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	<u>33.000</u> mills	\$ <u>756.13</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	33.000 mills	\$ 756.13

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.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

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^J:

- 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^K:

- 3. Purpose of Contract: To fund the operations and maintenance of Encore Metropolitan District No. 3's infrastructure improvements.
Title: Master Intergovernmental Agreement
Date: 2018
Principal Amount: _____
Maturity Date: _____
Levy: 33.000
Revenue: \$756.13

- 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.

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 236 - ENCORE ON 34 METRO DISTRICT NO. 3

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:	\$22,892
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$22,913
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$22,913
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

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

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

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

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

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

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

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$79,000
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): **	
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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.

ENCORE ON 34 METROPOLITAN DISTRICT NO. 3
2022 BUDGET MESSAGE

Encore on 34 Metropolitan District No. 3 is a quasi-municipal corporation organized and operated pursuant to the provisions set forth in the Colorado Special District Act. The District was established as part of a “Multiple District Structure” for the community located in the Town of Timnath, Colorado. The multiple structure of the Districts will assure that the construction and operation of each phase of public facilities will be primarily administered by a single board of directors consistent with a long-term construction and operations program. Along with Encore on 34 Metropolitan Districts Nos. 1 & 3, this District was organized to provide streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreational improvements; and to provide the operation and maintenance of these improvements for the benefit of the landowners and residents of the District.

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 collect property taxes for distribution to District No. 1 (the “Service District”) in order to provide the level of services desired by the constituents.

Overview

Highlights of the 2022 budget include the following:

- The taxable assessed value of the District decreased to \$22,913.

General Fund

Revenue

The District has an assessed value of \$22,913 and certified a mill levy of 33.000 mills, which will produce property tax revenue of \$756. Specific ownership tax is estimated at 6% of property tax revenue in the amount of \$45. The District also estimates \$100 in interest and other revenue for combined revenues of \$901.

Expenses

With exception of the County Treasurer’s fees and a contingency, expenditures are related to transfers to the Service District for overall operating costs.

Fund Balance/Reserves

The District transfers all its revenue to the Service District. Therefore, the emergency reserve related to this District is held in Encore on 34 Metropolitan District No. 1.