

# KINSTON METROPOLITAN DISTRICT NOS. 1-10

## NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expiration</u>
Kim Perry	President	May 2025
Tim DePeder	Vice President	May 2025
Josh Kane	Treasurer & Secretary	May 2025
Vacant	Secretary	May 2027
Brad Lenz	Asst. Secretary & Asst. Treasurer	May 2027

**Date: November 3, 2023 (Friday)**

**Time: 12:00 P.M.**

**Place: MS TEAMS & Teleconference**

[Click here to join the meeting](#)

Meeting ID: 217 693 156 472 Passcode: BsH6nN

**Or call in (audio only)**

[+1 720-721-3140](tel:+17207213140).,[204556171](tel:+1204556171)# Phone Conference ID: 204 556 171#

### I. ADMINISTRATIVE ITEMS

- A. Call to Order.
- B. Declaration of Quorum/Director Disclosure of any Potential Conflicts of Interest.
- C. Approval of Agenda. **(Pages 1-3)**
- D. Public Comment. (Limited to 3-Minutes Per Person).
- E. Director Comment.

### II. CONSENT AGENDA

- A. Approval of Minutes – October 12, 2023, Regular Meeting. **(Pages 4-8)**
- B. Ratification of Payment of Claims. **(Page 9)**
- C. Ratification of Contract Modifications. **(Page 10)**
- D. Consideration and Approval of 2024 Annual Administrative Matters Resolution. **(Pages 11-46)**
- E. Consideration and Approval of 2024 Meeting Resolution. **(Pages 47-51)**
- F. Consideration and Approval of First Amendment to Amended and Restated Public Records Policy. **(Pages 52-60)**

### III. DISTRICT MANAGER ITEMS

- A. District Manager's Report. **(Pages 61-62)**
- B. Consideration and Approval of 2024 Master Service Agreements with Operations and Maintenance Service Contractors.
  - a. All Sweep
  - b. Environmental Designs Inc.

Professionally Managed by:  
Pinnacle Consulting Group, Inc.  
550 W. Eisenhower, Loveland, CO 80537  
Phone: 970-617-2474 | FAX: 970-669-3612  
District Email: [KINMDAdmin@PCGI.com](mailto:KINMDAdmin@PCGI.com)  
District Website: [www.kinstonmd.live](http://www.kinstonmd.live)

- c. Fiske Electric
  - d. High Plains Environmental Services
  - e. Mcwhinney Real Estate Services
  - f. SWPPP Colorado
- C. Consider Authorization of District Manager to Execute 2024 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2024 Budget.

#### IV. CAPITAL INFRASTRUCTURE ITEMS

- A. District Project Manager Update.

#### V. FINANCIAL ITEMS

- A. Finance Manager's Report. **(Page 63)**
- B. Public Hearing regarding the Proposed Amended 2023 Budgets.
- C. Consider Adoption of Amended 2023 Budgets; Consideration and Approval of Resolution to Amend Budgets; and Appropriate Sums of Money.
- D. Public Hearing regarding the Proposed 2024 Budgets.
- E. Consider Adoption of 2024 Budgets; Consideration and Approval of Resolutions to Adopt Budgets; Certify Mill Levies and Appropriate Sums of Money. **(Pages 64-76)**
- F. Consideration and Approval of Adams Group for 2023 Audit.

#### VI. LEGAL ITEMS

- A. Consideration and Approval of Fourth Amendment to 2020 Funding and Reimbursement Agreement with Centerra East Development, Inc. ("CED") and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Operating Advances. **(Pages 77-98)**
- B. Consideration and Approval of Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with CED and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Capital Advances. **(Pages 99-121)**
- C. Consideration and Approval of First Amendment to Intergovernmental Agreement Concerning District Operations. **(Pages 122-126)**
- D. Ratification of Addendum No. 5 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Regional Pond. **(Pages 127-131)**
- E. Ratification of Addendum No. 6 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Public Improvements. **(Pages 132-135)**

#### VII. DIRECTOR ITEMS

#### VIII. OTHER MATTERS

- IX. EXECUTIVE SESSION – Pursuant to § 24-6-402(4)(b), C.R.S. for the purpose of receiving legal advice on specific legal questions.

## X. ADJOURNMENT

***\*\*\*The next Regular Meeting is scheduled for December 14, 2023\*\*\****

Professionally Managed by:  
Pinnacle Consulting Group, Inc.  
550 W. Eisenhower, Loveland, CO 80537  
Phone: 970-617-2474 | FAX: 970-669-3612  
District Email: [KINMDadmin@PCGI.com](mailto:KINMDadmin@PCGI.com)  
District Website: [www.kinstonmd.live](http://www.kinstonmd.live)

## RECORD OF PROCEEDINGS

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### MINUTES OF THE REGULAR MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD  
October 12, 2023

The Regular Meeting of Kinston Metropolitan District Nos. 1-10 was held via MS Teams and Teleconference on Thursday, October 12, 2023, at 1:00 p.m.

#### ATTENDANCE

##### Directors in Attendance:

Kim Perry, President  
Tim DePeder, Vice President  
Brad Lenz, Asst. secretary & Asst. Treasurer

##### Directors Absent, but Excused:

Josh Kane, Treasurer & Secretary

##### Also in Attendance:

Deborah Early; Icenogle Seaver Pogue, P.C.  
Bryan Newby, Kieyesia Conaway, Brendan Campbell, Irene Buenavista,  
Wendy McFarland, Casey Milligan, and Dillon Gamber; Pinnacle  
Consulting Group, Inc.  
Jeff Breidenbach, Laura Wright, Samantha Romero, and Megan Ott;  
McWhinney.

#### ADMINISTRATIVE ITEMS

Call to Order: The Regular Meeting of the Boards of Directors (collectively, the “Boards”) of the Kinston Metropolitan District Nos. 1-10 (collectively, the “District”) was called to order by Director Perry at 1:03 p.m.

Coordinated Meetings: The Boards determined to hold joint meetings of the Districts and to prepare joint minutes of actions taken by the Districts at such meetings. Unless otherwise noted below, the matters set forth below shall be deemed to be the actions of the Board of Directors of Kinston Metropolitan District No. 1, with concurrence by the Boards of Directors of Kinston Metropolitan District Nos. 2, 3, 4, 5, 6, 7, 8, 9 and 10.

Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest: Director Perry noted that a quorum was present, with three out of four Directors in attendance. All Board Members confirmed their qualifications to serve on the Boards.

**RECORD OF PROCEEDINGS**

Alan Pogue, legal counsel, stated that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State’s Office, disclosing potential conflicts as Board Members are employees of McWhinney Real Estate Services, Inc. and Land Asset Strategies, which are associated with the primary landowners and developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

Approval of Agenda: The Boards considered the approval of the agenda. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director DePeder, and upon vote, unanimously carried, it was

**RESOLVED** to approve the agenda, as presented.

Public Comment: There were no Public Comments received.

Director Comment: There were no Director Comments received.

CONSENT AGENDA

Director Perry reviewed the items on the consent agenda with the Boards. Director Perry advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any Director. No items were requested to be removed from the consent agenda. Upon a motion duly made by Director DePeder, Seconded by Director Lenz, the following items on the consent agenda were unanimously approved, ratified and adopted:

- A. Approval of Minutes – September 14, 2023, Regular Meeting.
- B. Payment of Claims.
- C. Contract Modifications.

DISTRICT MANAGER ITEMS

District Manager’s Report: Mr. Newby and Mr. Gamber presented the District Manager’s Report to the Boards and answered questions.

**RECORD OF PROCEEDINGS**

Pinnacle Consulting Group, Inc. Addendum: Mr. Newby presented the Pinnacle Consulting Group, Inc. Addendum to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director DePeder, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Pinnacle Consulting Group, Inc. Addendum, as presented, not to exceed \$4,620.00.

CAPITAL  
INFRASTRUCTURE  
ITEMS

Capital Infrastructure Report & District Project Manager Update: Mr. Milligan presented the Capital Infrastructure Report and Mr. Breidenbach provided the District Project Manager Update to the Boards and answered questions.

Capital Fund Summary: Mr. Milligan reviewed the Capital Fund Summary with the Boards and answered questions.

Construction Contract with Bath for Millenium East 16<sup>th</sup> for Landscaping Services: Mr. Milligan presented a Construction Contract with Bath for Millenium East 16<sup>th</sup> for Landscaping Services to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director DePeder, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Construction Contract with Bath for Millenium East 16<sup>th</sup> for Landscape Services in the amount of \$380,688.49, as presented.

FINANCIAL  
ITEMS

Finance Manager’s Report: Ms. Buenavista presented the Finance Manager’s Report to the Boards and answered questions.

## RECORD OF PROCEEDINGS

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LEGAL ITEMS

Acceptance of Parcels via Quit Claim Deed from Centerra East Development, Inc.: Mr. Pogue presented the Acceptance of Parcels via Quit claim Deed from Centerra East Development, Inc. to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director DePeder, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Acceptance of Parcels via Quit Claim Deed from Centerra East Development, Inc.

Approval of Addendum No. 5 to Intergovernmental Agreement Regarding Allocation of costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Regional Pond: Mr. Pogue presented the Addendum No. 5 to Intergovernmental Agreement Regarding Allocation of costs of Public Improvements between District No. 1 and Centerra Metropolitan district No. 1 for Regional Pond to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director DePeder, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Addendum No. 5 to Intergovernmental Agreement Regarding Allocation of costs of Public Improvements between District No. 1 and Centerra Metropolitan district No. 1 for Regional Pond.

Approval of Addendum No. 6 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Public Improvements: Mr. Pogue presented the Addendum No. 6 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Public Improvements to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director DePeder, and upon vote, unanimously carried, it was

**RESOLVED** to approve Addendum No. 6 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Public Improvements.

DIRECTOR  
MATTERS

There were no Director Matters to come before the Boards.

## RECORD OF PROCEEDINGS

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OTHER  
MATTERS

There were no Other Matters to come before the Boards.

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ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 2:31 p.m.

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The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully submitted,

\_\_\_\_\_  
Kieyesia Conaway, Recording Secretary for the Meeting



## Check Detail

October 6 - 24, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	Bill.com	10/11/2023	Icenogle Seaver Pogue, P.C.	1072 · Bill.com Money Out Clearing	
Bill	24169	08/31/2023		1-51110 · Legal Services	3,908.30
TOTAL					<u>3,908.30</u>
Bill Pmt -Check	Bill.com	10/11/2023	Pinnacle Consulting Group, Inc.	1072 · Bill.com Money Out Clearing	
Bill	24996	08/31/2023		1-51040 · District Management	3,430.00
				1-51080 · Facilities Management	1,085.00
				1-51000 · Accounting	6,055.00
				1-51120 · Office, Dues & Other	200.63
TOTAL					<u>10,770.63</u>
Bill Pmt -Check	Bill.com	10/11/2023	eUnify	1072 · Bill.com Money Out Clearing	
Bill	Postage 2023	08/31/2023		1-12005 · eUnify Prepaid Postage	155.00
TOTAL					<u>155.00</u>
Bill Pmt -Check	Bill.com	10/12/2023	Waterwise Land & Waterscapes Inc	1072 · Bill.com Money Out Clearing	
Bill	05-726-4886	08/15/2023		3-55101 · Project-Direct	29,584.58
TOTAL					<u>29,584.58</u>
Bill Pmt -Check	Bill.com	10/12/2023	Coyote Ridge Construction LLC	1072 · Bill.com Money Out Clearing	
Bill	20	08/15/2023		3-55601 · Project-Direct	63,474.14
TOTAL					<u>63,474.14</u>
Bill Pmt -Check	Bill.com	10/12/2023	McWhinney Real Estate Services, Inc.	1072 · Bill.com Money Out Clearing	
Bill	405097	08/15/2023		3-55102 · Project Management	15,642.00
TOTAL					<u>15,642.00</u>
Bill Pmt -Check	Bill.com	10/12/2023	Bath, Inc.	1072 · Bill.com Money Out Clearing	
Bill	SINV-001546	08/15/2023		3-55101 · Project-Direct	234,320.05
TOTAL					<u>234,320.05</u>
				<b>Total</b>	<u><u>\$ 357,854.70</u></u>

# Contract Modifications for Board Ratification

## Kinston Metropolitan District No. 1

### Kinston Millennium East 14th (KIN-ME14)

<i>Contractor:</i> <b>GE Construction, Inc.</b>	<i>Modification Date:</i> <b>10/12/2023</b>	<i>Modification Amount:</i> <b>\$16,780.00</b>	<i>Contract #:</i> <b>Cnt-01092</b>
<i>Modification Description:</i> <b>WO 2023-02</b>	<i>Payment Method:</i> <b>Time &amp; Materials</b>	<i>District Signed Date:</i> <b>10/17/2023</b>	<i>Contractor Signed Date:</i> <b>10/17/2023</b>
<i>Modification Scope:</i> <b>Street Light Installation on Elk River</b>			

### Kinston Millennium East 16th (KIN-ME16)

<i>Contractor:</i> <b>Norris Design</b>	<i>Modification Date:</i> <b>10/12/2023</b>	<i>Modification Amount:</i> <b>\$5,000.00</b>	<i>Contract #:</i> <b>Cnt-01040</b>
<i>Modification Description:</i> <b>CO 1 to WO 2021-02</b>	<i>Payment Method:</i> <b>Time &amp; Materials</b>	<i>District Signed Date:</i> <b>10/17/2023</b>	<i>Contractor Signed Date:</i> <b>10/18/2023</b>
<i>Modification Scope:</i> <b>Landscape Bid Assistance Services</b>			

### Kinston Millennium East 19th (KIN-ME19)

<i>Contractor:</i> <b>MSK Consulting</b>	<i>Modification Date:</i> <b>8 /14/2023</b>	<i>Modification Amount:</i> <b>\$2,500.00</b>	<i>Contract #:</i> <b>Cnt-01088</b>
<i>Modification Description:</i> <b>CO 3 to WO 2022-01</b>	<i>Payment Method:</i> <b>Time &amp; Materials</b>	<i>District Signed Date:</i> <b>9 /12/2023</b>	<i>Contractor Signed Date:</i> <b>9 /12/2023</b>
<i>Modification Scope:</i> <b>Updates to Kinston Phase 3 Utility Report</b>			

**KINSTON METROPOLITAN DISTRICT NOS. 1-10  
2024 ANNUAL ADMINISTRATIVE MATTERS RESOLUTION**

WHEREAS, the Boards of Directors (individually a “Board” and collectively, the “Boards”) of Kinston Metropolitan District Nos. 1-10 (individually, a “District” and collectively, the “Districts”) are required to perform certain administrative obligations during each calendar year to comply with certain statutory requirements, as further described below, and to assure the efficient operations of the Districts; and

WHEREAS, the Boards desire to set forth such obligations herein and to designate, where applicable, the appropriate person or person(s) to perform such obligations on behalf of the Districts; and

WHEREAS, the Boards further desire to acknowledge and ratify herein certain actions and outstanding obligations of the Districts.

NOW, THEREFORE, THE BOARDS OF DIRECTORS OF KINSTON METROPOLITAN DISTRICT NOS. 1-10 HEREBY RESOLVE AS FOLLOWS:

1. Each Board directs the District Manager to prepare and file either an accurate map, as specified by the Colorado Division of Local Government (the “Division”), or a notice that the District’s boundaries have not changed since the filing of the last District map, with the Division, the Larimer County (the “County”) Clerk and Recorder and County Assessor on or before January 1, 2024, as required by Section 32-1-306, C.R.S.

2. Pursuant to Section 24-32-116(3)(b), C.R.S, each Board directs legal counsel to update the Division with any of the following information previously provided to the Division, in the event such information changes: (i) the official name of the District; (ii) the principal address and mailing address of the District; (iii) the name of the District’s agent; and (iv) the mailing address of the District’s agent.

3. Each Board directs legal counsel to prepare, no more than sixty (60) days prior to and not later than January 15, 2024, the District’s annual transparency notice containing the information set forth in Section 32-1-809(1), C.R.S., and to provide such notice to the eligible electors of the District in one of the manners set forth in Section 32-1-809(2), C.R.S. In addition, legal counsel is directed to file a copy of the notice with the County Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder’s Office, the Loveland City Council (“City”), and the Division as set forth in Section 32-1-104(2), C.R.S. A copy of the notice shall be made available for public inspection at the principal business office of the Districts.

4. Each Board directs the District’s accountant to submit a proposed 2025 budget for the District to the Board by October 15, 2024, to schedule a public hearing on the proposed budget, prepare a final budget, and budget resolution, including certification of mill levies and amendments to the budget if necessary; to certify the mill levy to the County on or before December 15, 2024; and to file the approved budget and amendments thereto with the proper governmental entities in

accordance with the Local Government Budget Law of Colorado, Sections 29-1-101 to 29-1-115, C.R.S.

5. In the event additional real property is included into the boundaries of a District in the future, each District authorizes legal counsel to record the special district public disclosure document and a map of the new boundaries of the District concurrently with the recording of the order for inclusion in the County Clerk and Recorder's office in accordance with Section 32-1-104.8(2), C.R.S.

6. Each Board directs legal counsel to notify the City of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan attached to the Districts' Service Plan, as required by Section 32-1-202(2)(b), C.R.S.

7. Each Board hereby authorizes the District's accountant to prepare and file an Audit Exemption and Resolution for approval of Audit Exemption with the Colorado State Auditor by March 31, 2024, as required by Section 29-1-604, C.R.S.; or, if required by Section 29-1-603, C.R.S., each Board authorizes that an audit of the financial statements be prepared and submitted to the Board before June 30, 2024 and filed with the State Auditor by July 31, 2024. In addition, if each District has authorized but unissued general obligation debt as of the end of the fiscal year, the Districts' accountant shall cause to be submitted to the City that adopted a resolution of approval of the District, the District's audit report or a copy of its application for exemption from audit in accordance with Section 29-1-606(7), C.R.S.

8. If the Districts hold property presumed abandoned and subject to custody as unclaimed property pursuant to the Unclaimed Property Act (§§38-13-101 *et seq.*, C.R.S.), the Boards direct legal counsel to prepare an unclaimed property report that covers the twelve months preceding July 1, 2024 and submit the report to the Colorado State Treasurer by November 1, 2024, in accordance with Section 38-13-401 *et seq.*, C.R.S.

9. Each Board directs the District's accountant to oversee the preparation and submission of any continuing annual disclosure report and/or other financial reports and documents required to be filed pursuant to a continuing disclosure agreement and any authorizing resolution, indenture, pledge agreement, loan document, and/or any other document related to the issuance of any general or special obligation bonds, revenue bonds, loans from financial institutions or other multiple fiscal year obligations by each District and any refundings thereof, including, without limitation, any continuing disclosure and financial reporting requirements required as part of District No. 5's Limited Tax General Obligation Bonds, Series 2020A and District No. 5's Subordinate Limited Tax General Obligation Bonds, Series 2020A.

10. The Boards direct the Districts' accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the Districts within sixty (60) days of the close of the fiscal year, as required by Sections 11-58-101 *et seq.*, C.R.S.

11. Each Board designates the Secretary of the District as the official custodian of "public records," as such term is used in Section 24-72-202(2), C.R.S. Public records may also be

maintained at the office of Icenogle Seaver Pogue, P.C., 4725 S. Monaco Street, Suite 360, Denver, CO 80237.

12. Each Board directs legal counsel to advise it on the requirements of the Fair Campaign Practices Act Section 1-45-101 *et seq.*, C.R.S., when applicable.

13. Each Board directs that all legal notices shall be published in accordance with Section 32-1-103(15), C.R.S., in a paper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District including, but not limited to, *The Loveland Reporter-Herald*.

14. The Boards for District No. 1 and District No. 10 determine that each director shall receive compensation for services as directors in accordance with Section 32-1-902(3)(a)(I) & (II), C.R.S., in the amount of \$100.00 per meeting for District No. 1 and in the amount of \$100.00 per meeting for District No. 10, not to exceed the statutory limits per year. The Boards of District No. 2 through District No. 9 hereby waive compensation for its directors for said director services.

15. Each Board hereby determines that each member of the Board shall execute an Affidavit of Qualification of Director at such time the member is either elected or appointed to the Board. Such forms shall be retained in each District's files. Section 32-1-103(5), C.R.S. sets forth the qualifications required. Pursuant to Section 32-1-901, C.R.S. and Section 24-12-101, C.R.S., each Board directs legal counsel to prepare, administer and file an oath of office and a certificate of appointment, if applicable, and procure a surety bond for each Director, and to file copies of each with the County Clerk and Recorder, Clerk of the Court and with the Division.

16. The Boards extend the current indemnification resolutions adopted by the Boards of each District on December 19, 2019 to allow the resolutions to continue in effect as written.

17. Pursuant to Section 32-1-1101.5, C.R.S., each Board directs legal counsel to certify the results of special district ballot issue elections to incur general obligation indebtedness by certified mail to the City and to file a copy of the certification with the Colorado Division of Securities within forty-five (45) days after the election. Furthermore, whenever each District authorizes or incurs a general obligation debt, each Board authorizes legal counsel to record notice of such action and a description of such debt, in a form prescribed by the Division, in the County Clerk and Recorder's office within thirty (30) days after authorizing or incurring the debt in accordance with Section 32-1-1604, C.R.S. Furthermore, whenever each District incurs general obligation debt, each Board directs legal counsel to submit a copy of the recorded notice to the City within thirty (30) days after incurring the debt in accordance with Section 32-1-1101.5(1), C.R.S.

18. Each Board directs legal counsel to prepare and file an application for a quinquennial finding of reasonable diligence with the City, if requested, in accordance with Section 32-1-1101.5(1.5) & (2), C.R.S.

19. Each Board directs legal counsel to prepare and file the special district annual report in accordance with the Districts' Service Plan and Section 32-1-207(3)(c), C.R.S.

20. Each Board has determined that legal counsel will file conflicts of interest disclosures provided by board members with the Colorado Secretary of State seventy-two (72) hours prior to each meeting of the Boards, in accordance with Sections 32-1-902(3)(b) and 18-8-308, C.R.S. Annually, legal counsel shall request that each Board member submit updated information regarding actual or potential conflicts of interest. Additionally, at the beginning of every term, legal counsel shall request that each Board member submit information regarding actual or potential conflicts of interest.

21. The Districts are currently members of the Special District Association (“SDA”) and insured through the Colorado Special Districts Property and Liability Pool. Each Board directs the District Manager to pay the annual SDA membership dues and insurance premiums in a timely manner. The Boards and District staff will biannually review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained.

22. The members of the Boards have reviewed the minutes from meetings of the Board(s) held between December 5, 2022 through October 12, 2023 meetings of the Boards, which minutes are attached hereto as **Exhibit A**. The Boards, being fully advised of the premises, hereby ratify and affirm each and every action of the Boards taken at said meetings.

23. Pursuant to Section 24-6-402(2)(d.5)(II)(E), C.R.S., each Board hereby declares that all electronic recordings of executive sessions shall be retained for purposes of the Colorado Open Meetings Law for ninety (90) days after the date of the executive session. Each Board further directs the custodian of the electronic recordings of the executive session to systematically delete all such recordings made for purposes of the Colorado Open Meetings Law at its earliest convenience after the ninetieth (90<sup>th</sup>) day after the date of the executive session.

24. Pursuant to Section 32-1-104.5(3)(a), C.R.S., each Board hereby designates the Districts’ official website as [www.kinstonmd.live](http://www.kinstonmd.live). Each Board directs District management to maintain and update the official website of the Districts in compliance with Section 32-1-104.5(3)(a), C.R.S.

25. The Districts hereby acknowledge, agree and declare that the Districts’ policy for the deposit of public funds shall be made in accordance with the Public Deposit Protection Act (Sections 11-10.5-101 *et seq.*, C.R.S.). As provided therein, the Districts’ official custodians may deposit public funds in any bank which has been designated by the Colorado Banking Board as an eligible public depository. For purposes of this paragraph, “official custodian” means a designee with plenary authority including control over public funds of a public unit which the official custodian is appointed to serve. Each District hereby designates the District’s accountant as its official custodian over public deposits.

26. Each Board hereby authorizes the District’s Manager to execute, on behalf of the District, any and all easement agreements pursuant to which the District is accepting or acquiring easements in favor of the District.

27. Unless otherwise authorized by the Boards and except for contracts that are publicly bid, the Boards’ President or Districts’ Project Manager are authorized, but not obligated, to take

any contract actions within the Districts' approved budget including, but not limited to, approving task orders, work orders, and change orders. All actions taken by the Boards' President and/or the Project Manager shall be ratified by the Boards at the next meeting of the Boards.

*(Signature Page Follows.)*

ADOPTED AND APPROVED THIS 3<sup>rd</sup> DAY OF NOVEMBER, 2023.

KINSTON METROPOLITAN DISTRICT NOS. 1-10

By: \_\_\_\_\_  
Kim L. Perry, President

*Signature Page to Kinston Metropolitan District Nos. 1-10  
2024 Annual Administrative Matters Resolution*



**EXHIBIT A**

**Minutes from Meetings held between  
December 5, 2022 through October 12, 2023**

## RECORD OF PROCEEDINGS

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### MINUTES OF THE COORDINATED SPECIAL MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD  
December 05, 2022

The Boards of Directors of Kinston Metropolitan District Nos. 1-10 held a coordinated special meeting, open to the public, via MS Teams, at 3:00 p.m., Monday, December 05, 2022.

#### ATTENDANCE

##### Directors in Attendance:

Abby Kirkbride, President  
Tim DePeder, Vice President  
Josh Kane, Treasurer & Assistant Secretary  
Kim Perry, Secretary  
Brad Lenz, Assistant Secretary & Assistant Treasurer

##### Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.  
Jeff Breidenbach and Jim Niemczyk; McWhinney  
Brendan Campbell, Jason Woolard, Doug Campbell, Irene Buenavista,  
Dillon Gamber, and Sarah Bromley; Pinnacle Consulting Group, Inc.

#### CALL MEETING TO ORDER

The meeting was called to order at 3:02 p.m. by Mrs. Bromley, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

#### COMBINED MEETING

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Kinston Metropolitan District No. 1, with concurrence by the Kinston Metropolitan Districts 2, 3, 4, 5, 6, 7, 8, 9 and 10.

#### CONFLICT OF INTEREST DISCLOSURE

Alan Pogue, legal counsel, stated that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts as all Board Members are employees of McWhinney Real Estate Services, Inc., which is associated with the primary landowners and developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any

## RECORD OF PROCEEDINGS

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matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

\_\_\_\_\_

APPROVAL OF  
AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director DePeder, seconded by Director Kane and, upon vote, it was unanimously

**RESOLVED** to approve the agenda, as presented.

\_\_\_\_\_

PUBLIC COMMENT

There were no members of the public present.

\_\_\_\_\_

FINANCIAL ITEMS

District Operation and Maintenance Fees: Mr. Campbell reviewed with the Boards the District Revenues and Expenditures Estimated Forecast 2022-2050, and the Annual Cost by Community. The Boards requested an update to the number of units represented from 2676 to 2916, and to include the District clubhouse and pool in future reports. Director Kane requested that the Annual Cost by Community report be reworked to include more details as they relate to fees.

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ITEMS FROM  
DIRECTORS

There were no items from Directors.

\_\_\_\_\_

OTHER  
MATTERS

There were no other matters brought before the Boards.

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ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 3:58 p.m.

\_\_\_\_\_

The foregoing constitutes a true and correct copy  
of the minutes of the above-referenced meeting.

Respectfully Submitted,

*Bryan Newby*  
\_\_\_\_\_  
Bryan Newby, Secretary for the Meeting

## RECORD OF PROCEEDINGS

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### MINUTES OF THE COORDINATED REGULAR MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD  
December 08, 2022

The Boards of Directors of Kinston Metropolitan District Nos. 1-10 held a coordinated regular meeting, open to the public, via MS Teams, at 12:00 p.m., Thursday, December 08, 2022.

ATTENDANCE

Directors in Attendance:

Abby Kirkbride, President  
Tim DePeder, Vice President  
Josh Kane, Treasurer & Assistant Secretary  
Kim Perry, Secretary  
Brad Lenz, Assistant Secretary & Assistant Treasurer

Also in Attendance:

Alan Pogue and Deborah Early; Icenogle Seaver Pogue, P.C.  
Christina Rotella, Samantha Romero, Lindsey Mercier, and Jeff Breidenbach; McWhinney  
Brendan Campbell, Irene Buenavista, Casey Milligan, Dillon Gamber, Sarah Bromley, Wendy McFarland, and Bryan Newby; Pinnacle Consulting Group, Inc.

CALL MEETING  
TO ORDER

The meeting was called to order at 12:01 p.m. by Director Kirkbride, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

COMBINED  
MEETING

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Kinston Metropolitan District No. 1, with concurrence by the Kinston Metropolitan Districts 2, 3, 4, 5, 6, 7, 8, 9 and 10.

CONFLICT OF  
INTEREST  
DISCLOSURE

Alan Pogue, legal counsel, stated that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts as all Board Members are employees of McWhinney Real Estate Services, Inc., which is associated with the primary landowners and developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the

## RECORD OF PROCEEDINGS

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meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

APPROVAL OF  
AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to approve the agenda, as presented.

PUBLIC COMMENT

There were no members of the public present.

CONSENT AGENDA  
ITEMS

The Boards considered the following consent agenda items:

- A. Approval of November 10, 2022, Regular Board Meeting Minutes.
- B. Ratification of Contract Modifications.
- C. 2023 Annual Administrative Matters Resolution.
- D. 2023 Election Resolution.
- E. 2023 Meeting Resolution.

Upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to ratify and approve the items above, as presented.

CAPITAL  
INFRASTRUCTURE  
ITEMS

District Capital Infrastructure Report: Mr. Milligan reviewed the District Capital Infrastructure Report with the Boards and answered questions.

District Project Manager Update: Mr. Milligan and Mr. Breidenbach presented the District Project Manager update with the Boards and answered questions.

Capital Fund Summary and Capital Needs Assessment: Mr. Milligan and Mr. Breidenbach reviewed the Capital Fund Summary and Capital Needs Assessment with the Boards and answered questions.

FINANCIAL ITEMS

Finance Manager's Report: Ms. Buenavista presented the Finance Manager's Report to the Boards and answered questions.

## RECORD OF PROCEEDINGS

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2022 Amended Budget Hearing: Director Kirkbride opened the 2022 Amended Budget Hearing to the public. Ms. Bromley reported that notice of the hearing had been published on November 30, 2022, in accordance with state budget law. No written objections or public comments were received prior to the public hearing. The Boards reviewed the 2022 amended budgets, which detailed estimated revenues and expenditures.

District No. 5:

Debt Service Fund Expenditures: \$645,106

Capital Projects Fund Expenditures: \$2,759,696

There being no public input, the public hearing portion of the budget was closed. Upon motion duly made by Director Kane, seconded by Director DePeder, and upon vote, it was unanimously

**RESOLVED** to approve the Resolution to Amend the 2022 Budgets for Kinston Metropolitan District Nos. 1-10.

2023 Budget Hearing: Director Kirkbride opened the 2023 Budget Hearing to the public. Ms. Bromley reported that notice of the hearing had been published on November 30, 2022, in accordance with state budget law. No written objections or public comments were received prior to the public hearing. The Boards reviewed the 2023 budgets, which detailed estimated revenues and expenditures.

District No. 1:

Mill levy is 0.000 mills.

General Fund Expenditures: \$490,546

Capital Projects Fund Expenditures: \$9,212,292

District No. 2:

Mill levy is 77.000 mills.

General Fund Expenditures: \$14,721

District No. 3:

Mill levy is 77.000 mills.

General Fund Expenditures: \$153

District No. 4:

Mill levy is 77.000 mills.

General Fund Expenditures: \$207

District No. 5:

Mill levy is 77.000 mills.

## RECORD OF PROCEEDINGS

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General Fund Expenditures: \$153  
 Capital Projects Fund Expenditures: \$0

District No. 6:  
 Mill levy is 25.000 mills.  
 General Fund Expenditures: \$100

District No. 7:  
 Mill levy is 25.000 mills.  
 General Fund Expenditures: \$100

District No. 8:  
 Mill levy is 25.000 mills.  
 General Fund Expenditures: \$100

District No. 9:  
 Mill levy is 25.000 mills.  
 General Fund Expenditures: \$112

District No. 10:  
 Mill levy is 33.000 mills.  
 General Fund Expenditures: \$105

There being no public input, the public hearing portion of the budget was closed. After further review and discussion, upon motion duly made by Director Kane, seconded by Director DePeder and, upon vote, it was unanimously

**RESOLVED** to approve the Resolution to Adopt the 2023 budgets for Kinston Metropolitan Districts Nos. 1-10, set the mill levies, appropriate budgeted funds upon final certification of value being received by the County of Larimer on or before December 15, 2022 and approve all other documents related to the 2023 budgets. The District Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.

The Adams Group for District 1 and 2 Auditor: Ms. Buenavista discussed engaging The Adams Group to perform the 2022 audit for District No. 1 and No. 2 with the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director DePeder, and upon vote, it was unanimously

**RESOLVED** to engage The Adams Group to perform the 2022 audit for District No. 1 and No. 2.

## RECORD OF PROCEEDINGS

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MRES for Financial Services Related to Bond Issuances: Mr. Pogue presented the MRES for Financial Services Related to Bond Issuances to the Boards and answered questions. Upon motion duly made by Director Lenz, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the MRES for Financial Services Related to Bond Issuances.

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### LEGAL ITEMS

Third Amendment to 2020 Funding and Reimbursement Agreement with Centerra East Development, Inc. (“CED”) and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Operating Advances: Mr. Pogue presented the Third Amendment to 2020 Funding and Reimbursement Agreement with Centerra East Development, Inc. (“CED”) and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Operating Advances to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the Third Amendment to 2020 Funding and Reimbursement Agreement with Centerra East Development, Inc. (“CED”) and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Operating Advances, as presented.

Fourth Amendment to Improvement Acquisition, Advance, and Reimbursement Agreement with CED and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Capital Advances: Mr. Pogue presented the Fourth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with CED and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Capital Advances to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the Fourth Amendment to Improvement Acquisition, Advance, and Reimbursement Agreement with CED and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Capital Advances, as presented.

Maintenance Cost Sharing Agreement with Kinston Community Association: Mr. Pogue presented the Maintenance Cost Sharing Agreement with Kinston Community Association to the Boards and



## RECORD OF PROCEEDINGS

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answered questions. Upon motion duly made by Director Kane, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the Maintenance Cost Sharing Agreement with Kinston Community Association, as presented.

Resolution Imposing Operations and Maintenance Fees: Mr. Pogue presented the Resolution Imposing Operations and Maintenance Fees to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Kirkbride and, upon vote, it was unanimously

**RESOLVED** to approve the Resolution Imposing Operations and Maintenance Fees, subject to drafting from legal counsel.

DISTRICT MANAGER  
ITEMS

Manager's Report: Ms. Bromley presented the Manager's Report to the Boards and answered questions.

Authorization to Execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget: Mr. Gamber discussed with the Boards the 2023 Work Orders with Approved Operations and Maintenance Service Contractors and answered questions. Upon motion duly made by Director Kane, seconded by Director Lenz, and upon vote, it was unanimously

**RESOLVED** to authorize the Execution of the 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget.

2023 Master Service Agreements with Operations and Maintenance Service Contractors: Ms. Bromley discussed with the Boards the 2023 Master Service Agreements with Operations and Maintenance Service Contractors and answered questions.

ITEMS FROM  
DIRECTORS

Director DePeder expressed the need to prepare teams to initiate bond issuance procedures in January 2023.

OTHER  
MATTERS

There were no other matters brought before the Boards.

## RECORD OF PROCEEDINGS

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### ADJOURNMENT

There being no further business to come before the Boards and upon motion by Director Kirkbride, the meeting was adjourned at 1:23 p.m.

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The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully Submitted,

*Bryan Newby*

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Bryan Newby, Secretary for the Meeting

## RECORD OF PROCEEDINGS

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### MINUTES OF THE COORDINATED REGULAR MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD  
March 9, 2023

The Coordinated Regular Meeting of the Board of Directors (collectively, “Boards”) of The Kinston Metropolitan District Nos. 1-10 (collectively, “Districts”) was held via teleconference, on Thursday, March 9, 2023, at 1:00 p.m.

#### ATTENDANCE

##### Directors in Attendance:

Abby Kirkbride, President  
Josh Kane, Treasurer & Assistant Secretary  
Kim Perry, Secretary  
Brad Lenz, Assistant Secretary & Assistant Treasurer

##### Directors Absent but Excused:

Tim DePeder, Vice President

##### Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.  
Samantha Romero, Lindsey Mercier, and Jeff Breidenbach;  
McWhinney  
Sarah Bromley, Bryan Newby, Nicole Wing, Brendan Campbell, Irene Buenavista, Casey Milligan, Dillon Gamber, Wendy McFarland, Christy McCutchen, and Shadrack Too; Pinnacle Consulting Group, Inc.

#### CALL MEETING TO ORDER

The meeting was called to order at 1:02 p.m. by Ms. Bromley, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

#### COMBINED MEETING

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Kinston Metropolitan District No. 1, with concurrence by the Kinston Metropolitan Districts 2, 3, 4, 5, 6, 7, 8, 9 and 10.

## RECORD OF PROCEEDINGS

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CONFLICT OF  
INTEREST  
DISCLOSURE

Alan Pogue, legal counsel, stated that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts as Board Members are employees of McWhinney Real Estate Services, Inc. and Land Asset Strategies, which are associated with the primary landowners and developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

APPROVAL OF  
AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director Kane, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the agenda, as presented.

PUBLIC COMMENT

There were no public present and no comments received.

CONSENT AGENDA

The Boards considered the following consent agenda items:

- A. Approval of December 5, 2022, Special Board Meeting Minutes and December 8, 2022, Regular Meeting Minutes.
- B. Ratification of Payables.
- C. Ratification of Contract Modifications.
- D. Unaudited Financial Statements for the period ending December 31, 2022.

Upon motion duly made by Director Kirkbride, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to ratify and approve the items above, as presented.

CAPITAL  
INFRASTRUCTURE  
ITEMS

District Capital Infrastructure Report and District Project Manager Update: Mr. Milligan reviewed the District Capital Infrastructure Report and Mr. Breidenbach provided a District Project Manager update to the Boards and answered questions.

## RECORD OF PROCEEDINGS

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Capital Fund Summary: Mr. Milligan and Mr. Breidenbach reviewed the Capital Fund Summary with the Boards and answered questions.

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### FINANCIAL ITEMS

Finance Manager's Report: Ms. Buenavista presented the Finance Manager's Report to the Boards and answered questions.

2022 Audit Exemptions for District Nos. 2-4 and District Nos. 6-10: Ms. Buenavista presented the 2022 Audit Exemptions for District Nos. 2-4 and District Nos. 6-10 to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Kirkbride, and upon vote, it was unanimously

**RESOLVED** to approve the 2022 Audit Exemptions for District Nos. 2-4 and District Nos. 6-10, as presented.

O&M Fees Update: Mr. Campbell provided an update on District O&M Fees to the Boards and answered questions.

Bond Update: Mr. Campbell provided a Bond Update to the Boards and answered questions.

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### LEGAL ITEMS

There were no Legal Items brought before the Boards.

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### DISTRICT MANAGER ITEMS

Manager's Report: Ms. Bromley and Mr. Gamber presented the Manager's Report to the Boards and answered questions.

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### ITEMS FROM DIRECTORS

There were no Items from Directors brought before the Boards.

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### OTHER MATTERS

There were no other matters brought before the Boards.

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### ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 1:56 p.m.

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## RECORD OF PROCEEDINGS

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The foregoing constitutes a true and correct copy  
of the minutes of the above-referenced meeting.

Respectfully Submitted,

  
For Nicole Wing, Secretary for the Meeting

## RECORD OF PROCEEDINGS

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### MINUTES OF THE COORDINATED REGULAR MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD  
June 8, 2023

The Coordinated Regular Meeting of the Board of Directors (collectively, “Boards”) of The Kinston Metropolitan District Nos. 1-10 (collectively, “Districts”) was held via teleconference, on Thursday, June 8, 2023, at 1:00 p.m.

#### ATTENDANCE

##### Directors in Attendance:

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

##### Also in Attendance:

Alan Pogue and Deborah Early; Icenogle Seaver Pogue, P.C.  
Jeff Breidenbach; McWhinney  
Shannon McEvoy, Sarah Bromley, Bryan Newby, Kieyesia Conaway,  
Brendan Campbell, Irene Buenavista, Casey Milligan, Nic Ortiz,  
Dillon Gamber, Wendy McFarland, and Christy McCutchen; Pinnacle  
Consulting Group, Inc.

#### CALL MEETING TO ORDER

The meeting was called to order at 1:03 p.m. by Ms. Bromley, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

#### COMBINED MEETING

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Kinston Metropolitan District No. 1, with concurrence by the Kinston Metropolitan Districts 2, 3, 4, 5, 6, 7, 8, 9 and 10.

#### CONFLICT OF INTEREST DISCLOSURE

Alan Pogue, legal counsel, stated that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State’s Office, disclosing potential conflicts as Board Members are employees of McWhinney Real Estate Services, Inc. and Land Asset Strategies, which are associated with the primary landowners and developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards

## RECORD OF PROCEEDINGS

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reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

### ELECTION OF OFFICERS

The Board Discussed officer positions. Following review and discussion, upon motion duly made by Director Lenz, seconded by Director DePeder and, upon vote, it was unanimously

**RESOLVED** to appoint each Director to the following position:

Kim Perry	President
Tim DePeder	Vice President
Josh Kane	Treasurer & Secretary
Brad Lenz	Assistant Secretary & Assistant Treasurer

### APPROVAL OF AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to approve the agenda, as presented.

### PUBLIC COMMENT

There were no public present and no comments received.

### DIRECTOR COMMENT

There were no Director Comments to come before the Board.

### CONSENT AGENDA

The Boards considered the following consent agenda items:

- A. Approval of March 9, 2023 Regular Meeting Minutes.
- B. Ratification of Payables.
- C. Ratification of Contract Modifications.
- D. Unaudited Financial Statements for the period ending March 31, 2023.

Upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously



## RECORD OF PROCEEDINGS

---

**RESOLVED** to ratify and approve the items above, as presented.

DISTRICT MANAGER  
ITEMS

Manager's Report: Mr. Newby and Mr. Gamber presented the Manager's Report to the Boards and answered questions.

ChargePoint Customer Charging Rates: Mr. Newby presented the ChargePoint Customer Charging Rates to the Boards and answered questions. Following review and discussion, upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to approve the ChargePoint Customer Charging Rates at \$0.49/kWh.

CAPITAL  
INFRASTRUCTURE  
ITEMS

District Capital Infrastructure Report and District Project Manager Update: Mr. Milligan reviewed the District Capital Infrastructure Report and Mr. Breidenbach provided a District Project Manager update to the Boards and answered questions.

Capital Fund Summary and Capital Needs Assessment Review: Mr. Milligan and Mr. Breidenbach reviewed the Capital Fund Summary and the Capital Needs Assessment with the Boards and answered questions.

Bid Summary Memorandum for Millennium East 15<sup>th</sup> Subdivision Phase 2 Public Infrastructure Improvements: Mr. Ortiz presented the Bid Summary Memorandum for Public Infrastructure Improvements and answered questions.

Construction Contract with GLH for Millennium East 15<sup>th</sup> Subdivision Phase 2: Mr. Ortiz presented the Construction Contract with GLH for \$276,491.00 and answered questions. Following review and discussion, and upon motion duly made by Director Lenz, seconded by Director DePeder and, upon vote, it was unanimously

**RESOLVED** to approve the Construction Contract with GLH in an amount of \$276,491.00.

Work Order 2023-01 with MRES for Millennium East 15<sup>th</sup> Subdivision District Project Management Services: Mr. Breidenbach presented Work Order 2023-01 with MRES for District Project Management Services and answered questions. Following review and discussion, upon motion duly made by Director DePeder, seconded by Director Kane and, upon vote, it was unanimously

## RECORD OF PROCEEDINGS

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**RESOLVED** to approve Work Order 2023-01 with MRES for District Project Management Services in an amount of \$26,918.00.

Project Budget: Mr. Milligan presented the Project Budget to the Board and answered questions. Following review and discussion, upon motion duly made by Director DePeder, seconded by Director Kane and, upon vote, it was unanimously

**RESOLVED** to approve the Project Budget in the amount of \$626,797.00.

### FINANCIAL ITEMS

Finance Manager's Report: Ms. Buenavista presented the Finance Manager's Report to the Boards and answered questions.

### 2023 AMENDED BUDGET HEARING

Director Perry opened the 2023 Amended Budget Hearing for Kinston Metropolitan District Nos. 1 -10. Ms. Bromley reported that notice of the budget hearing was published on June 7, 2023 in the Loveland Reporter-Harold, in accordance with state budget law. There being no public input, the public portion of the budget hearing was closed. Ms. Buenavista reviewed the amended budgets in detail and responded to questions. The budgets for the District by fund are as follows:

District No. 1  
Capital Fund Expenditures: \$9,739,292

Following review and discussion among Board members, upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to approve the Resolutions to Adopt the 2023 amended budgets and appropriate funds for Kinston Metropolitan District Nos. 1 -10 and authorize such further actions of the officers and consultants necessary to sign related documents and submit and file such documents required to finalize the amended budgets.

### FINANCIAL ITEMS CONTINUED

O&M Fees Update and Presentation: Mr. Campbell presented the O&M Fees Update and Presentation to the Boards and answered questions.

### LEGAL ITEMS

Access and Maintenance Easement Agreement: Mr. Pogue presented the Access and Maintenance Easement Agreement to the Boards and

## RECORD OF PROCEEDINGS

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answered questions. Following review and discussion, upon motion duly made by Director Kane, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to approve the Access and Maintenance Easement Agreement.

Richmond Alley Phase 2 Lot Development Agreement: Mr. Pogue presented the Richmond Alley Phase 2 Lot Development to the Boards and answered questions. Following review and discussion, upon motion duly made by Director DePeder, seconded by Director Kane and, upon vote, it was unanimously

**RESOLVED** to ratify the Richmond Alley Phase 2 Lot Development Agreement.

Consent to Supplement to Dispute Resolution Covenant with Centerra East Development, Inc. and Acceptance of Quitclaim Deed Conveyance of Certain Outlots in Millennium East 14<sup>th</sup>, 15<sup>th</sup>, and 16<sup>th</sup> Subdivisions: Mr. Pogue presented the Consent to Supplement to Dispute Resolution Covenant with Centerra East Development, Inc. and Acceptance of Quitclaim Deed Conveyance of Certain Outlots in Millennium East 14<sup>th</sup>, 15<sup>th</sup>, and 16<sup>th</sup>, Subdivisions to the Boards and answered questions. Following review and discussion, upon motion duly made by Director Kane, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to approve the Consent to Supplement to Dispute Resolution Covenant with Centerra East Development, Inc. and Acceptance of Quitclaim Deed Conveyance of Certain Outlots in Millennium East 14<sup>th</sup>, 15<sup>th</sup>, and 16<sup>th</sup>, Subdivisions.

Resolution approving Parking Rules: Mr. Pogue presented the Resolution approving Parking Rules to the Boards and answered questions. Following review and discussion, and upon motion duly made by Director Lenz, seconded by Director Kane and, upon vote, it was unanimously

**RESOLVED** to approve the Resolution approving Parking Rules.

Resolution Regarding District Facilities, and in connection therewith, Rules for Use of Park Facilities, Application for First Amendment Demonstration Permit, and Event License Agreement: Mr. Pogue presented the resolution regarding District Facilities, and in connection therewith, Rules for Use of Park Facilities, Application for First

## RECORD OF PROCEEDINGS

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Amendment Demonstration Permit, and Event License Agreement to the Boards and answered questions. Following review and discussion, upon motion duly made by Director DePeder, seconded by Director Kane and, upon vote, it was unanimously

**RESOLVED** to approve the resolution regarding District Facilities, and in connection therewith, Rules for Use of Park Facilities, Application for First Amendment Demonstration Permit, and Event License Agreement.

ITEMS FROM  
DIRECTORS

\_\_\_\_\_

Mr. Lenz provided the Boards with a Developer Update.

\_\_\_\_\_

OTHER  
MATTERS

\_\_\_\_\_

There were no other matters brought before the Boards.

\_\_\_\_\_

ADJOURNMENT

\_\_\_\_\_

There being no further business to come before the Boards, the meeting was adjourned at 2:28 p.m.

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The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully Submitted,

*Kieyesia Conaway*  
Kieyesia Conaway, Secretary for the Meeting

## RECORD OF PROCEEDINGS

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### MINUTES OF THE COORDINATED SPECIAL MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD  
July 13, 2023

The Coordinated Special Meeting of the Board of Directors (collectively, “Boards”) of The Kinston Metropolitan District Nos. 1-10 (collectively, “Districts”) was held via teleconference, on Thursday, July 13, 2023, at 12:30 p.m.

ATTENDANCE

Directors in Attendance:

Kim Perry, President  
Tim DePeder, Vice President  
Brad Lenz, Assistant Secretary & Assistant Treasurer

Directors Absent and Excused:

Josh Kane, Treasurer & Secretary

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.  
Jeff Breidenbach and Samantha Romero; McWhinney  
Sarah Bromley, Bryan Newby, Kieyesia Conaway, Brendan Campbell,  
Irene Buenavista, Wendy McFarland, Casey Milligan, and Christy  
McCutchen; Pinnacle Consulting Group, Inc.  
Kevin Kimball; The Adams Group, LLC  
Jo Ann Rose; Member of the Public

CALL MEETING  
TO ORDER

The meeting was called to order at 12:32 p.m. by Director Perry, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

COMBINED  
MEETING

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Kinston Metropolitan District No. 1, with concurrence by the Kinston Metropolitan Districts 2, 3, 4, 5, 6, 7, 8, 9 and 10.

CONFLICT OF  
INTEREST  
DISCLOSURE

Alan Pogue, legal counsel, stated that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State’s Office, disclosing potential conflicts as Board Members are employees of McWhinney Real Estate Services, Inc. and Land Asset Strategies, which are associated with the primary landowners and

## RECORD OF PROCEEDINGS

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developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

APPROVAL OF  
AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director Lenz, seconded by Director DePeder and, upon vote, it was unanimously

**RESOLVED** to approve the agenda, as presented.

PUBLIC COMMENT

There were no public Comments to come before the Board.

DIRECTOR  
COMMENT

There were no Director Comments to come before the Board.

CONSENT AGENDA

The Boards considered the following consent agenda items:

- A. Approval of June 8, 2023 Regular Meeting Minutes.
- B. Ratification of Payables.
- C. Ratification of Contract Modifications.

Upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to ratify and approve the items above, as presented.

DISTRICT MANAGER  
ITEMS

Manager's Report: Ms. Bromley presented the Manager's Report to the Boards and answered questions.

CAPITAL  
INFRASTRUCTURE  
ITEMS

District Capital Infrastructure Report and District Project Manager Update: Mr. Milligan reviewed the District Capital Infrastructure Report and Mr. Breidenbach provided a District Project Manager update to the Boards and answered questions.

## RECORD OF PROCEEDINGS

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Capital Fund Summary and Capital Needs Assessment Review: Mr. Milligan and Mr. Breidenbach reviewed the Capital Fund Summary and the Capital Needs Assessment with the Boards and answered questions.

Ratification of Master Service Agreement and Work Order 2023-01 with Precision Pavement Markings, Co. for Street Sign Repairs: Mr. Milligan presented the Master Service Agreement and Work Order 2023-01 with Precision Pavement Markings, Co. for street sign repairs to the Board and answered questions. Following review and discussion, and upon motion duly made by Director Lenz, seconded by Director DePeder and, upon vote, it was unanimously

**RESOLVED** to ratify the Master Service Agreement and Work Order 2023-01 with Precision Pavement Markings, Co. for street sign repairs in the amount of \$350.00.

### FINANCIAL ITEMS

Approval of 2022 Audit for Kinston Metropolitan District Nos. 1 and 5: Mr. Kimball presented the 2022 Audit for Kinston Metropolitan District Nos. 1 and 5 to the Board and answered questions. Following review and discussion, and upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to approve the 2022 Audit for Kinston Metropolitan District Nos. 1 and 5.

O&M Fees Update and Presentation: Mr. Campbell presented the O&M Fees Updated and Presentation to the Board and answered questions.

### PUBLIC COMMENT

Ms. Rose requested that the presentation of the new O&M Fees be distributed to her. The Board agreed that it would be helpful to post the entire Board Packet, to include the O&M Fee presentation, on the District's website. Following the meeting, District Management will post the Packet on the website and follow up with Ms. Rose.

### LEGAL ITEMS

Approval of a Resolution Imposing an Operation and Maintenance Fee: Mr. Pogue presented the Resolution Imposing an Operation and Maintenance Fee to the Board and answered questions. Following review and discussion, and upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

## RECORD OF PROCEEDINGS

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**RESOLVED** to approve the Resolution Imposing an Operation and Maintenance Fee subject to non-substantive changes by management.

Public Hearing to Consider Petition for the Inclusion of Land into Kinston Metropolitan District No. 2 for Certain Real Property Owned by Centerra East Development, Inc.: Director Perry opened the Inclusion Hearing to the public. Mr. Pogue stated that notice of the hearing was published on July 6, 2023 in accordance with state law. Mr. Pogue reviewed the Petition with the Board and reviewed the statutory criteria for inclusion of real property. Following Mr. Pogue's review with the Board, and there being no public input, Director Perry closed the public hearing. Following review and discussion by the Board, upon motion duly made by Director Lenz, seconded by Director DePeder and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution Approving the Inclusion of Land into Kinston Metropolitan District No. 2 for Certain Real Property Owned by Centerra East Development, Inc.

Public Hearing to Consider Petition for the Inclusion of Land into Kinston Metropolitan District No. 3 for Certain Real Property Owned by Centerra East Development, Inc.: Director Perry opened the Inclusion Hearing to the public. Mr. Pogue stated that notice of the hearing was published on July 6, 2023 in accordance with state law. Mr. Pogue reviewed the Petition with the Board and reviewed the statutory criteria for inclusion of real property. Following Mr. Pogue's review with the Board, and there being no public input, Director Perry closed the public hearing. Following review and discussion by the Board, upon motion duly made by Director Lenz, seconded by Director DePeder and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution Approving the Inclusion of Land into Kinston Metropolitan District No. 3 for Certain Real Property Owned by Centerra East Development, Inc.

Public Hearing to Consider Petition for the Inclusion of Land into Kinston Metropolitan District No. 4 for Certain Real Property Owned by Centerra East Development, Inc.: Director Perry opened the Inclusion Hearing to the public. Mr. Pogue stated that notice of the hearing was published on July 6, 2023 in accordance with state law. Mr. Pogue reviewed the Petition with the Board and reviewed the statutory criteria for inclusion of real property. Following Mr. Pogue's review with the Board, and there being no public input, Director Perry closed the public hearing. Following review and discussion by the Board, upon motion



## RECORD OF PROCEEDINGS

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duly made by Director Lenz, seconded by Director DePeder and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution Approving the Inclusion of Land into Kinston Metropolitan District No. 4 for Certain Real Property Owned by Centerra East Development, Inc.

Public Hearing to Consider Petition for the Inclusion of Land into Kinston Metropolitan District No. 5 for Certain Real Property Owned by Centerra East Development, Inc.: Director Perry opened the Inclusion Hearing to the public. Mr. Pogue stated that notice of the hearing was published on July 6, 2023 in accordance with state law. Mr. Pogue reviewed the Petition with the Board and reviewed the statutory criteria for inclusion of real property. Following Mr. Pogue's review with the Board, and there being no public input, Director Perry closed the public hearing. Following review and discussion by the Board, upon motion duly made by Director Lenz, seconded by Director DePeder and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution Approving the Inclusion of Land into Kinston Metropolitan District No. 5 for Certain Real Property Owned by Centerra East Development, Inc.

Discussion regarding Lot Development Agreement with Bridgewater Homes, LLC: Mr. Pogue presented information regarding the Lot Development Agreement with Bridgewater Homes, LLC to the Boards and answered questions.

Discussion regarding SB23-110 – Annual Community Meeting: Mr. Pogue presented information regarding SB23-110 – Annual Community Meeting to the Boards and answered questions.

ITEMS FROM  
DIRECTORS

There were no Items from Directors brought before the Board.

OTHER  
MATTERS

There were no other matters brought before the Board.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:48 p.m.

## RECORD OF PROCEEDINGS

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The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully Submitted,

*Kieyesia Conaway*  
Kieyesia Conaway, Secretary for the Meeting

## RECORD OF PROCEEDINGS

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### MINUTES OF THE COORDINATED REGULAR MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD  
September 14, 2023

The Coordinated Regular Meeting of the Board of Directors (collectively, “Boards”) of The Kinston Metropolitan District Nos. 1-10 (collectively, “Districts”) was held via MS Teams teleconference, on Thursday, September 14, 2023, at 1:00 p.m.

#### ATTENDANCE

##### Directors in Attendance:

Kim Perry, President  
Tim DePeder, Vice President  
Brad Lenz, Assistant Secretary & Assistant Treasurer

##### Directors Absent, but Excused:

Josh Kane, Treasurer & Secretary

##### Also in Attendance:

Deborah Early; Icenogle Seaver Pogue, P.C.  
Jeff Breidenbach, Jim Niemczyk, Laura Wright, and Samantha Romero; McWhinney  
Sarah Bromley, Bryan Newby, Kieyesia Conaway, Irene Buenavista, Wendy McFarland, Doug Campbell, Dillon Gamber, and Nic Ortiz; Pinnacle Consulting Group, Inc. \_\_\_\_\_

#### ADMINISTRATIVE ITEMS

Call to Order: The meeting was called to order at 1:00 p.m. by Director Perry, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

Combined Meeting: The Boards determined to hold joint meetings of the Districts and to prepare joint minutes of actions taken by the Districts at such meetings. Unless otherwise noted below, the matters set forth below shall be deemed to be the actions of the Board of Directors of Kinston Metropolitan District No. 1, with concurrence by the Boards of Directors of Kinston Metropolitan District Nos. 2, 3, 4, 5, 6, 7, 8, 9 and 10.

Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest: *Director Perry noted that a quorum was present, with three out of four Directors in attendance. All Board Members confirmed their qualifications to serve on the Boards.* Deborah Early, legal counsel, stated that notices of potential conflicts of interest for all

## RECORD OF PROCEEDINGS

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Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts as Board Members are employees of McWhinney Real Estate Services, Inc. and Land Asset Strategies, which are associated with the primary landowners and developer within the Districts. Ms. Early advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

Approval of Agenda: The Boards considered the approval of the agenda. Following review and discussion, upon a motion duly made by Director DePeder, seconded by Director Lenz, and upon vote, unanimously carried, it was

**RESOLVED** to approve the agenda, as presented.

Public Comment: There were no Public comments received.

Director Comments: There were no Director Comments received.

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### CONSENT AGENDA

Ms. Perry reviewed the items on the consent agenda with the Boards. Ms. Perry advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any Director. No items were requested to be removed from the consent agenda. Upon a motion duly made by Director DePeder, Seconded by Director Lenz, the following items on the consent agenda were unanimously approved, ratified and adopted:

- A. Approval of July 13, 2023 Special Meeting Minutes.
  - B. Ratification of Payables.
  - C. Unaudited Financial Statements for the period ending June 30, 2023.
  - D. Ratification of Contract Modifications.
- 

### DISTRICT MANAGER ITEMS

Manager's Report: Mr. Newby and Mr. Gamber presented the Manager's Report to the Boards and answered questions.

## RECORD OF PROCEEDINGS

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Amended Resolution Imposing an Operations and Maintenance Fee: Ms. Bromley presented the Amended Resolution Imposing an Operations and Maintenance Fee to the Board and answered questions. Following review and discussion, upon a motion duly made by Director DePeder, seconded by Director Lenz, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Amended Resolution Imposing an Operations and Maintenance Fee.

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### CAPITAL INFRASTRUCTURE ITEMS

Capital Infrastructure Report and District Project Manager Update: Mr. Ortiz presented the Capital Infrastructure Report and Mr. Breidenbach provided a District Project Manager update to the Boards and answered questions.

Capital Fund Summary and Capital Needs Assessment Review: Mr. Ortiz and Mr. Breidenbach reviewed the Capital Fund Summary & Capital Needs Assessment with the Boards and answered questions.

Budget Approval and Contracting for Kinston Offsite Drainage (CFS #13): Mr. Breidenbach presented the Budget approval and Contracting for Kinston Offsite Drainage to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director DePeder, seconded by Director Lenz, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Project Budget in the amount of 300,000.00.

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### FINANCIAL ITEMS

Finance Manager's Report: Ms. Buenavista presented the Finance Manager's Report to the Boards and answered questions.

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### LEGAL ITEMS

Approval of First Amendment to Resolution Regarding District Facilities, and in connection therewith, Rules for Use of Park Facilities, Application for First Amendment Demonstration Permit, and Event License Agreement: Ms. Early presented the First Amendment to Resolution Regarding District Facilities, and in connection therewith, Rules for Use of Park Facilities, Application for First Amendment Demonstration Permit, and Event License Agreement to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director DePeder, seconded by Director Lenz, and upon vote, unanimously carried, it was

## RECORD OF PROCEEDINGS

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**RESOLVED** to approve the First Amendment to Resolution Regarding District Facilities, and in connection therewith, Rules for Use of Park Facilities, Application for First Amendment Demonstration Permit, and Event License Agreement.

Approval of First Amendment to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements: Ms. Early presented the First Amendment to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director DePeder, seconded by Director Lenz, and upon vote, unanimously carried, it was

**RESOLVED** to approve the First Amendment to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements.

DIRECTOR ITEMS

There were no Director Items to come before the Boards.

OTHER  
MATTERS

There were no Other Matters to come before the Boards.

ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 1:29 p.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully Submitted,

*Kieyesia Conaway*  
\_\_\_\_\_  
Kieyesia Conaway, Secretary for the Meeting

**RESOLUTION OF  
THE BOARDS OF DIRECTORS OF  
KINSTON METROPOLITAN DISTRICT NOS. 1-10**

**2024 MEETING RESOLUTION**

WHEREAS, Kinston Metropolitan District Nos. 1-10 (the “Districts”) were organized pursuant to Section 32-1-101 *et seq.*, C.R.S. of the “Special District Act;” and

WHEREAS, on December 8, 2022, the Districts adopted a 2023 Meeting Resolution designating the time and place of regular meetings, posting locations for meeting notices, and requirements for emergency meetings (the “Prior Meeting Resolution”); and

WHEREAS, pursuant to Section 32-1-903(1), C.R.S., the Boards of Directors (the “Boards”) of the Districts shall meet regularly at a “Location” to be designated by the Boards; and

WHEREAS, pursuant to Section 32-1-903(5)(a), C.R.S., the term “Location” means the physical, telephonic, electronic, other virtual place, or combination of such means where a meeting can be attended; and

WHEREAS, Section 32-1-903(1.5), C.R.S., requires that all meetings of the Boards that are held solely at physical locations must be held at physical locations that are within the boundaries of the Districts or which is within the boundaries of any county in which the Districts are located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the Districts’ boundaries; and

WHEREAS, the provisions of Section 32-1-903(1.5), C.R.S. may be waived only if the following criteria are met: (a) The proposed change of the physical location of the Boards appears on the agenda of a meeting of the Boards, and (b) A resolution is adopted by the Boards stating the reason for which meeting of the Boards is to be held in a physical location under than the provisions of Section 32-1-903(1.5), C.R.S., and further stating the date, time, and physical location of such meeting; and

WHEREAS, pursuant to Section 32-1-903(2)(a), C.R.S., special meetings may be held as often as the needs of the Districts require, upon notice to each director, and may include study sessions at which a quorum of the Boards are in attendance, and at which information is presented but no official action can be taken by the Boards; and

WHEREAS, Sections 32-1-903(2) and 24-6-402(2)(c), C.R.S. govern meeting notices provided by special districts for all public meetings as set forth below; and

WHEREAS, pursuant to Section 32-1-903(2), C.R.S. notice of the time and location designated for all regular and special meetings of the Boards shall be provided in accordance with Section 24-6-402, C.R.S.; and

WHEREAS, Section 24-6-402(2)(c)(I), C.R.S. requires the Districts to annually designate one public place within the boundaries of the Districts where notice of the Boards’ meetings shall

be posted no less than twenty-four (24) hours prior to the Boards' meetings, and where possible, the posting shall include specific agenda information; and

WHEREAS, pursuant to Section 24-6-402(2)(c)(III), C.R.S., the Districts shall be deemed to have given full and timely notice of a public meeting if the Districts posts the notice, with specific agenda information if available, no less than twenty-four (24) hours prior to the meeting on the public website of the Districts; and

WHEREAS, if the Districts post notice on the Districts' public website pursuant to Section 24-6-402(2)(c)(III), C.R.S., the Districts must also designate a public place within its boundaries at which the Districts may post a notice no less than twenty-four (24) hours prior to a meeting if the Districts are unable to post notice online in exigent or emergency circumstances; and

WHEREAS, the meeting notice of all meetings of the Boards that are held telephonically, electronically, or by other means not including physical presence must include the method or procedure, including the conference number or link, by which members of the public can attend the meeting in accordance with Section 32-1-903(2)(a), C.R.S.; and

WHEREAS, Section 32-1-903(6)(a), C.R.S. requires that the Boards hold an annual meeting at a time and location to be designated by the Boards and such location may be in person, virtual, or in person and virtual; provided that if the annual meeting is held solely in person, then it must be held at a physical location within the boundaries of the Districts, within the boundaries of any county in which the Districts are located, in whole or in part, or within any other county so long as the physical location does not exceed five (5) miles from the Districts' boundaries; and

WHEREAS, the Boards desire to designate the time and place of all regular meetings, and to set forth specific requirements for the Boards to call emergency meetings when such meetings are deemed necessary for the immediate protection of the public health, safety, and welfare of the property owners and residents of the Districts for the ensuing year of 2024, pursuant to this 2024 Meeting Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARDS OF DIRECTORS OF KINSTON METROPOLITAN DISTRICT NOS. 1-10 THAT:

1. The Boards hereby determine to hold regular meetings on the second Tuesday of every month at 1:00 P.M. The location of all regular and special meetings of the Boards shall be held electronically via MS Team or other reliable virtual or telephonic platform.
2. The Boards hereby determines to hold their annual meeting as required by Section 32-1-903(6), C.R.S. prior to or after the meeting at which the Districts adopt their 2025 budget via MS Team or other reliable virtual or telephonic platform.
3. The meeting notice of all meetings of the Boards that are held telephonically, electronically, or by other means not including physical presence shall include the method or procedure, including the conference number or link, by which members of the public can attend the meeting.



4. The Boards hereby designate the Districts' public website, <http://www.kinstonmd.live/>, as the twenty-four (24) hour posting location for all meeting notices. The Boards designate the posting locations shown in **Exhibit A** as the posting location for meeting notices if the Districts are unable to post a notice online in exigent or emergency circumstances.

5. The designations set forth in Paragraph 4 are hereby deemed to be the Boards' annual designation of the location where notices of meetings shall be posted twenty-four (24) hours in advance of said meetings and shall be effective until such time as the Boards determine to designate a new posting location.

6. Emergency meetings may be called by a District without notice, if notice is not practicable, by the President or any two (2) Board members in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety, and welfare of the property owners and residents of the District. If possible, notice of such emergency meeting may be given to the members of the Board by telephone or whatever other means are reasonable to meet the circumstances of the emergency, and shall be provided to the public via any practicable means available, *if any*, including, but not limited to, posting notice of such emergency meeting on the District's website. At such emergency meeting, any action within the power of the Board that is necessary for the immediate protection of the public health, safety and welfare may be taken; provided however, that any action taken at an emergency meeting shall be ratified at the first to occur: (a) the next regular meeting of the District's Board, or (b) the next special meeting of the District's Board.

7. This Resolution shall repeal, supersede, and replace the Prior Meeting Resolution and any and all previous resolutions or provisions of previous resolutions adopted by the Boards concerning meeting location, time, and posting of notices.

8. This Resolution shall take effect on January 1, 2024.

*(Signature Page Follows.)*

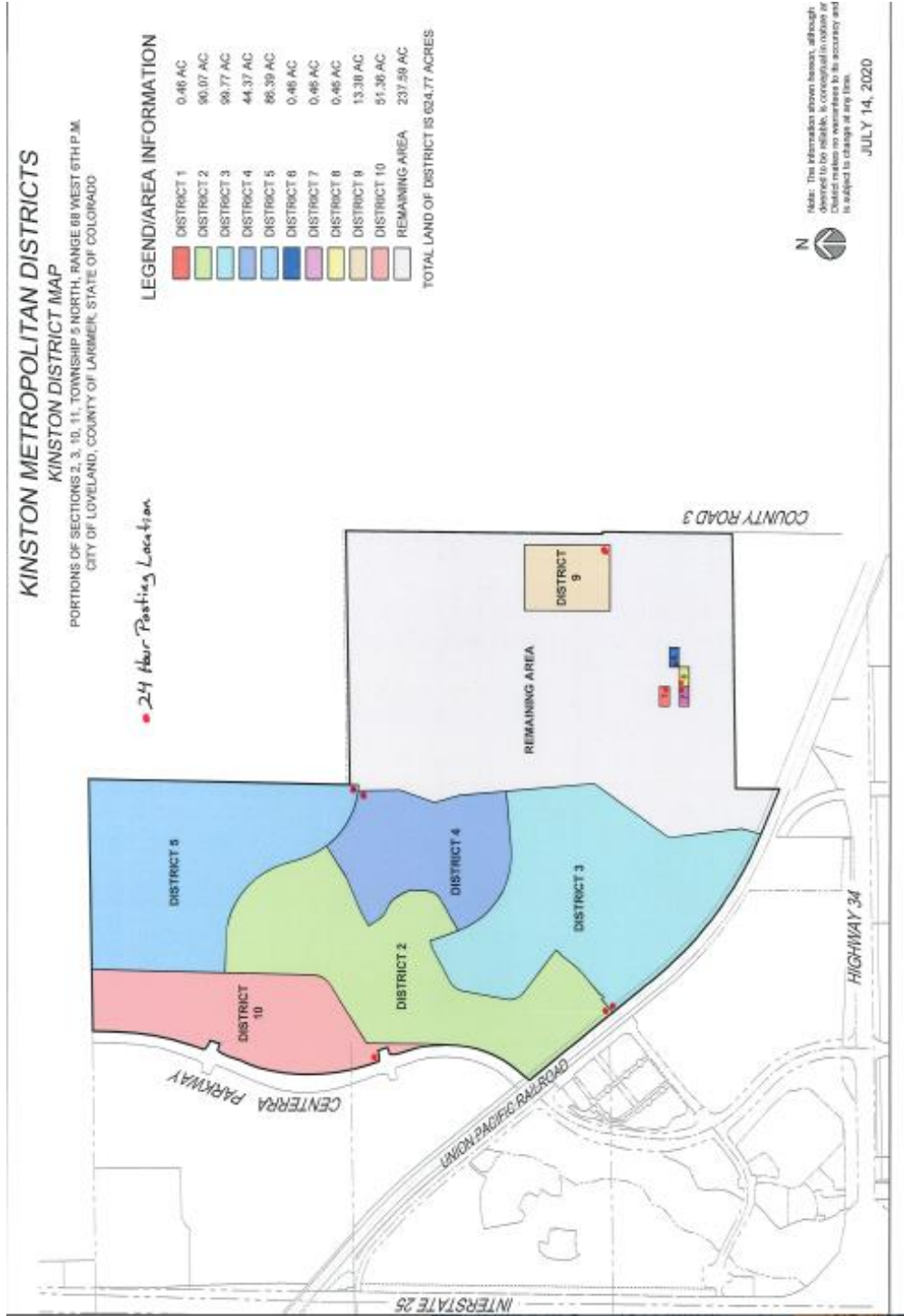
ADOPTED AND APPROVED THIS 3<sup>rd</sup> DAY of NOVEMBER, 2023.

KINSTON METROPOLITAN DISTRICT NOS. 1-10

By: \_\_\_\_\_  
Kim L. Perry, President

*Signature Page to 2024 Meeting Resolution*

# EXHIBIT A POSTING LOCATIONS



**BOARDS OF DIRECTORS OF  
KINSTON METROPOLITAN DISTRICTS NOS. 1, 2, 3, 4, 5, 6, 7, 8, 9, AND 10**

A RESOLUTION ADOPTING A PUBLIC RECORDS POLICY REGARDING THE  
INSPECTION, RETENTION AND DISPOSAL OF PUBLIC RECORDS

WHEREAS, the Colorado Open Records Act (“Open Records Act”), as set forth in Section 24-72-200.1, *et seq.*, C.R.S., as amended, requires all public records of political subdivisions of the State to be open for inspection by any person at reasonable times except as otherwise provided in the Open Records Act; and

WHEREAS, the Colorado State Archives (the “State Archives”) has created a Special District Records Management Manual (“Retention Schedule”), which sets forth a timeline for special districts to retain and dispose of their public records; and

WHEREAS, the Boards of Directors (the “Boards”) of Kinston Metropolitan Districts Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 (collectively the “Districts”) desire to adopt a Public Records Policy regarding the inspection, retention and disposal of public records in compliance with the Open Records Act and pursuant to the State Archives’ Retention Schedule (“Public Records Policy”); and

NOW THEREFORE, THE BOARDS OF DIRECTORS OF KINSTON METROPOLITAN DISTRICTS NOS. 1, 2, 3, 4, 5, 6, 7, 8, 9, AND 10 HEREBY ADOPT THE FOLLOWING PUBLIC RECORDS POLICY:

1. Definition of Public Records. The term “public records,” as used herein, shall have the same meaning given to such term in the Open Records Act.
2. Official Custodian. The Districts shall appoint an official custodian of the Districts’ public records annually in its annual administrative matters resolution. The official custodian shall be responsible for the maintenance, care, and keeping of public records, regardless of whether the records are in his or her actual personal custody and control, as provided in the Open Records Act. All references herein to “custodian” shall mean the “official custodian” appointed as described herein.
3. Inspection of Public Records. All public records of the Districts shall be available for public inspection by any person at reasonable times as provided in the Open Records Act. All requests for public records shall be made in writing and submitted to the custodian of the Districts, and such requests shall comply with the requirements of the Open Records Act. The Districts and the custodian will comply with the requirements of the Open Records Act and any other federal or state laws with respect to whether it must, may, or cannot produce public records, or other documents or information requested, and the fees it charges for producing such public records, or other documents or information.
4. Fees for Copies of Public Records. The custodian shall furnish copies, printouts or photographs of public records requested for a fee as follows:

a. Where the fee for a certified copy or other copy, printout, or photograph of a public record is specifically prescribed by law, the specific fee shall be charged. If a fee is not specifically prescribed by law, the custodian will furnish copies, printouts, or photographs of a public record for a fee of \$0.25 per standard page. The custodian shall charge a fee not to exceed the actual cost of providing a copy, photograph, or printout in a form other than a standard page. The custodian shall charge the actual costs that the custodian incurs in having the copies made off-site by an outside copying facility.

b. If, in response to a specific request, the custodian performs a manipulation of data so as to generate a record in a form not used by the Districts, an administrative fee of \$33.58 per hour shall be charged the person or entity making the request. An individual or entity making a subsequent request for the same or similar records shall be charged the same fee.

c. If the amount of time required by the custodian to research and retrieve the documents necessary to fulfill a specific request exceeds one hour, including the time required to identify and segregate records that must or may not be produced, the person or entity making the request shall be charged a research and retrieval fee of \$33.58 per hour. Such fee shall be automatically adjusted, without further approval by the Districts, to such amount established by the State Director of Research of the Legislative Council from time to time. The Districts will not impose a charge for the first hour of time expended in connection with the research and retrieval of public records. This imposition of this fee shall be effective upon the publishing of this Public Records Policy in accordance with the Open Records Act.

d. In the event a public record must be scanned and saved electronically prior to transmitting the public record via electronic mail to the requestor as provided in Paragraph 4 hereof, the requestor shall be charged fifteen cents (\$0.15) per scanned page unless otherwise waived by the custodian.

5. Transmission of Copies of Public Records. Upon request for transmission of a copy of a public record, the custodian will transmit the public record by United States mail, other delivery service, facsimile, or electronic mail. If transmitting the public record pursuant to this paragraph, the custodian will notify the record requester that a copy of the public record is available, but will be sent only when the custodian receives payment or makes satisfactory arrangements for payment of all costs associated with transmitting the public record and for all other fees lawfully allowed; provided, however, that no transmission fees will be charged for transmitting the public record via electronic mail. Upon receiving such payment or making arrangements to receive such payment at a later date, the custodian shall send the public record to the requestor as soon as practicable not no more than three business days after receipt of, or making arrangements to receive, such payment.

6. Electronic Records and Signatures. Pursuant to Section 32-1-1001(1)(o), C.R.S., the Boards hereby authorizes the use of electronic records and electronic signatures relating to a transaction. The use of electronic records and electronic signatures in a transaction shall be

governed by the Uniform Electronic Transaction Act (“UETA”), as set forth in Section 24-71.3-101 *et seq.*, C.R.S., as amended.

a. The term “electronic record” means a record created, generated, sent, communicated, received, or stored by electronic means. The term “electronic signature means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. The term “transaction” means an action or set of actions occurring between two or more persons relating to the conduct of business, commercial, charitable or governmental affairs, except as otherwise provided by the UETA.

b. The use of electronic records and signatures is authorized in transactions between and among the Districts, their directors, officers, agents, employees, and assigns, and third parties (collectively, the “Parties”) that have agreed to conduct transactions by electronic means. Whether the Parties agree to conduct a transaction by electronic means is determined from the context and surrounding circumstances, including the Parties’ conduct.

c. An electronic record or electronic signature is attributable to a person if it was the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of any security procedure applied to determine the person to which the electronic record or electronic signature was attributable.

d. If a law requires a signature or record to be notarized, acknowledged, verified, or made under oath, the requirement is satisfied if the electronic signature of the person authorized to perform those acts, together with all other information required to be included by other applicable law, is attached to or logically associated with the signature or record.

7. Electronic Mail Policy. Pursuant to §24-72-204.5, C.R.S., the Boards hereby adopts the following electronic mail policy (“E-mail Policy”) to establish guidelines for the responsible and efficient use of electronic mail (“E-mail”) services and to clearly set forth the rights and responsibilities of the Districts’ current and/or future employees, regarding their use of E-mail.

a. E-Mail Defined. *E-Mail* means an electronic message transmitted between two or more computers or electronic terminals, whether or not the message is converted to hard copy format after receipt and whether or not the message is viewed upon transmission or stored for later retrieval. *E-mail* includes electronic messages that are transmitted through a local, regional, or global computer network.

b. Scope of Policy. All E-mail communications and associated attachments transmitted or received over the Districts’ network are subject to the provisions of this policy. Additionally, since Colorado law provides that E-mail communications written in the conduct of public business are generally considered to be public records, all E-mail communications written and sent in the conduct of public business by employees of the Districts are subject to applicable provisions of this E-mail Policy, regardless of whether the communication was sent or received on a public or privately-owned personal computer.

c. Application of Public Records Statute to E-Mail. The Open Records Act treats electronic documents and files, including E-mails, in the same manner as paper documents. All such documents are generally considered to be public records and are subject to public inspection unless such documents are covered by a specific statutory exception. E-mail messages which are public records must be retained in either paper or electronic format in accordance with the Special District Records Retention Schedule adopted by the Districts. E-mail messages which are not public records should be deleted after viewing.

d. Monitoring of E-Mail Communications by the Districts. The Districts do not intend to monitor E-mail usage by its employees, if any, in a regular or systematic fashion; however, it does reserve the right to monitor such usage from time to time and without prior notice. Such monitoring may include tracking addresses of E-mails sent and received, accessing in-box messages, accessing messages in folders, and accessing archived messages. Furthermore, the Districts may disclose E-mail communications sent to, received by, or relating to an employee to law enforcement officials without giving prior notice to the employee.

8. Retention and Disposal of Public Records.

a. Public Records Retention and Disposal Schedule. Subject to approval by the Colorado State Archives, the District hereby adopts the Retention Schedule located on the State Archives website at <https://www.colorado.gov/pacific/archives/special-districts-records-management-manual-0>, which schedule may be amended from time to time by the Colorado State Archives, for purposes of identifying all public records to be retained by the District for a specified time period as provided therein. The District hereby designates its legal counsel as its authorized representative to submit the approval request form to the Colorado State Archives requesting approval from the Colorado State Archives for the District to follow the Retention Schedule. Upon receipt of approval, the State Archives' approval shall be attached hereto as Exhibit A.

b. Destruction of Public Records. Public records of the Districts shall be destroyed in accordance with the Retention Schedule by shredding, recycling, or disposing of such public records in a landfill; provided, however, that those public records of the Districts deemed to be confidential in nature shall be destroyed by shredding or destroyed professionally by a company that can certify to the security of the destruction. Furthermore, no public records of the Districts shall be destroyed pursuant to the Retention Schedule so long as such public records pertain to any pending legal case, claim, action or audit involving the Districts or if the Districts' legal counsel determines such documents should be retained for other purposes.

9. Conflicts. In the event of a conflict between a provision set forth in this Public Records Policy and the Open Records Act, or this Public Records Policy and any other federal or state law including the UETA, the federal or state law provision shall control and this Public Record Policy shall be deemed amended to comply with all federal or state law provisions without further action by the Boards.

10. Amendments to Public Records Policy. The Boards may amend this Public Records Policy from time to time as the Boards deem necessary.

11. Effective Date. This Public Records Policy shall take effect on the date and at the time of its adoption.

(Signatures Begin on Next Page.)



ADOPTED AND APPROVED THIS 19<sup>TH</sup> DAY OF DECEMBER 2019.

KINSTON METROPOLITAN DISTRICTS NOS. 1,  
2, 3, 4, 5, 6, 7, 8, 9, AND 10

By:   
Its: President

ATTEST:

By:   
Its: Secretary

Exhibit A  
State Archives Approval

## Records Management Manual

### Approval Request Form

County   
  Municipality   
  School District/BOCES   
  Special District

NAME OF ENTITY

Kinston Metropolitan Districts Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10

CONTACT PERSON/TITLE:

Alan D. Pogue, Esq.

MAILING ADDRESS:

4725 South Monaco Street, Suite 360, Denver, Colorado 80237

TELEPHONE:

(303) 291-9100

E-MAIL:

APogue@ISP-Law.com

LOCAL EXCEPTIONS:

*(List and provide basis and description of any local exceptions for records retention periods that are specified by formal direction of the local ordinance, Home Rule Charter provision, by board resolution or formal direction of the school board, governing body, etc., that differ from those set out in the Records Retention Manual for your specific entity. Use additional pages if needed.)*

THE ABOVE ENTITY HEREBY REQUESTS APPROVAL FROM THE COLORADO STATE ARCHIVES TO FOLLOW *THE SPECIFIC ENTITY'S RECORDS RETENTION MANUAL*, WITH THE LOCAL EXCEPTIONS INDICATED.



SIGNATURE OF AUTHORIZED ENTITY REPRESENTATIVE

DATE OF SUBMITTAL OF REQUEST FOR APPROVAL

SIGNATURE OF STATE ARCHIVIST AND DATE

### Records Management Manual

### Approval Request Form

County    Municipality    School District/BOCES    Special District

NAME OF ENTITY

Kinston Metropolitan Districts Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10

CONTACT PERSON/TITLE:

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n/a  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

THE ABOVE ENTITY HEREBY REQUESTS APPROVAL FROM THE COLORADO STATE ARCHIVES TO FOLLOW THE SPECIFIC ENTITY'S RECORDS RETENTION MANUAL, WITH THE LOCAL EXCEPTIONS INDICATED.

  
SIGNATURE OF AUTHORIZED ENTITY REPRESENTATIVE

DATE OF SUBMITTAL OF REQUEST FOR APPROVAL

July 7, 2020

SIGNATURE OF STATE ARCHIVIST AND DATE



To: Kinston Metropolitan District Board of Directors  
 From: Pinnacle Consulting Group, Inc.  
 Subject: Managers' Report  
 Board Meeting Date: November 3, 2023

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### **General District Matters**

- **Primary Contact:** Please contact Bryan Newby, District Manager, at [bryann@pcgi.com](mailto:bryann@pcgi.com) or [KINMDAdmin@pcgi.com](mailto:KINMDAdmin@pcgi.com) for any District matters which include operations, Board of Directors relations, financial management, compliance, and constituent relations.
- **Client Service Team:** Since the last board meeting, there have been no staff changes to the Client Service Team.
- **District Matters:** The District's management team executed District matters since the October 12, 2023, Board meeting. Monthly, District management provides the following services:
  - Adheres to administrative and compliance matters.
  - Processes monthly payables and financial reports.
  - Oversees District budget and operational expenditures.
  - Oversees District operations per the approved Service Plan and District needs.
  - Collaborates with legal counsel on legal matters.
  - Oversee preparation and distribution of board packets including agenda, minutes, reports, contracts, and agreements prior to board meetings.
  - The Manager consistently communicates with the Board including periodic status reports at each board meeting.
- **Management & Administration Updates & Activities:** Recently the District's management team has prioritized the following items:
  - The Management Team held a meeting with Cohere representatives to discuss how the District and the HOA can work together to improve communications and transparency between the District, HOA, and residents. Some topics of discussion included website efficiency and clarity, tools for clarifying the responsibilities of a Special District against an HOA, presentation of District documentation on the website, and how District information is presented to interested home buyers. As coordination efforts continue, Management will seek Board insight regarding resident communications and transparency projects.
  - On October 27<sup>th</sup> Community Management pulled a report of accounts that have paid the 2023 4<sup>th</sup> quarter O&M fees. At that time 26% of those billed had paid their fees. O&M fee payments will be considered late after November 31<sup>st</sup>.

Kinston Metropolitan District Nos. 1-10  
 c/o Pinnacle Consulting Group, Inc.  
 Main office located at 550 W. Eisenhower Blvd., Loveland, CO 80537  
 Phone: (970) 617-2474  
 Email: kinmdadmin@pcgi.com

*Serving our clients and community through excellent dependable service.*

- **Website Analytics:** Website analytics allows management to review website activity throughout the year.

Last Month	YTD
287 Visits	623 Visits
256 Unique Visitors	522 Unique Visitors
840 Page Views	1,600 Page Views

- **Compliance Matters:** Annually, District Management ensures the District meets required statutory responsibilities and tracks compliance accordingly.

Compliance Matters	Responsible	Due Date	Completion
File Boundary Map	PCGI	01/01/2023	Completed
Post Transparency Notice	PCGI	01/15/2023	Completed
File Certified Copy of Adopted Budget	PCGI	01/31/2023	Completed
Renew SDA Membership	PCGI	03/01/2023	Completed
File Audit Exemptions	PCGI	03/31/2023	Completed
Submit Audit to Governing Board	PCGI	06/30/2023	Completed
File Audit	PCGI	07/30/2023	Completed
File Annual Report	PCGI	10/01/2023	Completed
Draft 2024 Budgets Distributed to Board of Directors	PCGI	10/15/2023	Completed
Renew Property & Liability Insurance	PCGI	12/01/2023	Completed
Certify Mill Levies	PCGI	12/15/2023	
Adopt Budget	PCGI	12/31/2023	
Ensure Website Compliance	PCGI	12/31/2023	
Payables	PCGI/Board	Monthly	Sent to Board third week of the month



<i>TO:</i>	Kinston Metropolitan District Board of Directors
<i>FROM:</i>	Irene Buenavista, Assistant Director of Finance and Accounting Wendy McFarland, Accounting Manager Pinnacle Consulting Group, Inc.
<i>SUBJ:</i>	Financial Memo
<i>DATE:</i>	11/6/2023

### **O&M Fee update**

- The board approved a resolution implementing an O&M fee at the July 13 meeting. Annual fees are \$250 and will be billed on a quarterly basis. The first invoices were issued on 10/1. As of 10/31, \$6,141 has been collected from the \$9,500 billed.
- Fees will be initiated as Certificates of Occupancy are issued to property owners.

### **Expenses**

- General Fund expenses are within budget. Cost savings of \$42k are anticipated for the year. Contingency makes up \$20k of the savings. Unused budgets for Director Fees, Election, and Engineering and Professional Services make up the remainder.
- The next debt service payment is due 12/1. Capitalized interest reserves will be primarily used to make the payment. The District has sufficient funds to cover the remaining expense.

### **Current Projects**

- Upcoming deadlines for District budgets:
  - December 10<sup>th</sup> – Deadline for County Assessors to provide final assessed valuations.
  - December 15<sup>th</sup> – Deadline to certify mill levies.
  - January 31<sup>st</sup> – Deadline to file adopted budgets with the State.

#### **Offices Located in Loveland and Denver**

Main office located at 550 W. Eisenhower Blvd., Loveland, CO 80537  
(970)669-3611 (303)333-4380  
www.PCGI.com

*Serving our clients and community through excellent dependable service.*

KINSTON METROPOLITAN DISTRICT NO. 1									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Audited	Adopted	Projected	Proposed	Budget	%	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
				HH Falls	HH Falls		HH Passes	HH Passes	
<b>Revenues</b>									
Operating Advances	\$ 333,343	\$ 498,355	351,693	\$ 427,603	\$ 75,910	22%	\$ 428,448	\$ 76,755	Anticipated advances
Service Fees District #2	318	2,830	2,830	22,549	19,719	697%	21,698	18,868	Per Dist 2 budget
Service Fees District #3	12	10	10	12	2	16%	12	2	Per Dist 3 budget
Service Fees District #4	37	20	25	23	(2)	-7%	25	0	Per Dist 4 budget
Service Fees District #5	197	52	52	2,182	2,130	4096%	2,186	2,134	Per Dist 5 budget
Service Fees District #9	13	12	12	13	1	12%	13	1	Per Dist 9 budget
Service Fees District #10	2	2	2	399	397	19832%	399	397	Per Dist 10 budget
O&M Fee Revenue	-	-	9,500	53,250	43,750	461%	53,250	43,750	\$250 annual/home @ 152 homes + 50% of 122 est closing in 2024
Other Income	265	-	515	-	(515)	-100%	-	(515)	
<b>Total Revenues</b>	<b>\$ 334,186</b>	<b>\$ 501,281</b>	<b>\$ 364,639</b>	<b>\$ 506,031</b>	<b>\$ 141,392</b>	<b>39%</b>	<b>\$ 506,030</b>	<b>\$ 141,392</b>	
<b>Expenditures</b>									
Operations and Maintenance									
Storm Water Facilities	\$ 2,286	\$ 1,000	\$ 1,000	\$ 3,500	\$ 2,500	250%	\$ 3,500	\$ 2,500	
Amenities	-	12,500	7,000	12,500	5,500	79%	12,500	5,500	Splash Pad
Repairs and Maintenance	-	5,000	2,500	5,000	2,500	100%	5,000	2,500	Allowance for splash pad & fire pit repairs
HOA Maintenance	-	100,000	75,000	76,700	1,700	2%	76,700	1,700	Per KCA budget
Utilities	18,093	35,000	32,000	30,000	(2,000)	-6%	30,000	(2,000)	COL water and electric
Facilities Management	15,101	17,000	17,000	19,500	2,500	15%	19,500	2,500	Based on contracted services
Administration:									
Accounting and Finance	61,490	67,500	75,000	79,800	4,800	6%	79,800	4,800	Based on contracted services
Audit	13,000	14,000	14,000	14,000	-	0%	14,000	-	Per Adams Group
District Management	57,590	60,500	69,620	87,800	18,180	26%	87,800	18,180	Based on contracted services
Director Fees	9,600	14,000	8,000	13,000	5,000	63%	13,000	5,000	12 x regular, 1 x special mtgs
Election	2,307	5,000	1,536	1,500	(36)	-2%	1,500	(36)	No election, 1 board vacancy
Engineering and Other Professional Svcs	-	20,000	10,000	15,000	5,000	50%	15,000	5,000	Map, GIS, Multi-site management PR
Insurance	24,995	26,246	25,554	28,876	3,322	13%	28,876	3,322	5% increase + 8% Assets Listing Update
Legal	69,154	82,500	90,000	82,500	(7,500)	-8%	82,500	(7,500)	Estimate Per legal
Office, Dues, Newsletters & Other	6,818	10,300	10,300	10,800	500	5%	10,800	500	SDA, PR, Publications, Mileage
Website Hosting	-	-	-	1,166	1,166	100%	1,166	1,166	Domain, Web hosting, IT support maint, ADA SkyNet Technologies
Contingency	-	20,000	-	20,000	20,000	100%	20,000	20,000	
<b>Total Expenditures</b>	<b>\$ 280,434</b>	<b>\$ 490,546</b>	<b>\$ 438,510</b>	<b>\$ 501,642</b>	<b>\$ 63,132</b>	<b>14%</b>	<b>\$ 501,642</b>	<b>\$ 63,132</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ 53,752</b>	<b>\$ 10,735</b>	<b>\$ (73,871)</b>	<b>\$ 4,389</b>	<b>\$ 78,260</b>	<b>-106%</b>	<b>\$ 4,388.49</b>	<b>\$ 78,260</b>	
<b>Beginning Fund Balance</b>	<b>\$ 30,143</b>	<b>\$ 12,326</b>	<b>\$ 83,895</b>	<b>\$ 10,024</b>	<b>\$ (73,871)</b>	<b>-88%</b>	<b>\$ 10,024</b>	<b>\$ (73,871)</b>	
<b>Ending Fund Balance</b>	<b>\$ 83,895</b>	<b>\$ 23,061</b>	<b>\$ 10,024</b>	<b>\$ 14,413</b>	<b>\$ 4,389</b>	<b>44%</b>	<b>\$ 14,413</b>	<b>\$ 4,388</b>	
<b>Components of Ending Fund Balance</b>									
TABOR Reserve (3% of Revenue)	\$ 10,025	\$ 10,025	\$ 10,025	\$ 14,413	\$ 4,388	44%	\$ 14,413	\$ 4,388	
Unreserved	73,871	13,036	-	-	-	0%	-	-	
<b>Total</b>	<b>\$ 83,895</b>	<b>\$ 23,061</b>	<b>\$ 10,025</b>	<b>\$ 14,413</b>	<b>\$ 4,388</b>	<b>44%</b>	<b>\$ 14,413</b>	<b>\$ 4,388</b>	
<b>Mill Levy</b>									
Operating	0.000	0.000	0.000	0.000	0.000	0%	0.000	0.000	
<b>Total Mill Levy</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0%</b>	<b>0.000</b>	<b>0.000</b>	
<b>Assessed Value</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>\$ 13</b>	<b>\$ (2)</b>	<b>-13%</b>	<b>\$ 13</b>	<b>\$ (2)</b>	Prelinary as of 9/15
<b>Property Tax Revenue</b>									
Operating	-	-	-	-	-	0%	-	-	
<b>Total Property Tax Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	



KINSTON METROPOLITAN DISTRICT NO. 1									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
CAPITAL PROJECTS FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Audited	Adopted	Projected	Proposed	Budget	Variance	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
				HH Fails	HH Fails		Opt Out	Opt Out	
<b>Revenues</b>									
Capital Advances - LDA	\$ 2,179,310	\$ 1,755,970	\$ 1,944,629	\$ 29,949,320	\$ 28,004,691	1440%	\$ 29,949,320	\$ 28,004,691	
Capital Advances - Developer	3,388,440	-	6,279,039	313,466	(5,965,573)	-95%	313,466	(5,965,573)	
Cost Share Revenue	3,341,879	1,658,121	8,289,511	-	(8,289,511)	-100%	-	(8,289,511)	Centerra Cost Share Agreement
Transfer from District No. 5	2,759,696	-	-	-	-	0%	-	-	
Bond Proceeds (Net)	-	6,017,396	-	-	-	0%	-	-	
Interest & Other Income	16,655	-	43,000	-	(43,000)	-100%	-	(43,000)	
<b>Total Revenues</b>	<b>\$ 11,685,981</b>	<b>\$ 9,431,487</b>	<b>\$ 16,556,179</b>	<b>\$ 30,262,786</b>	<b>\$ 13,706,607</b>	<b>83%</b>	<b>\$ 30,262,786</b>	<b>\$ 13,706,607</b>	
<b>Expenditures</b>									
District Management	\$ 20,195	\$ 25,000	\$ 20,000	\$ 24,960	\$ 4,960	25%	\$ 24,960	\$ 4,960	General Capital - PCGI
District Planning/Engineering Mgmt	20,042	25,000	10,000	25,000	15,000	150%	25,000	15,000	General Capital - Misc. Engineering
District Engineering	63,315	50,000	50,000	50,000	-	0%	50,000	-	General Capital - MRES
Crossroads Boulevard Mitigation	156,242	-	-	-	-	0%	-	-	
Residential - Ph 1 (ME 10th and ME 11th)	6,380,251	1,500,000	2,330,166	84,803	(2,245,363)	-96%	84,803	(2,245,363)	Landscape Warranty and Maintenance
Millennium East 14th	3,027,588	4,100,000	3,198,008	1,793,602	(1,404,406)	-44%	1,793,602	(1,404,406)	Warranty and Landscape Construction
Welcome Center Park	515,498	26,315	18,461	11,721	(6,740)	-37%	11,721	(6,740)	Warranty
Millennium East 13th	359,294	500,000	980	234,699	233,719	23849%	234,699	233,719	Indirects - Design
Millennium East 15th	1,241,356	504,497	962,304	435,705	(526,599)	-55%	435,705	(526,599)	Warranty and Landscape Construction
Millennium East 16th - Intracts	1,241,174	2,000,000	2,903,357	225,281	(2,678,076)	-92%	225,281	(2,678,076)	Warranty and Landscape Construction
Millennium East 17th	461,219	100,000	83,338	9,493,283	9,409,945	11291%	9,493,283	9,409,945	Design and Construction 2024
Millennium East 18th	641,351	50,000	1,899	511,357	509,458	26828%	511,357	509,458	Design
Millennium East 19th	427,162	200,000	52,628	14,805,023	14,752,395	28031%	14,805,023	14,752,395	Design and Construction 2024
Kinston Millenium East 15th Ph 2	-	527,000	368,989	75,651	(293,338)	-79%	75,651	(293,338)	Warranty
Kinston Millenium East 16th Ph 2	-	-	-	2,600,000	2,600,000	100%	2,600,000	2,600,000	Construction 2024
Welcome Center Park Phase 2	113,651	31,480	33,131	26,400	(6,731)	-20%	26,400	(6,731)	Design
Kinston Offsite Drainage	-	-	200,000	100,000	(100,000)	-50%	100,000	(100,000)	Design
Permits, Fees & Other	333	-	313	-	(313)	-100%	-	(313)	
Contingency	-	100,000	-	-	-	0%	-	-	
<b>Total Capital Expenditures</b>	<b>\$ 14,668,671</b>	<b>\$ 9,739,292</b>	<b>\$ 10,233,574</b>	<b>\$ 30,497,485</b>	<b>\$ 20,263,911</b>	<b>198%</b>	<b>\$ 30,497,485</b>	<b>\$ 20,263,911</b>	
<b>Revenues over/(under) Expenditures</b>	<b>\$ (2,982,691)</b>	<b>\$ (307,805)</b>	<b>\$ 6,322,605</b>	<b>\$ (234,699)</b>	<b>\$ (6,557,304)</b>	<b>-104%</b>	<b>\$ (234,699)</b>	<b>\$ (6,557,304)</b>	
<b>Beginning Fund Balance</b>	<b>\$ 3,290,496</b>	<b>\$ 307,805</b>	<b>\$ 307,805</b>	<b>\$ 6,630,410</b>	<b>\$ 6,322,605</b>	<b>2054%</b>	<b>\$ 6,630,410</b>	<b>\$ 6,322,605</b>	
<b>Ending Fund Balance</b>	<b>\$ 307,805</b>	<b>\$ -</b>	<b>\$ 6,630,410</b>	<b>\$ 6,395,711</b>	<b>\$ (234,699)</b>	<b>-4%</b>	<b>\$ 6,395,711</b>	<b>\$ (234,699)</b>	

KINSTON METROPOLITAN DISTRICT NO. 5									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Audited	Adopted	Projected	Proposed	Budget	Variance	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
				HH Fails	HH Fails		HH Passes	HH Passes	
<b>Revenues</b>									
Property Taxes	\$ 201	\$ 50	\$ 50	2,088	\$ 2,038	4076%	2,092	\$ 2,042	See mill levy table
Specific Ownership Taxes	-	3	3	125	122	4067%	125	122	6% of property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ 201</b>	<b>153</b>	<b>\$ 53</b>	<b>\$ 2,313</b>	<b>\$ 2,260</b>	<b>4264%</b>	<b>\$ 2,317</b>	<b>\$ 2,264</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ 197	\$ 52	\$ 52	2,182	\$ 2,130	4096%	\$ 2,186	\$ 2,134	Service fees for D1 O&M
Treasurer Fees	4	1	1	31	30	3000%	31	30	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ 201</b>	<b>\$ 153</b>	<b>\$ 53</b>	<b>\$ 2,313</b>	<b>\$ 2,260</b>	<b>4264%</b>	<b>\$ 2,317</b>	<b>\$ 2,264</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	15.000	15.000	15.000	15.606	0.606	4%	15.634	0.634	15 mills adjusted
Debt Service	62.000	62.000	62.000	64.507	2.507	4%	64.621	2.621	62 mills adjusted
<b>Total Mill Levy</b>	<b>77.000</b>	<b>77.000</b>	<b>77.000</b>	<b>80.113</b>	<b>3.113</b>	<b>4%</b>	<b>80.255</b>	<b>3.255</b>	
<b>Assessed Value</b>	<b>\$ -</b>	<b>\$ 3,326</b>	<b>\$ 3,326</b>	<b>\$ 133,785</b>	<b>\$ 130,459</b>	<b>3922%</b>	<b>\$ 133,785</b>	<b>\$ 130,459</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	-	50	50	2,088	2,038	4085%	2,092	2,042	
Debt Service	-	206	206	8,630	8,424	4085%	8,645	8,439	
<b>Total Property Tax Revenue</b>	<b>\$ -</b>	<b>\$ 256</b>	<b>\$ 256</b>	<b>\$ 10,718</b>	<b>\$ 10,462</b>	<b>4085%</b>	<b>\$ 10,737</b>	<b>\$ 10,481</b>	

KINSTON METROPOLITAN DISTRICT NO. 5									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
DEBT SERVICE FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year		2024	Year to Year	2024
	Audited	Adopted	Projected	Proposed	Budget	%	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ 831	\$ 206	\$ 206	\$ 8,630	\$ 8,424	4085%	\$ 8,645	\$ 8,439	See mill levy table
Specific Ownership Taxes	-	12	12	518	506	4215%	519	507	6% of property taxes
Service Fees, District 2	1,315	11,699	11,699	93,202	81,503	697%	89,685	77,986	Per IGA
Service Fees, District 3	49	42	42	48	6	15%	48	6	Per IGA
Service Fees, District 4	152	84	98	95	(3)	-3%	93	(5)	Per IGA
Service Fees, District 10	3	3	3	478	475	15845%	476	473	Per pledge agreement
Interest & Other Income	33,811	5,000	80,102	48,000	(32,102)	-40%	48,000	(32,102)	4% of Fund Balance
<b>Total Revenues</b>	<b>\$ 36,161</b>	<b>\$ 17,046</b>	<b>\$ 92,162</b>	<b>\$ 150,972</b>	<b>\$ 58,810</b>	<b>64%</b>	<b>\$ 147,466</b>	<b>\$ 55,304</b>	
<b>Expenditures</b>									
Bond Interest	\$ 625,520	\$ 625,500	\$ 625,500	\$ 625,500	\$ -	0%	\$ 625,500	\$ -	Per 2020 Bond Debt Schedule
Trustee Fees	7,000	7,500	7,000	7,000	-	0%	7,500	500	Estimate
Treasurer's Fees	17	3	5	129	124	2480%	130	125	1.5% of Property tax
Cost of Issuance - DS	12,589	-	-	-	-	0%	-	-	
Contingency	-	5,000	-	5,000	5,000	100%	5,000	5,000	
<b>Total Expenditures</b>	<b>\$ 645,126</b>	<b>\$ 638,003</b>	<b>\$ 632,505</b>	<b>\$ 637,629</b>	<b>\$ 5,124</b>	<b>1%</b>	<b>\$ 638,130</b>	<b>\$ 5,625</b>	
<b>Rev Over/(Under) Exp after Other</b>	<b>\$ (608,965)</b>	<b>\$ (620,957)</b>	<b>\$ (540,343)</b>	<b>\$ (486,657)</b>	<b>\$ 53,686</b>	<b>-10%</b>	<b>\$ (490,664)</b>	<b>\$ 49,679</b>	
<b>Beginning Fund Balance</b>	<b>\$ 2,350,095</b>	<b>\$ 1,732,318</b>	<b>\$ 1,741,130</b>	<b>\$ 1,200,787</b>	<b>\$ (540,343)</b>	<b>-31%</b>	<b>\$ 1,200,787</b>	<b>\$ (540,343)</b>	
<b>Ending Fund Balance</b>	<b>\$ 1,741,130</b>	<b>\$ 1,111,361</b>	<b>\$ 1,200,787</b>	<b>\$ 714,130</b>	<b>\$ (486,657)</b>	<b>-41%</b>	<b>\$ 710,123</b>	<b>\$ (490,664)</b>	
<b>Components of Ending Fund Balance</b>									
Reserve Requirement (\$1,118,976)	\$ 1,118,976	\$ 1,093,339	\$ 1,118,279	\$ 714,130	\$ (404,149)	-36%	\$ 710,123	\$ (408,156)	
Capitalized Interest	604,630	-	-	-	-	0%	-	-	
Bond Fund	17,524	18,022	82,508	-	(82,508)	-100%	-	(82,508)	
<b>Total</b>	<b>\$ 1,741,130</b>	<b>\$ 1,111,361</b>	<b>\$ 1,200,787</b>	<b>\$ 714,130</b>	<b>\$ (486,657)</b>	<b>-41%</b>	<b>\$ 710,123</b>	<b>\$ (490,664)</b>	

KINSTON METROPOLITAN DISTRICT NO. 5									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
CAPITAL PROJECTS FUND									
	(a)	(b)	(c)	(d)	(d-c)	(g)	(e)	(e-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Audited	Adopted	Projected	Proposed	Budget	Variance	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		Opt Out	Opt Out	
Interest & Other Income	\$ 262	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	
<b>Total Revenues</b>	<b>\$ 262</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Expenditures</b>									
Transfer to District No. 1	\$ 2,759,696	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	
<b>Total Expenditures</b>	<b>\$ 2,759,696</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ (2,759,434)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Rev Over/(Under) Exp after Other</b>	<b>\$ (2,759,434)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ 2,759,434</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	

KINSTON METROPOLITAN DISTRICT NO. 2									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year		2024	Year to Year	
	Unaudited	Adopted	Projected	Proposed	Budget	%	Proposed	Budget	2024
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	Comments
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ 1,540	\$ 6,100	\$ 6,100	\$ 110,767	\$ 104,667	1716%	\$ 106,332	\$ 100,232	See mill levy table
Specific Ownership Taxes	124	8,521	8,593	6,646	(1,947)	-23%	6,646	(1,947)	6% of gross property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ 1,664</b>	<b>\$ 14,721</b>	<b>\$ 14,693</b>	<b>\$ 117,513</b>	<b>\$ 102,820</b>	<b>700%</b>	<b>\$ 113,078</b>	<b>\$ 98,385</b>	
Payment for Services to No. 1 - O&M	\$ 318	\$ 2,830	\$ 2,830	\$ 22,549	\$ 19,719	697%	\$ 21,698	\$ 18,868	Service Fees for D1 O&M
Payment for Services to No. 5 - Debt	1,315	11,699	11,699	93,202	81,503	697%	89,685	77,986	Service Fees for D5 DS
Treasurer Fees	31	92	164	1,662	1,498	913%	1,595	1,431	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ 1,664</b>	<b>\$ 14,721</b>	<b>\$ 14,693</b>	<b>\$ 117,513</b>	<b>\$ 102,820</b>	<b>700%</b>	<b>\$ 113,078</b>	<b>\$ 98,385</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	15.000	15.000	15.000	15.476	0.476	3%	15.552	0.552	15 mills adjusted
Debt Service	62.000	62.000	62.000	65.028	3.028	5%	65.390	3.390	62 mills adjusted
<b>Total Mill Levy</b>	<b>77.000</b>	<b>77.000</b>	<b>77.000</b>	<b>80.504</b>	<b>3.504</b>	<b>5%</b>	<b>80.942</b>	<b>3.942</b>	
<b>Assessed Value</b>	<b>\$ 20,012</b>	<b>\$ 79,222</b>	<b>\$ 79,222</b>	<b>\$ 1,375,923</b>	<b>\$ 1,296,701</b>	<b>1637%</b>	<b>\$ 1,313,680</b>	<b>\$ 1,234,458</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	300	1,188	1,188	21,294	20,105	1692%	20,430	19,242	
Debt Service	1,241	4,912	4,912	89,474	84,562	1722%	85,902	80,990	
<b>Total Property Tax Revenue</b>	<b>\$ 1,541</b>	<b>\$ 6,100</b>	<b>\$ 6,100</b>	<b>\$ 110,767</b>	<b>\$ 104,667</b>	<b>1716%</b>	<b>\$ 106,332</b>	<b>\$ 100,232</b>	

KINSTON METROPOLITAN DISTRICT NO. 3									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year		2024	Year to Year	2024
	Unaudited	Adopted	Projected	Proposed	Budget	%	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ 43	\$ 39	\$ 39	\$ 58	\$ 19	48%	\$ 58	\$ 19	See mill levy table
Specific Ownership Taxes	19	14	14	3	(11)	-79%	3	(11)	6% of gross property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ 62</b>	<b>\$ 153</b>	<b>\$ 53</b>	<b>\$ 161</b>	<b>\$ 108</b>	<b>203%</b>	<b>\$ 161</b>	<b>\$ 108</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ 12	\$ 10	\$ 10	\$ 12	\$ 2	15%	\$ 12	\$ 2	Service Fees for D1 O&M
Payment for Services to No. 5 - Debt	49	42	42	48	6	15%	48	6	Service Fees for D5 DS
Treasurer Fees	1	1	1	1	-	0%	1	-	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ 62</b>	<b>\$ 153</b>	<b>\$ 53</b>	<b>\$ 161</b>	<b>\$ 108</b>	<b>203%</b>	<b>\$ 161</b>	<b>\$ 108</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	15.000	15.000	15.000	16.477	1.477	10%	16.477	1.477	15 mills adjusted
Debt Service	62.000	62.000	62.000	68.106	6.106	10%	68.106	6.106	62 mills adjusted
<b>Total Mill Levy</b>	<b>77.000</b>	<b>77.000</b>	<b>77.000</b>	<b>84.583</b>	<b>7.583</b>	<b>10%</b>	<b>84.583</b>	<b>7.583</b>	
<b>Assessed Value</b>	<b>\$ 558</b>	<b>\$ 504</b>	<b>\$ 504</b>	<b>\$ 683</b>	<b>\$ 179</b>	<b>36%</b>	<b>\$ 683</b>	<b>\$ 179</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	8	8	8	11	4	49%	11	4	
Debt Service	35	31	31	47	15	49%	47	15	
<b>Total Property Tax Revenue</b>	<b>\$ 43</b>	<b>\$ 39</b>	<b>\$ 39</b>	<b>\$ 58</b>	<b>\$ 19</b>	<b>49%</b>	<b>\$ 58</b>	<b>\$ 19</b>	

KINSTON METROPOLITAN DISTRICT NO. 4									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year		2024	Year to Year	2024
	Unaudited	Adopted	Projected	Proposed	Budget	%	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ 109	\$ 100	\$ 100	\$ 113	\$ 13	13%	\$ 113	\$ 13	See mill levy table
Specific Ownership Taxes	82	7	25	7	(18)	-72%	7	(18)	6% of gross property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ 191</b>	<b>\$ 207</b>	<b>\$ 125</b>	<b>\$ 220</b>	<b>\$ 95</b>	<b>76%</b>	<b>\$ 220</b>	<b>\$ 95</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ 37	\$ 20	\$ 25	\$ 23	\$ (2)	-7%	\$ 25	\$ -	Service Fees for D1 O&M
Payment for Services to No. 5 - Debt	152	84	98	95	(3)	-3%	93	(5)	Service Fees for D5 DS
Treasurer Fees	2	2	2	2	-	0%	2	-	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ 191</b>	<b>\$ 207</b>	<b>\$ 125</b>	<b>\$ 220</b>	<b>\$ 95</b>	<b>76%</b>	<b>\$ 220</b>	<b>\$ 95</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	15.000	15.000	15.000	16.477	1.477	10%	16.477	1.477	15 mills adjusted
Debt Service	62.000	62.000	62.000	68.106	6.106	10%	68.106	6.106	62 mills adjusted
<b>Total Mill Levy</b>	<b>77.000</b>	<b>77.000</b>	<b>77.000</b>	<b>84.583</b>	<b>7.583</b>	<b>10%</b>	<b>84.583</b>	<b>7.583</b>	
<b>Assessed Value</b>	<b>\$ 1,414</b>	<b>\$ 1,300</b>	<b>\$ 1,300</b>	<b>\$ 1,340</b>	<b>\$ 40</b>	<b>3%</b>	<b>\$ 1,340</b>	<b>\$ 40</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	21	20	20	22	3	13%	22	3	
Debt Service	88	81	81	91	11	13%	91	11	
<b>Total Property Tax Revenue</b>	<b>\$ 109</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>\$ 113</b>	<b>\$ 13</b>	<b>13%</b>	<b>\$ 113</b>	<b>\$ 13</b>	

KINSTON METROPOLITAN DISTRICT NO. 6									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Unaudited	Adopted	Projected	Proposed	Budget		Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	See mill levy table
Specific Ownership Taxes	-	-	-	-	-	0%	-	-	6% of property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>100%</b>	<b>\$ 100</b>	<b>\$ 100</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	Service Fees for D1 O&M
Treasurer Fees	-	-	-	-	-	0%	-	-	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>100%</b>	<b>\$ 100</b>	<b>\$ 100</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	25.000	25.000	25.000	27.885	2.885	12%	27.885	2.885	25 mills adjusted
Debt Service	0.000	0.000	0.000	0.000	0.000	0%	0.000	0.000	
<b>Total Mill Levy</b>	<b>25.000</b>	<b>25.000</b>	<b>25.000</b>	<b>27.885</b>	<b>2.885</b>	<b>12%</b>	<b>27.885</b>	<b>2.885</b>	
<b>Assessed Value</b>	<b>\$ 15</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 13</b>	<b>\$ -</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	-	-	-	-	-	0%	-	-	
Debt Service	-	-	-	-	-	0%	-	-	
<b>Total Property Tax Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	



KINSTON METROPOLITAN DISTRICT NO. 7									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Unaudited	Adopted	Projected	Proposed	Budget		Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	See mill levy table
Specific Ownership Taxes	-	-	-	-	-	0%	-	-	6% of property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>100%</b>	<b>\$ 100</b>	<b>\$ 100</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	Service Fees for D1 O&M
Treasurer Fees	-	-	-	-	-	0%	-	-	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>100%</b>	<b>\$ 100</b>	<b>\$ 100</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	25.000	25.000	25.000	27.885	2.885	12%	27.885	2.885	25 mills adjusted
Debt Service	0.000	0.000	0.000	0.000	0.000	0%	0.000	0.000	
<b>Total Mill Levy</b>	<b>25.000</b>	<b>25.000</b>	<b>25.000</b>	<b>27.885</b>	<b>2.885</b>	<b>12%</b>	<b>27.885</b>	<b>2.885</b>	
<b>Assessed Value</b>	<b>\$ 15</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 13</b>	<b>\$ -</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	-	-	-	-	-	0%	-	-	
Debt Service	-	-	-	-	-	0%	-	-	
<b>Total Property Tax Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	

KINSTON METROPOLITAN DISTRICT NO. 8									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Unaudited	Adopted	Projected	Proposed	Budget		Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	See mill levy table
Specific Ownership Taxes	-	-	-	-	-	0%	-	-	6% of property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>100%</b>	<b>\$ 100</b>	<b>\$ 100</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	Service Fees for D1 O&M
Treasurer Fees	-	-	-	-	-	0%	-	-	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>100%</b>	<b>\$ 100</b>	<b>\$ 100</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	25.000	25.000	25.000	27.885	2.885	12%	27.885	2.885	25 mills adjusted
Debt Service	0.000	0.000	0.000	0.000	0.000	0%	0.000	0.000	
<b>Total Mill Levy</b>	<b>25.000</b>	<b>25.000</b>	<b>25.000</b>	<b>27.885</b>	<b>2.885</b>	<b>12%</b>	<b>27.885</b>	<b>2.885</b>	
<b>Assessed Value</b>	<b>\$ 15</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 13</b>	<b>\$ -</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	-	-	-	-	-	0%	-	-	
Debt Service	-	-	-	-	-	0%	-	-	
<b>Total Property Tax Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	

KINSTON METROPOLITAN DISTRICT NO. 9									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year	%	2024	Year to Year	2024
	Unaudited	Adopted	Projected	Proposed	Budget		Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ 12	\$ 11	\$ 11	\$ 12	\$ 1	13%	\$ 12	\$ 1	See mill levy table
Specific Ownership Taxes	1	1	1	1	-	0%	1	-	6% of property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ 13</b>	<b>\$ 112</b>	<b>\$ 12</b>	<b>\$ 113</b>	<b>\$ 101</b>	<b>846%</b>	<b>\$ 113</b>	<b>\$ 101</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ 13	\$ 12	\$ 12	\$ 13	\$ 1	12%	\$ 13	\$ 1	Service Fees for D1 O&M
Treasurer Fees	-	-	-	-	-	0%	-	-	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ 13</b>	<b>\$ 112</b>	<b>\$ 12</b>	<b>\$ 113</b>	<b>\$ 101</b>	<b>846%</b>	<b>\$ 113</b>	<b>\$ 101</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	25.000	25.000	25.000	27.467	2.467	10%	27.467	2.467	25 mills adjusted
Debt Service	0.000	0.000	0.000	0.000	0.000	0%	0.000	0.000	
<b>Total Mill Levy</b>	<b>25.000</b>	<b>25.000</b>	<b>25.000</b>	<b>27.467</b>	<b>2.467</b>	<b>10%</b>	<b>27.467</b>	<b>2.467</b>	
<b>Assessed Value</b>	<b>\$ 487</b>	<b>\$ 444</b>	<b>\$ 444</b>	<b>\$ 454</b>	<b>\$ 10</b>	<b>2%</b>	<b>\$ 454</b>	<b>\$ 10</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	12	11	11	12	1	12%	12	1	
Debt Service	-	-	-	-	-	0%	-	-	
<b>Total Property Tax Revenue</b>	<b>\$ 12</b>	<b>\$ 11</b>	<b>\$ 11</b>	<b>\$ 12</b>	<b>\$ 1</b>	<b>12%</b>	<b>\$ 12</b>	<b>\$ 1</b>	

KINSTON METROPOLITAN DISTRICT NO. 10									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(d-c)	(e)	(f)	(f-c)	
	2022	2023	2023	2024	Year to Year		2024	Year to Year	2024
	Unaudited	Adopted	Projected	Proposed	Budget	%	Proposed	Budget	Comments
	Actual	Budget	Actual	Budget	Variance	Variance	Budget	Variance	
Revenues				HH Fails	HH Fails		HH Passes	HH Passes	
Property Taxes	\$ -	\$ -	\$ 1	\$ 840	\$ 839	83900%	\$ 838	\$ 837	See mill levy table
Specific Ownership Taxes	4	5	4	50	46	1150%	50	46	6% of property taxes
Interest & Other	-	100	-	100	100	100%	100	100	Allowance
<b>Total Revenues</b>	<b>\$ 4</b>	<b>\$ 105</b>	<b>\$ 5</b>	<b>\$ 990</b>	<b>\$ 985</b>	<b>19700%</b>	<b>\$ 988</b>	<b>\$ 983</b>	
<b>Expenditures</b>									
Payment for Services to No. 1 - O&M	\$ 1	\$ 2	\$ 2	\$ 399	\$ 397	19832%	\$ 399	\$ 397	Service Fees for D1 O&M
Payment for Services to No. 5 - Debt	3	3	3	478	475	15845%	476	473	Service Fees for D5 DS
Treasurer Fees	-	-	-	13	13	100%	13	13	1.5% of property taxes
Contingency	-	100	-	100	100	100%	100	100	Allowance
<b>Total Operating Expenditures</b>	<b>\$ 4</b>	<b>\$ 105</b>	<b>\$ 5</b>	<b>\$ 990</b>	<b>\$ 985</b>	<b>19700%</b>	<b>\$ 988</b>	<b>\$ 983</b>	
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Mill Levy</b>									
Operating	15.000	15.000	15.000	15.591	0.591	4%	15.591	0.591	
Debt Service	27.786	18.000	18.000	18.710	0.710	4%	18.627	0.627	Reduced for Cen #2 DS Mill
<b>Total Mill Levy</b>	<b>42.786</b>	<b>33.000</b>	<b>33.000</b>	<b>34.301</b>	<b>1.301</b>	<b>4%</b>	<b>34.218</b>	<b>1.218</b>	Cap: 77 mills adjusted less Cen 2 DS mill
<b>Assessed Value</b>	<b>\$ 9</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>\$ 24,496</b>	<b>\$ 24,481</b>	<b>163206%</b>	<b>\$ 24,496</b>	<b>\$ 24,481</b>	Preliminary as of 9/15
<b>Property Tax Revenue</b>									
Operating	-	-	-	382	382	100%	382	382	
Debt Service	-	-	-	458	458	100%	456	456	
<b>Total Property Tax Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 840</b>	<b>\$ 840</b>	<b>100%</b>	<b>\$ 838</b>	<b>\$ 838</b>	

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
KINSTON METROPOLITAN DISTRICT NO. 1**

A RESOLUTION APPROVING THE FOURTH AMENDMENT TO 2020 FUNDING AND REIMBURSEMENT AGREEMENT BETWEEN THE DISTRICT AND CENTERRA EAST DEVELOPMENT, INC. (“CED”) AND, IN CONNECTION THEREWITH, REFUNDING OF AN SUBORDINATE NOTE AND AUTHORIZING THE ISSUANCE OF A NEW SUBORDINATE NOTE TO EVIDENCE THE DISTRICT’S REIMBURSEMENT OBLIGATION TO CED FOR OPERATION ADVANCES

WHEREAS, on June 18, 2020 (“Original Effective Date”), Kinston Metropolitan District No. 1 (the “District”) and CED entered into that certain 2020 Funding and Reimbursement Agreement for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of the Operation Costs (the “2020 Agreement”), as amended by that First Amendment to 2020 Funding and Reimbursement Agreement dated November 12, 2020 (the “First Amendment”), as further amended by that Second Amendment to 2020 Funding and Reimbursement Agreement dated November 11, 2021 (the “Second Amendment”), and as further amended by that Third Amendment to 2020 Funding and Reimbursement Agreement dated December 8, 2022, (the “Third Amendment,” together with the 2020 Agreement, First Amendment and Second Agreement, the “Agreement”); and

WHEREAS, unless otherwise defined herein, all capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, pursuant to Paragraph 1 of the Third Amendment, CED agreed to advance funds to the District through December 31, 2023 (the “Funding Obligation Term”) in an amount not to exceed One Million Dollars (\$1,000,000) (the “Maximum Principal Amount”), which Maximum Principal Amount constitutes the maximum amount that may be advanced or expended, including all amounts advanced or expended since the Original Effective Date of the Agreement, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless the Agreement is further amended; and

WHEREAS, in connection with the Third Amendment and to evidence the District’s repayment obligation to CED pursuant to the terms of the Agreement, the District issued a Subordinate Note to CED dated December 8, 2022, in an amount not to exceed One Million Dollars (\$1,000,000) (the “Prior Note”); and

WHEREAS, the District will require additional funds in excess of the Maximum Principal Amount through fiscal year 2024 to pay for costs associated with the District’s Operation Costs; and

WHEREAS, CED is willing to continue to advance funds to the District through fiscal year 2024 and to increase the Maximum Principal Amount to be advanced to the District, subject to the terms of the Agreement and this Fourth Amendment; and

WHEREAS, pursuant to Paragraph 5.A of the Second Amendment, in the event the Parties amend the Maximum Principal Amount pursuant to an amendment to the Agreement, the District agrees to refund the existing Subordinate Note and issue a new Subordinate Note to CED in an amount not to exceed the amended Maximum Principal Amount, and subject to the same terms as provided in the Agreement; and

WHEREAS, pursuant to Paragraph 11 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and CED; and

WHEREAS, the Parties have renegotiated, and desire to enter into, a “Fourth Amendment to 2020 Funding and Reimbursement Agreement,” as attached hereto as **Exhibit A** and incorporated herein by reference (the “Fourth Amendment”), to increase the Maximum Principal Amount and extend the Funding Obligation Term; and

WHEREAS, the District desires to refund the Prior Note and issue a new Subordinate Note to CED, as attached hereto as **Exhibit B** and incorporated herein by reference (the “Subordinate Note”), in an amount not to exceed the Maximum Principal Amount set forth in the Fourth Amendment.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF KINSTON METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board of Directors hereby approves the Fourth Amendment to 2020 Funding and Reimbursement Agreement, as attached hereto as **Exhibit A**, and authorizes the District’s President to execute the same.
2. The Board of Directors hereby approves the refunding of the Prior Note and issuance of the Subordinate Note to CED, as attached hereto as **Exhibit B**, and authorizes the District’s President to execute the same.
3. This Resolution shall take effect on the date and at the time of its adoption.

*(Signature Page Follows.)*

ADOPTED AND APPROVED THIS 3<sup>rd</sup> DAY OF NOVEMBER, 2023.

**KINSTON METROPOLITAN DISTRICT  
NO. 1**

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By: Kim L. Perry, President

**EXHIBIT A**  
(To Resolution)

**FOURTH AMENDMENT TO 2020 FUNDING AND REIMBURSEMENT AGREEMENT**



**FOURTH AMENDMENT TO 2020 FUNDING AND REIMBURSEMENT AGREEMENT  
(Operation Costs)**

This FOURTH AMENDMENT TO 2020 FUNDING AND REIMBURSEMENT AGREEMENT (this “Fourth Amendment”) is made and entered into as of this 3rd day of November, 2022 (the “Effective Date”), by and between KINSTON METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and CENTERRA EAST DEVELOPMENT, INC., a Delaware corporation (“CED”), collectively, the “Parties.”

**RECITALS**

WHEREAS, on June 18, 2020 (“Original Effective Date”), the District and CED entered into that certain 2020 Funding and Reimbursement Agreement for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of the Operation Costs (the “2020 Agreement”), as amended by that First Amendment to 2020 Funding and Reimbursement Agreement dated November 12, 2020 (the “First Amendment”), as further amended by that Second Amendment to 2020 Funding and Reimbursement Agreement dated November 11, 2021 (the “Second Amendment”), and as further amended by that Third Amendment to 2020 Funding and Reimbursement Agreement dated December 8, 2022, (the “Third Amendment,” together with the 2020 Agreement, First Amendment and Second Agreement, the “Agreement”); and

WHEREAS, unless otherwise defined herein, all capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, pursuant to Paragraph 1 of the Third Amendment, CED agreed to advance funds to the District through December 31, 2023 (the “Funding Obligation Term”) in an amount not to exceed One Million Dollars (\$1,000,000) (the “Maximum Principal Amount”), which Maximum Principal Amount constitutes the maximum amount that may be advanced or expended, including all amounts advanced or expended since the Original Effective Date of the Agreement, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless the Agreement is further amended; and

WHEREAS, in connection with the Third Amendment and to evidence the District’s repayment obligation to CED pursuant to the terms of the Agreement, the District issued a Subordinate Note to CED dated December 8, 2022, in an amount not to exceed One Million Dollars (\$1,000,000) (the “Prior Note”); and

WHEREAS, the District will require additional funds in excess of the Maximum Principal Amount through fiscal year 2024 to pay for costs associated with the District’s Operation Costs; and

WHEREAS, CED is willing to continue to advance funds to the District through fiscal year 2024 and to increase the Maximum Principal Amount to be advanced to the District, subject to the terms of the Agreement and this Fourth Amendment; and

WHEREAS, pursuant to Paragraph 5.A of the Second Amendment, in the event the Parties amend the Maximum Principal Amount pursuant to an amendment to the Agreement, the District agrees to refund the existing Subordinate Note and issue a new Subordinate Note to CED in an amount not to exceed the amended Maximum Principal Amount, and subject to the same terms as provided in the Agreement; and

WHEREAS, pursuant to Paragraph 11 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and CED; and

WHEREAS, the Parties have renegotiated and desire to enter into this Fourth Amendment to increase the Maximum Principal Amount and extend the Funding Obligation Term; and

WHEREAS, the District desires to refund the Prior Note and issue a new Subordinate Note to CED in an amount not to exceed the Maximum Principal Amount set forth in this Fourth Amendment.

NOW THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the District and CED agree to amend the Agreement as follows:

### **COVENANTS AND AGREEMENTS**

1. The Parties hereby amend and restate Paragraph 1 of the Agreement in its entirety as follows:

Advance Amount and Term. CED hereby agrees to advance funds or expend funds on behalf of the District in one or more installments, provided that in no event shall the total amount that CED shall advance to the District or expend on behalf of the District, exceed One Million Five Hundred Thousand Dollars (\$1,500,000), (the “Maximum Principal Amount”). The Maximum Principal Amount constitutes the maximum amount that may be advanced or expended hereunder, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless the Agreement is further supplemented or amended. Advanced funds shall be available to the District in one or a series of installments through December 31, 2024, which period shall constitute the “Funding Obligation Term” of the Agreement. The District’s repayment obligation shall survive the Funding Obligation Term until CED is repaid in full, provided that the District’s repayment obligation shall terminate on the date that is forty (40) years from the Original Effective Date (June 17, 2060), even if any portion of the Maximum Principal Amount remains outstanding.

2. The Parties hereby amend and restate Paragraph 4 of the Agreement in its entirety, as follows:

A. On the Effective Date of this Fourth Amendment, the District shall refund the Prior Note and issue a new Subordinate Note to CED, as attached hereto as Exhibit A, in an amount not to exceed the Maximum Principal Amount, which Subordinate Note shall evidence the District’s

repayment obligation to CED for funds advanced to or expended on behalf of the District, as provided in the Agreement and this Fourth Amendment. In compliance with the Service Plan, the Subordinate Note shall bear no interest.

B. Upon receipt of each advance from CED or upon the date of each expenditure made on behalf of the District by CED, the District shall complete the appropriate information on Schedule “A” of the Subordinate Note, showing the amount of each advance or expenditure, the date of receipt or payment, as applicable, and the total principal outstanding.

C. The Subordinate Note shall be repayable only to the extent, and in the amount of, advances and expenditures noted as outstanding on Schedule “A” thereto, which amount shall not exceed the Maximum Principal Amount, notwithstanding any payment or prepayment of any portion of the advances pursuant to the terms thereof, unless the Agreement and the Subordinate Note are further supplemented or amended.

D. The terms of the Agreement, and any subsequent amendments, may be used to construe the intent of the District and CED in connection with the issuance of the Subordinate Note, and shall be read as nearly as possible to make the provisions of the Subordinate Note, the Agreement and any subsequent amendments fully effective. Should any irreconcilable conflict arise among the terms of the Agreement, any subsequent amendments, and the terms of the Subordinate Note, the terms of the Subordinate Note shall prevail.

E. If, for any reason, the Subordinate Note is determined to be invalid or unenforceable (except in the case of fraud by CED in connection therewith), the District shall issue a new promissory note to CED that is legally enforceable. Said new Subordinate Note must evidence the District’s obligation to repay all amounts advanced or expended pursuant to the Agreement and any subsequent amendments, subject to the terms hereof.

3. Issuance of Subordinate Note. Pursuant to Paragraph 5.A. of the Third Amendment, and as further set forth in Paragraph 4 as amended and restated by this Fourth Amendment, the District shall refund the 2022 Note and issue a new Subordinate Note to CED, in similar form as attached hereto as **Exhibit A** (the “2023 Note”), in an amount not to exceed the Maximum Principal Amount set forth in Paragraph 1 of this Fourth Amendment, with the same Maturity Date, and subject to the same issuance and repayment terms as provided in the Agreement and any subsequent amendments, including, without limitation, Paragraph 4 of the Agreement, as amended and restated by this Fourth Amendment. The 2023 Note issued by the District shall reflect all principal outstanding on the Prior Note as of the date of the refunding of the Prior Note.

4. Severability. If any clause or provision of this Fourth Amendment is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this Fourth Amendment as a whole, but shall be severed herefrom, leaving the remaining clauses and provisions of the Fourth Amendment intact and enforceable.

5. Entire Agreement. Except as otherwise provided herein, the terms and provisions of the Agreement shall remain valid and in full force and effect. The Agreement, this Fourth

Amendment and the Subordinate Note issued hereunder constitute and represent the entire, integrated agreement between the District and CED with respect to the matters set forth herein and therein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This Fourth Amendment shall become effective upon the Effective Date.

6. Counterparts. This Fourth Amendment may be executed in one or more counterparts, either electronically or by original signature, each of which shall be deemed an original and together shall constitute one and the same instrument.

*[Signature pages follow.]*

IN WITNESS WHEREOF, the Parties hereto have executed this Fourth Amendment to be effective as of the Effective Date.

**KINSTON METROPOLITAN DISTRICT NO. 1**

\_\_\_\_\_  
By: Kim L. Perry, President

*Signature page to KMD1 Fourth Amendment to 2020 and Funding and Reimbursement Agreement*

**CENTERRA EAST DEVELOPMENT, INC.,**  
a Delaware corporation

By: \_\_\_\_\_  
Bethany Johnson  
EVP, General Counsel

**EXHIBIT A**  
(To Fourth Amendment to 2020 Funding and Reimbursement Agreement)

**FORM OF SUBORDINATE NOTE**

KINSTON METROPOLITAN DISTRICT NO. 1  
REVENUE AND LIMITED TAX OBLIGATION  
SUBORDINATE PROMISSORY NOTE

PRINCIPAL AMOUNT: In an amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000)

INTEREST RATE: No Interest

DATED: November 3, 2023

REGISTERED OWNER: Centerra East Development, Inc. (“CED”)

MATURITY DATE: June 17, 2060

Kinston Metropolitan District No. 1 (the “District”), a body corporate, politic and a political subdivision organized under the laws of the State of Colorado, for the value received, hereby promises to pay, but solely and only from, and contingent upon receipt of, the sources hereinafter described, the principal sum stated above or such lesser amount as may be shown as advanced hereunder as set forth in Schedule “A” attached hereto, in lawful money of the United States of America to the registered owner named above on the maturity date stated above unless this Note shall be prepaid in full, in which case on such payment date.

In any case where the date of maturity for payment of principal on this Note or the date fixed for prepayment hereof shall be a Saturday or Sunday, a legal holiday or a day on which banking institutions in the city or town of payment are authorized by law to close, then payment of principal or prepayment price shall be made on the immediately following business day with the same force and effect as if made on the date of maturity or the date fixed for prepayment. Prior to the Maturity Date, and at such time as the District has available funds, this Note may be prepaid, in whole or in part, at any time without redemption premium or other penalty. This Note shall be paid in full, from the sources hereinafter described prior to the payment of any other obligation of the District that may have a claim on such revenues and would otherwise be available for the payment of this Note as further described herein, other than current operation and maintenance expenses and other budgeted general fund expenditures of the District, and as further provided and limited herein.

This Note is executed, issued and delivered to CED pursuant to that certain 2020 Funding and Reimbursement Agreement entered into between the District and CED dated June 18, 2020, as amended by that First Amendment to 2020 Funding and Reimbursement Agreement dated November 12, 2020, that Second Amendment to 2020 Funding and Reimbursement Agreement dated November 11, 2021, that Third Amendment to 2020 Funding and Reimbursement Agreement dated December 8, 2022, and as further amended by that Fourth Amendment to 2020 Funding and Reimbursement Agreement dated November 3, 2023 (collectively, the “Agreement”), the terms of which are hereby incorporated by reference, and has been executed and delivered to refund the Prior Note (as defined in the Agreement) and to pay for certain indebtedness incurred by the District as set forth in the Agreement.



Pursuant to the Agreement, the District is obligated to repay the principal amount of this Note from the revenue sources and in the manner specified in the Agreement, contingent upon the receipt of such funds from said revenue sources, subject to any restrictions provided in the Service Plan and electoral authorization; and further *provided, that any such repayment shall be subject to the annual appropriation of funds by the District and shall be subject to the terms and conditions of, and such repayment obligations shall be subordinate to, the Bonds (as such term is defined in the Agreement) and any refundings thereof, and the provisions of any bond resolution, indenture, pledge agreement, loan document and/or any other document related thereto; and further provided that any mill levy certified by the District for the purpose of repaying advances made hereunder shall not be higher than the Service Plan mill levy cap, as it now exists or may be amended from time to time as provided therein. In no event shall the District impose a mill levy in excess of 50 mills for the repayment of this Note.*

Failure by the District to repay CED as a result of insufficient funds shall not constitute a default hereunder, nor subject the District to any claims and/or causes of action by CED, including mechanic's liens, arising out of the District's nonperformance of its payment obligation. Failure by the District to make a payment of principal due on the Note shall not cause or permit acceleration thereof.

Upon receipt of each advance received by the District, or approved expenditure made on behalf of, the District by CED pursuant to the Agreement, the District shall indicate on Schedule "A" of this Note: (i) the amount of funds advanced to or expended on behalf of the District; (ii) the date of the advance or expenditure; and (iii) the total funds advanced and/or expended to date under the Note. Any payments made on the Note by the District shall also be evidenced on Schedule "A" attached hereto.

Neither the Board of Directors of the District, nor any person executing this Note, shall be personally liable hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Colorado. All issues arising hereunder shall be governed by the laws of Colorado.

**THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE DISTRICT AND SHALL BE PAYABLE SOLELY FROM CERTAIN REVENUES SPECIFIED IN THE AGREEMENT. THIS NOTE SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE STATE OF COLORADO OR LARIMER COUNTY, COLORADO. CED SHALL HAVE NO RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF COLORADO OR LARIMER COUNTY TO PAY THIS NOTE, NOR TO ENFORCE PAYMENT OF THE SAME AGAINST THE PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY, NOR SHALL THIS NOTE CONSTITUTE A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY.**

The District waives demand, presentment, and notice of dishonor and protest with respect to any payment due hereunder. No waiver of any payment or other right under this Note shall operate as a waiver of any other payment or right, including right of offset. If CED enforces this Note upon default, the District shall pay or reimburse CED for reasonable expenses incurred in the collection hereof or in the realization of any security hereof, including reasonable attorney's fees.

Notwithstanding any provision herein, or in any instrument now or hereafter securing the obligation of the District specified herein, the total liability for payments in the nature of interest shall not exceed the limit now imposed by the usury laws of the State of Colorado.

This Note shall not be transferable, negotiable, assigned or otherwise payable to any party without the prior written consent of the District.

If, for any reason, this Note is determined to be invalid or unenforceable (except in the case of fraud by CED in connection therewith), the District shall issue a new promissory note to CED that is legally enforceable. Said new promissory note shall evidence the District's obligation to repay all amounts due hereunder.

It is hereby certified, recited and declared that all conditions, acts and things required to exist or occur by the Constitution or statutes of the State of Colorado, currently exist and either occurred prior to, or in connection with, the issuance of this Note.

By signing in the space provided below, the District hereby acknowledges and agrees that this Note shall be irrevocable for all purposes and shall be binding upon the District, subject to the provisions herein and the provisions of the Agreement. This Note may not be terminated orally, but only by payments in full or by a written discharge signed by the owner and holder of this Note. Notwithstanding the foregoing, CED acknowledges that the District's obligations hereunder shall terminate on the Maturity Date, even if any portion of the principal sum and accrued interest remains unpaid and outstanding. Any amounts remaining outstanding on this Note on the Maturity Date shall be discharged with no further amounts due by the District.

*(Signature Page Follows.)*

IN WITNESS WHEREOF, the District has caused this Note to be executed, in its name and on its behalf, by its President with an imprint of the District's seal affixed hereon.

KINSTON METROPOLITAN DISTRICT  
NO. 1

(S E A L)

**EXHIBIT PAGE ONLY – DO NOT SIGN**

By: \_\_\_\_\_

Its: President

SCHEDULE A

**EXHIBIT B**  
(To Resolution)

**SUBORDINATE NOTE**

KINSTON METROPOLITAN DISTRICT NO. 1  
REVENUE AND LIMITED TAX OBLIGATION  
SUBORDINATE PROMISSORY NOTE

PRINCIPAL AMOUNT: In an amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000)

INTEREST RATE: No Interest

DATED: November 3, 2023

REGISTERED OWNER: Centerra East Development, Inc. (“CED”)

MATURITY DATE: June 17, 2060

Kinston Metropolitan District No. 1 (the “District”), a body corporate, politic and a political subdivision organized under the laws of the State of Colorado, for the value received, hereby promises to pay, but solely and only from, and contingent upon receipt of, the sources hereinafter described, the principal sum stated above or such lesser amount as may be shown as advanced hereunder as set forth in Schedule “A” attached hereto, in lawful money of the United States of America to the registered owner named above on the maturity date stated above unless this Note shall be prepaid in full, in which case on such payment date.

In any case where the date of maturity for payment of principal on this Note or the date fixed for prepayment hereof shall be a Saturday or Sunday, a legal holiday or a day on which banking institutions in the city or town of payment are authorized by law to close, then payment of principal or prepayment price shall be made on the immediately following business day with the same force and effect as if made on the date of maturity or the date fixed for prepayment. Prior to the Maturity Date, and at such time as the District has available funds, this Note may be prepaid, in whole or in part, at any time without redemption premium or other penalty. This Note shall be paid in full, from the sources hereinafter described prior to the payment of any other obligation of the District that may have a claim on such revenues and would otherwise be available for the payment of this Note as further described herein, other than current operation and maintenance expenses and other budgeted general fund expenditures of the District, and as further provided and limited herein.

This Note is executed, issued and delivered to CED pursuant to that certain 2020 Funding and Reimbursement Agreement entered into between the District and CED dated June 18, 2020, as amended by that First Amendment to 2020 Funding and Reimbursement Agreement dated November 12, 2020, that Second Amendment to 2020 Funding and Reimbursement Agreement dated November 11, 2021, that Third Amendment to 2020 Funding and Reimbursement Agreement dated December 8, 2022, and as further amended by that Fourth Amendment to 2020 Funding and Reimbursement Agreement dated November 3, 2023 (collectively, the “Agreement”), the terms of which are hereby incorporated by reference, and has been executed and delivered to refund the Prior Note (as defined in the Agreement) and to pay for certain indebtedness incurred by the District as set forth in the Agreement.

Pursuant to the Agreement, the District is obligated to repay the principal amount of this Note from the revenue sources and in the manner specified in the Agreement, contingent upon the receipt of such funds from said revenue sources, subject to any restrictions provided in the Service Plan and electoral authorization; and further *provided, that any such repayment shall be subject to the annual appropriation of funds by the District and shall be subject to the terms and conditions of, and such repayment obligations shall be subordinate to, the Bonds (as such term is defined in the Agreement) and any refundings thereof, and the provisions of any bond resolution, indenture, pledge agreement, loan document and/or any other document related thereto; and further provided that any mill levy certified by the District for the purpose of repaying advances made hereunder shall not be higher than the Service Plan mill levy cap, as it now exists or may be amended from time to time as provided therein. In no event shall the District impose a mill levy in excess of 50 mills for the repayment of this Note.*

Failure by the District to repay CED as a result of insufficient funds shall not constitute a default hereunder, nor subject the District to any claims and/or causes of action by CED, including mechanic's liens, arising out of the District's nonperformance of its payment obligation. Failure by the District to make a payment of principal due on the Note shall not cause or permit acceleration thereof.

Upon receipt of each advance received by the District, or approved expenditure made on behalf of, the District by CED pursuant to the Agreement, the District shall indicate on Schedule "A" of this Note: (i) the amount of funds advanced to or expended on behalf of the District; (ii) the date of the advance or expenditure; and (iii) the total funds advanced and/or expended to date under the Note. Any payments made on the Note by the District shall also be evidenced on Schedule "A" attached hereto.

Neither the Board of Directors of the District, nor any person executing this Note, shall be personally liable hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Colorado. All issues arising hereunder shall be governed by the laws of Colorado.

**THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE DISTRICT AND SHALL BE PAYABLE SOLELY FROM CERTAIN REVENUES SPECIFIED IN THE AGREEMENT. THIS NOTE SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE STATE OF COLORADO OR LARIMER COUNTY, COLORADO. CED SHALL HAVE NO RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF COLORADO OR LARIMER COUNTY TO PAY THIS NOTE, NOR TO ENFORCE PAYMENT OF THE SAME AGAINST THE PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY, NOR SHALL THIS NOTE CONSTITUTE A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY.**

The District waives demand, presentment, and notice of dishonor and protest with respect to any payment due hereunder. No waiver of any payment or other right under this Note shall operate as a waiver of any other payment or right, including right of offset. If CED enforces this Note upon default, the District shall pay or reimburse CED for reasonable expenses incurred in the collection hereof or in the realization of any security hereof, including reasonable attorney's fees.

Notwithstanding any provision herein, or in any instrument now or hereafter securing the obligation of the District specified herein, the total liability for payments in the nature of interest shall not exceed the limit now imposed by the usury laws of the State of Colorado.

This Note shall not be transferable, negotiable, assigned or otherwise payable to any party without the prior written consent of the District.

If, for any reason, this Note is determined to be invalid or unenforceable (except in the case of fraud by CED in connection therewith), the District shall issue a new promissory note to CED that is legally enforceable. Said new promissory note shall evidence the District's obligation to repay all amounts due hereunder.

It is hereby certified, recited and declared that all conditions, acts and things required to exist or occur by the Constitution or statutes of the State of Colorado, currently exist and either occurred prior to, or in connection with, the issuance of this Note.

By signing in the space provided below, the District hereby acknowledges and agrees that this Note shall be irrevocable for all purposes and shall be binding upon the District, subject to the provisions herein and the provisions of the Agreement. This Note may not be terminated orally, but only by payments in full or by a written discharge signed by the owner and holder of this Note. Notwithstanding the foregoing, CED acknowledges that the District's obligations hereunder shall terminate on the Maturity Date, even if any portion of the principal sum and accrued interest remains unpaid and outstanding. Any amounts remaining outstanding on this Note on the Maturity Date shall be discharged with no further amounts due by the District.

*(Signature Page Follows.)*



IN WITNESS WHEREOF, the District has caused this Note to be executed, in its name and on its behalf, by its President with an imprint of the District's seal affixed hereon.

KINSTON METROPOLITAN DISTRICT  
NO. 1

(S E A L)

By: \_\_\_\_\_  
Kim L. Perry, President

SCHEDULE A

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
KINSTON METROPOLITAN DISTRICT NO. 1**

A RESOLUTION APPROVING THE FIFTH AMENDMENT TO IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT, AND IN CONNECTION THEREWITH, AUTHORIZING THE REFUNDING OF THE 2022 NOTE AND ISSUANCE OF A NEW SUBORDINATE NOTE TO CENTERRA EAST DEVELOPMENT, INC. FOR CAPITAL ADVANCES

WHEREAS, on June 18, 2020 (the “Original Effective Date”), the District and CED entered into that certain Improvement, Acquisition, Advance and Reimbursement Agreement (the “Capital Agreement”) for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of the costs associated with the construction of Improvements, as amended by that First Amendment to Improvement, Acquisition, Advance and Reimbursement Agreement dated November 12, 2020 (the “First Amendment”), that Second Amendment to Improvement, Acquisition, Advance and Reimbursement Agreement dated April 8, 2021 (the “Second Amendment”), that Third Amendment to Improvement, Acquisition, Advance and Reimbursement Agreement dated November 11, 2021 (the “Third Amendment,”), and that Fourth Amendment to Improvement Advance and Reimbursement Agreement dated December 8, 2022 (the “Fourth Amendment,” together with the First Amendment, Second Amendment, Third Amendment and Capital Agreement, the “Agreement”); and

WHEREAS, unless otherwise defined herein, all capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, pursuant to Paragraph 5 of the Agreement, CED agreed to advance funds to the District through December 31, 2023 (the “Funding Obligation Term”) in an amount not to exceed Twenty-Nine Million Five Hundred Thousand Dollars (\$29,500,000) (the “Maximum Principal Amount”), which Maximum Principal Amount constitutes the maximum amount that may be advanced or expended, including all amounts advanced or expended since the Original Effective Date of the Agreement, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless the Agreement is further amended; and

WHEREAS, in connection with the Third Amendment and to evidence the District’s repayment obligation to CED pursuant to the terms of the Agreement, the District issued a Subordinate Note to CED in an amount not to exceed Twenty-Nine Million Five Hundred Thousand Dollars (\$29,500,000) (the “2022 Note”), which 2022 Note refunded the 2021 Note; and

WHEREAS, the District will require additional funds in excess of the Maximum Principal Amount through fiscal year 2024 to pay for costs associated with the acquisition, construction and installation of Improvements; and

WHEREAS, CED is willing to continue to advance funds to the District through fiscal year 2024 and to increase the Maximum Principal Amount to be advanced to the District, subject to the terms of the Agreement and this Fifth Amendment; and

WHEREAS, pursuant to Paragraph 8.A of the Third Amendment, in the event the Parties amend the Maximum Principal Amount pursuant to an amendment to the Agreement, the District agrees to refund the existing Subordinate Note and issue a new Subordinate Note to CED in an amount not to exceed the amended Maximum Principal Amount, and subject to the same terms as provided in the Agreement; and

WHEREAS, pursuant to Paragraph 17 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and CED; and

WHEREAS, the Parties have renegotiated and desire to enter into this Fifth Amendment to increase the Maximum Principal Amount and extend the Funding Obligation Term; and

WHEREAS, the Parties have negotiated, and desire to enter into, a “Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement,” as attached hereto as **Exhibit A** and incorporated herein by reference (the “Fifth Amendment”), to increase the Maximum Principal Amount and extend the Funding Obligation Term; and

WHEREAS, in connection with the Fifth Amendment, the District desires to refund the 2022 Note and issue a new Subordinate Note to CED, as attached hereto as **Exhibit B** and incorporated herein by reference (the “2023 Note”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF KINSTON METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board of Directors hereby approves the Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement, as attached hereto as **Exhibit A**, and authorizes the President to execute the same.

2. The Board of Directors hereby authorizes the refunding of the 2021 Note and the issuance of the 2023 to CED, as attached hereto as **Exhibit B**, and authorizes the President to execute the same.

3. This Resolution shall take effect on the date and at the time of its adoption.

*(Signature Page Follows.)*

ADOPTED AND APPROVED THIS 3rd DAY OF NOVEMBER, 2023.

KINSTON METROPOLITAN DISTRICT  
NO. 1

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By: Kim L. Perry, President

**EXHIBIT A**  
(To Resolution)

**FIFTH AMENDMENT TO  
IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT**

**FIFTH AMENDMENT TO  
IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT  
(Capital Costs)**

THIS FIFTH AMENDMENT TO IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT (the “Fifth Amendment”) is made and entered into as of this 3rd day of November, 2023 (the “Effective Date”) by and between KINSTON METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and CENTERRA EAST DEVELOPMENT, INC., a Delaware corporation (“CED”), collectively, the “Parties.”

**RECITALS**

WHEREAS, on June 18, 2020 (the “Original Effective Date”), the District and CED entered into that certain Improvement, Acquisition, Advance and Reimbursement Agreement (the “Capital Agreement”) for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of the costs associated with the construction of Improvements, as amended by that First Amendment to Improvement, Acquisition, Advance and Reimbursement Agreement dated November 12, 2020 (the “First Amendment”), that Second Amendment to Improvement, Acquisition, Advance and Reimbursement Agreement dated April 8, 2021 (the “Second Amendment”), that Third Amendment to Improvement, Acquisition, Advance and Reimbursement Agreement dated November 11, 2021 (the “Third Amendment”), and that Fourth Amendment to Improvement Advance and Reimbursement Agreement dated December 8, 2022 (the “Fourth Amendment,” together with the First Amendment, Second Amendment, Third Amendment and Capital Agreement, the “Agreement”); and

WHEREAS, unless otherwise defined herein, all capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, pursuant to Paragraph 5 of the Agreement, CED agreed to advance funds to the District through December 31, 2023 (the “Funding Obligation Term”) in an amount not to exceed Twenty-Nine Million Five Hundred Thousand Dollars (\$29,500,000) (the “Maximum Principal Amount”), which Maximum Principal Amount constitutes the maximum amount that may be advanced or expended, including all amounts advanced or expended since the Original Effective Date of the Agreement, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless the Agreement is further amended; and

WHEREAS, in connection with the Third Amendment and to evidence the District’s repayment obligation to CED pursuant to the terms of the Agreement, the District issued a Subordinate Note to CED in an amount not to exceed Twenty-Nine Million Five Hundred Thousand Dollars (\$29,500,000) (the “2022 Note”), which 2022 Note refunded the 2021 Note; and

WHEREAS, the District will require additional funds in excess of the Maximum Principal Amount through fiscal year 2024 to pay for costs associated with the acquisition, construction and installation of Improvements; and

WHEREAS, CED is willing to continue to advance funds to the District through fiscal year 2024 and to increase the Maximum Principal Amount to be advanced to the District, subject to the terms of the Agreement and this Fifth Amendment; and

WHEREAS, pursuant to Paragraph 8.A of the Third Amendment, in the event the Parties amend the Maximum Principal Amount pursuant to an amendment to the Agreement, the District agrees to refund the existing Subordinate Note and issue a new Subordinate Note to CED in an amount not to exceed the amended Maximum Principal Amount, and subject to the same terms as provided in the Agreement; and

WHEREAS, pursuant to Paragraph 17 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and CED; and

WHEREAS, the Parties have renegotiated and desire to enter into this Fifth Amendment to increase the Maximum Principal Amount and extend the Funding Obligation Term; and

WHEREAS, the District desires to refund the 2022 Note and issue a new Subordinate Note to CED in an amount not to exceed the Maximum Principal Amount set forth in this Fifth Amendment.

NOW THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the District and CED agree to amend the Agreement as follows:

### **COVENANTS AND AGREEMENTS**

1. The Parties hereby amend and restate Paragraph 1 of the Agreement in its entirety as follows:

Advances for Construction of Improvements. CED hereby agrees to advance funds or expend funds on behalf of the District in one or more installments, provided that in no event shall the total amount that CED shall advance to the District or expend on behalf of the District, exceed Forty-Three Million Five Hundred Thousand Dollars (\$43,500,000), (the “Maximum Principal Amount”). The Maximum Principal Amount constitutes the maximum amount that may be advanced or expended hereunder, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless the Agreement is further supplemented or amended. Advanced funds shall be available to the District in one or a series of installments through December 31, 2024, which period shall constitute the “Funding Obligation Term” of the Agreement. The District’s repayment obligation shall survive the Funding Obligation Term until CCLLC is repaid in full, provided that the District’s repayment obligation shall terminate on the date that is forty (40) years from the Original Effective Date (June 17, 2060), even if any portion of the Maximum Principal Amount remains outstanding.

2. The Parties hereby amend and restate Paragraph 7.A. of the Agreement in its entirety, as follows:



A. On the Effective Date of this Fifth Amendment, the District shall refund the 2022 Note and issue a new Subordinate Note to CED, as attached hereto as **Exhibit A**, in an amount not to exceed the Maximum Principal Amount, which Subordinate Note shall evidence the District's repayment obligation to CED for funds advanced to or expended on behalf of the District, as provided in the Agreement and this Fifth Amendment.

B. The Subordinate Note issued hereunder shall bear simple interest as to each advance or expenditure made hereunder at a fixed rate not to exceed the prime interest rate (as reported on the date of issuance by *The Wall Street Journal*) plus 3% up to a maximum interest rate of 8.5%, from the date such advance or expenditure is made, regardless of the date such advance or expenditure is noted on Schedule A, to the earlier of the Maturity Date or date of redemption thereof, subject to Paragraph 11.B. hereof. Said interest shall be payable upon maturity of the Subordinate Note. If the Subordinate Note, or any portion thereof, is redeemed prior to its maturity date, then the interest that accrued on the principal amount so redeemed, must be paid upon redemption; for purposes of the foregoing, interest shall be deemed to have accrued up to and including the date of redemption.

C. Upon receipt of each advance from CED or upon any approved amount expended by CED on the District's behalf, the District shall complete the appropriate information on Schedule "A" of the Subordinate Note, showing the amount of each advance or expenditure, the date of receipt, and the total principal and unpaid accrued interest thereon.

D. The Subordinate Note shall be repayable only to the extent, and in the amount of, advances and expenditures noted as outstanding on Schedule "A" thereto, which amount shall not exceed the Maximum Principal Amount, including any advances to or expended on behalf of the District, notwithstanding any payment or prepayment of any portion of the advances pursuant to the terms thereof, unless the Agreement and the Subordinate Note are further supplemented or amended.

E. The terms of this Fifth Amendment and the Agreement may be used to construe the intent of the District and CED in connection with the issuance of the Subordinate Note, and shall be read as nearly as possible to make the provisions of the Subordinate Note, the Agreement and this Fifth Amendment fully effective. Should any irreconcilable conflict arise among the terms of the Agreement, this Fifth Amendment and any subsequent amendment, and the terms of the Subordinate Note, the terms of the Subordinate Note shall prevail.

F. If, for any reason, the Subordinate Note is determined to be invalid or unenforceable (except in the case of fraud by CED in connection therewith), the District shall issue a new promissory note to CED that is legally enforceable. Said new Subordinate Note must evidence the District's obligation to repay all amounts advanced or expended pursuant to the Agreement and this Fifth Amendment with interest, subject to the terms hereof.

3. Issuance of Subordinate Note. Pursuant to Paragraph 8.A. of the Agreement, and as further set forth in Paragraph 2.A. of this Fifth Amendment, the District shall refund the 2022 Note and issue a new Subordinate Note to CED, in similar form as attached hereto as **Exhibit A** (the "2024 Note"), in an amount not to exceed the Maximum Principal Amount set forth in Paragraph 1

IN WITNESS WHEREOF, the Parties hereto have executed this Fifth Amendment to be effective as of the Effective Date.

**KINSTON METROPOLITAN DISTRICT NO. 1**

---

By: Kim L. Perry, President

*Signature page to KMD1 Fifth Amendment to  
Improvement Acquisition, Advance and Reimbursement Agreement*

**CENTERRA EAST DEVELOPMENT, INC.,**  
a Delaware corporation

By: \_\_\_\_\_  
Bethany Johnson,  
EVP, General Counsel

*Signature page to KMD1 Fifth Amendment to  
Improvement Acquisition, Advance and Reimbursement Agreement*

**EXHIBIT A**

(To Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement)

**FORM OF SUBORDINATE NOTE**

KINSTON METROPOLITAN DISTRICT NO. 1  
REVENUE AND LIMITED TAX OBLIGATION  
SUBORDINATE PROMISSORY NOTE

PRINCIPAL AMOUNT: Up to an amount not to exceed Forty-Three Million Five Hundred Thousand Dollars (\$43,500,000)

INTEREST RATE: Prime Interest Rate (as reported on the date of issuance by *The Wall Street Journal*) plus 3% (the “Total Interest Rate”) up to a maximum Total Interest Rate of 8.5%, Simple Interest

DATED: December 8, 2023

REGISTERED OWNER: Centerra East Development, Inc. (“CED”)

MATURITY DATE: June 17, 2060

Kinston Metropolitan District No. 1 (the “District”), a body corporate, politic and a political subdivision organized under the laws of the State of Colorado, for the value received, hereby promises to pay, but solely and only from, and contingent upon receipt of, the sources hereinafter described, the principal sum stated above (or such lesser amount as may be shown as advanced hereunder as set forth in Schedule “A” attached hereto) together with interest at the rate stated above, which interest shall accrue on said principal sum from and after the date hereof to the maturity date hereof, in lawful money of the United States of America to the registered owner named above or registered assigns, on the maturity date stated above unless this Note shall be prepaid in full, in which case on such payment date.

In any case where the date of maturity for payment of interest and principal on this Note or the date fixed for prepayment hereof shall be a Saturday or Sunday, a legal holiday or a day on which banking institutions in the city or town of payment are authorized by law to close, then payment of interest and/or principal or prepayment price shall be made on the immediately following business day with the same force and effect as if made on the date of maturity or the date fixed for prepayment. Prior to the Maturity Date, and at such time as the District has available funds, this Note may be prepaid, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued on the principal amount prepaid, up to and including the date of prepayment. Any and all prepayments shall first be applied to unpaid accrued interest, then to the principal amount outstanding on this Note. This Note shall be paid in full from the sources hereinafter described prior to the payment of any other obligation of the District that may have a claim on such revenues and would otherwise be available for the payment of this Note as further described herein, other than current operation and maintenance expenses and other budgeted general fund expenditures of the District, and as further provided and limited herein.

This Note is executed, issued and delivered to CED pursuant to that certain Improvement Acquisition, Advance and Reimbursement Agreement entered into between the District and CED, dated June 18, 2020 (the "Capital Agreement"), that First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated November 12, 2020 (the "First Amendment"), that Second Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated April 8, 2021 (the "Second Amendment"), that Third Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated November 11, 2021 (the "Third Amendment"), and that Fourth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated December 8, 2022 (the "Fourth Amendment"), and that Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated November 3, 2023 (the "Fifth Amendment," together with the Capital Agreement, First Amendment, Second Amendment, Third Amendment and the Fourth Amendment, the "Agreement"), the terms of which are hereby incorporated by reference, and has been executed and delivered to refund the 2022 Note (as defined in the Third Amendment) issued to CED on November 11, 2021, and to pay for certain indebtedness incurred by the District as set forth in the Agreement, the terms of which are hereby incorporated by reference, to evidence the repayment obligation of the District with respect to certain indebtedness owed to CED.

Pursuant to the Agreement, the District is obligated to repay both the principal amount of this Note and any and all interest accrued thereon, from the revenue sources and in the manner specified in the Agreement, contingent upon the receipt of such funds from said revenue sources, subject to any restrictions provided in the Service Plan and electoral authorization; and further *provided, that any such repayment shall be subject to the annual appropriation of funds by the District and shall be subject to the terms and conditions of, and such repayment obligations shall be subordinate to, the Bonds (as such term is defined in the Agreement) and any refundings thereof, and the provisions of any bond resolution, indenture, pledge agreement, loan document and/or any other document related thereto; and further provided that any mill levy certified by the District for the purpose of repaying advances made hereunder shall not be higher than the Service Plan mill levy cap, as it now exists or may be amended from time to time as provided therein.* **In no event shall the District impose a mill levy in excess of 50 mills for the repayment of this Note.**

Failure by the District to repay CED as a result of insufficient funds shall not constitute a default hereunder, nor subject the District to any claims and/or causes of action by CED, including mechanic's liens, arising out of the District's nonperformance of its payment obligation. Failure by the District to make a payment of principal or interest due on the Note shall not cause or permit acceleration thereof; rather, the Note shall continue to bear interest at the rate and manner specified herein.

Upon acceptance of any Certified District Eligible Costs (as defined in the Agreement) by the District and upon each advance made to, or approved expenditure made on behalf of, the District by CED pursuant to the Agreement, the District shall indicate on Schedule "A" of this Note: (i) the amount of Certified District Eligible Costs accepted by the District or funds advanced to or expended on behalf of the District; (ii) the date of the advance or expenditure; (iii) the total funds accepted, advanced and/or expended to date under the Note; and (iv) the total

unpaid accrued interest due thereon. Any payments made on the Note by the District shall also be evidenced on Schedule "A" attached hereto.

Neither the Board of Directors of the District, nor any person executing this Note, shall be personally liable hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Colorado. All issues arising hereunder shall be governed by the laws of Colorado.

**THIS NOTE IS A SPECIAL, LIMITED OBLIGATION OF THE DISTRICT AND SHALL BE PAYABLE SOLELY FROM CERTAIN REVENUES SPECIFIED IN THE AGREEMENT. THIS NOTE SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE STATE OF COLORADO OR LARIMER COUNTY, COLORADO. CED SHALL HAVE NO RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF COLORADO OR LARIMER COUNTY TO PAY THIS NOTE OR THE INTEREST THEREON, NOR TO ENFORCE PAYMENT OF THE SAME AGAINST THE PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY, NOR SHALL THIS NOTE CONSTITUTE A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY.**

**BY ITS ACCEPTANCE HEREOF, CED ACKNOWLEDGES THAT THE DISTRICT AND ITS OFFICERS, ATTORNEYS, EMPLOYEES OR AGENTS NEITHER MAKE, NOR HAVE MADE, ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE PROPER TREATMENT FOR FEDERAL, STATE AND/OR LOCAL INCOME TAX PURPOSES OF THE INTEREST PAYABLE HEREUNDER.**

The District waives demand, presentment, and notice of dishonor and protest with respect to any payment due hereunder. No waiver of any payment or other right under this Note shall operate as a waiver of any other payment or right, including right of offset. If CED enforces this Note upon default, the District shall pay or reimburse CED for reasonable expenses incurred in the collection hereof or in the realization of any security hereof, including reasonable attorney's fees.

Notwithstanding any provision herein, or in any instrument now or hereafter securing the obligation of the District specified herein, the total liability for payments in the nature of interest shall not exceed the limit now imposed by the usury laws of the State of Colorado.

This Note shall not be transferable, negotiable, assigned or otherwise payable to any party other than CED without the prior written consent of the District, which may be denied for any reason.

If, for any reason, this Note is determined to be invalid or unenforceable (except in the case of fraud by CED in connection therewith), the District shall issue a new promissory note to

CED that is legally enforceable. Said new promissory note shall evidence the District's obligation to repay all amounts due hereunder.

It is hereby certified, recited and declared that all conditions, acts and things required to exist or occur by the Constitution or statutes of the State of Colorado, currently exist and either occurred prior to, or in connection with, the issuance of this Note.

By signing in the space provided below, the District hereby acknowledges and agrees that this Note shall be irrevocable for all purposes and shall be binding upon the District, subject to the provisions herein and the provisions of the Agreement. This Note may not be terminated orally, but only by payments in full or by a written discharge signed by the owner and holder of this Note. Notwithstanding the foregoing, CED acknowledges that the District's obligations hereunder shall terminate on the Maturity Date, even if any portion of the principal sum and accrued interest remains unpaid and outstanding. Any amounts remaining outstanding on this Note on the Maturity Date shall be discharged with no further amounts due by the District.

(Signatures Begin on Next Page.)



IN WITNESS WHEREOF, the District has caused this Note to be executed, in its name and on its behalf, by its President with an imprint of the District's seal affixed hereon.

KINSTON METROPOLITAN DISTRICT  
NO. 1

(S E A L)

**EXHIBIT PAGE ONLY – DO NOT SIGN**

By: Kim L. Perry, President

*Signature page to Kinston Subordinate Promissory Note to  
Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement (CED)*

SCHEDULE A

**EXHIBIT B**  
(To Resolution)

**SUBORDINATE NOTE**

KINSTON METROPOLITAN DISTRICT NO. 1  
REVENUE AND LIMITED TAX OBLIGATION  
SUBORDINATE PROMISSORY NOTE

PRINCIPAL AMOUNT: Up to an amount not to exceed Forty-Three Million Five Hundred Thousand Dollars (\$43,500,000)

INTEREST RATE: Prime Interest Rate (as reported on the date of issuance by *The Wall Street Journal*) plus 3% (the “Total Interest Rate”) up to a maximum Total Interest Rate of 8.5%, Simple Interest

DATED: December 8, 2023

REGISTERED OWNER: Centerra East Development, Inc. (“CED”)

MATURITY DATE: June 17, 2060

Kinston Metropolitan District No. 1 (the “District”), a body corporate, politic and a political subdivision organized under the laws of the State of Colorado, for the value received, hereby promises to pay, but solely and only from, and contingent upon receipt of, the sources hereinafter described, the principal sum stated above (or such lesser amount as may be shown as advanced hereunder as set forth in Schedule “A” attached hereto) together with interest at the rate stated above, which interest shall accrue on said principal sum from and after the date hereof to the maturity date hereof, in lawful money of the United States of America to the registered owner named above or registered assigns, on the maturity date stated above unless this Note shall be prepaid in full, in which case on such payment date.

In any case where the date of maturity for payment of interest and principal on this Note or the date fixed for prepayment hereof shall be a Saturday or Sunday, a legal holiday or a day on which banking institutions in the city or town of payment are authorized by law to close, then payment of interest and/or principal or prepayment price shall be made on the immediately following business day with the same force and effect as if made on the date of maturity or the date fixed for prepayment. Prior to the Maturity Date, and at such time as the District has available funds, this Note may be prepaid, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued on the principal amount prepaid, up to and including the date of prepayment. Any and all prepayments shall first be applied to unpaid accrued interest, then to the principal amount outstanding on this Note. This Note shall be paid in full from the sources hereinafter described prior to the payment of any other obligation of the District that may have a claim on such revenues and would otherwise be available for the payment of this Note as further described herein, other than current operation and maintenance expenses and other budgeted general fund expenditures of the District, and as further provided and limited herein.

This Note is executed, issued and delivered to CED pursuant to that certain Improvement Acquisition, Advance and Reimbursement Agreement entered into between the District and CED, dated June 18, 2020 (the “Capital Agreement”), that First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated November 12, 2020 (the “First Amendment”), that Second Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated April 8, 2021 (the “Second Amendment”), that Third Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated November 11, 2021 (the “Third Amendment”), and that Fourth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated December 8, 2022 (the “Fourth Amendment”), and that Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement dated November 3, 2023 (the “Fifth Amendment,” together with the Capital Agreement, First Amendment, Second Amendment, Third Amendment and the Fourth Amendment, the “Agreement”), the terms of which are hereby incorporated by reference, and has been executed and delivered to refund the 2022 Note (as defined in the Third Amendment) issued to CED on November 11, 2021, and to pay for certain indebtedness incurred by the District as set forth in the Agreement, the terms of which are hereby incorporated by reference, to evidence the repayment obligation of the District with respect to certain indebtedness owed to CED.

Pursuant to the Agreement, the District is obligated to repay both the principal amount of this Note and any and all interest accrued thereon, from the revenue sources and in the manner specified in the Agreement, contingent upon the receipt of such funds from said revenue sources, subject to any restrictions provided in the Service Plan and electoral authorization; and further *provided, that any such repayment shall be subject to the annual appropriation of funds by the District and shall be subject to the terms and conditions of, and such repayment obligations shall be subordinate to, the Bonds (as such term is defined in the Agreement) and any refundings thereof, and the provisions of any bond resolution, indenture, pledge agreement, loan document and/or any other document related thereto; and further provided that any mill levy certified by the District for the purpose of repaying advances made hereunder shall not be higher than the Service Plan mill levy cap, as it now exists or may be amended from time to time as provided therein.* **In no event shall the District impose a mill levy in excess of 50 mills for the repayment of this Note.**

Failure by the District to repay CED as a result of insufficient funds shall not constitute a default hereunder, nor subject the District to any claims and/or causes of action by CED, including mechanic’s liens, arising out of the District’s nonperformance of its payment obligation. Failure by the District to make a payment of principal or interest due on the Note shall not cause or permit acceleration thereof; rather, the Note shall continue to bear interest at the rate and manner specified herein.

Upon acceptance of any Certified District Eligible Costs (as defined in the Agreement) by the District and upon each advance made to, or approved expenditure made on behalf of, the District by CED pursuant to the Agreement, the District shall indicate on Schedule “A” of this Note: (i) the amount of Certified District Eligible Costs accepted by the District or funds advanced to or expended on behalf of the District; (ii) the date of the advance or expenditure; (iii) the total funds accepted, advanced and/or expended to date under the Note; and (iv) the total

unpaid accrued interest due thereon. Any payments made on the Note by the District shall also be evidenced on Schedule "A" attached hereto.

Neither the Board of Directors of the District, nor any person executing this Note, shall be personally liable hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Colorado. All issues arising hereunder shall be governed by the laws of Colorado.

**THIS NOTE IS A SPECIAL, LIMITED OBLIGATION OF THE DISTRICT AND SHALL BE PAYABLE SOLELY FROM CERTAIN REVENUES SPECIFIED IN THE AGREEMENT. THIS NOTE SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE STATE OF COLORADO OR LARIMER COUNTY, COLORADO. CED SHALL HAVE NO RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF COLORADO OR LARIMER COUNTY TO PAY THIS NOTE OR THE INTEREST THEREON, NOR TO ENFORCE PAYMENT OF THE SAME AGAINST THE PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY, NOR SHALL THIS NOTE CONSTITUTE A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE STATE OF COLORADO OR LARIMER COUNTY.**

**BY ITS ACCEPTANCE HEREOF, CED ACKNOWLEDGES THAT THE DISTRICT AND ITS OFFICERS, ATTORNEYS, EMPLOYEES OR AGENTS NEITHER MAKE, NOR HAVE MADE, ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE PROPER TREATMENT FOR FEDERAL, STATE AND/OR LOCAL INCOME TAX PURPOSES OF THE INTEREST PAYABLE HEREUNDER.**

The District waives demand, presentment, and notice of dishonor and protest with respect to any payment due hereunder. No waiver of any payment or other right under this Note shall operate as a waiver of any other payment or right, including right of offset. If CED enforces this Note upon default, the District shall pay or reimburse CED for reasonable expenses incurred in the collection hereof or in the realization of any security hereof, including reasonable attorney's fees.

Notwithstanding any provision herein, or in any instrument now or hereafter securing the obligation of the District specified herein, the total liability for payments in the nature of interest shall not exceed the limit now imposed by the usury laws of the State of Colorado.

This Note shall not be transferable, negotiable, assigned or otherwise payable to any party other than CED without the prior written consent of the District, which may be denied for any reason.

If, for any reason, this Note is determined to be invalid or unenforceable (except in the case of fraud by CED in connection therewith), the District shall issue a new promissory note to

CED that is legally enforceable. Said new promissory note shall evidence the District's obligation to repay all amounts due hereunder.

It is hereby certified, recited and declared that all conditions, acts and things required to exist or occur by the Constitution or statutes of the State of Colorado, currently exist and either occurred prior to, or in connection with, the issuance of this Note.

By signing in the space provided below, the District hereby acknowledges and agrees that this Note shall be irrevocable for all purposes and shall be binding upon the District, subject to the provisions herein and the provisions of the Agreement. This Note may not be terminated orally, but only by payments in full or by a written discharge signed by the owner and holder of this Note. Notwithstanding the foregoing, CED acknowledges that the District's obligations hereunder shall terminate on the Maturity Date, even if any portion of the principal sum and accrued interest remains unpaid and outstanding. Any amounts remaining outstanding on this Note on the Maturity Date shall be discharged with no further amounts due by the District.

*(Signature Page Follow.)*

IN WITNESS WHEREOF, the District has caused this Note to be executed, in its name and on its behalf, by its President with an imprint of the District's seal affixed hereon.

KINSTON METROPOLITAN DISTRICT  
NO. 1

(S E A L)

By: \_\_\_\_\_  
Kim L. Perry, President

*Signature page to Kinston Subordinate Promissory Note to  
Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement (CED)*



SCHEDULE A

**FIRST AMENDMENT TO AMENDED AND RESTATED  
INTERGOVERNMENTAL AGREEMENT CONCERNING DISTRICT OPERATIONS**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT CONCERNING DISTRICT OPERATIONS (the “First Amendment”) is made and entered into the 3rd day of November, 2023 (the “Effective Date”), by and among KINSTON METROPOLITAN DISTRICT NO. 1 (“District No. 1” or “Service District”), KINSTON METROPOLITAN DISTRICT NO. 2 (“District No. 2”), KINSTON METROPOLITAN DISTRICT NO. 3 (“District No. 3”), KINSTON METROPOLITAN DISTRICT NO. 4 (“District No. 4”), KINSTON METROPOLITAN DISTRICT NO. 5 (“District No. 5”), KINSTON METROPOLITAN DISTRICT NO. 6 (“District No. 6”), KINSTON METROPOLITAN DISTRICT NO. 7 (“District No. 7”), KINSTON METROPOLITAN DISTRICT NO. 8 (“District No. 8”), KINSTON METROPOLITAN DISTRICT NO. 9 (“District No. 9”), and KINSTON METROPOLITAN DISTRICT NO. 10 (“District No. 10”), quasi-municipal corporations and political subdivisions of the State of Colorado. District No. 2, District No. 3, District No. 4, District No. 5, District No. 6, District No. 7, District No. 8, District No. 9, and District No. 10 are collectively referred to herein as the “Financing Districts.” District No. 1 and the Financing Districts are collectively referred to herein as the “Districts” or individually as the “District.”

**RECITALS**

WHEREAS, on November 19, 2020, the Districts entered into an Intergovernmental Agreement Concerning District Operations to set forth the rights and responsibilities of the Districts with respect to the provision of Public Improvements and District operations and the funding of costs related thereto (the “Agreement”); and

WHEREAS, unless otherwise defined herein, capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, the Agreement contemplated District No. 1 acquiring, constructing and installing Public Improvements for the benefit of the Financing Districts and the Financing Districts agreed to assist in the financing of the costs associated with the provision of the Public Improvements; and

WHEREAS, to the extent the Financing Districts had insufficient funds to assist in the financing of the costs associated with the provision of the Public Improvements, the Financing Districts acknowledged that District No. 1 would incur Developer Obligations to finance the costs of the Public Improvements as provided in Paragraph 1 of the Agreement; and

WHEREAS, pursuant to Paragraph 2 of the Agreement, the Districts agreed that any net proceeds of any obligations issued by one or more the Districts shall first be applied to the payment of any amounts then-outstanding under the Developer Obligations due to MRES and CED, prior to the application of such proceeds for any other purpose; and

WHEREAS, on December 19, 2019, District No. 1 and Centerra Metropolitan District No. 1 (“CMD1”) entered into a Cost Sharing Agreement for Public Improvements Serving Centerra and Kinston Developments, as amended by that First Amendment to Cost Sharing Agreement for Public Improvements Serving Centerra and Kinston Developments dated September 21, 2023 (the “Cost Sharing Agreement”) pursuant to which District No. 1 and CMD1 agreed that either District No. 1 or CMD1 may construct certain Kinston Projects (as defined in the Cost Sharing Agreement), that mutually benefit the Kinston Development and the Centerra Development, with reimbursement to be received from the non-constructing party to the Cost Sharing Agreement, as further set forth in one or more Addendum issued pursuant to the Cost Sharing Agreement; and

WHEREAS, on October 12, 2023 and October 19, 2023, District No. 1 and CMD1, respectively, approved Addendum No. 5 and Addendum No. 6 to the Cost Sharing Agreement pursuant to which CMD1 would construct certain public improvements that mutually benefit the Kinston Development and the Centerra Development and District No. 1 agreed, with acknowledge by the Financing Districts, to reimburse CMD1 for District No. 1’s share of costs associated with the provision of such public improvements, from the proceeds of any bonds issued by the Districts prior to using such proceeds for any other purpose; and

WHEREAS, pursuant to Paragraph 9 of the Agreement, the 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; and

WHEREAS, the Districts desire to enter into this First Amendment to clarify and amend the Agreement regarding the application and use of proceeds from any bonds issued by the Districts to comply with the provisions of the Cost Sharing Agreement.

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 to amend the Agreement as follows:

1. The Districts hereby agree to amend and restate the last sentence of Paragraph 2 of the Agreement as follows:

The Districts agree that the net proceeds of any bonds or other indebtedness issued by one or more of the Districts and any refundings thereof, shall be applied and used as follows:

FIRST, to the payment of any amounts then-outstanding to CMD1 pursuant to any Addendum issued pursuant to the Cost Sharing Agreement, including, but not limited to, Addendum No. 5 and Addendum No. 6;

SECOND, to the payment of any amounts then-outstanding under the Developer Obligations due to the MRES and CED; and

THIRD, for any other purpose as determined by the Districts.

2. Severability. If any clause or provision of this First Amendment is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this First Amendment as a whole, but shall be severed herefrom, leaving the remaining clauses and provisions of the First Amendment intact and enforceable.

3. Entire Agreement. Except as otherwise provided herein, the terms and provisions of the Agreement shall remain valid and in full force and effect. The Agreement and First Amendment constitute and represent the entire, integrated agreement between and among the Districts, with respect to the matters set forth herein and therein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral.

4. Counterparts. This First Amendment may be executed in one or more counterparts, either electronically or by original signature, each of which shall be deemed an original and together shall constitute one and the same instrument.

*(Signature Pages Follow.)*

IN WITNESS WHEREOF, the Districts have executed this First Amendment to be effective as of the Effective Date.

KINSTON METROPOLITAN DISTRICT  
NO. 1

\_\_\_\_\_  
By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 2

\_\_\_\_\_  
By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 3

\_\_\_\_\_  
By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 4

\_\_\_\_\_  
By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 5

\_\_\_\_\_  
By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 6

\_\_\_\_\_  
By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 7

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By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 8

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By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 9

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By: Kim L. Perry, President

KINSTON METROPOLITAN DISTRICT  
NO. 10

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By: Kim L. Perry, President

**ADDENDUM NO. 5 TO INTERGOVERNMENTAL AGREEMENT  
REGARDING ALLOCATION OF COSTS OF PUBLIC IMPROVEMENTS**

THIS ADDENDUM NO. 5 TO INTERGOVERNMENTAL AGREEMENT REGARDING ALLOCATION OF COSTS OF PUBLIC IMPROVEMENTS, AS AMENDED BY THAT FIRST AMENDMENT, (the “Addendum”) is made and entered into this 19<sup>th</sup> day of October, 2023 (the “Effective Date”), by and between KINSTON METROPOLITAN DISTRICT NO. 1 (the “Kinston District”) and CENTERRA METROPOLITAN DISTRICT NO. 1 (the “Centerra District”). The Kinston District and the Centerra District are collectively referred to herein as the “Districts” or the “Parties.”

A. The Kinston District and the Centerra District entered into an Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements dated February 20, 2020, as amended by that First Amendment to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements on September 21, 2023 (collectively, the “Agreement”) relating to the allocation of costs associated with the construction, installation, operations and maintenance of any Improvements that will mutually benefit the “Kinston Development” and the “Centerra Development.” Unless otherwise provided in this Addendum, capital terms shall have the meaning given to them in the Agreement.

B. As provided in Paragraph 1 of the Agreement, if the Districts determine that a Kinston Project will mutually benefit the Kinston Development and the Centerra Development, the Districts shall allocate the costs associated with the Kinston Project between the Districts, with such allocation of costs to be set forth in a mutually executed Addendum to this Agreement. Such Addendum shall include, but not be limited to: (i) a description of the Kinston Project; (ii) the District responsible for the construction of the Kinston Project (the “Constructing District”); (iii) the District responsible for reimbursement of its allocated share of costs of the Kinston Project to the Constructing District (the “Reimbursing District”); (iv) the cost of the Kinston Project; (v) the methodology used in determining the allocation of costs between the Districts for the Kinston Project; (vi) the payment terms for the Reimbursing District to reimburse the Constructing District for its share of the allocated costs, and (vii) any other provisions the Districts deem necessary.

C. The Districts have determined that a Kinston Project will mutually benefit the Kinston Development and the Centerra Development and desire to set forth the allocation of costs for the Kinston Project and other related terms in this Addendum.

NOW, THEREFORE, in consideration of the foregoing recitals, the Districts hereby add the following Kinston Project and related terms to the Agreement:

1. Description of Kinston Project: Construction and installation of the public infrastructure improvements found in the Millennium East Thirteenth Subdivision Site Development Plans (the “Kinston Project”)

2. Constructing District: Centerra District

3. Reimbursing District: Kinston District

4. Total Cost of Kinston Project: \$3,541,047.85

5. Methodology for Allocation of Costs: The allocation of costs of the Kinston Project shall be allocated between the Districts based on the weighted average benefit to the Centerra District and the Kinston District, which is determined by calculating the expected revenues to be generated from a debt service mill levy imposed by Centerra Metropolitan District No. 2 (“CMD2”) and by Kinston Metropolitan District No. 10 (“KMD10”) on the “Overlap Area” (as defined herein) over 40 years, as set forth in **Exhibit A**. Based on this calculation, the Kinston District’s proportionate share of the total costs of the Kinston Project is 16% and the Centerra District’s proportionate share of the total costs of the Kinston Project is 84%. For purposes of this Addendum, the “Overlap Area” shall mean that area of real property located within the boundaries of KMD10, consisting of approximately 51.3636 acres, and subject to the CMD2 debt service mill levy and the KMD10 debt service mill levy.

6. Allocation of Costs to be Paid by the Centerra District: \$ 2,974,480.19

7. Allocation of Costs to be Paid by the Kinston District: \$ 566,567.66

8. Payment Terms. Upon completion of the Kinston Project, the Centerra District shall invoice the Kinston District for payment of the Kinston District’s proportionate share of costs for the Kinston Project, as set forth in Paragraph 7 hereof. Such invoice shall include a description of the Kinston Project, the work completed and the associated costs thereof, proof of payment of the total costs of the Kinston Project as set forth in Paragraph 4 hereof, and copies of the release of lien waivers, if applicable. The Kinston District, together with Kinston Metropolitan District Nos. 2 – 10 (“District Nos. 2 – 10”) as further acknowledged by District Nos. 2 – 10 below, hereby agree to pay Kinston District’s proportionate share of costs (as set forth in Paragraph 7 herein) to the Centerra District from the net proceeds of any bonds or other indebtedness issued by the Kinston District and/or District Nos. 2 – 10, with such issuance to made in the sole discretion of the Kinston District and/or District Nos. 2 – 10, prior to the Kinston District and/or District Nos. 2 – 10 using such proceeds for any other purpose. At the time of initial acceptance of the completed Kinston Project by the City of Loveland, Colorado or other governmental entity, the outstanding amount owed by the Kinston District to the Centerra District for the Kinston Project shall bear interest at 6.500% per annum (calculated based on a 360-day year of twelve 30-day months).

9. Integration. The Agreement and this Addendum No. 5 contains the entire agreement between 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.

10. Counterparts. This Addendum may be executed in one or more counterparts, either electronically or by original signature, each of which shall be deemed an original and together shall constitute one and the same instrument.



IN WITNESS WHEREOF, the Districts have executed this Addendum on the Effective Date.

**KINSTON METROPOLITAN DISTRICT  
NO. 1**

\_\_\_\_\_  
By: Tim DePeder, Vice President

**CENTERRA METROPOLITAN DISTRICT  
NO. 1**

\_\_\_\_\_  
By: Kim L. Perry, President

**ACKNOWLEDGEMENT OF KINSTON METROPOLITAN DISTRICT NOS. 2 – 10  
(TO ADDENDUM NO. 5)**

By signature below, Kinston Metropolitan District Nos. 2 – 10 (the “Kinston Districts”) hereby agree to apply the proceeds from any bonds or other indebtedness issued by one of more of the Kinston Districts, in the sole discretion of such Kinston Districts, to the payment of any amounts then-outstanding to the Centerra District, as provided in Paragraph 8 of Addendum No. 5, dated October 19, 2023, and issued pursuant to the Intergovernmental Agreement Regarding Allocation Of Costs Of Public Improvements, as amended by that First Amendment to Intergovernmental Agreement Regarding Allocation Of Costs Of Public Improvements.

**KINSTON METROPOLITAN DISTRICT  
NOS. 2 - 10**

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By: Tim DePeder, Vice President

## EXHIBIT A

### COST ALLOCATION METHODOLOGY

Debt Mill Levy							
Year	Collection Year	Assessed Value	Centerra 2	Kinston 10	Est Centerra Revenue	Est Kinston Revenue	Total Revenue
1	2023	1,270	115.537	18.000	147	23	170
2	2024	1,290,117	115.537	18.000	149,056	23,222	172,278
3	2025	3,656,198	115.537	18.000	422,426	65,812	488,238
4	2026	5,241,853	115.537	18.000	605,628	94,353	699,981
5	2027	6,995,650	115.537	18.000	808,256	125,922	934,178
6	2028	8,536,978	115.537	18.000	986,337	153,666	1,140,002
7	2029	9,398,741	115.537	18.000	1,085,902	169,177	1,255,080
8	2030	10,336,889	52.000	10.000	537,518	103,369	640,887
9	2031	10,336,889	52.000	10.000	537,518	103,369	640,887
10	2032	10,957,103	52.000	10.000	569,769	109,571	679,340
11	2033	10,957,103	52.000	10.000	569,769	109,571	679,340
12	2034	11,614,529	52.000	10.000	603,956	116,145	720,101
13	2035	11,614,529	52.000	10.000	603,956	116,145	720,101
14	2036	12,311,400	52.000	10.000	640,193	123,114	763,307
15	2037	12,311,400	52.000	10.000	640,193	123,114	763,307
16	2038	13,050,084	52.000	10.000	678,604	130,501	809,105
17	2039	13,050,084	52.000	10.000	678,604	130,501	809,105
18	2040	13,833,089	52.000	10.000	719,321	138,331	857,652
19	2041	13,833,089	52.000	10.000	719,321	138,331	857,652
20	2042	14,663,075	52.000	10.000	762,480	146,631	909,111
21	2043	14,663,075	52.000	10.000	762,480	146,631	909,111
22	2044	15,542,859	52.000	10.000	808,229	155,429	963,657
23	2045	15,542,859	52.000	10.000	808,229	155,429	963,657
24	2046	16,475,431	52.000	10.000	856,722	164,754	1,021,477
25	2047	16,475,431	52.000	10.000	856,722	164,754	1,021,477
26	2048	17,463,957	52.000	10.000	908,126	174,640	1,082,765
27	2049	17,463,957	52.000	10.000	908,126	174,640	1,082,765
28	2050	18,511,794	52.000	10.000	962,613	185,118	1,147,731
29	2051	18,511,794	52.000	10.000	962,613	185,118	1,147,731
30	2052	19,622,502	52.000	10.000	1,020,370	196,225	1,216,595
31	2053	19,622,502	52.000	10.000	1,020,370	196,225	1,216,595
32	2054	20,799,852	52.000	10.000	1,081,592	207,999	1,289,591
33	2055	20,799,852	52.000	10.000	1,081,592	207,999	1,289,591
34	2056	22,047,843	52.000	10.000	1,146,488	220,478	1,366,966
35	2057	22,047,843	52.000	10.000	1,146,488	220,478	1,366,966
36	2058	23,370,714	52.000	10.000	1,215,277	233,707	1,448,984
37	2059	23,370,714	52.000	10.000	1,215,277	233,707	1,448,984
38	2060	24,772,956	52.000	10.000	1,288,194	247,730	1,535,923
39	2061	24,772,956	52.000	10.000	1,288,194	247,730	1,535,923
40	2062	26,259,334	52.000	10.000	1,365,485	262,593	1,628,079
					33,022,142	6,202,249	39,224,391
<b>Weighted Percentage Benefit</b>					<b>84%</b>	<b>16%</b>	

**ADDENDUM NO. 6 TO INTERGOVERNMENTAL AGREEMENT  
REGARDING ALLOCATION OF COSTS OF PUBLIC IMPROVEMENTS**

THIS ADDENDUM NO. 6 TO INTERGOVERNMENTAL AGREEMENT REGARDING ALLOCATION OF COSTS OF PUBLIC IMPROVEMENTS, AS AMENDED BY THAT FIRST AMENDMENT, (the “Addendum”) is made and entered into this 19<sup>th</sup> day of October, 2023 (the “Effective Date”), by and between KINSTON METROPOLITAN DISTRICT NO. 1 (the “Kinston District”) and CENTERRA METROPOLITAN DISTRICT NO. 1 (the “Centerra District”). The Kinston District and the Centerra District are collectively referred to herein as the “Districts” or the “Parties.”

A. The Kinston District and the Centerra District entered into an Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements dated February 20, 2020, as amended by that First Amendment to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements on September 21, 2023 (collectively, the “Agreement”) relating to the allocation of costs associated with the construction, installation, operations and maintenance of any Improvements that will mutually benefit the “Kinston Development” and the “Centerra Development.” Unless otherwise provided in this Addendum, capital terms shall have the meaning given to them in the Agreement.

B. As provided in Paragraph 1 of the Agreement, if the Districts determine that a Kinston Project will mutually benefit the Kinston Development and the Centerra Development, the Districts shall allocate the costs associated with the Kinston Project between the Districts, with such allocation of costs to be set forth in a mutually executed Addendum to this Agreement. Such Addendum shall include, but not be limited to: (i) a description of the Kinston Project; (ii) the District responsible for the construction of the Kinston Project (the “Constructing District”); (iii) the District responsible for reimbursement of its allocated share of costs of the Kinston Project to the Constructing District (the “Reimbursing District”); (iv) the cost of the Kinston Project; (v) the methodology used in determining the allocation of costs between the Districts for the Kinston Project; (vi) the payment terms for the Reimbursing District to reimburse the Constructing District for its share of the allocated costs, and (vii) any other provisions the Districts deem necessary.

C. The Districts have determined that a Kinston Project will mutually benefit the Kinston Development and the Centerra Development and desire to set forth the allocation of costs for the Kinston Project and other related terms in this Addendum.

NOW, THEREFORE, in consideration of the foregoing recitals, the Districts hereby add the following Kinston Project and related terms to the Agreement:

1. Description of Kinston Project: Construction and installation of regional pond public infrastructure improvements found in the Centerra Regional Pond One Interim Improvements Civil Construction Plans (the “Kinston Project”)

2. Constructing District: Centerra District

3. Reimbursing District: Kinston District

4. Total Cost of Kinston Project: \$ 949,847.30

5. Methodology for Allocation of Costs: The allocation of costs of the Kinston Project shall be allocated between the Districts based on the square footage (“SF”) of flows received by the regional pond from the Kinston Development and the Centerra Development over a total of 17,528,243 SF (“Total SF”) of flows received by the regional pond from both Developments. The regional pond will receive flows from 9,714,987 SF in the Kinston Development or 55.425% of the Total SF, and from 7,813,256 SF in the Centerra Development or 44.575% of the Total SF. Based on this calculation, the Kinston District’s proportionate share of the total costs of the Kinston Project is 55.425% and the Centerra District’s proportionate share of the total costs of the Kinston Project is 44.575%.

6. Allocation of Costs to be Paid by the Centerra District: \$ 423,394.43

7. Allocation of Costs to be Paid by the Kinston District: \$ 526,452.87

8. Payment Terms. Upon completion of the Kinston Project, the Centerra District shall invoice the Kinston District for payment of the Kinston District’s proportionate share of costs for the Kinston Project, as set forth in Paragraph 7 hereof. Such invoice shall include a description of the Kinston Project, the work completed and the associated costs thereof, proof of payment of the total costs of the Kinston Project as set forth in Paragraph 4 hereof, and copies of the release of lien waivers, if applicable. The Kinston District, together with Kinston Metropolitan District Nos. 2 – 10 (“District Nos. 2 – 10”) as further acknowledged by District Nos. 2 – 10 below, hereby agree to pay Kinston District’s proportionate share of costs (as set forth in Paragraph 7 herein) to the Centerra District from the net proceeds of any bonds or other indebtedness issued by the Kinston District and/or District Nos. 2 – 10, with such issuance to be made in the sole discretion of the Kinston District and/or District Nos. 2 – 10, prior to the Kinston District and/or District Nos. 2 – 10 using such proceeds for any other purpose. At the time of initial acceptance of the completed Kinston Project by the City of Loveland, Colorado or other governmental entity, the outstanding amount owed by the Kinston District to the Centerra District for the Kinston Project shall bear interest at 6.500% per annum (calculated based on a 360-day year of twelve 30-day months).

9. Integration. The Agreement and this Addendum No. 5 contains the entire agreement between 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.

10. Counterparts. This Addendum may be executed in one or more counterparts, either electronically or by original signature, each of which shall be deemed an original and together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Districts have executed this Addendum on the Effective Date.

**KINSTON METROPOLITAN DISTRICT  
NO. 1**

\_\_\_\_\_  
By: Tim DePeder, Vice President

**CENTERRA METROPOLITAN DISTRICT  
NO. 1**

\_\_\_\_\_  
By: Kim L. Perry, President

**ACKNOWLEDGEMENT OF KINSTON METROPOLITAN DISTRICT NOS. 2 – 10  
(TO ADDENDUM NO. 6)**

By signature below, Kinston Metropolitan District Nos. 2 – 10 (the “Kinston Districts”) hereby agree to apply the proceeds from any bonds or other indebtedness issued by one of more of the Kinston Districts, in the sole discretion of such Kinston Districts, to the payment of any amounts then-outstanding to the Centerra District, as provided in Paragraph 8 of Addendum No. 6, dated October 19, 2023, and issued pursuant to the Intergovernmental Agreement Regarding Allocation Of Costs Of Public Improvements, as amended by that First Amendment to Intergovernmental Agreement Regarding Allocation Of Costs Of Public Improvements.

**KINSTON METROPOLITAN DISTRICT  
NOS. 2 - 10**

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By: Tim DePeder, Vice President