

TIMNATH LAKES METROPOLITAN DISTRICT (“TLMD”) NOS. 2-6

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

NOTICE OF SPECIAL MEETING AND AGENDA

TLMD Nos. 2, 3:

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Janis Emanuel	President	2027/May 2027
Robert Bol	Treasurer	2025/May 2025
Theodore Antenucci	Assistant Secretary	2027/May 2027
<i>VACANT</i>		2025/May 2025
<i>VACANT</i>		2025/May 2025

TLMD Nos. 4, 5, 6:

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Janis Emanuel	President	2025/May 2025
Robert Bol	Treasurer	2027/May 2027
Theodore Antenucci	Assistant Secretary	2025/May 2025
<i>VACANT</i>		2027/May 2025
<i>VACANT</i>		2027/May 2025

DATE: August 17, 2023

TIME: 3:00 p.m.

PLACE: **VIA ZOOM MEETING**

IF YOU WOULD LIKE TO ATTEND THIS MEETING, THE LINK IS BELOW.

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Meeting ID: 546 911 9353

Passcode: 912873

Dial In: 1-253-215-8782

I. ADMINISTRATIVE MATTERS

A. Present disclosures of potential conflicts of interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices.

C. Acknowledge resignation of Larry Loften as District Secretary, and consider appointment of David Solin as new District Secretary.

- D. Discuss results of cancelled May 2, 2023 Regular Election for Directors (enclosures).
-

- E. Discuss and consider appointment of qualified individual Nick Montalbano to the Board of Directors effective at the end of the meeting. Notice of Vacancy was published on August 6, 2023.
-

- F. Consider appointment of Officers:

President _____
 Treasurer _____
 Secretary _____
 Asst. Secretary _____
 Asst. Secretary _____

- G. Review and consider approval of the Minutes of the April 19, 2023 Regular Meeting (**TLMD 2-6**) (enclosures).
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II. PUBLIC COMMENTS

- A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes.
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III. FINANCIAL MATTERS

- A. Review and ratify approval of the payment of claims for the periods ending as follows (**TLMD 6**) (enclosures):

Fund	Period Ending Apr. 30, 2023	Period Ending May 31, 2023	Period Ending Jun. 30, 2023	Period Ending July 31, 2023
General	\$ 23,836.93	\$ 19,435.25	\$ 16,179.06	\$ 11,003.15
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 23,836.93	\$ 19,435.25	\$ 16,179.06	\$ 11,003.15

- B. Review and accept Unaudited Financial Statements through the period ending June 30, 2023 and Schedule of Cash Position as of June 30, 2023 (**TLMD 3 & 6**) (enclosure).
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- C. Review and accept Schedule of Cash Position as of June 30, 2023 (**TLMD 2,4,5**) (enclosures).
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- D. Conduct Public Hearing to consider further amendment of the 2022 Budget, and consider adoption of Resolution No. 2023-08-01, Resolution to Further Amend 2022 Budget (**TLMD 3**) (enclosures – Resolution).
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- E. Review and consider approval of 2022 Audit and authorize execution of Representations Letter (**TLMD 3**) (draft audit – enclosed).
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- F. Review and consider ratifying approval and filing of 2022 Audit and authorization of execution of Representations Letter (**TLMD 6**) (final audit – enclosed).
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IV. LEGAL MATTERS

- A. Consider approval of Engineer’s Report and Certification No. _____ (to be distributed) and consider acceptance of verified costs for Public Improvements. (**TLMD 2-6**).
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V. COVENANT CONTROL MATTERS (**TLMD 6**)

- A. _____

VI. CAPITAL MATTERS

- A. Discuss matters relating to Akin Lateral Irrigation Ditch Relocation.
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- B. Discuss process for acceptance and transfer of improvements.
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- 1. Discuss service agreements and maintenance services required for acceptances.
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VII. OPERATIONS AND MAINTENANCE

A. _____

VIII. OTHER BUSINESS

A. Discuss status of development (TLMD 2-6).

IX. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
OCTOBER 18, 2023.**

NOTICE OF CANCELLATION
and
CERTIFIED STATEMENT OF RESULTS
§1-13.5-513(6), 32-1-104, 1-11-103(3) C.R.S.

NOTICE IS HEREBY GIVEN by the Timnath Lakes Metropolitan District Nos. 2 and 3, Larimer County, Colorado, that at the close of business on the sixty-third day before the elections, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the elections to be held on May 2, 2023 are hereby canceled pursuant to section 1-13.5-513(6) C.R.S.

The following candidates are declared elected for the following terms of office:

<u>Name</u>	<u>Term</u>
Vacant	Next Regular Election, May 2025
Vacant	Next Regular Election, May 2025
Theodore R. Antenucci	Second Regular Election, May 2027
Janis L. Emanuel	Second Regular Election, May 2027

/s/ Larry Loften
(Designated Election Official)

Contact Person for the District: Larry Loften
Telephone Number of the District: 303-987-0835
Address of the District: 141 Union Boulevard, Suite 150, Lakewood, CO 80228
District Facsimile Number: 303-987-2032
District Email: lloften@sdmsi.com

NOTICE OF CANCELLATION
and
CERTIFIED STATEMENT OF RESULTS
§1-13.5-513(6), 32-1-104, 1-11-103(3) C.R.S.

NOTICE IS HEREBY GIVEN by the Timnath Lakes Metropolitan District Nos. 4-6, Larimer County, Colorado, that at the close of business on the sixty-third day before the elections, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the elections to be held on May 2, 2023 are hereby canceled pursuant to section 1-13.5-513(6) C.R.S.

The following candidates are declared elected for the following terms of office:

<u>Name</u>	<u>Term</u>
Robert J. Bol	Second Regular Election, May 2027
Vacant	Second Regular Election, May 2027
Vacant	Second Regular Election, May 2027

/s/ Larry Loften
(Designated Election Official)

Contact Person for the District:	Larry Loften
Telephone Number of the District:	303-987-0835
Address of the District:	141 Union Boulevard, Suite 150, Lakewood, CO 80228
District Facsimile Number:	303-987-2032
District Email:	lloften@sdmsi.com

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 HELD APRIL 19, 2023

A Regular Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 2 (referred to hereafter as "Board") was convened on Wednesday, the 19th day of April, 2023 at 1:00 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Janis L. Emanuel
Robert Bol

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Theodore Antenucci was excused.

Also In Attendance Were:

Ann Finn and Larry Loften; Special District Management Services, Inc.

Paula Williams, Esq., Kate Olson, Esq. and Craig Sorensen; McGeady Becher P.C.

Curtis Bourgouin; CliftonLarsonAllen LLP

Michael Kuykendall and Nick Montalbano; Catellus Development Corporation

Jane Spencer; Homeowner

Matt Wasserman; Homeowner

Jerry Chilson; Homeowner

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Loften. noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and

RECORD OF PROCEEDINGS

incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams noted that all Directors' Disclosure Statements have been filed, and that no new conflicts were disclosed at the meeting.

Agenda: Mr. Loften distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Agenda was approved, as presented.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24-hours prior to each meeting at the following location: north side of E. Harmony Rd. on a wooden stake, 200 feet west of Three Bell Parkway.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Ann Finn and considered the appointment of Larry Loften as Secretary to the Board.

Following discussion, upon motion duly made by Director Emmanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the resignation of Ann Finn as Secretary to the Board and appointed Larry Loften as Secretary to the Board.

Minutes: The Board reviewed the Minutes of the December 5, 2022 and December 21, 2022 Special Meetings.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the December 5, 2022 and December 21, 2022 Special Meetings were approved.

May 2, 2023 Regular Directors' Election: Mr. Loften advised the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Directors Emanuel and Antenucci were each deemed elected to 4-year terms ending in May, 2027.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

2022 Audit Exemption: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2022.

Billing Services for Domestic Water Usage: The Board discussed the engagement of CliftonLarsonAllen LLP ("CLA") to provide billing services for Domestic Water usage. Mr. Bourgouin informed the Board that CLA would require additional information before providing a cost estimate. No action was taken by the Board.

LEGAL MATTERS

Resolution Establishing District Operation Fees: Attorney Williams informed that Board that additional information is needed before the Resolution can be finalized, and that approval by the Town of Timnath is also required. No action was taken by the Board.

Town Submittal Letter and other documents and requests to the Town of Timnath: Attorney Williams reviewed the draft submittal letter to the Town regarding the inclusion of property, District fees, the Timnath Lakes Community Authority Establishment Agreement, and the Service Plan Amendment.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Town Submittal Letter and other documents and requests to the Town of Timnath, after the community outreach meeting has taken place.

RECORD OF PROCEEDINGS

Submittal of First Amendment to the Consolidated Amended and Restated Service Plan for Timnath Lakes MD Nos. 1-3 and First Amendment to the Service Plan for Timnath Lakes MD No. 4-6 (“Service Plan Amendment”): Attorney Williams reviewed the Service Plan Amendment with the Board and discussed the requirements for submittal of same to the Town of Timnath.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Service Plan Amendment to the Town of Timnath, after the community outreach meeting has taken place.

Resolution No. 2023-04-01, Resolution Acknowledging and Adopting the Declaration of Architectural, Use and Maintenance Restrictions for Timnath Lakes (Commercial) (the “TLMD 2 Covenants Resolution”): Attorney Williams reviewed the TLMD 2 Covenants Resolution with the Board.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board adopted the TLMD 2 Covenants Resolution. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Engineer’s Report: There was no report available. The Board deferred discussion.

Timnath Lakes Community Authority Establishment Agreement (“Establishment Agreement”): Attorney Williams informed the Board that the Establishment Agreement will be discussed at the community outreach meeting, and that Establishment Agreement is subject to Town review and approval. No action was taken by the Board.

Resolution Approving Appointment of Representatives to the Timnath Lakes Community Authority: The Board deferred this matter.

CAPITAL MATTERS

Relocation of the Akin Lateral Irrigation Ditch: Attorney Williams and Mr. Kuykendall provided an update.

Process for Acceptance and Transfer of Improvements: The Board deferred discussion.

Service Agreements and Maintenance Services Required for Acceptances: The Board deferred discussion.

RECORD OF PROCEEDINGS

OTHER BUSINESS

Current Development: Mr. Kuykendall provided the Board with an update on the status of development within the District.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 HELD APRIL 19, 2023

A Regular Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 3 (referred to hereafter as "Board") was convened on Wednesday, the 19th day of April, 2023 at 1:00 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Janis L. Emanuel
Robert Bol

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Theodore Antenucci was excused.

Also In Attendance Were:

Ann Finn and Larry Loften; Special District Management Services, Inc.

Paula Williams, Esq., Kate Olson, Esq. and Craig Sorensen; McGeady Becher P.C.

Curtis Bourgouin; CliftonLarsonAllen LLP

Michael Kuykendall and Nick Montalbano; Catellus Development Corporation

Jane Spencer; Homeowner

Matt Wasserman; Homeowner

Jerry Chilson; Homeowner

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Loften. noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and

RECORD OF PROCEEDINGS

incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams noted that all Directors' Disclosure Statements have been filed, and that no new conflicts were disclosed at the meeting.

Agenda: Mr. Loften distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Agenda was approved, as presented.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24-hours prior to each meeting at the following location: north side of E. Harmony Rd. on a wooden stake, 100 feet west of Three Bell Parkway.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Ann Finn and considered the appointment of Larry Loften as Secretary to the Board.

Following discussion, upon motion duly made by Director Emmanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the resignation of Ann Finn as Secretary to the Board and appointed Larry Loften as Secretary to the Board.

Minutes: The Board reviewed the Minutes of the December 5, 2022 and December 21, 2022 Special Meetings.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the December 5, 2022 and December 21, 2022 Special Meetings were approved.

May 2, 2023 Regular Directors' Election: Mr. Lofton advised the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Directors Emanuel and Antenucci were each deemed elected to 4-year terms ending in May, 2027.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

Unaudited Financial Statements and Schedule of Cash Position: Mr. Bourgouin reviewed with the Board the unaudited financial statements, through the period ending December 31, 2022 and the schedule of cash position as of March 31, 2023.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board accepted the unaudited financial statements, through the period ending December 31, 2022 and the schedule of cash position as of March 31, 2023, as presented.

Preparation of 2022 Audit: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified the engagement of Wipfli LLP to prepare the 2022 Audit.

Billing Services for Domestic Water Usage: The Board discussed the engagement of CliftonLarsonAllen LLP ("CLA") to provide billing services for Domestic Water usage. Mr. Bourgouin informed the Board that CLA would require additional information before providing a cost estimate. No action was taken by the Board.

LEGAL MATTERS

Resolution No. 2023-04-01, Joint Resolution of the Board of Directors of Timnath Lakes Metropolitan District No. 1 and Timnath Lakes Metropolitan District No. 3 Regarding the Imposition of District Residential Fees: Attorney Williams informed that Board that additional information is needed before the Resolution can be finalized, and that both a community outreach meeting and Town of Timnath approval were also required. No action was taken by the Board.

RECORD OF PROCEEDINGS

Billing of Domestic Water Usage: The Board discussed. No action was taken by the Board.

Town Submittal Letter and other documents and requests to the Town of Timnath: Attorney Williams reviewed the draft submittal letter to the Town regarding the inclusion of property, District fees, the Timnath Lakes Community Authority Establishment Agreement, and the Service Plan Amendment.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Town Submittal Letter and other documents and requests to the Town of Timnath, after the community outreach meeting has taken place.

Submittal of First Amendment to the Consolidated Amended and Restated Service Plan for Timnath Lakes MD Nos. 1-3 and First Amendment to the Service Plan for Timnath Lakes MD No. 4-6 (“Service Plan Amendment”): Attorney Williams reviewed the Service Plan Amendment with the Board and discussed the requirements for submittal of same to the Town of Timnath.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Service Plan Amendment to the Town of Timnath, after the community outreach meeting has taken place.

Engineer’s Report: There was no report available. The Board deferred discussion.

Timnath Lakes Community Authority Establishment Agreement (“Establishment Agreement”): Attorney Williams informed the Board that the Establishment Agreement will be discussed at the community outreach meeting, and that Establishment Agreement is subject to Town review and approval. No action was taken by the Board.

Resolution Approving Appointment of Representatives to the Timnath Lakes Community Authority: The Board deferred this matter.

CAPITAL MATTERS **Relocation of the Akin Lateral Irrigation Ditch:** Attorney Williams and Mr. Kuykendall provided an update.

Process for Acceptance and Transfer of Improvements: The Board deferred discussion.

RECORD OF PROCEEDINGS

Service Agreements and Maintenance Services Required for Acceptances: The Board deferred discussion.

OTHER BUSINESS

Current Development: Mr. Kuykendall provided the Board with an update on the status of development within the District.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 4 HELD APRIL 19, 2023

A Regular Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 4 (referred to hereafter as "Board") was convened on Wednesday, the 19th day of April, 2023 at 1:00 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Janis L. Emanuel
Robert Bol

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Theodore Antenucci was excused.

Also In Attendance Were:

Ann Finn and Larry Loften; Special District Management Services, Inc.

Paula Williams, Esq., Kate Olson, Esq. and Craig Sorensen; McGeady Becher P.C.

Curtis Bourgouin; CliftonLarsonAllen LLP

Michael Kuykendall and Nick Montalbano; Catellus Development Corporation

Jane Spencer; Homeowner

Matt Wasserman; Homeowner

Jerry Chilson; Homeowner

ADMINISTRATIVE MATTERS

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Loften note that no quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting,

RECORD OF PROCEEDINGS

and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams noted that all Directors Disclosure Statements have been filed, and that no new conflicts were disclosed at the meeting.

Agenda: Mr. Loften distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Agenda was approved, as presented.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24 hours prior to each meeting at the following location: north side of E. Harmony Rd. on a wooden stake, 300 feet west of Three Bell Parkway.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Ann Finn and considered the appointment of Larry Loften as Secretary to the Board.

Following discussion, upon motion duly made by Director Emmanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the resignation of Ann Finn as Secretary to the Board and appointed Larry Loften as Secretary to the Board.

Minutes: The Board reviewed the Minutes of the December 5, 2022 Special Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the December 5, 2022 Special Meeting were approved.

May 2, 2023 Regular Directors' Election: Mr. Loftin advised the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Director Bol was deemed elected to a 4-year term ending in May, 2027.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

2022 Audit Exemption: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2022.

LEGAL MATTERS

Town Submittal Letter and other documents and requests to the Town of Timnath: Attorney Williams reviewed the draft submittal letter to the Town regarding the inclusion of property, District fees, the Timnath Lakes Community Authority Establishment Agreement, and the Service Plan Amendment.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Town Submittal Letter and other documents and requests to the Town of Timnath, after the community outreach meeting has taken place.

Submittal of First Amendment to the Consolidated Amended and Restated Service Plan for Timnath Lakes MD Nos. 1-3 and First Amendment to the Service Plan for Timnath Lakes MD No. 4-6 ("Service Plan Amendment"): Attorney Williams reviewed the Service Plan Amendment with the Board and discussed the requirements for submittal of same to the Town of Timnath.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Service Plan Amendment to the Town of Timnath, after the community outreach meeting has taken place.

Timnath Lakes Community Authority Establishment Agreement ("Establishment Agreement"): Attorney Williams informed the Board that the

RECORD OF PROCEEDINGS

Establishment Agreement will be discussed at the community outreach meeting, and that Establishment Agreement is subject to Town review and approval. No action was taken by the Board.

Resolution Approving Appointment of Representatives to the Timnath Lakes Community Authority: The Board deferred this matter.

Engineer's Report: There was no report available. The Board deferred discussion.

CAPITAL MATTERS **Relocation of the Akin Lateral Irrigation Ditch:** Attorney Williams and Mr. Kuykendall provided an update.

Process for Acceptance and Transfer of Improvements: The Board deferred discussion.

Service Agreements and Maintenance Services Required for Acceptances: The Board deferred discussion.

OPERATIONS AND MAINTENANCE There were no operations and maintenance matters.

OTHER BUSINESS **Current Development:** Mr. Kuykendall provided the Board with an update on the status of development within the District.

ADJOURNMENT There being no further business to come before the Board at this time, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 5 HELD APRIL 19, 2023

A Regular Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 5 (referred to hereafter as "Board") was convened on Wednesday, the 19th day of April, 2023 at 1:00 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Janis L. Emanuel
Robert Bol

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Theodore Antenucci was excused.

Also In Attendance Were:

Ann Finn and Larry Loften; Special District Management Services, Inc.

Paula Williams, Esq., Kate Olson, Esq. and Craig Sorensen; McGeady Becher P.C.

Curtis Bourguin; CliftonLarsonAllen LLP

Michael Kuykendall and Nick Montalbano; Catellus Development Corporation

Jane Spencer; Homeowner

Matt Wasserman; Homeowner

Jerry Chilson; Homeowner

ADMINISTRATIVE MATTERS

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Loften note that no quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting,

RECORD OF PROCEEDINGS

and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams noted that all Directors Disclosure Statements have been filed, and that no new conflicts were disclosed at the meeting.

Agenda: Mr. Loften distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Agenda was approved, as presented.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24 hours prior to each meeting at the following location: north side of E. Harmony Rd. on a wooden stake, 400 feet west of Three Bell Parkway.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Ann Finn and considered the appointment of Larry Loften as Secretary to the Board.

Following discussion, upon motion duly made by Director Emmanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the resignation of Ann Finn as Secretary to the Board and appointed Larry Loften as Secretary to the Board.

Minutes: The Board reviewed the Minutes of the December 5, 2022 Special Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the December 5, 2022 Special Meeting were approved.

May 2, 2023 Regular Directors' Election: Mr. Loftin advised the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Director Bol was deemed elected to a 4-year term ending in May, 2027.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

2022 Audit Exemption: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2022.

LEGAL MATTERS

Town Submittal Letter and other documents and requests to the Town of Timnath: Attorney Williams reviewed the draft submittal letter to the Town regarding the inclusion of property, District fees, the Timnath Lakes Community Authority Establishment Agreement, and the Service Plan Amendment.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Town Submittal Letter and other documents and requests to the Town of Timnath, after the community outreach meeting has taken place.

Submittal of First Amendment to the Consolidated Amended and Restated Service Plan for Timnath Lakes MD Nos. 1-3 and First Amendment to the Service Plan for Timnath Lakes MD No. 4-6 ("Service Plan Amendment"): Attorney Williams reviewed the Service Plan Amendment with the Board and discussed the requirements for submittal of same to the Town of Timnath.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Service Plan Amendment to the Town of Timnath, after the community outreach meeting has taken place.

Timnath Lakes Community Authority Establishment Agreement ("Establishment Agreement"): Attorney Williams informed the Board that the

RECORD OF PROCEEDINGS

Establishment Agreement will be discussed at the community outreach meeting, and that Establishment Agreement is subject to Town review and approval. No action was taken by the Board.

Resolution Approving Appointment of Representatives to the Timnath Lakes Community Authority: The Board deferred this matter.

Engineer's Report: There was no report available. The Board deferred discussion.

CAPITAL MATTERS **Relocation of the Akin Lateral Irrigation Ditch:** Attorney Williams and Mr. Kuykendall provided an update.

Process for Acceptance and Transfer of Improvements: The Board deferred discussion.

Service Agreements and Maintenance Services Required for Acceptances: The Board deferred discussion.

OPERATIONS AND MAINTENANCE There were no operations and maintenance matters.

OTHER BUSINESS **Current Development:** Mr. Kuykendall provided the Board with an update on the status of development within the District.

ADJOURNMENT There being no further business to come before the Board at this time, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 6 HELD APRIL 19, 2023

A Regular Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 6 (referred to hereafter as "Board") was convened on Wednesday, the 19th day of April, 2023 at 1:00 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Janis L. Emanuel
Robert Bol

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Theodore Antenucci was excused.

Also In Attendance Were:

Ann Finn and Larry Loften; Special District Management Services, Inc.

Paula Williams, Esq., Kate Olson, Esq. and Craig Sorensen; McGeady Becher P.C.

Curtis Bourgouin; CliftonLarsonAllen LLP

Michael Kuykendall and Nick Montalbano; Catellus Development Corporation

Jane Spencer; Homeowner

Matt Wasserman; Homeowner

Jerry Chilson; Homeowner

ADMINISTRATIVE MATTERS

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Loften note that no quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting,

RECORD OF PROCEEDINGS

and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams noted that all Directors' Disclosure Statements have been filed, and that no new conflicts were disclosed at the meeting.

Agenda: Mr. Loften distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Agenda was approved, as amended.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24-hours prior to each meeting at the following location: north side of E. Harmony Rd. on a wooden stake, 500 feet west of Three Bell Parkway.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Ann Finn and considered the appointment of Larry Loften as Secretary to the Board.

Following discussion, upon motion duly made by Director Emmanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the resignation of Ann Finn as Secretary to the Board and appointed Larry Loften as Secretary to the Board.

Minutes: The Board reviewed the Minutes of the December 5, 2022 Special Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the December 5, 2022 Special Meeting were approved.

May 2, 2023 Regular Directors' Election: Mr. Loften advised the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Director Bol was deemed elected to a 4-year term ending in May, 2027.

**PUBLIC
COMMENTS**

There were no public comments.

**FINANCIAL
MATTERS**

Payment of Claims: The Board reviewed the payments of claims for the periods ending as follows:

Fund	Period Ending Dec. 31, 2022	Period Ending Jan. 31, 2023	Period Ending Feb. 28, 2023
General	\$ 26,776.60	\$ 17,559.13	\$ 33,497.22
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 26,776.60	\$ 17,559.13	\$ 33,497.22

Fund	Period Ending Mar. 31, 2023
General	\$ 23,616.88
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 23,616.88

It was noted that the claims for the periods ending October 31, 2022 and November 30, 2022 were already ratified at the December 5, 2022 meeting. Following review and discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified the approval of the payment of claims, as presented.

Unaudited Financial Statements and Schedule of Cash Position: Mr. Bourgouin reviewed with the Board the unaudited financial statements, through the period ending December 31, 2022 and the schedule of cash position as of March 31, 2023.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board accepted the unaudited financial statements, through the period ending December 31, 2022 and the schedule of cash position as of March 31, 2023 as presented.

RECORD OF PROCEEDINGS

LEGAL MATTERS

Town Submittal Letter and other documents and requests to the Town of Timnath: Attorney Williams reviewed the draft submittal letter to the Town regarding the inclusion of property, District fees, the Timnath Lakes Community Authority Establishment Agreement, and the Service Plan Amendment.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Town Submittal Letter and other documents and requests to the Town of Timnath, after the community outreach meeting has taken place.

Submittal of First Amendment to the Consolidated Amended and Restated Service Plan for Timnath Lakes MD Nos. 1-3 and First Amendment to the Service Plan for Timnath Lakes MD No. 4-6 (“Service Plan Amendment”): Attorney Williams reviewed the Service Plan Amendment with the Board and discussed the requirements for submittal of same to the Town of Timnath.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the submittal of the Service Plan Amendment to the Town of Timnath, after the community outreach meeting has taken place.

Timnath Lakes Community Authority Establishment Agreement (“Establishment Agreement”): Attorney Williams informed the Board that the Establishment Agreement will be discussed at the community outreach meeting, and that Establishment Agreement is subject to Town review and approval. No action was taken by the Board.

Resolution Approving Appointment of Representatives to the Timnath Lakes Community Authority: The Board deferred this matter.

Engineer’s Report: There was no report available. The Board deferred discussion.

Resolution No. 2023-04-01, Resolution of the Board of Directors of the Timnath Lakes Metropolitan District No. 6 Adopting the Policies and Procedures Governing the Enforcement of the Declaration of Architectural, Use and Maintenance Restrictions for Timnath Lakes (Residential) (the “TLMD 6 Covenants Resolution”): Attorney Williams reviewed the TLMD 2 Covenants Resolution with the Board.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board adopted the TLMD 6 Covenants Resolution. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

RECORD OF PROCEEDINGS

Engagement of Altitude Community Law: The Board discussed the engagement of Altitude Community Law as Special Counsel for covenant control matters.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the engagement of Altitude Community Law as Special Counsel for covenant control matters.

CAPITAL MATTERS **Relocation of the Akin Lateral Irrigation Ditch:** Attorney Williams and Mr. Kuykendall provided an update.

Process for Acceptance and Transfer of Improvements: The Board deferred discussion.

Service Agreements and Maintenance Services Required for Acceptances: The Board deferred discussion.

OPERATIONS AND MAINTENANCE There were no operations and maintenance matters.

OTHER BUSINESS **Current Development:** Mr. Kuykendall provided the Board with an update on the status of development within the District.

ADJOURNMENT There being no further business to come before the Board at this time, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

Timnath Lakes Metropolitan District No.6
April-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
CliftonLarsonAllen LLP	3648492	4/12/2023	4/12/2023	\$ 4,819.42	Accounting	107000
McGeady Becher P.C	1434W 2-2023	2/28/2023	2/28/2023	\$ 7,344.22	Legal services	107460
Special District Management Services, Inc.	Mar-23	3/31/2023	3/31/2023	\$ 8,118.89	District management	107440
Special District Management Services, Inc.	Mar-23	3/31/2023	3/31/2023	\$ 3,554.40	Election expense	107581
				\$ 23,836.93		

Timnath Lakes Metropolitan District No.6
April-23

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 23,836.93	-	-	\$ 23,836.93
<hr/>				
Total Disbursements	\$ 23,836.93	\$ -	\$ -	\$ 23,836.93

Timnath Lakes Metropolitan District No.6
May-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Alysia Padilla	5.2.2023 01	5/2/2023	5/2/2023	\$ 100.00	Election	7581
Catherine E. Emery	5.2.2023 03	5/2/2023	5/2/2023	\$ 100.00	Election	7581
CliftonLarsonAllen LLP	3716712	4/30/2023	4/30/2023	\$ 6,744.44	Accounting	7000
James Steven Beck	5.2.2023 04	5/2/2023	5/2/2023	\$ 100.00	Election	7581
Shawna Stevens	5.2.2023 02	5/2/2023	5/2/2023	\$ 100.00	Election	7581
Special District Management Services, Inc.	Apr-23	4/30/2023	4/30/2023	\$ 1,488.00	Election	7581
Special District Management Services, Inc.	Apr-23	4/30/2023	4/30/2023	\$ 10,595.12	District management	7440
The Fort Collins Coloradoan	5501565	3/31/2023	4/1/2023	\$ 207.69	Election	7581
				\$ 19,435.25		

Timnath Lakes Metropolitan District No.6
May-23

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 19,435.25	-		\$ 19,435.25
<hr/>				
Total Disbursements	\$ 19,435.25	\$ -	\$ -	\$ 19,435.25

Timnath Lakes Metropolitan District No.6

June-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
CliftonLarsonAllen LLP	3760763	5/31/2023	5/31/2023	\$ 7,163.60	Accounting	7000
Lavon Bol	05.15.2023	5/15/2023	5/15/2023	\$ 25.00	Election	7581
Special District Management Services, Inc.	May-23	5/31/2023	5/31/2023	\$ 2,544.00	Election	7581
Special District Management Services, Inc.	May-23	5/31/2023	5/31/2023	\$ 6,347.00	District management	7440
The Fort Collins Coloradoan	5580367	4/1/2023	5/20/2023	\$ 99.46	Miscellaneous	7480
				\$ 16,179.06		

Timmath Lakes Metropolitan District No.6
June-23

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 16,179.06	-		\$ 16,179.06
<hr/>				
Total Disbursements	\$ 16,179.06	\$ -	\$ -	\$ 16,179.06

Timnath Lakes Metropolitan District No.6
July-23

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
McGeady Becher P.C	1434W 05-2023	5/31/2023	5/31/2023	\$ 24.00	Election	7581
McGeady Becher P.C	1434W 05-2023	5/31/2023	5/31/2023	\$ 6,652.56	Legal	7460
Special District Management Services, Inc.	Jun-23	6/30/2023	6/30/2023	\$ 4,326.59	District management	7440
				\$ 11,003.15		

Timnath Lakes Metropolitan District No.6
July-23

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 11,003.15	-		\$ 11,003.15
<hr/>				
Total Disbursements	\$ 11,003.15	\$ -	\$ -	\$ 11,003.15

TIMNATH LAKES METRO DISTRICT NO. 3

FINANCIAL STATEMENTS

JUNE 30, 2023

Timnath Lakes Metro District No. 3
Balance Sheet - Governmental Funds
June 30, 2023

	General	Debt Service	Total
Assets			
CSAFE	\$ 334.57	\$ -	\$ 334.57
UMB Bond Fund	-	8,067.55	8,067.55
Receivable from County Treasurer	5.30	-	5.30
Total Assets	\$ 339.87	\$ 8,067.55	\$ 8,407.42
Liabilities			
Due to Other Districts	339.87	-	339.87
Total Liabilities	339.87	-	339.87
Fund Balances	-	8,067.55	8,067.55
Liabilities and Fund Balances	\$ 339.87	\$ 8,067.55	\$ 8,407.42

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Timnath Lakes Metro District No. 3
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 319.00	\$ 318.86	\$ 0.14
URA District property taxes	509.00	486.46	22.54
Specific ownership taxes	22.00	29.68	(7.68)
Interest income	-	2.30	(2.30)
Other revenue	4,150.00	-	4,150.00
Total Revenue	<u>5,000.00</u>	<u>837.30</u>	<u>4,162.70</u>
Expenditures			
County Treasurer's fee	6.00	6.27	(0.27)
Intergovernmental expenditures	844.00	831.03	12.97
Contingency	4,150.00	-	4,150.00
Total Expenditures	<u>5,000.00</u>	<u>837.30</u>	<u>4,162.70</u>
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

Timnath Lakes Metro District No. 3
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest income	\$ -	\$ 67.55	\$ (67.55)
Total Revenue	<u>-</u>	<u>67.55</u>	<u>(67.55)</u>
Other Financing Sources (Uses)			
Transfers from other funds	-	8,000.00	(8,000.00)
Total Other Financing Sources (Uses)	<u>-</u>	<u>8,000.00</u>	<u>(8,000.00)</u>
Net Change in Fund Balances	-	8,067.55	(8,067.55)
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 8,067.55</u>	<u>\$ (8,067.55)</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Timnath Lakes Metro District No. 3
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Paying agent fees	-	9,000.00	(9,000.00)
Total Expenditures	<u>-</u>	<u>9,000.00</u>	<u>(9,000.00)</u>
Other Financing Sources (Uses)			
Transfers to other fund	-	(8,000.00)	8,000.00
Total Other Financing Sources (Uses)	<u>-</u>	<u>(8,000.00)</u>	<u>8,000.00</u>
Net Change in Fund Balances	-	(17,000.00)	17,000.00
Fund Balance - Beginning	-	17,000.00	(17,000.00)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TIMNATH LAKES METRO DISTRICT NO. 3

Schedule of Cash Position

March 31, 2023

Updated as of August 7, 2023

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>CSAFE</u>				
Balance as of 6/30/23	\$ 334.57	\$ -	\$ -	\$ 334.57
Subsequent activities:				
07/10/23 Ptax Receipt	5.30	-	-	5.30
07/31/23 Interest Income	1.55	-	-	1.55
<i>Anticipated Transfer to Dist 6</i>	<i>(341.42)</i>	-	-	<i>(341.42)</i>
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>UMB Bond Fund</u>				
Balance as of 6/30/23	\$ -	\$ 8,067.55	\$ -	\$ 8,067.55
Subsequent activities:				
07/31/23 Interest Income	-	29.43	-	29.43
<i>Anticipated Balance</i>	<u>-</u>	<u>8,096.98</u>	<u>-</u>	<u>8,096.98</u>
Total Funds Available	<u>\$ -</u>	<u>\$ 8,096.98</u>	<u>\$ -</u>	<u>\$ 8,096.98</u>

Yield information 6/30/2023:

CSAFE - 5.14%

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
Property Taxes Reconciliation
2023

	Current Year								Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County Treasurer	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 4.70	\$ -	\$ -	\$ -	\$ 4.70	0.00%	0.00%	\$ 0.08	0.00%	0.00%
February	-	-	4.69	-	-	-	4.69	0.00%	0.00%	0.08	0.00%	0.00%
March	1.78	-	5.37	-	(0.04)	-	7.11	0.56%	0.56%	0.10	0.00%	0.00%
April	276.96	-	4.70	-	(5.59)	-	276.07	86.82%	87.38%	(0.04)	0.00%	0.00%
May	40.12	-	4.92	-	(0.64)	-	44.40	12.58%	99.96%	0.08	0.00%	0.00%
June	-	-	5.30	-	-	-	5.30	0.00%	99.96%	0.07	0.00%	0.00%
July	-	-	-	-	-	-	-	0.00%	99.96%	0.08	0.00%	0.00%
August	-	-	-	-	-	-	-	0.00%	99.96%	0.10	0.00%	0.00%
September	-	-	-	-	-	-	-	0.00%	99.96%	0.10	0.00%	0.00%
October	-	-	-	-	-	-	-	0.00%	99.96%	0.09	0.00%	0.00%
November	-	-	-	-	-	-	-	0.00%	99.96%	0.06	0.00%	0.00%
December	-	-	-	-	-	-	-	0.00%	99.96%	0.06	0.00%	0.00%
\$	318.86	\$ -	\$ 29.68	\$ -	\$ (6.27)	\$ -	\$ 342.27	99.96%	99.96%	\$ 0.86	0.00%	0.00%

Mill Levy	Larimer County Assess Value	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	54.924	\$ 5,801	\$ 319	100.00%	\$ 318.86	99.96%
			\$ 319	100.00%	\$ 318.86	99.96%

Specific Ownership Tax

General Fund			\$ 22	100.00%	\$ 29.68	134.91%
			\$ 22	100.00%	\$ 29.68	134.91%

Treasurer's Fees

General Fund			\$ 6	100.00%	\$ 6.27	104.50%
			\$ 6	100.00%	\$ 6.27	104.50%

<u>Assessed Valuation</u>	
Residential	\$ -
Agricultural	15,071
Vacant Land	-
State Assessed	-
Adjustment	(9,270)
Certified Assessed Value	\$ 5,801

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was formed on June 23, 2006, to provide for the design, acquisition, construction, installation and financing of certain street, park and recreation, water, sanitation, mosquito control and safety protection improvements and services. The District was organized in conjunction with Timnath Lakes Metropolitan District Nos. 1 and 2. On September 10, 2019, the District amended and restated its service plan to include Timnath Lakes Metropolitan District Nos. 4 through 6.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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. The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

URA Property Taxes

The URA will receive property tax revenue ("Pledged Property Tax Increment Revenue") from the Larimer County Treasurer in excess of the amount produced by the levy of those bodies that levy property taxes against the Property Tax Base Amount in the TIF District.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues (Continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

Expenditures

Intergovernmental Expenditures

The District collected property and specific ownership taxes. The District transfers these net property taxes to District No. 6 to help fund administrative expenditures.

County Treasurer's Fees

County Treasurer's fees have been computed at 2.0% of property tax collections.

Debt and Leases

On December 29, 2022 the District issued Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2022A, in the initial principal amount of \$12,901,934.35 (\$14,485,000 in Accreted Value upon conversion to current interest bonds) ("Senior Bonds") and Subordinate Limited Tax General Obligation Bonds, Series 2022B in the principal amount of \$5,543,000 ("Subordinate Bonds"). Proceeds from the sale of the Bonds were used to: (i) finance or reimburse the costs of public improvements related to the Development; and (ii) pay the costs of issuance of the Bonds.

The District has no outstanding indebtedness, nor any operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all TABOR funds received by the District are transferred to District No. 6, which pays for the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

\$12,901,934.35 Limited Tax General
Obligation Bonds
Series 2022A
Interest 4.000%
Dated December 29, 2022
Interest Payable June 1 and December 1
Principal Payable December 1

Bonds and Interest Maturing in the Year Ending December 31,	Account Bond Balance	Accreted	Principal	Interest	Total
2022	\$ 12,901,934	\$ -	\$ -	\$ -	\$ -
2023	13,381,822	479,888	-	-	-
2024	13,922,402	540,580	-	-	-
2025	14,485,000	562,598	-	-	-
2026	-	-	10,000	579,400	589,400
2027	-	-	165,000	579,000	744,000
2028	-	-	260,000	572,400	832,400
2029	-	-	270,000	562,000	832,000
2030	-	-	295,000	551,200	846,200
2031	-	-	310,000	539,400	849,400
2032	-	-	340,000	527,000	867,000
2033	-	-	350,000	513,400	863,400
2034	-	-	385,000	499,400	884,400
2035	-	-	395,000	484,000	879,000
2036	-	-	430,000	468,200	898,200
2037	-	-	450,000	451,000	901,000
2038	-	-	485,000	433,000	918,000
2039	-	-	505,000	413,600	918,600
2040	-	-	545,000	393,400	938,400
2041	-	-	565,000	371,600	936,600
2042	-	-	605,000	349,000	954,000
2043	-	-	630,000	324,800	954,800
2044	-	-	675,000	299,600	974,600
2045	-	-	700,000	272,600	972,600
2046	-	-	750,000	244,600	994,600
2047	-	-	780,000	214,600	994,600
2048	-	-	830,000	183,400	1,013,400
2049	-	-	865,000	150,200	1,015,200
2050	-	-	920,000	115,600	1,035,600
2051	-	-	955,000	78,800	1,033,800
2052	-	-	1,015,000	40,600	1,055,600
Total	<u>\$ 14,485,000</u>	<u>\$ 1,583,066</u>	<u>\$ 14,485,000</u>	<u>\$ 10,211,800</u>	<u>\$ 24,696,800</u>

The annual debt service requirements on the Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.

TIMNATH LAKES METRO DISTRICT NO. 6

FINANCIAL STATEMENTS

JUNE 30, 2023

Timnath Lakes Metro District No. 6
Balance Sheet - Governmental Funds
June 30, 2023

	General	Total
Assets		
Checking Account	\$ 74,459.65	\$ 74,459.65
Due from Other Districts	580.41	580.41
Receivable from County Treasurer	40,041.00	40,041.00
Total Assets	\$ 115,081.06	\$ 115,081.06
 Liabilities		
Accounts Payable	\$ 16,258.37	\$ 16,258.37
Due to Other Districts	80,795.03	80,795.03
Total Liabilities	97,053.40	97,053.40
 Fund Balances	18,027.66	18,027.66
 Liabilities and Fund Balances	\$ 115,081.06	\$ 115,081.06

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Timnath Lakes Metro District No. 6
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Operations and maintenance fee	\$ 67,200.00	\$ 44,816.33	\$ 22,383.67
Working capital fees	9,000.00	12,600.00	(3,600.00)
Interest income	5.00	-	5.00
Design review fees	500.00	900.00	(400.00)
Other revenue	100.00	13.53	86.47
Intergovernmental revenues	53,025.00	52,863.64	161.36
Total Revenue	<u>129,830.00</u>	<u>111,193.50</u>	<u>18,636.50</u>
Expenditures			
Accounting	30,475.00	30,495.91	(20.91)
Auditing	11,000.00	-	11,000.00
Directors' fees	1,800.00	600.00	1,200.00
Dues and membership	2,000.00	1,576.67	423.33
Insurance	20,500.00	18,126.00	2,374.00
District management	40,000.00	34,521.01	5,478.99
Legal	40,000.00	7,781.06	32,218.94
Miscellaneous	1,000.00	498.43	501.57
Payroll taxes	138.00	45.90	92.10
Election	10,000.00	8,510.69	1,489.31
Landscaping	30,000.00	-	30,000.00
Snow removal	20,000.00	-	20,000.00
Water	-	298.71	(298.71)
Contingency	5,087.00	-	5,087.00
Total Expenditures	<u>212,000.00</u>	<u>102,454.38</u>	<u>109,545.62</u>
Other Financing Sources (Uses)			
Developer advance	85,000.00	38,128.50	46,871.50
Total Other Financing Sources (Uses)	<u>85,000.00</u>	<u>38,128.50</u>	<u>46,871.50</u>
Net Change in Fund Balances	2,830.00	46,867.62	(44,037.62)
Fund Balance - Beginning	1,340.00	(28,839.96)	30,179.96
Fund Balance - Ending	<u>\$ 4,170.00</u>	<u>\$ 18,027.66</u>	<u>\$ (13,857.66)</u>

SUPPLEMENTARY INFORMATION

TIMNATH LAKES METRO DISTRICT NO. 6

Schedule of Cash Position

June 30, 2023

Updated as of August 7, 2023

	General Fund	Total
	<hr/>	<hr/>
<u>1st Bank- Checking</u>		
Balance as of 6/30/23	\$ 74,459.65	\$ 74,459.65
Subsequent activities:		
07/21/23 TIF Deposit	40,041.42	40,041.42
07/28/23 Operations/Capital/Design Review fees	1,070.76	1,070.76
07/28/23 Operations/Capital/Design Review fees	6,564.24	6,564.24
07/31/23 Bill.com payment	(11,003.15)	(11,003.15)
08/04/23 Operations/Capital/Design Review fees	5,034.80	5,034.80
08/04/23 Operations/Capital/Design Review fees	9,690.28	9,690.28
<i>Anticipated Director Fees</i>	<i>(900.00)</i>	<i>(900.00)</i>
<i>Anticipated TIF Due to District 1</i>	<i>(80,795.03)</i>	<i>(80,795.03)</i>
<i>Anticipated Transfer from District 2</i>	<i>240.94</i>	<i>240.94</i>
<i>Anticipated Transfer from District 3</i>	<i>341.42</i>	<i>341.42</i>
<i>Anticipated Transfer from District 4</i>	<i>0.29</i>	<i>0.29</i>
<i>Anticipated Transfer from District 5</i>	<i>0.28</i>	<i>0.28</i>
<i>Anticipated Balance</i>	<hr/> 44,745.90	<hr/> 44,745.90
 <u>CSAFE</u>		
Balance as of 6/30/23	\$ -	\$ -
Subsequent activities:		
<i>Anticipated Balance</i>	<hr/> -	<hr/> -
 Total Funds Available	 \$ 44,745.90	 \$ 44,745.90
	<hr/> <hr/>	<hr/> <hr/>

Yield information 6/30/2023:

CSAFE - 5.14%

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was formed on August 5, 2020, to provide for the design, acquisition, construction, installation and financing of certain street, park and recreation, water, sanitation, mosquito control and safety protection improvements and services. The District was organized in conjunction with Timnath Lakes Metropolitan District Nos. 4 and 5.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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. The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

URA Property Taxes

The URA will receive property tax revenue ("Pledged Property Tax Increment Revenue") from the Larimer County Treasurer in excess of the amount produced by the levy of those bodies that levy property taxes against the Property Tax Base Amount in the TIF District.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues – (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

Developer Advances

The District is in the development stage. As such, operating and administrative expenditures for 2023 are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds or other available revenue.

Maintenance and Working Capital Fee

The District imposed an operations fee of \$210 per quarter per lot and a one-time working capital fee of \$300 per lot in order to help offset administrative costs associated with the District.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance and other administrative expenditures.

Debt and Leases

The District has no outstanding indebtedness, nor any operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending.

TIMNATH LAKES METRO DISTRICT NO. 2

Schedule of Cash Position

December 31, 2022

Updated as of August 7, 2023

	<u>General</u>		<u>Total</u>
	<u>Fund</u>		
<u>CSAFE</u>			
Balance as of 12/31/22	\$ 12.76	\$	12.76
Subsequent activities:			
01/10/23 Ptax Receipt	8.47		8.47
02/10/23 Ptax Receipt	11.40		11.40
02/22/23 Transfer to Dist 6	(32.63)		(32.63)
03/10/23 Ptax Receipt	12.25		12.25
04/10/23 Ptax Receipt	13.08		13.08
05/10/23 Ptax Receipt	91.02		91.02
05/31/23 Interest Income	0.44		0.44
06/10/23 Ptax Receipt	108.66		108.66
06/30/23 Interest Income	0.82		0.82
07/10/23 Ptax Receipt	13.70		13.70
07/30/23 Interest Income	0.97		0.97
<i>Anticipated Transfer to District 6</i>	<i>(240.94)</i>		<i>(240.94)</i>
<i>Anticipated Balance</i>	<u>-</u>		<u>-</u>
Total Funds Available	<u>\$ -</u>	\$	<u>-</u>

Yield information 6/30/2023:

CSAFE - 5.14%

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2
Property Taxes Reconciliation
2023

	Current Year							Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County Treasurer	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 11.40	\$ -	\$ -	\$ -	\$ 11.40	0.00%	0.00%	\$ 10.12	0.00%	0.00%
February	0.86	-	11.41	-	(0.02)	-	12.25	0.48%	0.48%	9.18	0.00%	0.00%
March	-	-	13.08	-	-	-	13.08	0.00%	0.48%	12.76	8.96%	8.96%
April	81.20	-	11.44	-	(1.62)	-	91.02	44.86%	45.34%	30.01	90.75%	99.71%
May	98.68	-	11.95	-	(1.97)	-	108.66	54.52%	99.86%	10.06	0.00%	99.71%
June	0.86	-	12.86	-	(0.02)	-	13.70	0.48%	100.33%	8.07	0.00%	99.71%
July	-	-	-	-	-	-	-	0.00%	100.33%	9.72	0.00%	99.71%
August	-	-	-	-	-	-	-	0.00%	100.33%	12.65	0.00%	99.71%
September	-	-	-	-	-	-	-	0.00%	100.33%	10.81	0.00%	99.71%
October	-	-	-	-	-	-	-	0.00%	100.33%	10.31	0.00%	99.71%
November	-	-	-	-	-	-	-	0.00%	100.33%	8.73	0.00%	99.71%
December	-	-	-	-	-	-	-	0.00%	100.33%	8.47	0.00%	99.71%
Total	\$ 181.60	\$ -	\$ 72.14	\$ -	\$ (3.63)	\$ -	\$ 250.11	100.33%	100.33%	\$ 140.89	99.71%	99.71%

Mill Levy	Larimer County Assess Value	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	25.300	\$ 7,169	\$ 181.00	100.00%	\$ 181.60	100.33%
			\$ 181.00	100.00%	\$ 181.60	100.33%

Specific Ownership Tax

General Fund	\$ 141.00	100.00%	\$ 72.14	0.00%
	\$ 141.00	0.00%	\$ 72.14	0.00%

Treasurer's Fees

General Fund	\$ 4.00	100.00%	\$ 3.63	0.00%
	\$ 4.00	100.00%	\$ 3.63	0.00%

Assessed Valuation	
Residential	\$ -
Agricultural	9,745
Vacant Land	66,381
State Assessed	3,740
Oil & Gas	-
Adjustment	(72,697)
Certified Assessed Value	\$ 7,169

TIMNATH LAKES METRO DISTRICT NO. 4

Schedule of Cash Position

December 31, 2022

Updated as of August 7, 2023

	General Fund	Total
	<hr/>	<hr/>
<u>CSAFE</u>		
Balance as of 12/31/22	\$ 0.80	\$ 0.80
Subsequent activities:		
01/10/23 Ptax Receipt	0.08	0.08
02/10/23 Ptax Receipt	0.08	0.08
02/22/23 Transfer to Dist 6	(0.96)	(0.96)
03/10/23 Ptax Receipt	0.08	0.08
04/10/23 Ptax Receipt	0.09	0.09
06/10/23 Ptax Receipt	0.03	0.03
07/10/23 Ptax Receipt	0.09	0.09
<i>Anticipated Transfer to District 6</i>	<u>(0.29)</u>	<u>(0.29)</u>
<i>Anticipated Balance</i>	<hr/> - <hr/>	<hr/> - <hr/>
 Total Funds Available	 \$ -	 \$ -

Yield information 6/30/2023:

CSAFE - 5.14%

TIMNATH LAKES METROPOLITAN DISTRICT NO. 4
Property Taxes Reconciliation
2023

	Current Year									Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County Treasurer	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
								Monthly	Y-T-D		Monthly	Y-T-D	
January	\$ -	\$ -	\$ 0.08	\$ -	\$ -	\$ -	\$ 0.08	0.00%	0.00%	\$ -	0.00%	0.00%	
February	-	-	0.08	-	-	-	0.08	0.00%	0.00%	-	0.00%	0.00%	
March	-	-	0.09	-	-	-	0.09	0.00%	0.00%	-	0.00%	0.00%	
April	(0.14)	-	0.08	-	-	0.06	-	0.00%	0.00%	-	0.00%	0.00%	
May	-	-	0.09	-	-	(0.06)	0.03	0.00%	0.00%	-	0.00%	0.00%	
June	-	-	0.09	-	-	-	0.09	0.00%	0.00%	-	0.00%	0.00%	
July	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	
August	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	
September	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	
October	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	
November	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	
December	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	
Total	\$ (0.14)	\$ -	\$ 0.51	\$ -	\$ -	\$ -	\$ 0.37	0.00%	0.00%	\$ -	0.00%	0.00%	

Mill Levy	Larimer County Assess Value	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	54.912	\$	2	\$ -	0.00%	\$ (0.14)	0.00%
				\$ -	0.00%	\$ (0.14)	0.00%

Specific Ownership Tax

General Fund				\$ -	0.00%	\$ 0.51	0.00%
				\$ -	0.00%	\$ 0.51	0.00%

Treasurer's Fees

General Fund				\$ -	0.00%	\$ -	0.00%
				\$ -	0.00%	\$ -	0.00%

Assessed Valuation	
Residential	\$ -
Agricultural	216
Vacant Land	-
State Assessed	-
Adjustment	(214)
Certified Assessed Value	\$ 2

TIMNATH LAKES METRO DISTRICT NO. 5

Schedule of Cash Position

December 31, 2022

Updated as of August 7, 2023

	General Fund	Total
	<hr/>	<hr/>
<u>CSAFE</u>		
Balance as of 12/31/22	\$ 0.80	\$ 0.80
Subsequent activities:		
01/10/23 Ptax Receipt	0.08	0.08
02/10/23 Ptax Receipt	0.08	0.08
2/22/2023 Transfer to Dist 6	(0.96)	(0.96)
03/10/23 Ptax Receipt	0.08	0.08
04/10/23 Ptax Receipt	0.09	0.09
06/10/02 Ptax Receipt	0.02	0.02
07/10/23 Ptax Receipt	0.09	0.09
<i>Anticipated Transfer to District 6</i>	<u>(0.28)</u>	<u>(0.28)</u>
<i>Anticipated Balance</i>	<hr/> <u>-</u>	<hr/> <u>-</u>
Total Funds Available	<hr/> \$ - <hr/>	<hr/> \$ - <hr/>

Yield information 6/30/2023:

CSAFE - 5.14%

TIMNATH LAKES METROPOLITAN DISTRICT NO. 5
Property Taxes Reconciliation
2023

	Current Year								Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County Treasurer	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 0.08	\$ -	\$ -	\$ -	\$ 0.08	0.00%	0.00%	\$ 0.09	0.00%	0.00%
February	-	-	0.08	-	-	-	0.08	0.00%	0.00%	0.07	0.00%	0.00%
March	-	-	0.09	-	-	-	0.09	0.00%	0.00%	0.08	0.00%	0.00%
April	(0.14)	-	0.08	-	-	0.06	-	0.00%	0.00%	(0.02)	0.00%	0.00%
May	-	-	0.08	-	-	(0.06)	0.02	0.00%	0.00%	0.09	0.00%	0.00%
June	-	-	0.09	-	-	-	0.09	0.00%	0.00%	0.06	0.00%	0.00%
July	-	-	-	-	-	-	-	0.00%	0.00%	0.08	0.00%	0.00%
August	-	-	-	-	-	-	-	0.00%	0.00%	0.11	0.00%	0.00%
September	-	-	-	-	-	-	-	0.00%	0.00%	0.08	0.00%	0.00%
October	-	-	-	-	-	-	-	0.00%	0.00%	0.08	0.00%	0.00%
November	-	-	-	-	-	-	-	0.00%	0.00%	0.08	0.00%	0.00%
December	-	-	-	-	-	-	-	0.00%	0.00%	0.08	0.00%	0.00%
Total	\$ (0.14)	\$ -	\$ 0.50	\$ -	\$ -	\$ -	\$ 0.36	0.00%	0.00%	\$ 0.88	0.00%	0.00%

Mill Levy	Larimer County Assess Value	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	54.912	\$	4	\$ -	0.00%	\$ (0.14)	0.00%
				\$ -	0.00%	\$ (0.14)	0.00%

Specific Ownership Tax

General Fund				\$ -	0.00%	\$ 0.50	0.00%
				\$ -	0.00%	\$ 0.50	0.00%

Treasurer's Fees

General Fund				\$ -	0.00%	\$ -	0.00%
				\$ -	0.00%	\$ -	0.00%

Assessed Valuation

Residential	\$ -
Agricultural	216
Vacant Land	-
State Assessed	-
Adjustment	(214)
Certified Assessed Value	\$ 2

RESOLUTION TO FURTHER AMEND 2022 BUDGET
TIMNATH LAKES METROPOLITAN DISTRICT NO. 3

WHEREAS, on November 8, 2021, the Board of Directors of the Timnath Lakes Metropolitan District No. 3 (the “**District**”) adopted a budget and appropriated funds for the fiscal year 2022 as follows:

General Fund	\$	4,000
Capital Projects Fund	\$	0

WHEREAS, on December 5, 2022, the Board of Directors of the District adopted that certain Resolution to Amend 2022 Budget, which amended the Capital Projects Fund as follows:

Capital Projects Fund	\$	18,415,000
-----------------------	----	------------

WHEREAS, the necessity has arisen for additional expenditures in the Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2022; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget or the December 5, 2022 amendment; and

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from bond proceeds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Timnath Lakes Metropolitan District No. 3 shall and hereby does further amend the adopted Budget for the fiscal year 2022 and adopts a supplemental budget and appropriation for the Capital Projects Fund for the fiscal year 2022, as follows:

Capital Projects Fund	\$	18,446,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 17th day of August, 2023.

TIMNATH LAKES METROPOLITAN DISTRICT
NO. 3

By: _____
Secretary

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
AMENDED 2022 BUDGET SCHEDULE**

8/1/23

	Original Budget 2022	Amended Budget 2022
BEGINNING FUND BALANCE	\$ -	\$ -
REVENUES		
Other Revenue	-	18,066
Bond proceeds - 2022A	-	12,901,934
Bond proceeds - 2022B	-	5,543,000
Total revenues	-	18,463,000
Total funds available	-	18,463,000
EXPENDITURES		
Cost of Issuance	-	328,999
Intergovernmental expenditures	-	18,098,935
Contingency	-	18,066
Total expenditures	-	18,446,000
Total expenditures and transfers out requiring appropriation	-	18,446,000
ENDING FUND BALANCE	\$ -	\$ 17,000

No assurance provided. See summary of significant assumptions.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
Larimer County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
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INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments - Restricted	\$ 39,050
Property Taxes Receivable	319
Total Assets	39,369
LIABILITIES	
Accounts Payable	22,050
Noncurrent Liabilities:	
Due in More than One Year	18,444,934
Total Liabilities	18,466,984
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	319
Total Deferred Inflows of Resources	319
NET POSITION	
Restricted for:	
Capital Projects	17,000
Unrestricted	(18,444,934)
Total Net Position	\$ (18,427,934)

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Functions/Programs	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position Governmental Activities
GOVERNMENTAL ACTIVITIES					
Primary Government:					
Government Activities:					
General Government	\$ 18,098,948	\$ -	\$ -	\$ -	\$ (18,098,948)
Interest and Related Costs on Long-Term Debt	328,999	-	-	-	(328,999)
Total Governmental Activities	<u>\$ 18,427,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	(18,427,947)
GENERAL REVENUES					
Specific Ownership Taxes					1
URA District Property Taxes					12
Total General Revenues					<u>13</u>
CHANGES IN NET POSITION					(18,427,934)
Net Position - Beginning of Year					-
NET POSITION - END OF YEAR					<u>\$ (18,427,934)</u>

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Capital Projects	Total Governmental Funds
ASSETS			
Cash and Investments - Restricted	\$ -	\$ 39,050	\$ 39,050
Property Tax Receivable	319	-	319
	\$ 319	\$ 39,050	\$ 39,369
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ 22,050	\$ 22,050
Total Liabilities	-	22,050	22,050
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	319	-	319
Total Deferred Inflows or Resources	319	-	319
FUND BALANCES			
Restricted for:			
Capital Projects	-	17,000	17,000
Total Fund Balances	-	17,000	17,000
	\$ 319	\$ 39,050	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 319	\$ 39,050	
Long-term liabilities, including bonds payable and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.			
Bonds Payable Series A and B			(18,444,934)
Net Position of Governmental Activities			\$ (18,427,934)

See accompanying Notes to Basic Financial Statements.

(3)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General	Capital Projects	Total Governmental Funds
REVENUES			
URA District Property Taxes	\$ 12	\$ -	\$ 12
Specific Ownership Taxes	1	-	1
Total Revenues	13	-	13
EXPENDITURES			
Intergovernmental Expenditures	13	-	13
Capital Outlay:			
Intergovernmental Expenditures	-	18,098,935	18,098,935
Cost of Issuance	-	328,999	328,999
Total Expenditures	13	18,427,934	18,427,947
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(18,427,934)	(18,427,934)
OTHER FINANCING SOURCES (USES)			
Bond Proceeds Series 2022A	-	12,901,934	12,901,934
Bond Proceeds Series 2022B	-	5,543,000	5,543,000
Total Other Financing Sources	-	18,444,934	18,444,934
NET CHANGE IN FUND BALANCES	-	17,000	17,000
Fund Balances - Beginning of Year	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ 17,000	\$ 17,000

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$	17,000
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Amounts reported for governmental activities in the statement of activities are different because:

Long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred amortized in the statement of activities.

Bond Proceeds Series 2022A and 2022B		<u>(18,444,934)</u>
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Changes in Net Position of Governmental Activities		<u><u>\$ (18,427,934)</u></u>
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See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
URA District Property Taxes	\$ 12	\$ 12	\$ -
Specific Ownership Taxes	-	1	1
Other Revenue	3,988	-	(3,988)
Total Revenues	<u>4,000</u>	<u>13</u>	<u>(3,987)</u>
EXPENDITURES			
Intergovernmental Expenditures	12	13	(1)
Contingency	3,988	-	3,988
Total Expenditures	<u>4,000</u>	<u>13</u>	<u>3,987</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 DEFINITION OF REPORTING ENTITY

Timnath Lakes Metropolitan District No. 3 (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by Order and Decree of the District Court for Larimer County recorded on June 23, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized as “Timnath Farms North Metropolitan District No. 3” and subsequently changed its name effective as of September 10, 2020. The District was organized to provide financing for the design, acquisition, installation and construction of sanitation improvements, water improvements, street improvements, traffic and safety control improvements, park and recreation improvements, transportation improvements, television relay and translation improvements, mosquito control, fire protection, emergency medical services, and operation and maintenance of the District. The District was organized in conjunction with Timnath Lakes Metropolitan District No. 1 (“District No. 1”) and District No. 2 (“District No. 2”) pursuant to the Service Plans (“Original Service Plans”) approved by the Town Council of the Town of Timnath (“Town”). Subsequently Timnath Lakes Metropolitan District No. 4 (“District No. 4”), District No. 5 (“District No. 5”), and District No. 6 (“District No. 6”) were organized on August 5, 2020. The Original Service Plans were superseded by the Consolidated Amended and Restated Service Plan for Timnath Lakes Metropolitan District Nos. 1-6 (the “Districts”), approved by the Town on September 10, 2019 (“Service Plan”).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its budget for the year ended December 31, 2022.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments - Restricted	\$ 39,050
Total Cash and Investments	<u>\$ 39,050</u>

Cash and investments as of December 31, 2022 consist of the following:

Investments	\$ 39,050
Total Cash and Investments	<u>\$ 39,050</u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2022, the District had no deposits.

Investments

The District has adopted a formal investment policy that follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or investment custodial credit risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 39,050

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

CSAFE (Continued)

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District’s long-term obligations for the year ended December 31, 2022:

	Balance at December 31, 2021	New Issues/ Accretion	Refundings/ Retirements	Balance at December 31, 2022	Due Within One Year
Bonds					
General Obligation Bonds -					
Series 2022A	\$ -	\$ 12,901,934	\$ -	\$ 12,901,934	\$ -
Subordinate Bond -					
Series 2022B	-	5,543,000	-	5,543,000	-
Subtotal of Bonds Payable	<u>-</u>	<u>18,444,934</u>	<u>-</u>	<u>18,444,934</u>	<u>-</u>
 Total Long-Term Obligations	 <u>\$ -</u>	 <u>\$ 18,444,934</u>	 <u>\$ -</u>	 <u>\$ 18,444,934</u>	 <u>\$ -</u>

The details of the District's general obligation bonds outstanding during 2022 are as follows:

General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2022A (the “Senior Bonds”) and **Subordinate General Obligation Limited Tax Bonds, Series 2022B(3)** (the “Subordinate Bonds” and together with the Senior Bonds, the “Bonds”)

The District issued the Senior Bonds on December 29, 2022, in the original principal amount of \$12,901,934.35 and appreciating to a principal amount of \$14,485,000. The District also issued the Subordinate Bonds on December 29, 2022, in the amount of \$5,543,000.

Bond Proceeds

Proceeds from the sale of the Bonds were used to fund: (a) the costs of providing or reimbursing certain public improvements to serve the Development, and (b) the costs of issuing the Bonds.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2022**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Details

The Senior Bonds were issued as capital appreciation bonds, convertible to current interest bonds on the Conversion Date (defined below). The Senior Bonds accrete in value at an annual yield equal to 4.0% from their date of issuance to December 1, 2025 (the "Accretion Period"). The accreted amount compounds semi-annually on June 1 and December 1, beginning on June 1, 2023, to and including December 1, 2025. Such accreted amount, together with the original principal amount of the Senior Bonds, at conversion on December 1, 2025, will be \$14,485,000, assuming no redemptions prior to that date.

Upon conversion to current interest bonds, the Senior Bonds will bear interest at 4.0% per annum, payable semi-annually to the extent of Senior Pledged Revenue on June 1 and December 1, commencing on June 1, 2026. Annual mandatory sinking fund principal payments on the Senior Bonds are due on December 1, beginning on December 1, 2026. The Senior Bonds mature on December 1, 2052 (the "Senior Maturity Date").

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 2, 2062 ("Senior Termination Date"). To the extent interest on any Senior Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Senior Bond.

The Senior Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Senior Termination Date, regardless of the principal and interest amounts remaining unpaid.

The Senior Bonds are not subject to acceleration. The Senior Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Senior Bonds.

Senior Bonds Optional Redemption

The Senior Bonds are subject to redemption prior to the Senior Maturity Date, at the option of the District, on December 1, 2027, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Optional Redemption Date</u>	<u>Redemption Premium</u>
December 1, 2027 to November 30, 2028	3.00%
December 1, 2028 to November 30, 2029	2.00
December 1, 2029 to November 30, 2030	1.00
December 1, 2030 and Thereafter	0.00

Senior Bonds Mandatory Sinking Fund Redemption

Annual mandatory sinking fund redemption payments on the Senior Bonds are due prior to the Senior Maturity Date, in part, by lot, upon payment of par and accrued interest, without redemption premium on December 1, beginning on December 1, 2026, in the years and amounts set forth on page 24.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Pledged Revenue

The Senior Bonds are secured by and payable solely from and to the extent of Senior Pledged Revenue. The Senior Indenture defines Senior Pledged Revenue as the moneys derived by the District from the following sources: (a) the Senior Required Mill Levy; (b) the portion of the Specific Ownership Tax collected as a result of imposition of the Senior Required Mill Levy; (c) the TDA Agreement Revenues (defined below), as and to the extent received by and on behalf of the District; and (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

Senior Bonds Required Mill Levy

The Senior Required Mill Levy, net of collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County, prior to the Conversion Date (defined below), is an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the Senior Bonds as they come due, but (i) not in excess of 50 mills (As adjusted for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after January 1, 2019). For the purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation, less the amount of the Operations Mill Levy (defined below), and (ii) for so long as the Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills (as adjusted) less the amount of the Operations Mill Levy, or such lesser mill levy which will pay the Senior Bonds as they come due and will fund the Surplus Fund up to the Maximum Surplus Amount.

On or after the Conversion Date, the Senior Required Mill Levy is an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due, but not in excess of 60 mills, as adjusted, less the Operations Mill levy, as adjusted. The adjusted maximum and minimum mill levy for collection in 2023 is 54.924 mills. The Conversion Date is the first date on which the Debt to Assessed Ratio is 50% or less and no amounts of principal or interest on the Senior Bonds are due but unpaid ("Conversion Date"). The Operations Mill Levy is the number of mills necessary to produce the dollar amount of the Operations Deduction for the collection year ("Operations Mill levy"). The Operations Deduction is the amount necessary to pay or reimburse the District's operations and maintenance expenses, but not in excess of the following: (i) for levy year 2023 (for collection in 2024), the amount of \$50,000, and (ii) for each year thereafter, an additional 1% ("Operations Deduction").

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Surplus Fund

Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of \$1,290,193 (the "Maximum Surplus Amount"), for so long as any Senior Bond is outstanding. The District has acknowledged that State Law places certain restrictions on the use of Bond proceeds and debt service mill levies which may be credited to the Senior Surplus Fund. In the event the amounts credited to the Senior Bond Fund are insufficient to pay the principal of, premium if any, or interest on the Senior Bonds when due, the Trustee shall transfer from the Senior Surplus Fund to the Senior Bond Fund an amount which, when combined with moneys in the Senior Bond Fund, will be sufficient to make such payments when due.

Subordinate Bonds Details

The Subordinate Bonds are structured as "cash flow" bonds meaning that there are no scheduled payments of principal or interest. Instead, principal is payable on each December 15, beginning on December 15, 2023, from and to the extent of available Subordinate Pledged Revenue (defined below), if any, pursuant to a mandatory redemption. The Subordinate Bonds mature on December 15, 2052 (the "Subordinate Maturity Date"). The Subordinate Bonds bear interest at a rate of 6.0% per annum and are payable annually to the extent of available Subordinate Pledged Revenue on each December 15, commencing on December 15, 2023.

Principal of the Subordinate Bonds shall remain outstanding until paid, subject to discharge on December 16, 2062 ("Subordinate Termination Date"). Unpaid interest on the Subordinate Bonds shall compound on each interest payment date, at the rate then borne by the Senior Bond. The Subordinate Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 16, 2062, regardless of the principal and interest amounts remaining unpaid.

The Subordinate Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Subordinate Bonds.

Subordinate Bonds Pledged Revenue

The Subordinate Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue which means: (a) the Subordinate Required Mill Levy (defined below); (b) the portion of the Specific Ownership Tax collected as a result of imposition of the Subordinate Required Mill Levy; (c) the Subordinate TDA Agreement Revenues (defined below), as and to the extent received by the District, if any; (d) the amounts, if any, in the Senior Bond Surplus Fund after the payment or defeasance of the Senior Bonds; and (e) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Subordinate Bonds Required Mill Levy

The Subordinate Indenture defines the Subordinate Required Mill Levy, net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County, as an ad valorem mill levy imposed upon all taxable property of the District each year in the amount of 50 mills (As adjusted for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after January 1, 2019. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation), less the amount of the Senior Required Mill Levy and the Operations Mill Levy, or such lesser mill levy which will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal of and interest on the Bonds in full. If the amount of the Senior Required Mill Levy and the Operations Mill Levy equals or exceeds 50 mills in any year, adjusted for changes as aforesaid, the Subordinate Required Mill Levy for that year shall be zero.

Unused Lines of Credit

The Series 2022 Bonds do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the Series 2022 Bonds.

Events of Default

Events of default occur if the District fails to impose the Senior Required Mill Levy or Subordinate Required Mill Levy, or to apply the Senior Pledged Revenues or Subordinate Pledged Revenues as required by the Senior Indenture and Subordinate Indenture, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

Termination Events

Notwithstanding anything herein to the contrary, all of the Senior Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Senior Termination Date and all of the Subordinate Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Subordinate Termination Date regardless of the amount of principal and interest paid prior to the Senior Termination Date and the Subordinate Termination Date.

Acceleration

The Series 2022 Bonds are not subject to acceleration.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Bonds Debt Service

The annual debt service requirements on the Senior Bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Bonded Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ -	\$ -
2024	-	-	-
2025	-	-	-
2026	10,000	579,400	589,400
2027	165,000	579,000	744,000
2028-2032	1,475,000	2,752,000	4,227,000
2033-2037	2,010,000	2,416,000	4,426,000
2038-2042	2,705,000	1,960,600	4,665,600
2043-2047	3,535,000	1,356,200	4,891,200
2048-2052	4,585,000	568,600	5,153,600
Total	<u>\$ 14,485,000</u>	<u>\$ 10,211,800</u>	<u>\$ 24,696,800</u>

The annual debt service requirements on the Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.

Authorized Debt

On November 5, 2019, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$1,290,380,000. At December 31, 2022, the District had authorized, but unissued indebtedness in the following amounts allocated for the following purposes:

	<u>Authorized November 5, 2019 Election</u>	<u>Authorization Used for Series 2022A Bonds</u>	<u>Authorization Used for Series 2022B Bonds</u>	<u>Authorized But Unissued</u>
Streets	\$ 99,260,000	\$ 2,085,840	\$ 798,192	\$ 96,375,968
Water	99,260,000	2,056,870	787,106	96,416,024
Sanitation	99,260,000	8,560,635	3,275,913	87,423,452
Parks and Recreation	99,260,000	1,129,830	432,354	97,697,816
Traffic and Safety	99,260,000	651,825	249,435	98,358,740
Mosquito Control	99,260,000	-	-	99,260,000
Public Transportation	99,260,000	-	-	99,260,000
Fire Protection	99,260,000	-	-	99,260,000
Television Relay and Translation	99,260,000	-	-	99,260,000
Security	99,260,000	-	-	99,260,000
Operations and Maintenance	99,260,000	-	-	99,260,000
Refunding	99,260,000	-	-	99,260,000
Intergovernmental Contracts	99,260,000	-	-	99,260,000
Total	<u>\$ 1,290,380,000</u>	<u>\$ 14,485,000</u>	<u>\$ 5,543,000</u>	<u>\$ 1,270,352,000</u>

Pursuant to the Service Plan, the Districts are permitted to issue bond indebtedness of up to \$99,260,000. After the issuance of debt by both the District and District No. 1 in 2022, \$71,455,075 of the Service Plan authorization remains as of December 31, 2022.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2022**

NOTE 5 NET POSITION

The District has net position consisting of two components, restricted and unrestricted.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022, as follows:

	Governmental Activities
Restricted Net Position:	
Capital Projects	\$ 39,050
Total	\$ 39,050

NOTE 6 DISTRICT AGREEMENTS

Facilities Funding, Construction and Operations Agreement

On November 9, 2020, the District entered into a Facilities Funding, Construction and Operations Agreement (“FFCOA”) with District No. 1, District No. 2, District No. 4, District No. 5 and District No. 6 establishing certain expectations as to the financing, construction, operation and maintenance of improvements contemplated in the Service Plan for the purpose of providing, in a timely and coordinate fashion, essential services within the Districts.

Pursuant to the FFCOA, the District, District No. 1, District No. 2, District No. 4, and District No. 5 are “Consumer Districts,” and District No. 6 is the “Maintenance District.” Each Consumer District anticipates receiving revenues from the imposition of a mill levy against all property within its respective boundaries and specific ownership taxes, and, if imposed or assessed at the direction of the Maintenance District, the collection of fees, charges, rates, and tolls. All revenue received by the Consumer Districts will be transferred to the Maintenance District.

TDA Agreement

The Timnath Development Authority (“TDA”) adopted the Revised Timnath Urban Renewal Plan (as amended, the “Plan”) which details the TDA inclusion of parcels in the Plan for the purposes authorized in the Colorado Urban Renewal Law, including utilizing tax increment financing (“TIF Financing”) and the establishment of a Plan area (the “Urban Renewal Area”) which includes property located within the District’s boundaries. TIF Financing provides that taxes, if any, levied after the effective date of the approval of the Plan upon taxable property in the Urban Renewal Area each year shall be divided for a period not to exceed 25 years from the effective date of the Plan, and that a portion of property tax revenues (the “TIF Revenue”) shall be allocated to and paid into a special fund of the urban renewal authority to pay the principal of, interest on, and any premiums due in connection with bonds of, loans or advances to, or indebtedness incurred by the urban renewal authority for financing an urban renewal project, or to make payments pursuant to an agreement.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 6 DISTRICT AGREEMENTS (CONTINUED)

The District is cooperating with the TDA to facilitate carrying out the Plan and urban renewal projects within the Urban Renewal Area. Accordingly, property tax revenues collected as a result of the District's mill levy upon the incremental value of property within the District are payable to the TDA. The Districts and the TDA entered into a Cooperation Agreement, effective December 8, 2020 and recorded in the real property records of the Town on December 28, 2020 ("TDA Agreement"), pursuant to which the TDA agrees to remit any revenues collected from the District's mill levy upon the tax increment portion of the District's assessed valuation back to the District (the "TDA Agreement Revenues"). The TDA further agrees to transfer such incremental revenue to the District on or before June 20th of each year, commencing in 2021, all revenues attributable to the District received during the previous calendar year for a period of 25 years from the effective date of the Plan.

NOTE 7 RELATED PARTIES

The majority of the members on the Board of Directors are employees, owners, or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 8 ECONOMIC DEPENDENCY

The District has not yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

NOTE 9 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, 2022. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations that apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 5, 2019, a majority of the District's electors authorized the District to collect and spend or retain in a reserve the full amount of all currently levied taxes and fees of the District annually, without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Other Revenue	\$ -	\$ 18,066	\$ -	\$ (18,066)
Total Revenues	-	18,066	-	(18,066)
EXPENDITURES				
Intergovernmental Expenditures	-	18,098,935	18,098,935	-
Cost of Issuance	-	328,999	328,999	-
Contingency	-	18,066	-	18,066
Total Expenditures	-	18,446,000	18,427,934	18,066
EXCESS OF REVENUES UNDER EXPENDITURES	-	(18,427,934)	(18,427,934)	-
OTHER FINANCING SOURCES (USES)				
Bond Proceeds Series 2022A	-	12,901,934	12,901,934	-
Bond Proceeds Series 2022B	-	5,543,000	5,543,000	-
Total Other Financing Sources	-	18,444,934	18,444,934	-
NET CHANGE IN FUND BALANCE	-	17,000	17,000	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ 17,000	\$ 17,000	\$ -

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST REQUIREMENTS TO MATURITY
DECEMBER 31, 2022

\$12,901,934 Limited Tax General
Obligation Convertible Capital Appreciation Bonds
Series 2022A
Interest 4.500%
Dated December 29, 2022
Interest Payable June 1 and December 1
Principal Payable December 1

Bonds and Interest Maturing in the Year Ending December 31,	Account Bond				
	Balance	Accreted	Principal	Interest	Total
2022	\$ 12,901,934	\$ -	\$ -	\$ -	\$ -
2023	13,381,822	479,888	-	-	-
2024	13,922,402	540,580	-	-	-
2025	14,485,000	562,598	-	-	-
2026	-	-	10,000	579,400	589,400
2027	-	-	165,000	579,000	744,000
2028	-	-	260,000	572,400	832,400
2029	-	-	270,000	562,000	832,000
2030	-	-	295,000	551,200	846,200
2031	-	-	310,000	539,400	849,400
2032	-	-	340,000	527,000	867,000
2033	-	-	350,000	513,400	863,400
2034	-	-	385,000	499,400	884,400
2035	-	-	395,000	484,000	879,000
2036	-	-	430,000	468,200	898,200
2037	-	-	450,000	451,000	901,000
2038	-	-	485,000	433,000	918,000
2039	-	-	505,000	413,600	918,600
2040	-	-	545,000	393,400	938,400
2041	-	-	565,000	371,600	936,600
2042	-	-	605,000	349,000	954,000
2043	-	-	630,000	324,800	954,800
2044	-	-	675,000	299,600	974,600
2045	-	-	700,000	272,600	972,600
2046	-	-	750,000	244,600	994,600
2047	-	-	780,000	214,600	994,600
2048	-	-	830,000	183,400	1,013,400
2049	-	-	865,000	150,200	1,015,200
2050	-	-	920,000	115,600	1,035,600
2051	-	-	955,000	78,800	1,033,800
2052	-	-	1,015,000	40,600	1,055,600
Total	\$ 14,485,000	\$ 1,583,066	\$ 14,485,000	\$ 10,211,800	\$ 24,696,800

The annual debt service requirements on the Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percent Collected to Levied
			Levied	Collected	
2018	\$ 9	35.000	\$ -	\$ -	N/A
2019	8	35.000	-	-	N/A
2020	7	50.350	-	-	N/A
2021	7	50.349	-	-	N/A
2022	4	50.000	-	-	N/A
Estimated for Year Ending December 31, 2023	\$ 5,801	54.924	\$ 319		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
Larimer County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
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YEAR ENDED DECEMBER 31, 2022**

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Board of Directors
Timnath Lakes Metropolitan District No. 6
Larimer County, Colorado

Independent Auditor’s Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Timnath Lakes Metropolitan District No. 6 (the “District”), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Timnath Lakes Metropolitan District No. 6 as of December 31, 2022, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Wipfli LLP
Lakewood, Colorado

July 27, 2023

BASIC FINANCIAL STATEMENTS

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	\$ 6,671
Cash and Investments - Restricted	2,100
Prepays	2,700
Due from Other Districts	124
Capital Assets:	
Capital Assets, Not Being Depreciated	32,043,940
Total Assets	32,055,535
LIABILITIES	
Accounts Payable	37,429
Due to Other Districts	3,006
Noncurrent Liabilities:	
Due in More than One Year	7,856,679
Total Liabilities	7,897,114
NET POSITION	
Restricted for:	
Emergency Reserves	2,100
Unrestricted	24,156,321
Total Net Position	\$ 24,158,421

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT #6
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
GOVERNMENTAL ACTIVITIES					
Primary Government:					
Government Activities:					
General Government	\$ 216,993	\$ 64,955	\$ -	\$ -	\$ (152,038)
Interest and Related Costs on Long-Term Debt	170,562	-	-	-	(170,562)
Total Governmental Activities	\$ 387,555	\$ 64,955	\$ -	\$ -	(322,600)
GENERAL REVENUES					
					20,977,619
					20,977,619
CHANGES IN NET POSITION					
					20,655,019
					3,503,402
					\$ 24,158,421

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Capital Projects		Total Governmental Funds
ASSETS				
Cash and Investments	\$ 6,671	\$ -	\$	6,671
Cash and Investments - Restricted	2,100	-		2,100
Due from Other Districts	124	-		124
Prepaid Insurance	2,700	-		2,700
Total Assets	\$ 11,595	\$ -		\$ 11,595
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 37,429	\$ -	\$	37,429
Due to Other Districts	3,006	-		3,006
Total Liabilities	40,435	-		40,435
FUND BALANCES				
Nonspendable:				
Prepaid Expense	2,700	-		2,700
Restricted for:				
Emergency Reserves	2,100	-		2,100
Unassigned	(33,640)	-		(33,640)
Total Fund Balances	(28,840)	-		(28,840)
Total Liabilities and Fund Balances	\$ 11,595	\$ -		
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				32,043,940
Long-term liabilities, including bonds payable and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Developer Advances				(7,765,093)
Accrued Interest on Developer Advances				(91,586)
Net Position of Governmental Activities				\$ 24,158,421

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Capital Projects	Total Governmental Funds
REVENUES			
Operation Fees	\$ 45,405	\$ -	\$ 45,405
Working Capital Fees	18,000	-	18,000
Design Review Fees	1,550	-	1,550
Intergovernmental Revenue	1,820	20,975,799	20,977,619
Total Revenues	66,775	20,975,799	21,042,574
EXPENDITURES			
Accounting	33,248	-	33,248
Auditing	10,400	-	10,400
County Treasurer's Fee	-	-	-
Dues and Licenses	1,535	-	1,535
Directors' Fees	2,100	-	2,100
Insurance and Bonds	18,539	-	18,539
District Management	61,701	-	61,701
Election Expense	13,253	-	13,253
Engineering	9,991	-	9,991
Legal Services	63,033	-	63,033
Miscellaneous	2,839	-	2,839
Payroll Taxes	354	-	354
Capital Outlay:			
Capital Outlay	-	26,231,132	26,231,132
Total Expenditures	216,993	26,231,132	26,448,125
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(150,218)	(5,255,333)	(5,405,551)
OTHER FINANCING SOURCES (USES)			
Developer Advances	176,500	26,231,132	26,407,632
Repay Developer Advance	-	(20,975,799)	(20,975,799)
Total Other Financing Sources	176,500	5,255,333	5,431,833
NET CHANGE IN FUND BALANCES	26,282	-	26,282
Fund Balances - Beginning of Year	(55,122)	-	(55,122)
FUND BALANCES - END OF YEAR	\$ (28,840)	\$ -	\$ (28,840)

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$	26,282
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.</p>		
Capital Outlay		26,231,132
<p>Long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred amortized in the statement of activities.</p>		
Developer Advance		(26,407,632)
Developer Advance Principal Repayment		20,649,690
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Interest on Developer Advance - Operating - Change in Liability		(37,369)
Interest on Developer Advance - Capital - Change in Liability		192,916
		192,916
Changes in Net Position of Governmental Activities		\$ 20,655,019

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Net Investment Income	\$ 5	\$ 5	\$ -	\$ (5)
Other Revenue	10	10	-	(10)
Operation Fees	42,000	45,407	45,405	(2)
Working Capital Fees	9,000	18,000	18,000	-
Design Review Fees	-	1,550	1,550	-
Intergovernmental Revenue	1,651	1,820	1,820	-
Total Revenues	<u>52,666</u>	<u>66,792</u>	<u>66,775</u>	<u>(17)</u>
EXPENDITURES				
Accounting	26,500	33,250	33,248	2
Audit	-	10,400	10,400	-
Dues and Licenses	2,000	1,600	1,535	65
Directors' Fees	-	2,100	2,100	-
Insurance and Bonds	16,000	19,000	18,539	461
District Management	16,500	62,000	61,701	299
Election Expense	2,000	13,500	13,253	247
Engineering	-	10,000	9,991	9
Legal Services	23,000	63,500	63,033	467
Miscellaneous	1,000	3,000	2,839	161
Payroll Taxes	-	360	354	6
Landscaping	28,500	-	-	-
Snow Removal	15,000	-	-	-
Contingency	5,000	6,290	-	6,290
Total Expenditures	<u>135,500</u>	<u>225,000</u>	<u>216,993</u>	<u>8,007</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	(82,834)	(158,208)	(150,218)	7,990
OTHER FINANCING SOURCES (USES)				
Developer Advance	83,500	216,000	176,500	(39,500)
Total Other Financing Sources (Uses)	<u>83,500</u>	<u>216,000</u>	<u>176,500</u>	<u>(39,500)</u>
NET CHANGE IN FUND BALANCE				
	666	57,792	26,282	(31,510)
Fund Balance - Beginning of Year	<u>1,390</u>	<u>(55,123)</u>	<u>(55,122)</u>	<u>1</u>
FUND BALANCE - END OF YEAR				
	<u>\$ 2,056</u>	<u>\$ 2,669</u>	<u>\$ (28,840)</u>	<u>\$ (31,509)</u>

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 DEFINITION OF REPORTING ENTITY

Timnath Lakes Metropolitan District No. 6 (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by Order and Decree of the District Court for Larimer County recorded on August 5, 2020 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized as "Timnath Farms North Metropolitan District No. 6" and subsequently changed its name effective as of September 10, 2020. The District was organized to provide financing for the design, acquisition, installation and construction of sanitation improvements, water improvements, street improvements, traffic and safety control improvements, park and recreation improvements, transportation improvements, television relay and translation improvements, mosquito control, fire protection, emergency medical services, and operation and maintenance of the District. The District was organized in conjunction with Timnath Lakes Metropolitan No. 4 ("District No. 4") and District No. 5 ("District No. 5") on August, 5, 2020, to join Timnath Lakes Metropolitan District No. 1 ("District No. 1"), District No. 2 ("District No. 2") and District No. 3 ("District No. 3"), which were previously organized on June 23, 2006. The Consolidated Amended and Restated Service Plan for Timnath Lakes Metropolitan District Nos. 1-6 (the "Districts"), was approved by the Town on September 10, 2019 ("Service Plan").

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its budget for the year ended December 31, 2022.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

Deficit

The General Fund reported a deficit in the fund financial statements as of December 31, 2022. The deficit will be eliminated with the receipt of funds advanced by the Developer in 2023.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 6,671
Cash and Investments - Restricted	2,100
Total Cash and Investments	\$ 8,771

Cash and investments as of December 31, 2022 consist of the following:

Deposits with Financial Institutions	\$ 8,771
Total Cash and Investments	\$ 8,771

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District had a carrying and bank balance of \$8,771.

Investments

The District has adopted a formal investment policy that follows state statutes regarding investments.

The District generally limits its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or investment custodial credit risk disclosure requirements for investments that are in the possession of another party.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

The District has no outstanding investments as of December 31, 2022.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2022, follows:

	Balance - December 31, 2021	Increases	Decreases	Balance at December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 5,812,808	\$ 26,231,132	\$ -	\$ 32,043,940
Total Capital Assets, Not Being Depreciated	\$ 5,812,808	\$ 26,231,132	\$ -	\$ 32,043,940

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance at December 31, 2021	New Issues	Refundings/ Retirements	Balance at December 31, 2022	Due Within One Year
Other Debts					
Developer Advance - Operating	\$ 372,828	\$ 176,500	\$ -	\$ 549,328	\$ -
Developer Advance - Capital	1,634,323	26,231,132	20,649,690	7,215,765	-
Accrued Interest on:					
Developer Advance - Operating	51,053	37,369	-	88,422	-
Developer Advance - Capital	196,080	133,193	326,109	3,164	-
Subtotal of Other Debts	<u>2,254,284</u>	<u>26,578,194</u>	<u>20,975,799</u>	<u>7,856,679</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 2,254,284</u>	<u>\$ 26,578,194</u>	<u>\$ 20,975,799</u>	<u>\$ 7,856,679</u>	<u>\$ -</u>

The above obligations were transferred from Timnath Lakes Metro District No. 1 and 3.

Authorized Debt

On November 5, 2019, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$1,290,380,000. At December 31, 2022, the District had authorized, but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 5, 2019 Election	Authorized But Unissued
Streets	\$ 99,260,000	\$ 99,260,000
Water	99,260,000	99,260,000
Sanitation	99,260,000	99,260,000
Parks and Recreation	99,260,000	99,260,000
Traffic and Safety	99,260,000	99,260,000
Mosquito Control	99,260,000	99,260,000
Public Transportation	99,260,000	99,260,000
Fire Protection	99,260,000	99,260,000
Television Relay and Translation	99,260,000	99,260,000
Security	99,260,000	99,260,000
Operations and Maintenance	99,260,000	99,260,000
Refunding	99,260,000	99,260,000
Intergovernmental Contracts	99,260,000	99,260,000
Total	<u>\$ 1,290,380,000</u>	<u>\$ 1,290,380,000</u>

Pursuant to the Service Plan, the Districts are permitted to issue bond indebtedness of up to \$99,260,000. After the issuance of debt by both District No. 1 and District No. 3 in 2022, \$71,455,075 of the Service Plan authorization remains as of December 31, 2022.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 NET POSITION

The District has net position consisting of two components, restricted and unrestricted.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	\$ 2,100
Total	\$ 2,100

NOTE 7 DISTRICT AGREEMENTS

TDA Agreement

The Timnath Development Authority (“TDA”) adopted the Revised Timnath Urban Renewal Plan (as amended, the “Plan”) which details the TDA inclusion of parcels in the Plan for the purposes authorized in the Colorado Urban Renewal Law, including utilizing tax increment financing (“TIF Financing”) and the establishment of a Plan area (the “Urban Renewal Area”) which includes property located within the District’s boundaries. TIF Financing provides that taxes, if any, levied after the effective date of the approval of the Plan upon taxable property in the Urban Renewal Area each year shall be divided for a period not to exceed 25 years from the effective date of the Plan, and that a portion of property tax revenues (the “TIF Revenue”) shall be allocated to and paid into a special fund of the urban renewal authority to pay the principal of, interest on, and any premiums due in connection with bonds of, loans or advances to, or indebtedness incurred by the urban renewal authority for financing an urban renewal project, or to make payments pursuant to an agreement.

The Districts are cooperating with the TDA to facilitate carrying out the Plan and urban renewal projects within the Urban Renewal Area. Accordingly, property tax revenues collected as a result of the Districts’ mill levy upon the incremental value of property within the Districts are payable to the TDA. The Districts and the TDA entered into a Cooperation Agreement, effective December 8, 2020 and recorded in the real property records of the Town on December 28, 2020 (“TDA Agreement”), pursuant to which the TDA agrees to remit any revenues collected from the Districts’ mill levy upon the tax increment portion of the Districts’ assessed valuation back to the Districts. The TDA further agrees to transfer such incremental revenue to the Districts on or before June 20th of each year, commencing in 2021, all revenues attributable to the Districts received during the previous calendar year for a period of 25 years from the effective date of the Plan.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 DISTRICT AGREEMENTS (CONTINUED)

Facilities Funding and Acquisition Agreement

District No. 1 entered into a Facilities Funding and Acquisition Agreement (“FFAA”) on October 27, 2015, with CAC Timnath LLC (the “Developer”) whereby the Developer will design, construct, complete, and convey to the District, and the District will accept, certain public infrastructure improvements benefiting the development within the District. The District agrees to make payment to the Developer for costs of the improvements, including but not limited to, all costs of design, testing, engineering, acquisition, construction, related consultant fees, and construction management, for fiscal years 2015 through 2020, up to a maximum amount of \$50,000,000, together with interest thereon, at an annual rate of 8%. The FFAA was assigned from District No. 1 to the District on November 9, 2020 by that Assignment of Facilities Funding and Acquisition Agreement by and between the District, District No. 1, and the Developer, which assigned all of District No. 1’s obligations under the FFAA to the District. As of December 31, 2022, there was an outstanding principal balance of \$7,215,765 and outstanding interest of \$3,164.

Facilities Acquisition Agreement

On November 9, 2020, with an effective date of January 1, 2021, the District and the Developer entered into a Facilities Acquisition Agreement (“FAA”). Pursuant to the FAA the District will reimburse the Developer for Certified Construction Costs (defined therein) up to a maximum amount of \$50,000,000, together with interest thereon. Certified Construction Costs shall accrue interest from the date such costs are incurred by the Developer. Simple interest shall accrue on amounts reimbursable to the Developer until paid at the rate of 8% per annum.

Facilities Funding, Construction and Operations Agreement

On November 9, 2020, the District entered into a Facilities Funding, Construction and Operations Agreement (“FFCOA”) with District No. 1, District No. 2, District No. 3, District No. 4 and District No. 5 establishing certain expectations as to the financing, construction, operation and maintenance of improvements contemplated in the Service Plan for the purpose of providing, in a timely and coordinate fashion, essential services within the Districts.

Pursuant to the FFCOA, District No. 1, District No. 2, District No. 3, District No. 4, and District No. 5 are “Consumer Districts,” and the District is the “Maintenance District.” Each Consumer District anticipates receiving revenues from the imposition of a mill levy against all property within its respective boundaries and specific ownership taxes, and, if imposed or assessed at the direction of the Maintenance District, the collection of fees, charges, rates, and tolls. All revenue received by the Consumer Districts will be transferred to the Maintenance District.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 DISTRICT AGREEMENTS (CONTINUED)

Operation Funding Agreements

On October 22, 2019, with an effective date of January 1, 2014, District No. 1 and the Developer entered into the 2014-2020 Amended and Restated Operation Funding Agreement (“2014-2020 OFA”) in which the Developer agreed to advance amounts to fund operations and maintenance expenditures of District No. 1 in the event District No. 1’s revenues are not sufficient for fiscal years 2014 through 2020, up to a maximum amount of \$330,000, together with interest thereon, at an annual rate of 8%.

The 2014-2020 OFA was assigned from District No. 1 to the District on November 9, 2020, by that certain Assignment of 2014-2020 Amended and Restated Operation Funding Agreement by and between District No. 1 and the District, which assigned all of District No. 1’s obligations under the 2014-2020 OFA to the District. As of December 31, 2022, there was an outstanding principal balance of \$549,328 and outstanding interest of \$88,422.

On November 9, 2020, with an effective date of January 1, 2021, the District and the Developer entered into the 2021 Operation Funding Agreement (“2021 OFA”) in which the Developer agreed to advance amounts to fund operations and maintenance expenditures of the District in the event District revenues are not sufficient for fiscal year 2021, up to a maximum amount of \$86,000, together with interest thereon. Such advances will accrue simple interest from the date of deposit into the District’s account or from the date of direct payment by Developer, until paid, at the rate of 8% annum. The District agreed to reimburse the Developer amounts advanced subject to annual budget and appropriation. Payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: (a) first to the 2014-2020 OFA accrued and unpaid interest; and then (b) first to the accrued and unpaid interest and then to the principal amount due pursuant to the 2021 OFA. The obligation of the District to reimburse the Developer expires December 31, 2061.

On November 8, 2021, with an effective date of January 1, 2022, the District and the Developer entered into the 2022 Operation Funding Agreement, amended by that First Amendment to 2022 Operation Funding Agreement on December 5, 2022, effective January 1, 2022 (“2022 OFA”). The Developer agreed to advance amounts to fund operations and maintenance expenditures of the District in the event District revenues are not sufficient for fiscal year 2022, up to a maximum amount of \$90,500, together with interest thereon. Such advances will accrue simple interest from the date of deposit into the District’s account or from the date of direct payment by Developer, until paid, at the rate of 8% annum. The District agreed to reimburse the Developer amounts advanced subject to annual budget and appropriation. Payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: (a) first to the 2014-2020 OFA accrued and unpaid interest and then to the 2014-2020 OFA principal amount due; then (b) to the 2021 OFA accrued interest and then to the 2021 OFA principal amount due; and then (c) to the accrued and unpaid interest and then to the principal amount due pursuant the 2022 OFA. The obligation of the District to reimburse the Developer expires December 31, 2062.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 DISTRICT AGREEMENTS (CONTINUED)

Operation Funding Agreements (Continued)

On December 5, 2022, with an effective date of January 1, 2023, the District and the Developer entered into the 2023 Operation Funding Agreement ("2023 OFA"). The Developer agreed to advance amounts to fund operations and maintenance expenditures of the District in the event District revenues are not sufficient for fiscal year 2023, up to a maximum amount of \$135,000, together with interest thereon. Such advances will accrue simple interest from the date of deposit into the District's account or from the date of direct payment by Developer, until paid, at the rate of 8% annum. The District agreed to reimburse the Developer amounts advanced subject to annual budget and appropriation. Payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: (a) first to the 2014-2020 OFA accrued and unpaid interest and then to the 2014-2020 OFA principal due; then (b) to the 2021 OFA accrued and unpaid interest and then to the 2021 OFA principal due; then (c) to the 2022 accrued and unpaid interest and then to the 2022 principal amount due; and then (d) to the accrued and unpaid interest and then to the principal amount due pursuant to the 2023 OFA. The obligation of the District to reimburse the Developer expires December 31, 2063. As of December 31, 2022, there was an outstanding principal balance for operating advances of \$549,328 and outstanding interest of \$88,422.

NOTE 8 RELATED PARTY

The majority of the members on the Board of Directors are employees, owners, or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 9 ECONOMIC DEPENDENCY

The District has not yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, 2022. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations that apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 5, 2019, a majority of the District's electors authorized the District to collect and spend or retain in a reserve the full amount of all currently levied taxes and fees of the District annually, without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**TIMNATH LAKES METROPOLITAN DISTRICT #6
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ -	\$ 20,975,799	\$ 20,975,799	\$ -
Total Revenues	-	20,975,799	20,975,799	-
EXPENDITURES				
Capital Outlay	-	26,231,132	26,231,132	-
Total Expenditures	-	26,231,132	26,231,132	-
EXCESS OF REVENUES UNDER EXPENDITURES	-	(5,255,333)	(5,255,333)	-
OTHER FINANCING SOURCES (USES)				
Repay Developer Advance	-	(20,975,799)	(20,975,799)	-
Developer Advance	-	26,231,132	26,231,132	-
Total Other Financing Sources	-	5,255,333	5,255,333	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percent Collected to Levied
			Levied	Collected	
2018	\$ -	0.000	\$ -	\$ -	0.00%
2019	-	0.000	-	-	0.00
2020	-	0.000	-	-	0.00
2021	7	0.000	-	-	0.00
2022	4	0.000	-	-	0.00

Estimated for
Year Ending
December 31,
2023

\$ 2	0.000	\$ -
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NOTE: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.