

**CERTIFICATION OF BUDGET FOR
LEWIS POINT METROPOLITAN DISTRICT**

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Lewis Pointe Metropolitan District, for the budget year ending December 31, 2022, as adopted on November 1, 2021.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Lewis Pointe Metropolitan District in Adams County, Colorado, this 1st day of November 2021.

DocuSigned by:
Peter Adler
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Pete Adler, Chairman



LEWIS POINTE

Metropolitan District

THORNTON
ADAMS COUNTY, COLORADO



2022 Budget

(Adopted on November 01, 2021)



8354 Northfield Blvd
Building G, Suite 3700
Denver, Colorado 80238
Telephone (720) 541-7725

Accountant's Report

Board of Directors
Lewis Pointe Metropolitan District
Thornton, Colorado

The accompanying forecasted budget of revenues, expenditures and fund balances of the Lewis Pointe Metropolitan District for the General Fund, Debt Service Fund and Capital Project Fund for the year ending December 31, 2022 and the forecasted estimate of comparative information for the year ending December 31, 2021 were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on them.

Substantially all of the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.



Charles Wolfersberger, CPA
Henderson, CO
October 06, 2021

LEWIS POINTE METROPOLITAN DISTRICT
SUMMARY
FORECASTED 2022 BUDGET AS PROPOSED
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2020	ESTIMATED 2021	ADOPTED 2022
BEGINNING FUND BALANCE	\$ 1,802,288	\$ 1,701,061	\$ 302,500
REVENUES			
Property taxes	1,131,809	1,320,700	1,000,300
Specific ownership taxes	82,855	99,100	75,100
Maintenance fees	246,180	-	-
Interest income	23,015	1,961	700
Property violation fines	200	8,500	5,000
Total Revenues	1,484,059	1,430,261	1,081,100
OTHER FINANCING SOURCES			
Intra-fund transfers in	10,104	125,000	105,000
Series 2021 bond proceeds	-	9,150,000	-
Series 2021 bond premium	-	1,216,078	-
Total Funds Available	3,296,451	13,622,400	1,488,600
EXPENDITURES			
General and administration	136,880	98,800	69,000
Landscaping maintenance	212,946	194,900	242,400
Trash pick-up services	60,426	60,500	60,500
Other expenses	41,628	49,000	56,000
Debt service			
a) Bond interest	975,878	698,733	353,600
b) Bond principal	141,000	11,717,000	210,000
c) Debt refinancing costs	-	302,552	-
d) Direct and indirect collection costs	16,528	16,715	43,600
Infrastructure improvements	-	56,700	72,000
Total Expenditures	1,585,286	13,194,900	1,107,100
OTHER FINANCING USES			
Intra-fund transfers out	10,104	125,000	105,000
Total expenditures and transfers out requiring appropriation	1,595,390	13,319,900	1,212,100
ENDING FUND BALANCE	\$ 1,701,061	\$ 302,500	\$ 276,500
EMERGENCY EXPENSE RESERVE	\$ 14,700	\$ 14,700	\$ 12,900

This financial information should be read only in connection with the summary of significant assumptions.

LEWIS POINTE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION

For the Years Ended and Ending December 31,

	ADOPTED 2020	ADOPTED 2021	ADOPTED 2022
ASSESSED VALUATION – ADAMS COUNTY			
Residential	\$ 14,447,820	\$ 14,873,970	\$ 15,483,100
Vacant Land	174,00	-	-
State Assessed	1,020	1,100	2,050
Personal Property	318,070	335,870	366,400
Certified Assessed Value	\$ 14,941,010	\$ 15,210,940	\$ 15,851,550
MILL LEVY			
General Fund	19.900	31.162	27.133
Debt Service Fund	55.664	55.664	35.971
Total Mill Levy	75.564	86.826	63.104
PROPERTY TAXES			
General Fund	\$ 297,326	\$ 474,000	\$ 430,100
Debt Service Fund	831,676	846,700	570,200
	\$ 1,129,002	\$ 1,320,700	\$ 1,000,300

This financial information should be read only in connection with the summary of significant assumptions.

LEWIS POINTE METROPOLITAN DISTRICT
GENERAL FUND
FORECASTED 2022 BUDGET AS PROPOSED
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2020	ESTIMATED 2021	ADOPTED 2022
BEGINNING FUND BALANCE	\$ 29,541	\$ 139,951	\$ 210,200
REVENUES			
Property taxes	298,065	474,000	430,100
Specific ownership taxes	21,811	35,600	32,300
Maintenance fees	246,180	-	-
Interest income	6,138	349	300
Property maintenance violation fines	200	8,500	5,000
Total Revenues	572,394	518,449	467,700
Total Funds Available	601,935	658,400	677,900
EXPENDITURES			
General and administration	130,580	98,800	69,000
Landscaping maintenance	219,246	194,900	242,400
Trash pick-up service	60,426	60,500	60,500
Other district expenses	41,628	49,000	56,000
Total Expenditures	451,880	403,200	427,900
OTHER FINANCING USES AND TRANSFERS OUT			
Capital fund contributions	10,104	25,000	105,000
Debt fund contributions	-	20,000	-
Total expenditures and financing uses requiring appropriation	461,984	448,200	532,900
ENDING FUND BALANCE	\$ 139,951	\$ 210,200	\$ 145,000
EMERGENCY EXPENSE RESERVE	\$ 13,600	\$ 12,100	\$ 12,900

This financial information should be read only in connection with the summary of significant assumptions.

LEWIS POINTE METROPOLITAN DISTRICT
GENERAL FUND EXPENDITURE DETAILS
FORECASTED 2022 BUDGET AS PROPOSED
WITH 2020 ACTUAL AND 2021 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2020	ESTIMATED 2021	ADOPTED 2022
GENERAL AND ADMINISTRATION			
District accounting and management fees	\$ 81,598	\$ 65,000	\$ 65,000
Administrative costs	763	3,000	4,000
Audit fees	5,900	6,000	6,000
Collection fees – County Treasurer	4,478	7,200	7,200
Board of Directors’ fees	4,300	3,000	3,000
Insurance	5,274	3,400	3,500
Legal fees – general	28,267	10,000	7,000
Website hosting services	-	1,200	1,200
Indirect collection cost allocation	-	-	(30,000)
Contingency	-	-	2,100
Total General and Administration	\$ 130,580	\$ 98,800	\$ 69,000
LANDSCAPING MAINTENANCE			
Ground maintenance fees	\$ 95,148	\$ 67,000	\$ 70,500
Tree maintenance	800	-	14,000
Sprinkler repairs	456	13,000	15,000
Sprinklers – water	96,992	100,000	110,000
Electricity	1,085	3,600	3,900
Grounds improvements	-	-	-
Perimeter fence maintenance	8,748	-	15,000
Monument sign maintenance	7,137	-	2,000
Property insurance	6,300	6,300	7,000
Miscellaneous landscape expenses	2,580	5,000	5,000
Total Landscaping Maintenance	\$ 219,246	\$ 194,900	\$ 242,400
OTHER DISTRICT EXPENSES			
Snow removal	\$ 16,061	\$ 11,000	\$ 13,000
Election costs	3,692	-	5,000
Park & recreation events	1,616	8,000	8,000
Holiday decorations	8,760	10,000	10,000
Covenant enforcement services	11,499	20,000	20,000
Total Other District Expenses	\$ 41,628	\$ 49,000	\$ 56,000

This financial information should be read only in connection with the summary of significant assumptions.

LEWIS POINTE METROPOLITAN DISTRICT
DEBT SERVICE FUND
FORECASTED 2022 BUDGET AS PROPOSED
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2020	ESTIMATED 2021	ADOPTED 2022
BEGINNING FUND BALANCE	\$ 1,766,747	\$ 1,555,110	\$ 18,000
REVENUES			
Property taxes	833,744	846,700	570,200
Specific ownership taxes	61,044	63,500	42,800
Interest income	16,877	1,612	200
Total Revenues	911,665	911,812	613,200
OTHER FINANCING SOURCES			
Series 2021 bond proceeds	-	9,150,000	-
Series 2021 bond premium		1,216,078	
Transfers in	10,104	20,000	-
Total Funds Available	2,688,516	12,853,000	631,200
EXPENDITURES			
Direct and indirect collection costs	16,528	16,715	43,600
Bond interest – 2015A Series Bonds	466,500	161,979	-
Bond principal – 2015A Series Bonds	-	7,775,000	-
Bond interest – 2017B Series Bonds	509,378	73,977	-
Bond principal – 2017B Series Bonds	141,000	3,096,000	-
Bond interest – 2017C Series Bonds		224,125	
Bond principal – 2017C Series Bonds		536,000	
Series 2021 Bonds - interest	-	238,652	353,600
Series 2021 Bonds - principal	-	310,000	210,000
Debt refinancing costs	-	302,552	-
Total Expenditures	1,133,406	12,735,000	607,200
OTHER FINANCING USES AND TRANSFERS OUT			
Transfers to capital project fund	-	100,000	-
Total expenditures and financing uses requiring appropriation	1,133,406	12,835,000	607,200
ENDING FUND BALANCE	\$ 1,555,110	\$ 18,000	\$ 24,000

This financial information should be read only in connection with the summary of significant assumptions.

LEWIS POINTE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
FORECASTED 2021 BUDGET AS PROPOSED
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2020	ESTIMATED 2021	ADOPTED 2022
BEGINNING FUND BALANCE	\$ 6,000	\$ 6,000	\$ 74,300
REVENUES			
Interest income	-	-	200
Total Revenues	-	-	200
OTHER FINANCING SOURCES			
Transfers in from other funds	-	125,000	105,000
Total Funds Available	6,000	131,000	179,500
EXPENDITURES			
Installation of ET sprinkler controllers	-	24,700	-
Tree replacement project	-	32,000	-
Fairfax entryway landscape redesign project	-	-	22,000
Other capital improvement projects	-	-	50,000
Total Expenditures	-	56,700	72,000
OTHER FINANCING USES AND TRANSFERS OUT			
Transfers to other funds	-	-	-
Total expenditures and transfers out requiring appropriation	-	56,700	72,000
ENDING FUND BALANCE	\$ 6,000	\$ 74,300	\$ 107,500

This financial information should be read only in connection with the summary of significant assumptions.

LEWIS POINTE METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Lewis Pointe Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on January 03, 2009, and is governed pursuant to provisions of the Colorado Special District Act (Title 32). The District operates under a service plan approved by City of Thornton (City) in August 2008. The District's service area is located in Adams County, Colorado entirely within the boundaries of the City. The District was established to provide financing for the design, acquisition, construction and installation of streets, traffic and safety controls, park and recreation, sanitary sewer, storm drainage and other improvements (Public Improvements) within and without the District boundaries that benefit the taxpayers and inhabitants of the District. The District was also established to (1) maintain various open spaces within the District (not otherwise owned and maintained by the City), (2) maintain perimeter fencing, and (3) provide covenant enforcement and architectural review services.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

Accounting Basis

The District prepares its budget on the modified accrual basis of accounting.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

On November 4, 2008, District voters authorized the District to assess property taxes up to \$500,000 annually, without limitation to rate, to pay the District's operations, maintenance and other expenses. Additionally, the District voters approved a revenue change to allow the District to retain and spend all revenue, other than ad valorem taxes, in excess of TABOR spending, revenue raising or other limitations.

The District's Service Plan establishes a Maximum Mill levy the District is permitted to impose on taxable property within the District for the payment of debt. As long as the District's total outstanding debt exceeds 50% of the assessed valuation of all taxable property within the District, the Maximum Debt Mill Levy is 50 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since

LEWIS POINTE METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

January 1, 2004. As of January 1, 2004, the ratio was 7.96%. The ratio for 2022 is 7.15%, which caused the District's Maximum Mill Levy for debt service for 2022 to be 55.664.

For the collection year 2022, the District adopted a mill levy of 29,902 for operations and 55.664 for debt service (which is a combination of the Senior Required Mill levy of 29.972 and Subordinate Required Mill Levy of 25.692). The calculation is reflected on page 2 of the budget. The District's 2022 adopted mill levy for general operations is expected to generate approximately \$474,000 in property tax revenue—approximately \$26,000 below the property tax limit established by the voters.

Specific Ownership Taxes

Beginning in 1937, the State of Colorado began assessing a tax annually on motor vehicles (aka Specific Ownership Tax). The Specific Ownership Tax is graduated based on a vehicle's age and original value. Specific Ownership Tax revenue collected by the State is apportioned among the 64 counties based on the number of state highway miles within each county. Each county allocates its respective share of specific ownership tax revenue proportionally among the various property-taxing governmental entities on the basis of total property taxes assessed by each entity in relation to total property taxes assessed by all entities within the county. The 2022 budget projects the District's share of specific ownership taxes received from the State will be equal to approximately 7.5% of total property taxes collected.

The District allocates specific ownership tax revenue proportionally between each fund based on the ratio of property tax revenue collected for each fund compared to total property revenue collected by the District.

Maintenance Fees

Beginning in 2021, the District no longer imposes a monthly maintenance fee on each Lot within the District to fund the District's operations and services provided to residents. In 2020, the monthly maintenance fee assessed on undeveloped Lots and homeowner-occupied Lots was \$25 and \$55, respectively.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, and board meeting expenses.

Landscaping Maintenance Expenditures

Landscape maintenance expenditures include the estimated services necessary to maintain District-owned perimeter fencing and open spaces within the Lewis Pointe subdivision. The District owns and maintains

LEWIS POINTE METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

approximately 16.5 acres of open space land situated throughout the 373-home neighborhood. The District also maintains the right-of-way landscaping along the west side of Holly Street and the south side of 144th Avenue, which roads border the District's boundaries.

Other District Costs

"Other District Costs" includes the cost of providing services such as (1) removal of snow from sidewalks on District-owned open spaces, (2) covenant enforcement and design review services, (3) holiday lighting of the neighborhood entrances and (4) recreation event services.

Direct and Indirect Collection Costs

Collection costs incurred by the District related to the collection of property taxes includes all costs incurred by the District that enable and support the District's ability to collect property taxes revenue. Generally, such costs include (a) operating and reporting compliance costs that protect the District's right to collect property taxes (e.g. financial statement audit fees, fees paid to professionals to prepare mandatory periodic financial and operational reports to the City and State, etc), (b) professional fees related to applying and monitoring accounting controls over the collection of District revenues, (c) costs related to managing the District's annual property tax assessment process and (d) insurance protecting the District from liability exposure that potentially could arise from performing these activities.

For the 2022 year, the District will allocate indirect collection costs between its general fund (70% cost allocation) and its debt fund (30% cost allocation). Direct collection costs such as county treasurer collection fees are proportionally allocated to each fund on the basis of each property tax revenue allocable to each fund proportion to total property tax revenue assessed by the District.

Debt Costs

Debt costs include principal and interest due on the District's debt obligations, agent fees paid to the bond trustee, property tax collection fees paid to the County Treasurer and other administrative and collection costs necessary to service the District's debt obligations.

Capital Expenditures

For the 2022 year, the District does anticipates funding up to \$72,000 to repair and upgrade public open spaces and structures within the District's boundaries.

Debt and Leases

Series 2021 General Obligation Refunding Bonds

On April 06, 2021, the District issued \$9,150,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2021 ("Series 2021 Bonds"). The proceeds from the sale of the Series 2021 Bonds were used as follows:

LEWIS POINTE METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Series 2021 Bond principal	\$ 9,150,000
Series 2021 Bond premium	1,216,078
Series 2015A Senior Bond reserve fund	694,300
Series 2015A Senior Bond surplus account	776,873
District cash contributions	432,378
Total cash proceeds	\$ 12,269,629
Less:	
Refund Series 2015 Bonds	(\$ 7,775,000)
Refund Series 2015 Bonds – accrued interest	(161,979)
Refund Series 2017B Bonds	(3,096,000)
Refund Series 2017B Bonds – accrued interest	(73,981)
Refund Series 2017C Bonds	(536,000)
Refund Series 2017C Bonds – accrued interest	(224,125)
Insurance premium on Series 2021 Bonds	(67,605)
Legal, accounting and other costs of issuance	(234,939)
Cash contribution to District’s capital project fund	(100,000)
Uses of cash proceeds	(\$ 12,269,629)

The Senior Bonds were issued as term bonds that bear interest at 4.000% and are payable semi-annually on June 1 and December 1, beginning on December 1, 2021. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The Series 2021 Bonds mature on December 1, 2047.

The Senior Bonds are secured by and payable solely from Senior Pledged Revenue, net of any costs of collection, which is comprised of the following:

- a) all Property Tax Revenues (generated by the imposition of the Required Mill Levy);
- b) all Specific Ownership Taxes (attributable to the Required Mill Levy); and
- c) any other legally available amounts that the District determines to pledge to the Series 2021 Bonds.

The Required Mill Levy is defined as the mill levy necessary to generate sufficient property tax revenue during the year to fully pay the annual principal and interest payment due on the Series 2021 Bonds. The Required Mill Levy cannot exceed 55.664 mills.

The Senior Bonds are subject to redemption prior to maturity, at the option of the District on December 01, 2032, and on any date thereafter.

Leases

The District has no operating or capital leases.

LEWIS POINTE METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Contingent Obligations

The District has entered into three contingent obligation agreements with the Lennar Colorado, LLC and certain former landowners/developers (Developers). The District has neither registered nor filed a notice of claim of exemption regarding these contingent obligation agreements with the Colorado Securities Commissioner. None of these contingent obligation agreements are transferrable to third parties. The contingent obligations of the District contemplated in these agreements are subject to annual appropriation and are not multiple-fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution. Refer to the District's 2020 annual audited financial statements for details regarding the list of contingent obligations that exist but are not necessarily owing as of December 31, 2020.

For the 2022 year, the District has appropriated no funds towards these contingent obligation agreements.

Reserve Funds

Emergency Reserve

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending, excluding spending appropriations for bonded debt service, for 2022 as defined under TABOR.

LEWIS POINTE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

The District's repayment schedule for its Series 2021 general obligation bonds is as follows:

Year Ended December 31,	Principal	Interest	Interest Rate	Total
2022	\$ 210,000	\$ 353,600	4.000%	\$ 563,600
2023	215,000	345,200	4.000%	560,200
2024	225,000	336,600	4.000%	561,600
2025	230,000	327,600	4.000%	557,600
2026	240,000	318,400	4.000%	558,400
2027	250,000	308,800	4.000%	558,800
2028	260,000	298,800	4.000%	558,800
2029	270,000	288,400	4.000%	558,400
2030	280,000	277,600	4.000%	557,600
2031	295,000	266,400	4.000%	561,400
2032	305,000	254,600	4.000%	559,600
2033	315,000	242,400	4.000%	557,400
2034	330,000	229,800	4.000%	559,800
2035	345,000	216,600	4.000%	561,600
2036	355,000	202,800	4.000%	557,800
2037	365,000	188,600	4.000%	553,600
2038	375,000	174,000	4.000%	549,000
2039	385,000	159,000	4.000%	544,000
2040	395,000	143,600	4.000%	538,600
2041	410,000	127,800	4.000%	537,800
2042	420,000	111,400	4.000%	531,400
2043	440,000	94,600	4.000%	534,600
2044	455,000	77,000	4.000%	532,000
2045	475,000	58,800	4.000%	533,800
2046	490,000	39,800	4.000%	529,800
2047	505,000	20,200	4.000%	525,200
	\$ 8,840,000	\$ 5,462,400		\$ 14,302,400

The original face value of the Series 2021 bonds totaled \$9,150,000. Interest is payable each year on June 1st and December 1st, and principal payments are due each year on December 1st.

This financial information should be read only in connection with the summary of significant assumptions.