



## ICENOGLE SEAVER POGUE

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August 1, 2023

City of Centennial  
Attn: Director of Finance  
13133 East Arapahoe Road  
Centennial, Colorado 80112

Office of the State Auditor  
1525 Sherman Street, 7<sup>th</sup> Floor  
Denver, Colorado 80203  
(Via E-Portal)

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

Arapahoe County Clerk & Recorder  
5334 S. Prince Street  
Littleton, Colorado 80120  
(Via Email: [clerk@arapahogov.com](mailto:clerk@arapahogov.com))

City of Centennial  
Attn: City Council  
13133 East Arapahoe Road  
Centennial, Colorado 80112

### **Re: 2022 Annual Report for Centennial 360 Metropolitan District**

To Whom It May Concern:

Pursuant to Section VII of the Service Plan for Centennial 360 Metropolitan District (the “District”) approved by the City of Centennial City Council on December 7, 2009 and Section 32-1-207(3)(c), C.R.S., enclosed please find the 2022 Annual Report for the District.

Please contact our office with any questions regarding the 2022 Annual Report.

Sincerely,

ICENOGLE SEAVER POGUE  
A Professional Corporation

*Alexandra L. Mejia*

Alexandra L. Mejia, Esq.

*Alexandra L. Mejia* | [AMEjia@isp-law.com](mailto:AMEjia@isp-law.com) | Direct 303.867.3016

4725 S. Monaco St., Suite 360 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | [www.isp-law.com](http://www.isp-law.com)

**CENTENNIAL 360 METROPOLITAN DISTRICT  
2022 ANNUAL REPORT**

Pursuant to Section VII of the Service Plan for Centennial 360 Metropolitan District (the “District”), the District is responsible for submitting an annual report to the City of Centennial’s (the “City”) Director of Finance no later than August 1 of each year following the year in which the Order and Decree organizing the District has been entered and recorded in the Arapahoe County Clerk and Recorder’s Office. The Order and Decree organizing the District was recorded in the Arapahoe County Clerk and Recorder’s Office on December 2, 2010. In addition, pursuant to Section 32-1-207(3)(c), C.R.S., the District is required to submit an annual report for the preceding calendar year commencing in 2023 for the 2022 calendar year to the City, the Division of Local Government, the state auditor, and the Arapahoe County Clerk and Recorder. This annual report is being submitted to satisfy the reporting requirements for the year 2022.

For the year ending December 31, 2022, the District submits the following report pursuant to the District’s Service Plan:

A. Boundary changes made or proposed to the District’s boundaries as of December 31, 2022.

No boundary changes were made or proposed by the District as of December 31, 2022.

B. Intergovernmental agreements with other governmental entities either entered into or proposed as of December 31, 2022.

The District did not enter into, nor did it propose for consideration, any intergovernmental agreements in 2022.

C. Copies of the District’s rules and regulations, if any, as of December 31, 2022.

The District did not adopt any rules and regulations in 2022.

D. A summary of any litigation which involves the District.

The District was not involved in any litigation in 2022.

E. Status of the District’s construction of the District improvements as of December 31, 2022.

The District did not construct any improvements in 2022, and there are no improvements proposed for construction in 2023. In accordance with the Improvement Acquisition and Reimbursement Agreement, Peakview Land, LLC caused to be constructed certain stormwater improvements. The Southeast Metro Stormwater Authority accepted the stormwater improvements in 2016, and the District will continue to operate and maintain the same.

F. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31, 2022.

No facilities or improvements constructed by the District were dedicated to and/or accepted by the City in 2022.

G. The assessed valuation of the District for the current year.

Centennial 360 Metropolitan District: \$145

H. Current year budget including a description of the District improvements to be constructed in such year and including a description of any Fees to be imposed by the District.

A copy of the District's budget for calendar year 2023, as adopted by the District's Board of Directors (the "Board") on October 18, 2022, is attached hereto as **Exhibit A**.

Lot 2 Capital Fee. A portion of the expenditures for public infrastructure and repayment on a capital note are to be paid by the Lot 2 Capital Fee, as described in this section, and the Lot 1 Capital Fee described below. On February 6, 2012, the Board adopted and approved, via resolution recorded in the Records on February 29, 2012 at Reception No. D2022490 ("Lot 2 Capital Fee Resolution"), the imposition of a capital improvement fee on Lot 2, Peakview Heights, Filing No. 2, First Amendment, in the amount of \$1,389,649 ("Lot 2 Capital Fee"). The Lot 2 Capital Fee represents Lot 2's proportionate share of the costs associated with the construction of public improvements to serve and benefit Lot 2 and its proportionate share of the District's organizational costs. The Lot 2 Capital Fee has been adjusted as contemplated by the Real Property Exclusion and Payment in Lieu of Taxes Agreement between the District and Forestar (USA) Real Estate Group, Inc. (the "Lot 2 PILT Agreement"); provided however, Lot 2's share of actual costs for the public improvements shall not exceed \$1,500,000. A copy of the Lot 2 PILT Agreement was submitted with the District's 2012 Annual Report to the City.

On December 26, 2012, the Board adopted and approved, via a First Amendment to the Lot 2 Capital Fee Resolution, recorded in the Records on December 31, 2012 at Reception No. D2150622 ("First Amendment to Lot 2 Capital Fee Resolution"), a revised Lot 2 Capital Fee in the amount of \$1,214,751.09, which amount includes Lot 2's proportionate share of the actual costs for all public improvements constructed to that date pursuant to the Lot 2 PILT Agreement and its proportionate share of the District's organizational costs.

On August 15, 2016, the Board adopted and approved, via a Second Amendment to the Lot 2 Capital Fee Resolution, recorded in the Records on August 31, 2016 at Reception No. D6097558 ("Second Amendment to Lot 2 Capital Fee Resolution"), a revised Lot 2 Capital Fee in the amount of \$1,273,197.63, which includes Lot 2's final proportionate share of the actual costs for all public improvements constructed pursuant to the Lot 2 PILT Agreement and its proportionate share of the District's organizational costs, as contemplated the Lot 2 PILT Agreement.

The Lot 2 Capital Fee is to be paid quarterly over a term of thirty years together with simple interest at a rate of six percent (6%). A copy of the Lot 2 Capital Fee Resolution and First Amendment to Lot 2 Capital Fee Resolution were submitted with the District's 2012 Annual Report to the City, and a copy of the Second Amendment to the Lot 2 Capital Fee Resolution was submitted with the District's 2016 Annual Report.

In September 2022, the Lot 2 Capital Fee was paid in full and on September 29, 2022, the District recorded a Release of Lien in the Records on September 29, 2022 at Reception No. E2099240 ("Lot 2 Release of Lien") which released and discharged the Lot 2 Capital Fee lien from Lot 2. A copy of the Lot 2 Release of Lien is attached hereto as **Exhibit B**.

Lot 1 Capital Fee. On December 14, 2021, the Board adopted and approved, via Resolution recorded in the Records on January 14, 2022 at Reception No. E2005519 ("Lot 1 Capital Fee Resolution"), the imposition of a capital improvement fee on Lot 1 in Peakview Dual Hotel Subdivision Amendment No. 1 in the amount of \$2,045,514.94 ("Lot 1 Capital Fee"). The Lot 1 Capital Fee represents Lot 1's proportionate share of the costs associated with the construction of public improvements to serve and benefit Lot 1 and its proportionate share of the District's organizational costs. The Lot 1 Capital Fee was imposed in connection with the exclusion of Lot 1 from the District boundaries as described in Section A above and the approval by the Board of the Real Property Exclusion and Payment in Lieu of Taxes Agreement between the District and DBG Denver LLC, which was recorded in the Records on January 14, 2022 at Reception No. E2005335 (the "Lot 1 PILT Agreement").

The Lot 1 Capital Fee is to be paid quarterly over a term of thirty years together with simple interest at a rate of six percent (6%). A copy of the Lot 1 Capital Fee Resolution together with the Lot 1 PILT Agreement was included with the District's 2021 Annual Report.

Lot 2 O&M Fee. A portion of the District's general and administrative expenses are to be paid by an operating and maintenance fee. On February 6, 2012, the Board adopted and approved, via resolution recorded in the Records on February 29, 2012 at Reception No. D2022491 ("Lot 2 O&M Fee Resolution"), the imposition of an annual operations and maintenance fee on Lot 2, Peakview Heights, Filing No. 2, First Amendment ("Lot 2 O&M Fee"), which represents Lot 2's proportionate share of the District's operations and maintenance expenses incurred and related to the public improvements constructed. The Lot 2 O&M Fee is due to the District no later than March 1 of each calendar year. Pursuant to the District's 2022 Budget, the District anticipates the collection of a Lot 2 O&M Fee in the amount of \$50,449 for fiscal year 2022. A copy of the Lot 2 O&M Fee Resolution was submitted with the District's 2012 Annual Report to the City.

Lot 1 O&M Fee. A portion of the District's general and administrative expenses are to be paid by an operating and maintenance fee. On December 14, 2021, the Board adopted and approved, via resolution recorded in the Records on April 6, 2023 at Reception No. E3022494 ("Lot 1 O&M Fee Resolution"), the imposition of an annual operations and

maintenance fee on Lot 1, Peakview Dual Hotel Subdivision Amendment No. 1 (“Lot 1 O&M Fee”), which represents Lot 1’s proportionate share of the District’s operations and maintenance expenses incurred and related to the public improvements constructed. The Lot 1 O&M Fee is due to the District no later than March 1 of each calendar year. Pursuant to the District’s 2023 Budget, the District anticipates the collection of a Lot 1 O&M Fee in the amount of \$63,341 for fiscal year 2023. A copy of the Lot 1 O&M Fee Resolution is submitted with this Annual Report as **Exhibit C**.

I. Audit of the District’s financial statements for the year ending December 31, 2022.

As of the date of submission of this Annual Report, the District’s audit is not yet completed. On July 31, 2023, the District submitted a Request for Extension of Time to File Audit for Year Ended December 31, 2022 (the “Audit Extension Application”). A copy of the Audit Extension Application is attached hereto as **Exhibit D**. A copy of the District’s audit will be filed with the Office of the State Auditor and separately provided to the City once available.

J. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

None.

K. Any inability of the District to pay its obligations as such obligations come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

None.

L. A summary of the financial ability of the District to discharge its existing or proposed indebtedness, including any decrease in such ability.

On June 15, 2012, the District entered into that certain Funding and Reimbursement Agreement with Peakview Land, LLC (“Peakview”), pursuant to which Peakview agreed to advance funds up to \$150,000 to the District to pay for operations and maintenance costs. To evidence the District’s reimbursement obligation to Peakview, the District issued a subordinate promissory note to Peakview. The note bears interest at a rate of two percent (2%) plus the Federal Reserve Bank Prime Rate, simple interest and matures on June 14, 2042. The District has the ability to repay this note from any legally available revenues of the District, which includes any and all fees, rates, tolls, charges, and revenues resulting from the imposition of ad valorem taxes, but does not include revenues resulting from the imposition of the Lot 2 Capital Fee or the Lot 1 Capital Fee imposed by the District.

On February 15, 2012, the District entered into that certain Improvement Acquisition and Reimbursement Agreement with Peakview pursuant to which the District agreed to acquire

completed public improvements from Peakview and to reimburse Peakview for funding the District's organizational costs, and in connection therewith, issued a subordinate promissory note to Peakview to evidence the District's reimbursement obligation for any improvements acquired by the District from Peakview pursuant to the terms of the agreement. However, as described below, the District's reimbursement obligation to Peakview is now evidenced on two new promissory notes issued in 2013.

Peakview has constructed or caused to be constructed certain public improvements described in the PILT Agreement, and the District has acquired certain completed public improvements from Peakview as provided in the Improvement Acquisition and Reimbursement Agreement and PILT Agreement. On December 4, 2013, the District and Peakview entered into a First Amendment to the Improvement Acquisition and Reimbursement Agreement ("First Amendment") to provide the parties with flexibility in negotiating the District's repayment obligation for any improvements purchased pursuant to the agreement, provided that such interest rate does not exceed the maximum interest rate set forth in the District's Service Plan or allowed by law.

As permitted by the First Amendment, the District issued two promissory notes to Peakview to evidence the District's obligation to repay Peakview for costs associated with constructing the public improvements. "Note 1" was issued on February 5, 2013 to Peakview in an amount not to exceed \$1,500,000 and includes the District's proportionate share of the District's organizational costs and capital costs associated with public improvements constructed to serve and benefit property located within its boundaries. The note bears interest at a rate of six percent (6%) and matures on February 5, 2043. The District will have the ability to repay Note 1 from any legally available revenues of the District, which may include proceeds from bonds, loans, notes, or other similar instruments, and any and all fees, rates, tolls, charges, and revenues resulting from the imposition of ad valorem taxes, but shall not include revenues resulting from the imposition of the Lot 2 Capital Fee or the Lot 1 Capital Fee imposed by the District.

"Note 2" was issued to Peakview on February 5, 2013 in an amount not to exceed \$1,500,000 and includes Lot 1 and Lot 2's proportionate share of the District's organizational costs and capital costs associated with public improvements constructed to serve and benefit Lot 1 and Lot 2. Note 2 bears interest at a rate of six percent (6%), calculated on a 360-day basis, and matures on February 5, 2043. The District will have the financial ability to repay Note 2 from the Lot 2 Capital Fee and the Lot 1 Capital Fee imposed by the District.

For the year ending December 31, 2022, the District makes the following report pursuant to Section 32-1-207(3)(c), C.R.S.:

**(a) Boundary changes made.**

Please see Section A above.

**(b) Intergovernmental agreements entered into or terminated with other governmental entities.**

Please see Section B above for a list of intergovernmental agreements entered into by the District. No intergovernmental agreements were terminated in 2022.

**(c) Access information to obtain a copy of rules and regulations adopted by the board.**

For information concerning rules and regulations adopted by the District please contact the District's Manager:

Sarah Bromley  
Pinnacle Consulting Group, Inc.  
550 W. Eisenhower Blvd  
Loveland CO, 80537  
Phone: (970) 669-3611, ext. 118  
Email: [kennyp@pcgi.com](mailto:kennyp@pcgi.com)

**(d) A summary of litigation involving public improvements owned by the special district.**

As of the date of filing this Annual Report, the District's General Counsel is not aware of any litigation involving public improvements owned by the District.

**(e) The status of the construction of public improvements by the special district.**

Please see Section E above.

**(f) A list of facilities or improvements constructed by the special district that were conveyed or dedicated to the county or municipality.**

Please see Section F above.

**(g) The final assessed valuation of the special district as of December 31 of the reporting year.**

Please see Section G above.

**(h) A copy of the current year's budget.**

Please see Section H above.

**(i) A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

Please see Section I above.

**(j) Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district.**

Please see Section J above.

**(k) Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.**

Please see Section K above.



**EXHIBIT A**  
**2023 BUDGET**

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**CENTENNIAL 360 METROPOLITAN DISTRICT**  
ARAPAHOE COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
2023

STATE OF COLORADO    )  
                                  )  
COUNTY OF ARAPAHOE )ss.  
                                  )  
CENTENNIAL 360                    )  
METROPOLITAN                    )  
DISTRICT                            )

The Board of Directors of the Centennial 360 Metropolitan District, Arapahoe County, Colorado, held a meeting via Microsoft Teams Thursday, October 18, 2022 at 2:00 P.M.

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

Kristopher Barnes, President  
James O'Malley, Secretary/Treasurer

Also in Attendance: Alan Pogue, Deborah Early, Stacie Pacheco; Icenogle Seaver Pogue, P.C. (Via Teleconference)  
Brendan Campbell, Ronnie Kenfield, Daryl Fields, Jordan Wood, Jennifer Ondracek; Pinnacle Consulting Group, Inc. (Via Teleconference)

Mr. Campbell stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2023 budget. Director Barnes opened the public hearing on the District's proposed 2023 budget. There being no public comment on the District's budget, the public hearing was closed.

Thereupon, Director Barnes moved to adopt the following Resolution:

## RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, SETTING FORTH MILL LEVIES, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE CENTENNIAL 360 METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023, AND ENDING ON THE LAST DAY OF DECEMBER 2023,

WHEREAS, the Board of Directors of the Centennial 360 Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published on October 13, 2022 in *The Villager*, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 18, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CENTENNIAL 360 METROPOLITAN DISTRICT OF ARAPAHOE COUNTY, COLORADO:

Section 1. 2023 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2023 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2023. That the budget as submitted and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Centennial 360 Metropolitan District for calendar year 2023.

Section 4. 2023 Levy of Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget from property taxes for the 2023 Budget year is \$0. That the 2022 valuation for assessment, as certified by the Arapahoe County Assessor, is \$145.

A. Levy for General Operating Fund. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the 2022 total valuation of assessment of all taxable property within the District.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification to County Commissioners. The District's manager is hereby authorized and directed to immediately certify to the County Commissioners of Arapahoe County, Colorado, the 0.000 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

**[Remainder of Page Left Blank Intentionally.]**

## CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of Arapahoe County, Colorado.

On behalf of the Centennial 360 Metropolitan District,  
(taxing entity)<sup>A</sup>

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


of the Centennial 360 Metropolitan District,  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 145 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 145 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** 12/14/2022 for budget/fiscal year 2023.  
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	0.000 mills	\$ 0.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>0.000</b> mills	<b>\$ 0.00</b>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>00.000</b> mills	<b>\$ 0.00</b>

Contact person: (print) Brendan Campbell Daytime phone: (970) 669-3611  
Signed:  Title: District Accountant

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.*

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

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 8. Budget Certification. That the budget shall be certified by Director O'Malley, Secretary and Treasurer of the District, and made a part of the public records of Centennial 360 Metropolitan District.

The foregoing Resolution was seconded by Director O'Malley.

**[Remainder of Page Left Blank Intentionally.]**

ADOPTED AND APPROVED this 18th day of October 2022.

DocuSigned by:  
*Kristopher Barnes*  
5840635E4E1A1CF...  
\_\_\_\_\_  
President

ATTEST:

DocuSigned by:  
*James O'Malley*  
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\_\_\_\_\_

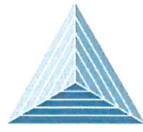


STATE OF COLORADO    )  
                                  )  
COUNTY OF ARAPAHOE )ss.  
                                  )  
CENTENNIAL 360                    )  
METROPOLITAN                    )  
DISTRICT                            )

I, James O'Malley, Secretary and Treasurer to the Board of Directors of the Centennial 360 Metropolitan District, Arapahoe County, Colorado, do hereby certify that the foregoing pages constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a meeting of the Board held via Microsoft Teams on Tuesday, October 18, 2022, at 2:00 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2023 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 18th day of October, 2022.

DocuSigned by:  
*James O'Malley*  
3974E5756BE44A1...



# PINNACLE

CONSULTING GROUP, INC.

## Management Budget Report

BOARD OF DIRECTORS  
CENTENNIAL 360 METROPOLITAN DISTRICT

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2023, including the comparative information of the forecasted estimate for the year ending December 31, 2022 and the actual historic information for the year 2021.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

Pinnacle Consulting Group, Inc.  
January 28, 2023

CENTENNIAL 360 METROPOLITAN DISTRICT				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
GENERAL FUND				
	(a)	(b)	(c)	(f)
	2021	2022	2022	2023
	Unaudited	Adopted <sup>o</sup>	Projected	Adopted
	Actual	Budget	Actual	Budget
<b>Revenues</b>				
Property Taxes	\$ 56,756	\$ 52,866	\$ 52,866	\$ -
Specific Ownership Tax	3,912	3,701	3,701	-
O&M Fee (Lot 1)	-	-	-	63,341
O&M Fee (Lot 2)	54,160	50,449	50,449	60,444
Interest & Other Income	233	1,000	3,055	-
<b>Total Revenues</b>	<b>\$ 115,060</b>	<b>\$ 108,016</b>	<b>\$ 110,071</b>	<b>\$ 123,785</b>
<b>Expenditures</b>				
<b>Operations &amp; Maintenance</b>				
Landscape Maintenance	7,407	9,072	8,814	11,989
Hardscape Maintenance	3,675	6,200	5,820	6,452
Storm Water Facility Maintenance	1,340	3,215	595	3,215
GIS/Mapping	-	100	100	100
Repairs and Replacements	9,183	21,000	20,500	16,500
Facilities Management	-	12,220	12,220	14,000
Utilities	1,884	2,650	2,650	2,650
<b>Administration</b>				
Accounting	15,060	16,315	16,315	20,500
Audit	-	-	-	7,000
District Management	23,760	14,820	14,820	16,000
Engineering and Professional Services	-	650	650	650
Director Fees	969	1,077	1,077	1,077
Election Costs	-	1,000	909	1,000
Insurance	4,548	4,775	5,024	5,652
Legal	17,334	8,000	10,000	10,000
Office, Dues & Other	1,650	785	2,240	2,000
Treasurer's Fee	851	793	793	-
Contingency	-	5,000	-	5,000
<b>Total Expenditures</b>	<b>\$ 87,662</b>	<b>\$ 107,672</b>	<b>\$ 102,527</b>	<b>\$ 123,785</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$ 27,398</b>	<b>\$ 344</b>	<b>\$ 7,544</b>	<b>\$ -</b>
<b>Beginning Fund Balance</b>	<b>103,445</b>	<b>137,004</b>	<b>130,843</b>	<b>138,387</b>
<b>Ending Fund Balance</b>	<b>\$ 130,843</b>	<b>\$ 137,348</b>	<b>\$ 138,387</b>	<b>\$ 138,387</b>
<b>Components of Ending Fund Balance:</b>				
TABOR Reserve (3% of revenues)	\$ 3,452	\$ 3,240	\$ 3,302	\$ 3,714
Operating Reserve (25% of expenses)	21,915	26,918	25,632	30,946
Repair & Replacement Reserve	105,476	107,190	109,453	103,727
<b>Total Ending Fund Balance</b>	<b>130,843</b>	<b>137,348</b>	<b>138,387</b>	<b>138,387</b>
<b>Mill Levy</b>				
Operating	55.000	55.000	55.000	0.000
<b>Total Mill Levy</b>	<b>55.000</b>	<b>55.000</b>	<b>55.000</b>	<b>0.000</b>
<b>Assessed Value</b>	<b>\$1,031,919</b>	<b>\$ 961,208</b>	<b>\$ 961,208</b>	<b>\$ 145</b>
<b>Property Tax Revenue</b>				
Operating	56,756	52,866	52,866	-
<b>Total Property Tax Revenue</b>	<b>\$56,756</b>	<b>\$ 52,866</b>	<b>\$ 52,866</b>	<b>-</b>

Modified Accrual Budgetary Basis

CENTENNIAL 360 METROPOLITAN DISTRICT				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
CAPITAL PROJECTS FUND				
	(a)	(b)	(c)	(f)
	2021	2022	2022	2023
	Unaudited	Amended	Projected	Adopted
Revenues	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Capital Fee (Lot 2)	\$ 91,988	\$ 91,988	\$ 1,143,104	\$ -
Capital Fee (Lot 1)	-	147,429	110,571	147,429
<b>Total Revenues</b>	<b>\$ 91,988</b>	<b>\$ 239,417</b>	<b>\$ 1,253,676</b>	<b>\$ 147,429</b>
<b>Expenditures</b>				
Payment on Developer Note (Lot 2)	\$ 91,988	\$ 91,988	\$ 1,143,104	\$ -
Payment on Developer Note (Lot 1)	-	147,429	110,571	147,429
<b>Total Expenditures</b>	<b>\$ 91,988</b>	<b>\$ 239,417</b>	<b>\$ 1,253,676</b>	<b>\$ 147,429</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$ (0)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Beginning Fund Balance</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$ (0)</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ -</b>

Modified Accrual Budgetary Basis

## **CENTENNIAL 360 METROPOLITAN DISTRICT 2023 BUDGET MESSAGE**

Centennial 360 Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was formed on December 7, 2009. The District's service area is located within the City of Centennial, Colorado and includes approximately 9.7 acres. The primary purpose of the District will be to finance the construction of the District improvements and to provide for the operation and maintenance of these District improvements.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

In preparing the 2023 budget, the following goals are foremost for the District:

- Provide the level of services as desired by the constituents of the District in the most economic manner possible.

### **Overview**

Highlights of the 2023 budget include the following:

- The District will be fully funded in 2023 by fees received through payment in lieu of taxes (PILOT) agreements.

### **General Fund**

#### *Revenue*

The District has budgeted revenues in the amount of \$123,785 comprised of \$63,341 for O&M fees (Lot 1) and \$60,444 O&M fees (Lot 2).

#### *Expenses*

2023 budgeted general and administrative expenses are \$123,785. This is a \$16,113 increase in expenses over prior year, primarily because an audit is required for 2022 at a cost of \$7,000. The largest expenditures in the 2023 budget are \$54,906 for operations and maintenance expenses, \$16,000 for management services, and \$20,500 for accounting.

### *Fund Balance/Reserves*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2023, as defined under TABOR. Fiscal year 2023 is budgeted for an ending fund balance of \$138,387.

### **Capital Projects Fund**

#### *Revenue*

The District expects capital fees of \$147,429 for Lot 1. The District collects a capital fee in the amount of \$147,429 annually in accordance with the Real Property Exclusion and Payment in Lieu of Taxes Agreement. The capital fee for Lot 2 was paid in full as part of the transfer of ownership sale that took place in 2022.

#### *Expenses*

Expenditures for the repayment on a Lot 1 capital note budgeted in the amount of \$147,429 are to be paid in 2023.

### *Fund Balance/Reserves*

The District carries no fund balance in the capital improvements fund since all expenses are funded from capital fees.

## RECERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity  YES  NO

Date: November 23, 2022

**NAME OF TAX ENTITY:** CENTENNIAL 360 METRO DIST

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	961,208
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	145
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	145
5. NEW CONSTRUCTION: *	5.	\$	0
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ☉	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	0

- ‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution
- \* New construction is defined as: Taxable real property structures and the personal property connected with the structure.
- ≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
- ☉ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	500
<b>ADDITIONS TO TAXABLE REAL PROPERTY</b>			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	0
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

**DELETIONS FROM TAXABLE REAL PROPERTY**

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$	3,557,840
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$	0

- ¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
- \* Construction is defined as newly constructed taxable real property structures.
- § Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	0
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IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **		\$	0
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\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

**EXHIBIT B**

**LOT 2 RELEASE OF LIEN**



Recording Requested By  
And When Recorded Return To:  
Brownstein Hyatt Farber Schreck  
410 Seventeenth Street, Suite 2200  
Denver, CO 80202  
Attn: Kathy Golden

22000310606  
  
\$18.00

**RELEASE OF LIEN**

Centennial 360 Metropolitan District, LLC ("Lienholder") has recorded the following documents with the Arapahoe County Clerk and Recorder's office:

Real Property Exclusion and Payment in Lieu of Taxes Agreement and Addendum No. 1 thereto, dated December 22, 2011 and recorded on December 28, 2011 at Reception Number D1128086; Addendum No. 2 to Real Property Exclusion and Payment in Lieu of Taxes Agreement, dated December 4, 2012 and recorded on December 31, 2012 at Reception Number D2150621; Interim Supplement to Real Property Exclusion and Payment in Lieu of Taxes Agreement, dated December 31, 2012 and recorded on January 1, 2013 at Reception Number D3000481; and Final Supplement to Real Property Exclusion and Payment in Lieu of Taxes Agreement, dated August 15, 2016 and recorded on August 31, 2016 at Reception Number D6097557 (collectively, the "Agreement"); and

Resolution of the Board of Directors of Centennial 360 Metropolitan District Approving a Capital Improvement Fee on Certain Real Property Excluded from the District, dated February 6, 2012 and recorded on February 29, 2012 at Reception Number D2022490; First Amendment to Resolution of the Board of Directors for Centennial 360 Metropolitan District Approving a Capital Improvement Fee on Certain Real Property excluded from the District, dated December 26, 2012 and recorded on December 31, 2012 at Reception Number D2150622; and Second Amendment to Resolution of the Board of Directors for Centennial 360 Metropolitan District Approving a Capital Improvement Fee on Certain Real Property Excluded from the District, dated August 15, 2016 and recorded on August 31, 2016 at Reception Number D6097558 (collectively, the "Resolution").

The Agreement and the Resolution were recorded by Lienholder on a portion of the real property commonly known as 360 Degrees Apartments and more particularly described as:

Lot 2, Peakview Heights, Filing No. 2, First Amendment, City of Centennial, County of Arapahoe, State of Colorado, according to the plat thereof recorded in the Arapahoe County Clerk and Recorder's Office at Reception No. D1126138.

The Agreement and the Resolution recorded by Lienholder, insofar as each establishes a lien for Capital Costs as set forth therein, constitutes the "Lien" for purposes of this Release of Lien. Lienholder hereby releases and discharges the above-described Lien, acknowledges that it has been paid in full for or in connection with the Capital Costs as set forth therein and releases and waives any and all claims, demands, and rights of lien against such property, the improvements located thereon, and 7700 Peakview Avenue, LLC, a Delaware limited liability company, for the



**EXHIBIT C**

**LOT 1 O&M FEE RESOLUTION**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
CENTENNIAL 360 METROPOLITAN DISTRICT**

**A RESOLUTION APPROVING AN OPERATIONS AND MAINTENANCE FEE ON  
CERTAIN REAL PROPERTY EXCLUDED FROM THE DISTRICT**

WHEREAS, Centennial 360 Metropolitan District (the “District”) and DBG DENVER LLC, a Colorado limited liability company, entered into that certain “Real Property Exclusion and Payment in Lieu of Taxes Agreement” dated July 27, 2021, and recorded on January 14, 2022, in the Arapahoe County Clerk and Recorder’s Office (the “Records”) at Reception No. E2005335, as supplemented pursuant to that certain “Addendum to PILOT Agreement Contract Purchaser Assignment to Affiliate” dated December 29, 2021, and recorded in the Records on January 14, 2022, at Reception No. E2005336 (collectively, the “Agreement”); and

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

WHEREAS, the Agreement sets forth the parties’ understanding regarding the exclusion of certain real property, as more particularly described in Exhibit A, attached hereto and incorporated herein by reference (the “Property”), from the District’s boundaries, the obligation on the Property for the repayment of its proportionate share of the cost of the Public Improvements, and its proportionate share of the District’s organizational expenses, and the continuing obligation imposed on the Property to pay for a proportionate share of operations and maintenance costs of the Public Improvements; and

WHEREAS, the order excluding the Property from the District’s boundaries issued by the Arapahoe County District Court was recorded in the Records on January 14, 2022, at Reception No. E2005338 (the “Exclusion Order”); and

WHEREAS, pursuant to the Agreement, the District will provide operations and maintenance services to serve the Public Improvements after the effective date of the Exclusion Order, and so long as the District provides such operations and maintenance services to the Property, the Property shall be subject to a fee-in-lieu of the District’s annual property tax levied for operations and maintenance costs to cover the District’s operations and maintenance expenses related to the Public Improvements (the “O&M Fee”); and

WHEREAS, the District desires to memorialize the O&M Fee on the Property as set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CENTENNIAL 360 METROPOLITAN DISTRICT AS FOLLOWS:

1. O&M Fee. The Board of Directors of the District hereby assesses on the Property an annual O&M Fee equivalent to (A) 51.17% of the total actual operations and maintenance costs incurred by the District to service the Public Improvements; plus (B) 51.17% of the District’s total general administrative costs, as determined annually by the District’s Board of Directors. The

O&M Fee shall be determined and levied against the Property as part of the District's annual statutory budget process.

2. Notice and Payment. Following the recording of the Exclusion Order in the Records, and completion of the District's annual statutory budget process, the District's Board of Directors shall notify in writing the record owner(s) of the Property of the O&M Fee due for the then-current calendar year; provided that delinquencies or failures in providing such notice shall not affect the validity or collectability of any O&M Fee imposed. The amount of the O&M Fee shall be pro-rated, based on the date of the recording of the Exclusion Order in the Records, and shall be due within thirty (30) days following the date of such owner(s)' receipt of the District's written notice. Until paid, the O&M Fee shall constitute a perpetual and prior lien of the District as set forth in Section 32-1-1001(1)(j)(I), C.R.S.

3. Subsequent Years. On or about January 15 of each year following the year in which the Exclusion Order is recorded in the Records, the District shall notify the record owner(s) of the Property of the O&M Fee for such year; provided that delinquencies or failures in providing such notice shall not affect the validity or collectability of any O&M Fee imposed. The O&M Fee shall be due not later than March 1 of each calendar year. Until paid, the O&M Fee shall constitute a perpetual and prior lien of the District as set forth in Section 32-1-1001(1)(j)(I), C.R.S.


4. Late Payments. If the owner of the Property fails to pay the annual O&M Fee within the (10) days following the applicable due date, and such failure to pay continues for a period of more than thirty (30) days following receipt of written notice thereof from the District, the District may impose a penalty of 5% of the unpaid amount, per month, not to exceed a total of 25% of the amount due, until the annual O&M Fee, plus any penalty, is paid in full.

5. Recording. This Resolution shall be recorded in the Records and shall take effect immediately following the recording of the Exclusion Order in the Records.

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ADOPTED AND APPROVED THIS 14<sup>TH</sup> DAY OF DECEMBER, 2021.

**CENTENNIAL 360 METROPOLITAN  
DISTRICT**

  
\_\_\_\_\_  
By: Kristopher Barnes, President

**EXHIBIT A****LEGAL DESCRIPTION OF THE PROPERTY**

Lot 1 in Peakview Dual Hotel Subdivision Amendment No. 1, recorded December 16, 2021 at Reception No. E1189656, City of Centennial, County of Arapahoe, State of Colorado.

**EXHIBIT D**

**2022 AUDIT EXTENSION APPLICATION**





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


## Request for Extension of Time to File Audit for Year End *December 31, 2022* ONLY

Requests may be submitted via internet portal: <https://apps.leg.co.gov/osa/lg>.

<b>Government Name:</b>	Centennial 360 Metropolitan District
<b>Name of Contact:</b>	Jennifer Ondracek
<b>Address:</b>	550 W. Eisenhower Blvd
<b>City/Zip Code</b>	Loveland, CO 80537
<b>Phone Number:</b>	970-669-3611 x 114
<b>E-mail</b>	<a href="mailto:jennifero@pcgi.com">jennifero@pcgi.com</a>
<b>Fiscal Year Ending (mm/dd/yyyy):</b>	12/31/2022
<b>Amount of Time Requested (in days):</b> (Not to exceed 60 calendar days)	60 days Audit Due: September 30, 2023
<b>Comments (optional):</b>	

I understand that if the audit is not submitted within the approved extension of time, the government named in the extension request will be considered in default without further notice, and the State Auditor shall take further action as prescribed by Section 29-1-606(5)(b), C.R.S.

**Must be signed by a member of the governing board.**

Signature	 5840635E4E1A4CF...
Printed Name:	Kristopher Barnes
Title:	Board Member
Date:	07/31/2023