

TIMNATH LAKES METROPOLITAN DISTRICT (“TLMD”) NOS. 1-3

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

NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Janis Emanuel	President	2023/May 2023
Robert Bol	Treasurer	2025/May 2025
Theodore Antenucci	Assistant Secretary	2023/May 2023
VACANT		2025/May 2023
VACANT		2025/May 2023
Matt Cohrs	Secretary	

DATE: July 20, 2022

TIME: 1:00 p.m.

PLACE: VIA ZOOM MEETING

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

<https://us02web.zoom.us/j/6464033676?pwd=bzJUOHBHNXNEQ2JYUTJkYkZ0b3B3Zz09>

Phone: 1 (253) 215-8782

Meeting ID: 646 403 3676

Password: 267458

One tap mobile: +12532158782,,6464033676#

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. Review and consider approval of the Minutes of the January 28, 2022 Special Meeting (**TLMD 1-3**) (enclosures).

D. Discuss status of District website (**TLMD 1-3**).

E. Discuss results of May 3, 2022 Regular Election for directors and debt (**TLMD 1-3**) (enclosures – Canvass Board’s Certificates of Election Results).

F. Consider appointment of Officers:

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

G. Consider authorizing interested Board Members to attend the 2022 Special District Association's Annual Conference in Keystone on September 13, 14 and 15, 2022.

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.

III. FINANCIAL MATTERS

A. Review and accept Unaudited Financial Statements through the period ending June 30, 2022 and Schedule of Cash Position as of June 30, 2022 (**TLMD 1**) (enclosure).

B. Review and consider approval of 2021 Audit and authorize execution of Representations Letter (**TLMD 1**) (draft audit – enclosed).

C. Ratify approval, execution and filing of Application for Exemption from Audit for 2021 (**TLMD 2 & 3**) (enclosures).

IV. LEGAL MATTERS

A. Discuss amending District Fees (Residential) (**TLMD 1 & 3**).

B. Update on discussion of District Fees (Commercial) (**TLMD 2**).

- C. Discuss potential bond issuance.

- D. Discuss status of the relocation of the Akin Lateral Irrigation Ditch.

- E. Acknowledge submittal to OmniTRAX Inc. by Timnath Lakes Metropolitan District No. 1 of Application for Pipeline Crossing/Parallel Encroachment Under/Over Properties and Tracks (**TLMD 1**).

- F. Acknowledge execution of Pipeline Crossing License between Great Western Railway of Colorado, LLC and Timnath Lakes Metropolitan District No. 2 (**TLMD 2**) (to be distributed).

- G. Review and consider adoption of Resolution No. 2022-07-01, Resolution Acknowledging and Adopting the Declaration of Architectural, Use and Maintenance Restrictions for Timnath Lakes (Commercial) (**TLMD 2**) (to be distributed).

- H. Acknowledge Declaration Concerning Disclosures, Acknowledgements and Waivers for Timnath Lakes (Commercial) (**TLMD 2**) (enclosure).

- I. Discuss status and timeline for submittal of proposed Service Plan Amendment to Town of Timnath (**TLMD 1-3**).

- J. Discuss status of formation of the Timnath Lakes Community Authority. Authorize any necessary actions in connection therewith (**TLMD 1-3**).

V. CAPITAL MATTERS

- A.

VI. OTHER BUSINESS

- A. Discuss status of development (**TLMD 1-3**).
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VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
OCTOBER 20, 2022 ~ BUDGET HEARING.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 HELD JANUARY 28, 2022

A Special Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 1 (referred to hereafter as "Board") was convened on Friday, the 28th day of January, 2022 at 10:30 a.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:

Matt Cohrs; 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

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. Cohrs 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 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.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: Mr. Cohrs distributed for the Board's review and approval a proposed Agenda for the District's Special 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: at the North side of East Harmony Road on a light pole 300 feet west of railroad tracks.

Minutes: The Board reviewed the Minutes of the November 8, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the November 8, 2021 Special Meeting were approved.

Status of District's Website: Mr. Cohrs reported to the Board on the status of the District's website.

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, dated December 31, 2021 and the schedule of cash position, dated December 31, 2021, updated as of January 20, 2022.

RECORD OF PROCEEDINGS

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, dated December 31, 2021 and the schedule of cash position, dated December 31, 2021, updated as of January 20, 2022, as presented.

LEGAL MATTERS

District Fees (Residential): The Board deferred discussion.

Potential Bond Issuance: Attorney Williams discussed with the Board a potential bond issuance.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board authorized staff to commence discussions with the necessary consultants on a potential bond issuance.

Akin Lateral Irrigation Ditch Relocation: Mr. Kuykendall updated the Board on the location and need for relocation of the Akin Lateral Irrigation Ditch (the “Ditch Relocation”).

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board authorized all necessary actions required in connection with the Ditch Relocation, including but not limited to: (1) negotiation by Timnath Lakes Metropolitan District No. 6 of the Ditch Relocation agreement; (2) preparation and submittal to the Town of Timnath of a Service Plan Amendment, if required; and (3) proceeding with obtaining electoral authorization per the May 3, 2022 Election Resolution adopted on November 8, 2021.

Non-Exclusive Access and Maintenance Agreement between CAC Timnath LLC and Timnath Lakes Metropolitan District No. 6: The Board entered into discussion regarding a Non-Exclusive Access and Maintenance Agreement between CAC Timnath LLC and Timnath Lakes Metropolitan District No. 6.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the Non-Exclusive Access and Maintenance Agreement between CAC Timnath LLC and Timnath Lakes Metropolitan District No. 6, subject to approval by Director Emanuel and CAC Timnath LLC.

RECORD OF PROCEEDINGS

CAPITAL MATTERS There were no capital matters.

OTHER MATTERS **Current Development:** Mr. Kuykendall updated the Board 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 SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
TIMNATH LAKES METROPOLITAN DISTRICT NO. 2
HELD
JANUARY 28, 2022**

A Special Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 2 (referred to hereafter as "Board") was convened on Friday, the 28th day of January, 2022 at 10:30 a.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:

Matt Cohrs; 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

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. Cohrs 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 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.

RECORD OF PROCEEDINGS

**ADMINISTRATIVE
MATTERS**

Agenda: Mr. Cohrs distributed for the Board's review and approval a proposed Agenda for the District's Special 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: at the North side of East Harmony Road on a wood stake 200 feet west of Three Bell Parkway.

Minutes: The Board reviewed the Minutes of the November 8, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the November 8, 2021 Special Meeting were approved.

Status of District's Website: Mr. Cohrs reported to the Board on the status of the District's website.

**PUBLIC
COMMENTS**

There were no public comments.

**FINANCIAL
MATTERS**

There were no financial matters.

RECORD OF PROCEEDINGS

LEGAL MATTERS

District Fees (Commercial): Attorney Williams reported to the Board that Timnath Lakes Metropolitan District No. 2 will be collecting the commercial fees. No action was taken by the Board.

Potential Bond Issuance: Attorney Williams discussed with the Board a potential bond issuance.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board authorized staff to commence discussions with the necessary consultants on a potential bond issuance.

Relocation of Directors' Parcels: The Board entered into discussion regarding the relocation of directors' parcels. No action was necessary at this time.

Akin Lateral Irrigation Ditch Relocation: Mr. Kuykendall updated the Board on the location and need for relocation of the Akin Lateral Irrigation Ditch (the "Ditch Relocation").

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board authorized all necessary actions required in connection with the Ditch Relocation, including but not limited to: (1) negotiation by Timnath Lakes Metropolitan District No. 6 of the Ditch Relocation agreement; (2) preparation and submittal to the Town of Timnath of a Service Plan Amendment, if required; and (3) proceeding with obtaining electoral authorization per the May 3, 2022 Election Resolution adopted on November 8, 2021.

Resolution Acknowledging and Adopting the Declaration of Architectural, Use and Maintenance Restrictions for Timnath Lakes (Commercial): This item was deferred.

CAPITAL MATTERS

There were no capital matters.

OTHER MATTERS

Current Development: Mr. Kuykendall updated the Board on the status of development within the District.

RECORD OF PROCEEDINGS

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 SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 HELD JANUARY 28, 2022

A Special Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 3 (referred to hereafter as "Board") was convened on Friday, the 28th day of January, 2022 at 10:30 a.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:

Matt Cohrs; 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

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. Cohrs 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 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.

RECORD OF PROCEEDINGS

**ADMINISTRATIVE
MATTERS**

Agenda: Mr. Cohrs distributed for the Board's review and approval a proposed Agenda for the District's Special 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: at the north side of East Harmony Road on a wood stake 100 feet west of Three Bell Parkway.

Minutes: The Board reviewed the Minutes of the November 8, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the November 8, 2021 Special Meeting were approved.

Status of District's Website: Mr. Cohrs reported to the Board on the status of the District's website.

**PUBLIC
COMMENTS**

There were no public comments.

**FINANCIAL
MATTERS**

There were no financial matters.

RECORD OF PROCEEDINGS

LEGAL MATTERS

District Fees (Residential): The Board deferred discussion.

Potential Bond Issuance: Attorney Williams discussed with the Board a potential bond issuance.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board authorized staff to commence discussions with the necessary consultants on a potential bond issuance.

Relocation of Directors' Parcels: The Board entered into discussion regarding the relocation of directors' parcels. No action was necessary at this time.

Akin Lateral Irrigation Ditch Relocation: Mr. Kuykendall updated the Board on the location and need for relocation of the Akin Lateral Irrigation Ditch (the "Ditch Relocation").

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board authorized all necessary actions required in connection with the Ditch Relocation, including but not limited to: (1) negotiation by Timnath Lakes Metropolitan District No. 6 of the Ditch Relocation agreement; (2) preparation and submittal to the Town of Timnath of a Service Plan Amendment, if required; and (3) proceeding with obtaining electoral authorization per the May 3, 2022 Election Resolution adopted on November 8, 2021.

Non-Exclusive Access and Maintenance Agreement between CAC Timnath LLC and Timnath Lakes Metropolitan District No. 6: The Board entered into discussion regarding a Non-Exclusive Access and Maintenance Agreement between CAC Timnath LLC and Timnath Lakes Metropolitan District No. 6.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the Non-Exclusive Access and Maintenance Agreement between CAC Timnath LLC and Timnath Lakes Metropolitan District No. 6, subject to approval by Director Emanuel and CAC Timnath LLC.

CAPITAL MATTERS

There were no capital matters.

RECORD OF PROCEEDINGS

OTHER MATTERS

Current Development: Mr. Kuykendall updated the Board 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

**CANVASS BOARD'S
CERTIFICATE OF DETERMINATION
(CERTIFICATE OF RESULTS)**

**FOR THE MAIL BALLOT ELECTION HELD ON MAY 3, 2022
TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**

LARIMER COUNTY, COLORADO

§1-11-103, 1-13.5-1305, 32-1-104(1), CRS

Each of the undersigned members of the Canvass Board of the Timnath Lakes Metropolitan District No. 1 certifies that the following is a true and correct abstract of the votes cast at the mail ballot election of the Timnath Lakes Metropolitan District No. 1, at which time the eligible electors of the Timnath Lakes Metropolitan District No. 1 voted as indicated on the attached Judges' Certificate of Election Returns, and as a result of which the eligible electors elected to the office the following Directors and the votes cast for and against each ballot issue and ballot question submitted were as follows:

Robert J. Bol

3-year term

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HEREWITH, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE,

WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

YES (Numeric and Spell Out) 3 – Three

NO (Numeric and Spell Out) 11 – Eleven

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

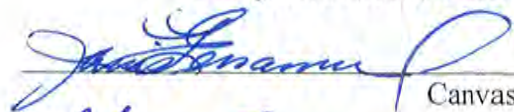
YES (Numeric and Spell Out) 5 – Five

NO (Numeric and Spell Out) 9 – Nine

CERTIFIED this 13th day of May, 2022.



Designated Election Official



Canvasser



Canvasser

Contact Person for the District:

Business Address of the District:

Telephone Number:

Matt Cohrs, District Manager

141 Union Boulevard, Suite 150

Lakewood, CO 80228

(303) 987 0835

**JUDGES' CERTIFICATE OF ELECTION RETURNS AND
STATEMENT ON BALLOTS**

§1-13.5-613, C.R.S.

CERTIFICATE OF ELECTION RETURNS:

IT IS HEREBY CERTIFIED by the undersigned, who conducted the mail ballot election for the Timnath Lakes Metropolitan District No. 1, in the Larimer County, Colorado, on the 3rd day of May, 2022, that after qualifying by swearing and subscribing to their Oaths of Office, they opened the polls at 7:00 a.m., and that they kept the polls open continuously until the hour of 7:00 p.m. on such date, after which they counted the ballots cast for Directors of the District and for any ballot issue or ballot question submitted in accordance with the Colorado Local Government Election Code.

That the votes counted for and against each ballot question submitted were as follows:

(Numerical Figures)

THREE YEAR TERM

Votes cast for: ROBERT J. BOL:

12

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO

JUDGES' CERTIFICATE OF ELECTION RETURNS AND STATEMENT ON BALLOTS

Timnath Lakes Metropolitan District No. 1
May 3, 2022, Independent Mail Ballot Election

CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

Votes cast: FOR: 3 AGAINST: 11

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

Votes cast: FOR: 5 AGAINST: 9

STATEMENT ON BALLOTS:

It is hereby identified and specified that:

NUMERIC

Total Number of Ballots Delivered to Electors
(including UOCAVA ballots):

Forty

Total Number of Ballots Voted
(including UOCAVA ballots):

Fourteen

Number of Ballots Returned Undelivered:

One

JUDGES' CERTIFICATE OF ELECTION RETURNS AND STATEMENT ON BALLOTS

Timnath Lakes Metropolitan District No. 1
May 3, 2022, Independent Mail Ballot Election

Number of Spoiled Ballots
(Replacement Ballot issued):

Zero

Number of Rejected Ballots

Zero

Number of Defective ballots

Zero

Total Number of Ballots Returned to Designated Election Official (including UOCAVA ballots):

Fourteen

Certified this 3rd day of May, 2022.


Election Judge


Election Judge


Election Judge

No. _____

OFFICIAL BALLOT FOR TIMNATH LAKES METROPOLITAN DISTRICT NO. 1

MAY 3, 2022

Facsimile Signature of Designated Election Official

WARNING

Any person who, by use of force or other means, unduly influences an eligible elector to vote in any particular manner or to refrain from voting, or who falsely makes, alters, forges, or counterfeits any mail ballot before or after it has been cast, or who destroys, defaces, mutilates, or tampers with a ballot is subject, upon conviction, to imprisonment, or to a fine, or both

SECTION 1-13.5-1105(4)(B), C.R.S.

This may not be your only ballot. Other elections may be held by other political subdivisions by mail or by polling place. Refer to the ballot instructions for complete information on voting. Review your ballot. Be sure you have voted on every office and issue.

To vote, place a crossmark (X) at the right of the name of each candidate. For write-in candidates, print name on blank line and then place a crossmark (X) at the right of that name.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BALLOT QUESTION 500:

VOTE FOR NOT MORE THAN THREE DIRECTORS TO SERVE UNTIL THE SECOND REGULAR ELECTION:

- | | |
|---|--------------------------|
| Robert J. Bol | <input type="checkbox"/> |
| There are no candidates for this office | <input type="checkbox"/> |
| There are no candidates for this office | <input type="checkbox"/> |

For each ballot issue or question place a crossmark (X) in the appropriate box directly following the ballot issue or question.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE

INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

YES
NO

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

YES
NO

PROCEDURAL INSTRUCTIONS: The canvassers meet to survey the returns and certify the results. No later than seventeen (14) days after the election, the canvass board shall certify the official abstract of votes cast which the DEO uses to certify the election (results). This form must be filed with the Division of Local Government within 30 days after the election. The DEO shall notify the candidates of their election with certificate.

**CANVASS BOARD'S
CERTIFICATE OF DETERMINATION
(CERTIFICATE OF RESULTS)**

**FOR THE MAIL BALLOT ELECTION HELD ON MAY 3, 2022
TIMNATH LAKES METROPOLITAN DISTRICT NO. 2**

LARIMER COUNTY, COLORADO

§1-11-103, 1-13.5-1305, 32-1-104(1), CRS

Each of the undersigned members of the Canvass Board of the Timnath Lakes Metropolitan District No. 2 certifies that the following is a true and correct abstract of the votes cast at the mail ballot election of the Timnath Lakes Metropolitan District No. 2, at which time the eligible electors of the Timnath Lakes Metropolitan District No. 2 voted as indicated on the attached Judges' Certificate of Election Returns, and as a result of which the eligible electors elected to the office the following Directors and the votes cast for and against each ballot issue and ballot question submitted were as follows:

Robert J. Bol

3-year term

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE,

WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

YES (Numeric and Spell Out) 3 – Three _____

NO (Numeric and Spell Out) 0 – Zero _____

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

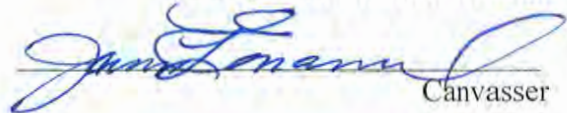
YES (Numeric and Spell Out) 3 – Three _____

NO (Numeric and Spell Out) 0 – Zero _____

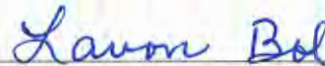
CERTIFIED this 13th day of May, 2022.



Designated Election Official



Canvasser



Canvasser

Contact Person for the District:
Business Address of the District:

Telephone Number:

Matt Cohrs, District Manager
141 Union Boulevard, Suite 150
Lakewood, CO 80228
(303) 987 0835

**JUDGES' CERTIFICATE OF ELECTION RETURNS AND
STATEMENT ON BALLOTS**

§1-13.5-613, C.R.S.

CERTIFICATE OF ELECTION RETURNS:

IT IS HEREBY CERTIFIED by the undersigned, who conducted the mail ballot election for the Timnath Lakes Metropolitan District No. 2, in the Larimer County, Colorado, on the 3rd day of May, 2022, that after qualifying by swearing and subscribing to their Oaths of Office, they opened the polls at 7:00 a.m., and that they kept the polls open continuously until the hour of 7 :00 p.m. on such date, after which they counted the ballots cast for Directors of the District and for any ballot issue or ballot question submitted in accordance with the Colorado Local Government Election Code.

That the votes counted for and against each ballot question submitted were as follows:
(Numerical Figures)

THREE YEAR TERM

Votes cast for: ROBERT J. BOL:

3

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE,

JUDGES' CERTIFICATE OF ELECTION RETURNS AND STATEMENT ON BALLOTS

Timnath Lakes Metropolitan District No. 2
May 3, 2022, Independent Mail Ballot Election

WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

Votes cast: FOR: 3 AGAINST: 0

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BALLOT ISSUE 5B:
SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

Votes cast: FOR: 3 AGAINST: 0

STATEMENT ON BALLOTS:

It is hereby identified and specified that:

NUMERIC

Total Number of Ballots Delivered to Electors
(including UOCAVA ballots): Three

Total Number of Ballots Voted
(including UOCAVA ballots): Three

Number of Ballots Returned Undelivered: Zero

JUDGES' CERTIFICATE OF ELECTION RETURNS AND STATEMENT ON BALLOTS

Timnath Lakes Metropolitan District No. 2
May 3, 2022, Independent Mail Ballot Election

Number of Spoiled Ballots
(Replacement Ballot issued):

Zero

Number of Rejected Ballots

Zero

Number of Defective ballots

Zero

Total Number of Ballots Returned to Designated Election Official (including UOCAVA ballots):

Three

Certified this 3rd day of May, 2022.

[Signature]
Election Judge

[Signature]
Election Judge

[Signature]
Election Judge

No. _____

OFFICIAL BALLOT FOR TIMNATH LAKES METROPOLITAN DISTRICT NO. 2

MAY 3, 2022

Matt Cohrs

Facsimile Signature of Designated Election Official

WARNING

Any person who, by use of force or other means, unduly influences an eligible elector to vote in any particular manner or to refrain from voting, or who falsely makes, alters, forges, or counterfeits any mail ballot before or after it has been cast, or who destroys, defaces, mutilates, or tampers with a ballot is subject, upon conviction, to imprisonment, or to a fine, or both.

SECTION 1-13.5-1105(4)(B), C.R.S.

This may not be your only ballot. Other elections may be held by other political subdivisions by mail or by polling place. Refer to the ballot instructions for complete information on voting. Review your ballot. Be sure you have voted on every office and issue.

To vote, place a crossmark (X) at the right of the name of each candidate. For write-in candidates, print name on blank line and then place a crossmark (X) at the right of that name.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BALLOT QUESTION 500:

VOTE FOR NOT MORE THAN THREE DIRECTORS TO SERVE UNTIL THE SECOND REGULAR ELECTION:

- | | |
|---|--------------------------|
| Robert J. Bol | <input type="checkbox"/> |
| There are no candidates for this office | <input type="checkbox"/> |
| There are no candidates for this office | <input type="checkbox"/> |

For each ballot issue or question place a crossmark (X) in the appropriate box directly following the ballot issue or question.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE

INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HEREWITH, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

YES

NO

TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 2 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

YES

NO

PROCEDURAL INSTRUCTIONS: The canvassers meet to survey the returns and certify the results. No later than seventeen (14) days after the election, the canvass board shall certify the official abstract of votes cast which the DEO uses to certify the election (results). This form must be filed with the Division of Local Government within 30 days after the election. The DEO shall notify the candidates of their election with certificate.

**CANVASS BOARD'S
CERTIFICATE OF DETERMINATION
(CERTIFICATE OF RESULTS)**

**FOR THE MAIL BALLOT ELECTION HELD ON MAY 3, 2022
TIMNATH LAKES METROPOLITAN DISTRICT NO. 3**

LARIMER COUNTY, COLORADO

§1-11-103, 1-13.5-1305, 32-1-104(1), CRS

Each of the undersigned members of the Canvass Board of the Timnath Lakes Metropolitan District No. 3 certifies that the following is a true and correct abstract of the votes cast at the mail ballot election of the Timnath Lakes Metropolitan District No. 3, at which time the eligible electors of the Timnath Lakes Metropolitan District No. 3 voted as indicated on the attached Judges' Certificate of Election Returns, and as a result of which the eligible electors elected to the office the following Directors and the votes cast for and against each ballot issue and ballot question submitted were as follows:

Robert J. Bol

3-year term

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HEREWITH, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE,

WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

YES (Numeric and Spell Out) 3 – Three

NO (Numeric and Spell Out) 0 – Zero

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

YES (Numeric and Spell Out) 3 – Three

NO (Numeric and Spell Out) 0 – Zero

CERTIFIED this 13th day of May, 2022.



Designated Election Official



Canvasser



Canvasser

Contact Person for the District:
Business Address of the District:

Telephone Number:

Matt Cohrs, District Manager
141 Union Boulevard, Suite 150
Lakewood, CO 80228
(303) 987 0835

**JUDGES' CERTIFICATE OF ELECTION RETURNS AND
STATEMENT ON BALLOTS**

§1-13.5-613, C.R.S.

CERTIFICATE OF ELECTION RETURNS:

IT IS HEREBY CERTIFIED by the undersigned, who conducted the mail ballot election for the Timnath Lakes Metropolitan District No. 3, in the Larimer County, Colorado, on the 3rd day of May, 2022, that after qualifying by swearing and subscribing to their Oaths of Office, they opened the polls at 7:00 a.m., and that they kept the polls open continuously until the hour of 7:00 p.m. on such date, after which they counted the ballots cast for Directors of the District and for any ballot issue or ballot question submitted in accordance with the Colorado Local Government Election Code.

That the votes counted for and against each ballot question submitted were as follows:
(Numerical Figures)

THREE YEAR TERM

Votes cast for: ROBERT J. BOL:

 3

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BALLOT ISSUE 5A:
SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO

JUDGES' CERTIFICATE OF ELECTION RETURNS AND STATEMENT ON BALLOTS

Timnath Lakes Metropolitan District No. 3
May 3, 2022, Independent Mail Ballot Election

CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

Votes cast: FOR: 3 AGAINST: 0

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

Votes cast: FOR: 3 AGAINST: 0

STATEMENT ON BALLOTS:

It is hereby identified and specified that:

NUMERIC

Total Number of Ballots Delivered to Electors
(including UOCAVA ballots):

Three

Total Number of Ballots Voted
(including UOCAVA ballots):

Three

Number of Ballots Returned Undelivered:

Zero

JUDGES' CERTIFICATE OF ELECTION RETURNS AND STATEMENT ON BALLOTS

Timnath Lakes Metropolitan District No. 3
May 3, 2022, Independent Mail Ballot Election

Number of Spoiled Ballots

(Replacement Ballot issued):

Zero

Number of Rejected Ballots

Zero

Number of Defective ballots

Zero

Total Number of Ballots Returned to Designated Election Official (including UOCAVA ballots):

Three

Certified this 3rd day of May, 2022.

Alipia Padilla
Election Judge

[Signature]
Election Judge

[Signature]
Election Judge

No. _____

OFFICIAL BALLOT FOR TIMNATH LAKES METROPOLITAN DISTRICT NO. 3

MAY 3, 2022

Matt Cohrs

Facsimile Signature of Designated Election Official

WARNING

Any person who, by use of force or other means, unduly influences an eligible elector to vote in any particular manner or to refrain from voting, or who falsely makes, alters, forges, or counterfeits any mail ballot before or after it has been cast, or who destroys, defaces, mutilates, or tampers with a ballot is subject, upon conviction, to imprisonment, or to a fine, or both.

SECTION 1-13.5-1105(4)(B), C.R.S.

This may not be your only ballot. Other elections may be held by other political subdivisions by mail or by polling place. Refer to the ballot instructions for complete information on voting. Review your ballot. Be sure you have voted on every office and issue.

To vote, place a crossmark (X) at the right of the name of each candidate. For write-in candidates, print name on blank line and then place a crossmark (X) at the right of that name.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BALLOT QUESTION 500:

VOTE FOR NOT MORE THAN THREE DIRECTORS TO SERVE UNTIL THE SECOND REGULAR ELECTION:

Robert J. Bol

There are no candidates for this office

There are no candidates for this office

For each ballot issue or question place a crossmark (X) in the appropriate box directly following the ballot issue or question.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BALLOT ISSUE 5A:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 DEBT BE INCREASED \$99,260,000 WITH A REPAYMENT COST OF \$813,932,000, AND SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 TAXES BE INCREASED \$813,932,000 ANNUALLY OR BY SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED DEBT, SUCH DEBT TO BE IN ANY FORM DETERMINED BY THE DISTRICT AND ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S ONGOING OPERATIONS AND MAINTENANCE EXPENSES OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCE NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN

LATERAL DITCH, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, SUCH DEBT TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HEREWITH, AND BE MADE PAYABLE FROM ANY LEGALLY AVAILABLE REVENUES OF THE DISTRICT, INCLUDING WITHOUT LIMITATION AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE DEBT; ALL OF THE ABOVE AS DETERMINED BY THE DISTRICT BOARD OF DIRECTORS, AND SHALL THE PROCEEDS OF THE DEBT, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT, AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

YES

NO

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BALLOT ISSUE 5B:

SHALL TIMNATH LAKES METROPOLITAN DISTRICT NO. 3 BE AUTHORIZED TO ENTER INTO ONE OR MORE AGREEMENTS WITH ONE OR MORE PERSONS OR ENTITIES FOR THE ONGOING OPERATIONS AND MAINTENANCE OF A PIPELINE FOR PURPOSES OF WATER CONVEYANCES NECESSARY IN ORDER TO RELOCATE THE CURRENT AKIN LATERAL DITCH, WHICH AGREEMENT MAY CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, PUBLIC IMPROVEMENT FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE DISTRICT BOARD OF DIRECTORS?

YES

NO

PROCEDURAL INSTRUCTIONS: The canvassers meet to survey the returns and certify the results. No later than seventeen (14) days after the election, the canvass board shall certify the official abstract of votes cast which the DEO uses to certify the election (results). This form must be filed with the Division of Local Government within 30 days after the election. The DEO shall notify the candidates of their election with certificate.

TIMNATH LAKES METRO DISTRICT NO. 1

FINANCIAL STATEMENTS

JUNE 30, 2022

TIMNATH LAKES METRO DISTRICT NO. 1
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	General	Debt Service	Total
ASSETS			
C - Safe	\$ 40	\$ 82,029	\$ 82,069
Due from other districts	-	12,317	12,317
Receivable from County Treasurer	-	815	815
TOTAL ASSETS	\$ 40	\$ 95,161	\$ 95,201
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Due to other districts	\$ 40	\$ -	\$ 40
Total Liabilities	40	-	40
FUND BALANCES			
Total Fund Balances	-	95,161	95,162
TOTAL LIABILITIES AND FUND BALANCES	\$ 40	\$ 95,161	\$ 95,201

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

**TIMNATH LAKES METRO DISTRICT NO. 1
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE SIX MONTHS ENDED JUNE 30, 2022**

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
TOTAL REVENUES			
EXPENDITURES			
TOTAL EXPENDITURES			
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

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

SUPPLEMENTARY INFORMATION

**TIMNATH LAKES METRO DISTRICT NO. 1
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE SIX MONTHS ENDED JUNE 30, 2022**

DEBT SERVICE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 2,231	\$ 2,225	\$ (6)
Specific ownership tax	156	4,436	4,280
Interest income	4	111	107
URA District property taxes	126,070	87,608	(38,462)
TOTAL REVENUES	<u>128,461</u>	<u>94,380</u>	<u>(34,081)</u>
EXPENDITURES			
URA Collection Fee	1,891	-	1,891
County Treasurer's fee	45	45	-
Paying agent fees	-	7,000	(7,000)
Contingency	48,064	-	48,064
TOTAL EXPENDITURES	<u>50,000</u>	<u>7,045</u>	<u>42,955</u>
NET CHANGE IN FUND BALANCES	78,461	87,335	8,874
FUND BALANCES - BEGINNING	<u>1,189</u>	<u>7,826</u>	<u>6,637</u>
FUND BALANCES - ENDING	<u>\$ 79,650</u>	<u>\$ 95,161</u>	<u>\$ 15,511</u>

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

TIMNATH LAKES METROPOLITAN DISTRICT No. 1
2022 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. 2 and 3. 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 requirement 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.

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. The revenue received by the URA, net of all costs, will be remitted to the District's Bond Trustee and pledged to the payment of the Bonds.

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.

TIMNATH LAKES METROPOLITAN DISTRICT No. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

County Treasurer's Fees

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

Debt and Leases

The District issued the Series 2020 Bonds on December 30, 2020, in the initial principal amount of \$3,948,063.20 (\$4,220,000 in Accreted Value upon conversion to current interest bonds) for the Senior Bonds and in the principal amount of \$607,000 for the 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 Senior Bonds were issued as capital appreciation bonds that convert to current interest bonds on December 1, 2022. During the Accretion Period, the Senior Bonds pay no current interest, and accrete in value at an accretion rate of 3.5% compounded semiannually on each June 1 and December 1, commencing on June 1, 2021.

On December 1, 2022, the Senior Bonds will cease to be capital appreciation bonds and automatically convert to current interest bonds, at which time the Senior Bonds will bear interest at the rate of 3.5%, payable semiannually on June 1 and December 1 of each year, commencing June 1, 2023. Annual principal payments are due on December 1 of each year beginning December 1, 2024. The Senior Bonds mature on December 1, 2050.

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or the Termination Date of December 2, 2060, and will continue to bear interest at the rate then borne by the Senior Bond. To the extent interest on any Senior Bond is not paid when due, such unpaid interest shall compound semiannually on each June 1 and December 1 at the rate borne by the Senior Bond.

The District has no 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 all funds received by the District are in the Debt Service fund, an Emergency Reserve is not reflected in the District's Budget.

TIMNATH LAKES METRO DISTRICT NO. 1

Schedule of Cash Position

June 30, 2022

Updated as of July 11, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<u>CSAFE</u>			
Balance as of 06/30/22	\$ 40.11	\$ 82,029.38	\$ 82,069.49
Subsequent activities:			
07/10/22 Ptax Receipt	-	814.89	814.89
07/10/22 Ptax Receipt District 2	8.07	-	8.07
07/10/22 Ptax Receipt District 3	0.07	-	0.07
<i>Anticipated Transfer from District 6</i>	-	<i>12,316.80</i>	<i>12,316.80</i>
<i>Anticipated Balance</i>	<u>48.25</u>	<u>95,161.07</u>	<u>95,209.32</u>
Total Funds Available	<u>\$ 48.25</u>	<u>\$ 95,161.07</u>	<u>\$ 95,209.32</u>

Yield information 06/30/2022:

CSAFE - 1.17%

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
Property Taxes Reconciliation
2022

	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	\$ 193.48	\$ -	\$ 790.91	\$ -	\$ (3.87)	\$ -	\$ 980.52	8.67%	8.67%	\$ -	0.00%	0.00%
February	244.99	-	716.71	-	(4.90)	-	956.80	10.98%	19.65%	-	0.00%	0.00%
March	250.86	-	833.86	-	(5.02)	-	1,079.70	11.24%	30.90%	-	0.00%	0.00%
April	69.90	-	677.24	-	(1.40)	-	745.74	3.13%	34.03%	-	0.00%	0.00%
May	1,278.72	-	786.32	-	(25.58)	-	2,039.46	57.32%	91.35%	-	0.00%	0.00%
June	187.53	-	631.11	-	(3.75)	-	814.89	8.41%	99.75%	-	0.00%	0.00%
July	-	-	-	-	-	-	-	0.00%	99.75%	-	0.00%	0.00%
August	-	-	-	-	-	-	-	0.00%	99.75%	-	0.00%	0.00%
September	-	-	-	-	-	-	-	0.00%	99.75%	-	0.00%	0.00%
October	-	-	-	-	-	-	-	0.00%	99.75%	-	0.00%	0.00%
November	-	-	-	-	-	-	-	0.00%	99.75%	-	0.00%	0.00%
December	-	-	-	-	-	-	-	0.00%	99.75%	-	0.00%	0.00%
Total	\$ 2,225.48	\$ -	\$ 4,436.15	\$ -	\$ (44.52)	\$ -	\$ 6,617.11	99.75%	99.75%	\$ -	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

Debt Service Fund	50.00	\$ 44,618	\$ 2,231.00	100.00%	\$ 2,225.48	99.75%
			\$ 2,231.00	100.00%	\$ 2,225.48	99.75%

Specific Ownership Tax

Debt Service Fund			\$ 156.00	100.00%	\$ 4,436.15	2843.69%
			\$ 156.00	100.00%	\$ 4,436.15	2843.69%

Treasurer's Fees

Debt Service Fund			\$ 45.00	100.00%	\$ 44.52	98.93%
			\$ 45.00	100.00%	\$ 44.52	98.93%

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

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
Larimer County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
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INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 656
Cash and Investments - Restricted	7,768
Property Taxes Receivable	2,231
Receivable from County Treasurer	58
Total Assets	<u>10,713</u>
LIABILITIES	
Due to Other Districts	656
Noncurrent Liabilities:	
Due in More than One Year	4,722,511
Total Liabilities	<u>4,723,167</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>2,231</u>
Total Deferred Inflows of Resources	<u>2,231</u>
NET POSITION	
Debt Service	7,826
Unrestricted	<u>(4,683,056)</u>
Total Net Position	<u><u>\$ (4,675,230)</u></u>

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METRO DISTRICT # 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

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	\$ 19,634	\$ -	\$ -	\$ -	\$ (19,634)
Interest and Related Costs on Long-Term Debt	127,993	-	-	-	(127,993)
Dedication of Developer Advance to Other Entity	(2,060,441)	-	-	-	2,060,441
Dedication of Capital Assets to Other Entity	5,812,808	-	-	-	(5,812,808)
	<u>\$ 3,899,994</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(3,899,994)</u>
GENERAL REVENUES					
					339
					877
					6,615
					2
					<u>7,833</u>
CHANGES IN NET POSITION					
					(3,892,161)
					<u>(783,069)</u>
NET POSITION - END OF YEAR					
					<u>\$ (4,675,230)</u>

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 656	\$ -	\$ 656
Cash and Investments - Restricted	-	7,768	7,768
Receivable from County Treasurer	-	58	58
Property Tax Receivable	-	2,231	2,231
Total Assets	\$ 656	\$ 10,057	\$ 10,713
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Due to Other Districts	\$ 656	\$ -	\$ 656
Total Liabilities	656	-	656
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	-	2,231	2,231
Total Deferred Inflows or Resources	-	2,231	2,231
FUND BALANCES			
Restricted for:			
Debt Service	-	7,826	7,826
Total Fund Balances	-	7,826	7,826
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 656	\$ 10,057	
Amounts reported for governmental activities in the statement of net position are different because:			
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 & B			(4,683,056)
Unpaid Interest on Bonds Series B			-
Net Position of Governmental Activities			\$ (4,675,230)

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
REVENUES			
Property Taxes	\$ -	\$ 339	\$ 339
Specific Ownership Taxes	-	877	877
Net Investment Income	-	2	2
URA District Property Taxes	-	6,615	6,615
Total Revenues	<u>-</u>	<u>7,833</u>	<u>7,833</u>
EXPENDITURES			
County Treasurer's Fee	-	7	7
Intergovernmental Expenditures	19,627	-	19,627
Total Expenditures	<u>19,627</u>	<u>7</u>	<u>19,634</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(19,627)	7,826	(11,801)
OTHER FINANCING SOURCES (USES)			
Developer Advances	7,701	-	7,701
Total Other Financing Sources	<u>7,701</u>	<u>-</u>	<u>7,701</u>
NET CHANGE IN FUND BALANCES	(11,926)	7,826	(4,100)
Fund Balances - Beginning of Year	<u>11,926</u>	<u>-</u>	<u>11,926</u>
FUND BALANCES - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 7,826</u></u>	<u><u>\$ 7,826</u></u>

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ (4,100)

Amounts reported for governmental activities in the statement of activities are different because:

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.

Conveyance of Asset to Other District (5,812,808)

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.

Developer Advance (7,701)
Developer Advance Repayment(Transfer to Dist 6) 2,060,441

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.

Bond Interest - Change in Liability on Series 2020b (39,455)
Bond Accretion (127,993)

Changes in Net Position of Governmental Activities \$ (3,931,616)

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
GENERAL FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Total Revenues	-	-	-	-
EXPENDITURES				
Intergovernmental Expenditures	-	20,000	19,627	373
Total Expenditures	-	20,000	19,627	373
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(20,000)	(19,627)	373
OTHER FINANCING SOURCES (USES)				
Developer Advance	-	8,074	7,701	(373)
Total Other Financing Sources (Uses)	-	8,074	7,701	(373)
NET CHANGE IN FUND BALANCE	-	(11,926)	(11,926)	-
Fund Balance - Beginning of Year	-	11,926	11,926	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 DEFINITION OF REPORTING ENTITY

Timnath Lakes Metropolitan District No. 1 (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by Order and Decree of the District Court for Douglas 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. 1” 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 Nos. 2 and 3, and subsequently Timnath Lakes Metropolitan District Nos. 4, 5, and 6 were organized on August 5, 2020.

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.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2021.

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. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 656
Cash and Investments - Restricted	7,768
Total Cash and Investments	\$ 8,424

Cash and investments as of December 31, 2021 consist of the following:

Investments	\$ 8,424
Total Cash and Investments	\$ 8,424

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.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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.

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, 2021, 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	\$ 8,424

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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 is 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. 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 is rated AAAM by Standard & Poor's. CSAFE Records its investments at amortized cost and the district records investments in CSAFE at net asset value as determined by amortized costs. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021, follows:

	Balance - December 31, 2020	Increases	Decreases	Balance at December 31, 2021
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 5,812,808	\$ -	\$ 5,812,808	\$ -
Total Capital Assets, Not Being Depreciated	<u>5,812,808</u>	<u>-</u>	<u>5,812,808</u>	<u>-</u>

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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, 2021:

	Balance at December 31, 2020	New Issues/ Accretion	Refundings/ Retirements	Balance at December 31, 2021	Due Within One Year
Bonds					
General Obligation Bonds -					
Series 2020A	\$ 3,948,063	\$ 127,993	\$ -	\$ 4,076,056	\$ -
Subordinate Bond -					
Series 2020B	607,000	-	-	607,000	-
Accrued Interest on:					
Subordinate Bond - Series 2020B	-	39,455	-	39,455	-
Subtotal of Bonds Payable	<u>4,555,063</u>	<u>167,448</u>	<u>-</u>	<u>4,722,511</u>	<u>-</u>
Other Debts					
Developer Advance - Operating	330,317	7,701	338,018	-	-
Developer Advance - Capital	1,634,323	-	1,634,323	-	-
Accrued Interest on:					
Developer Advance - Operating	22,766	-	22,766	-	-
Developer Advance - Capital	65,334	-	65,334	-	-
Subtotal of Other Debts	<u>1,987,406</u>	<u>7,701</u>	<u>2,060,441</u>	<u>-</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 6,542,469</u>	<u>\$ 175,149</u>	<u>\$ 2,060,441</u>	<u>\$ 4,722,511</u>	<u>\$ -</u>

The details of the District's general obligation bonds outstanding during 2020 are as follows:

General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2020A (the "Senior Bonds") and **Subordinate General Obligation Limited Tax Bonds, Series 2020B** (the "Subordinate Bonds", and together with the Senior Bonds, the "Bonds")

Bond Proceeds

The District issued the Bonds on December 30, 2020, in the initial principal amount of \$3,948,063 (\$4,220,000 in Accreted Value upon conversion to current interest bonds) for the Senior Bonds and in the principal amount of \$607,000 for the 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 Senior Bonds were issued as capital appreciation bonds that convert to current interest bonds on December 1, 2022. During the Accretion Period, the Senior Bonds pay no current interest, and accrete in value at an accretion rate of 3.5% compounded semiannually on each June 1 and December 1, commencing on June 1, 2021.

On December 1, 2022, the Senior Bonds will cease to be capital appreciation bonds and automatically convert to current interest bonds, at which time the Senior Bonds will bear interest at the rate of 3.5%, payable semiannually on June 1 and December 1 of each year, commencing June 1, 2023. Annual principal payments are due on December 1 of each year beginning December 1, 2024. The Senior Bonds mature on December 1, 2050.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or the Termination Date of December 2, 2060 and will continue to bear interest at the rate then borne by the Senior Bond. To the extent interest on any Senior Bond is not paid when due, such unpaid interest shall compound semiannually on each June 1 and December 1 at the rate borne by the Senior Bond.

Senior Bonds Optional Redemption

The Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2025, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal redeemed as follows:

Optional Redemption Date	Redemption Prices
December 1, 2025 to November 30, 2026	3.00%
December 1, 2026 to November 30, 2027	2.00
December 1, 2027 to November 30, 2028	1.00
December 1, 2028 and Thereafter	0.00

Senior Bonds Pledged Revenue

The Bonds are payable solely from and to the extent of the Pledged Revenue which means the moneys derived by the District from the following sources: (1) the Senior Required Mill Levy; (2) the portion of Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; (3) the TDA Agreement Revenues, as and to the extent received by the District; and (4) 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 Required Mill Levy

Prior to the Conversion Date (defined below), the District has covenanted to impose an ad valorem mill levy, net of collection costs and any tax refunds or abatements authorized by or on behalf of the County, 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 (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement on or after January 1, 2019) less the amount of the Operations Mill Levy (defined below), and (ii) for so long as the Senior Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills (subject to adjustment) 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 Senior Surplus Fund up to the Maximum Surplus Amount.

On and after the Conversion Date, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District each year in an amount sufficient to pay the Senior Bonds as they come due, but not in excess of 60 mills (subject to adjustment) less the amount of the Operations Mill Levy. On and after the Conversion Date, the definition of Senior Required Mill Levy shall be determined by this paragraph regardless of any subsequent increase in the Debt to Assessed Ratio. For so long as the amount of the Senior Surplus Fund is less than the Maximum Surplus Amount, the minimum mill levy as calculated and adjusted pursuant to the first paragraph above shall continue to apply.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Required Mill Levy (Continued)

The Conversion Date is the first date on which all of the following conditions are met: (a) the Debt to Assessed Ratio is 50% or less; and (b) no amounts of principal or interest on the Senior Bonds are due but unpaid ("Conversion Date"). The Operations Mill Levy, with respect to any particular year, 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 2020 (for collection in 2021), the amount of \$50,000, and (ii) for each levy year thereafter, an additional 1% ("Operations Deduction").

TDA Agreement Revenues

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 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 District and the TDA entered into a Cooperation Agreement, effective December 8, 2020 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 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.

Senior Surplus Fund

The Senior Bonds are additionally secured by the Senior Surplus Fund which will be funded from future excess Senior Pledged Revenue, if any, up to the Maximum Surplus Amount of \$394,806. The Senior Surplus Fund shall be maintained for so long as any Senior Bonds are outstanding. The balance in the Senior Surplus Fund as of December 31, 2021 is \$0.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Subordinate Bond Details

The Subordinate Bonds were issued at the rate of 6.5% per annum and are structured as “cash flow” bonds, meaning that no regularly scheduled payments of principal are due on the Subordinate Bonds prior to their maturity date. Instead, principal is payable on each December 15 from available Subordinate Pledged Revenue, if any, pursuant to a mandatory redemption.

Interest on the Subordinate Bonds is payable on each December 15, commencing December 15, 2021, to the extent of the Subordinate Pledged Revenue. Accrued unpaid interest on the Subordinate Bonds will compound annually on each December 15 until sufficient Subordinate Pledged Revenue is available for payment. The Subordinate Bonds mature on December 15, 2050.

In the event that any amount of principal or interest on the Subordinate Bonds remains unpaid on December 16, 2060, the Subordinate Bonds will be deemed paid and discharged.

Subordinate Bonds Optional Redemption

The Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2025, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of the principal redeemed in accordance with the optional redemption table shown above for the Senior Bonds.

Subordinate Pledged Revenue

The Subordinate Bonds are payable solely from and to the extent of the Pledged Revenue, defined in the Subordinate Indenture as the moneys derived by the District from the following sources: (1) the Subordinate Required Mill Levy; (2) the portion of Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy; (3) the Subordinate TDA Agreement Revenues, as and to the extent received by the District; (4) the amounts, if any, in the Senior Surplus Fund after the payment or defeasance of the Senior Bonds; and (5) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

The Subordinate TDA Agreement Revenues are any revenue from the TDA Agreement Revenue remaining after deduction of any amount applied to the payment of any Senior Bonds.

Subordinate Required Mill Levy

The Subordinate Required Mill Levy is an ad valorem mill levy, net of collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County, imposed upon all taxable property of the District each year in an amount of 50 mills (subject to adjustment) less the amount of the Senior Bond Mill Levy and the Operations Mill Levy, or such lesser mill levy which will pay all of the principal of and interest on the Subordinate Bonds in full.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Bonds Debt Service

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

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

The District's long-term obligations will mature as follows:

<u>Year Ending December 31,</u>	Governmental Activities		
	Bonded Debt		
	Principal	Interest	Total
2022	\$ -	\$ -	\$ -
2023	-	147,700	147,700
2024	40,000	147,700	187,700
2025	75,000	146,300	221,300
2026	80,000	143,675	223,675
2027-2031	480,000	672,700	1,152,700
2032-2036	635,000	578,025	1,213,025
2037-2041	825,000	454,475	1,279,475
2042-2046	1,050,000	294,875	1,344,875
2047-2050	1,035,000	92,750	1,127,750
Total	<u>\$ 4,220,000</u>	<u>\$ 2,678,200</u>	<u>6,898,200</u>

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, 2021, the District had authorized, but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 5, 2019 Election	Authorization Used for Series 2020A Bonds	Authorization Used for Series 2020B Bonds	Authorized But Unissued
Streets	\$ 99,260,000	\$ 1,477,000	\$ 212,450	\$ 97,570,550
Water	99,260,000	919,960	132,326	98,207,714
Sanitation	99,260,000	1,612,040	231,874	97,416,086
Parks and Recreation	99,260,000	113,940	16,389	99,129,671
Traffic and Safety	99,260,000	97,060	13,961	99,148,979
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>\$ 4,220,000</u>	<u>\$ 607,000</u>	<u>\$ 1,285,553,000</u>

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021, as follows:

	Governmental Activites
Restricted Net Position:	
Debt Service	\$ 7,826
Total	\$ 7,826

NOTE 7 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 Timnath Lakes Metropolitan District No. 2 (District No. 2), Timnath Lakes Metropolitan District No. 3 (District No. 3), Timnath Lakes Metropolitan District No. 4 (District No. 4), Timnath Lakes Metropolitan District No. 5 (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.

Facilities Funding, Construction and Operations Agreement (Continued)

Pursuant to the FFCOA, the District, District No. 2, District No. 3, 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.

The FFCOA was assigned from the District to District No. 6 on November 9, 2020 by that certain Assignment of 2014-2020 Amended and Restated Operation Funding Agreement by and between the District and District No. 6, which assigned all of the District's obligations under the FFCOA to District No. 6. As a result, the District has no outstanding principal and interest due on the FFCOA.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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.

Facilities Funding and Acquisition Agreement

The District 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 the District to Timnath Lakes Metropolitan District No. 6 (District No. 6) on November 9, 2020, by that Assignment of Facilities Funding and Acquisition Agreement by and between the District, District No. 6, and the Developer, which assigned all of the District's obligations under the FFAA to District No. 6. As a result, the District has no outstanding principal and interest due on the FFAA.

Operation Funding Agreement

On October 22, 2019, with an effective date of January 1, 2014 the District and the Developer entered into the 2014-2020 Amended and Restated Operations Funding Agreement an Operation Funding Agreement (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 years 2014 through 2020, up to a maximum amount of \$330,000, together with interest thereon, at an annual rate of 8%.

The OFA was assigned from the District to District No. 6 on November 9, 2020 by that certain Assignment of 2014-2020 Amended and Restated Operation Funding Agreement by and between the District and District No. 6, which assigned all of the District's obligations under the OFA to District No. 6. As a result, the District has no outstanding principal and interest due on the OFA.

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. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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, 2021. 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 NO. 1
DEBT SERVICE FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 339	\$ 339	\$ -
Specific Ownership Taxes	44	877	833
Net Investment Income	5	2	(3)
URA District Property Taxes	-	6,615	6,615
Total Revenues	<u>388</u>	<u>7,833</u>	<u>7,445</u>
EXPENDITURES			
County Treasurer's Fee	<u>7</u>	<u>7</u>	<u>-</u>
Total Expenditures	<u>7</u>	<u>7</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	381	7,826	7,445
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 381</u></u>	<u><u>\$ 7,826</u></u>	<u><u>\$ 7,445</u></u>

TIMNATH LAKES METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST REQUIREMENTS TO MATURITY
DECEMBER 31, 2021

		\$3,948,063 Limited Tax General Obligation Bonds Series 2020A Interest 3.500% Dated December 30, 2020				
Bonds and Interest Maturing in the Year Ending December 31.		Interest Payable June 1 and December 1		Principal Payable December 1		
		Accreted Bond Balance	Accreted	Principal	Interest	Total
2020	\$	3,948,063	\$ -	\$ -	\$ -	\$ -
2021		4,076,056	127,993	-	-	-
2022		4,220,000	143,944	-	-	-
2023		-	-	-	147,700	147,700
2024		-	-	40,000	147,700	187,700
2025		-	-	75,000	146,300	221,300
2026		-	-	80,000	143,675	223,675
2027		-	-	85,000	140,875	225,875
2028		-	-	90,000	137,900	227,900
2029		-	-	95,000	134,750	229,750
2030		-	-	105,000	131,425	236,425
2031		-	-	105,000	127,750	232,750
2032		-	-	115,000	124,075	239,075
2033		-	-	120,000	120,050	240,050
2034		-	-	130,000	115,850	245,850
2035		-	-	130,000	111,300	241,300
2036		-	-	140,000	106,750	246,750
2037		-	-	145,000	101,850	246,850
2038		-	-	160,000	96,775	256,775
2039		-	-	165,000	91,175	256,175
2040		-	-	175,000	85,400	260,400
2041		-	-	180,000	79,275	259,275
2042		-	-	190,000	72,975	262,975
2043		-	-	200,000	66,325	266,325
2044		-	-	210,000	59,325	269,325
2045		-	-	220,000	51,975	271,975
2046		-	-	230,000	44,275	274,275
2047		-	-	240,000	36,225	276,225
2048		-	-	255,000	27,825	282,825
2049		-	-	260,000	18,900	278,900
2050		-	-	280,000	9,800	289,800
Total	\$	<u>4,220,000</u>	<u>\$ 271,937</u>	<u>\$ 4,220,000</u>	<u>\$ 2,678,200</u>	<u>\$ 6,898,200</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 METROPOLITAN DISTRICT NO. 1
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2021**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percent Collected to Levied
			Levied	Collected	
2017	\$ 1,035	35.000	\$ 36	\$ 36	100.00%
2018	1,100	35.000	39	39	100.00
2019	552	35.000	19	19	100.00
2020	375	50.350	19	19	100.00
2021	6,774	50.000	339	339	100.00
Estimated for Year Ending December 31, 2022	\$ 44,618	50.000	\$ 2,231		

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.

APPLICATION FOR EXEMPTION FROM AUDIT**SHORT FORM**NAME OF GOVERNMENT
ADDRESS

Timnath Lakes Metropolitan Distirct No. 2

8390 E Crescent Parkway

Suite 300

Greenwood Village, CO 80111

CONTACT PERSON

Jason Carroll

PHONE

303-779-5710

EMAIL

Jason.Carroll@claconnect.com

FAX

303-779-0348

For the Year Ended

12/31/21

or fiscal year ended:

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:

Jason Carroll

TITLE

Accountant for the District

FIRM NAME (if applicable)

CliftonLarsonAllen LLP

ADDRESS

8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111

PHONE

303-779-5710

DATE PREPARED

3/11/2022

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPLILATION REPORT

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)



PROPRIETARY
(CASH OR BUDGETARY BASIS)



PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 12	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ 4	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 16	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
3-1	Administrative	\$ -	Please use this space to provide any necessary explanations
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):		
3-24	Intergovernmental	\$ 16	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 16	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

	Yes	No		
4-1 Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2 Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-3 Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
	Outstanding at end of prior year*	Issued during year		
	Retired during year	Outstanding at year-end		
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much? \$ 367,000,000.00 Date the debt was authorized: 5/2/2006	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? If yes: What is being leased? What is the original date of the lease? Number of years of lease? Is the lease subject to annual appropriation? What are the annual lease payments? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ -
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
Total Investments		\$ -
Total Cash and Investments		\$ -

Please answer the following questions by marking in the appropriate boxes

	Yes	No	N/A
5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

N/A

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firefighters' pension plan? Yes No
- 7-2 Does the entity have a volunteer firefighters' pension plan? Yes No
- If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund (Amended)	\$ 20

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

10-1 Is this application for a newly formed governmental entity?

If yes:

Date of formation:

10-2 Has the entity changed its name in the past or current year?

If yes: Please list the NEW name & PRIOR name:

10-3 Is the entity a metropolitan district?

Please indicate what services the entity provides:

See Below

10-4 Does the entity have an agreement with another government to provide services?

If yes: List the name of the other governmental entity and the services provided:

See Below

10-5 Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during

If yes: Date Filed:

10-6 Does the entity have a certified Mill Levy?

If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	50.000
Total mills	50.000

Bond Redemption mills	-
General/Other mills	50.000
Total mills	50.000

Please use this space to provide any explanations or comments:

10-3: District provides for the design, acquisition, construction, installation and financing of street, park and recreation, water, sanitation, mosquito control and safety protection.

10-4: The District operates in connection with Timnath Lakes Metro District Nos. 1, 3, 4, 5 and 6. Districts 1 through 5 are the financing Districts and District 6 is the operating District.

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure



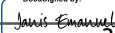
Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Theodore Antenucci	I Theodore Antenucci , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/28/2022</u> My term Expires: May 2023
Board Member 2	Robert Bol	I Robert Bol , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/28/2022</u> My term Expires: May 2022
Board Member 3	Janis Emanuel	I Janis Emanuel , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/29/2022</u> My term Expires: May 2023
Board Member 4		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen LLP
8390 East Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
phone 303-779-5710 fax 303-779-0348
CLAAconnect.com

Accountant's Compilation Report

Board of Directors
Timnath Lakes Metropolitan District No. 2
Larimer County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Timnath Lakes Metropolitan District No. 2 as of and for the year ended December 31, 2021, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Timnath Lakes Metropolitan District No. 2.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

Greenwood Village, Colorado
03/11/2022

Certificate Of Completion

Envelope Id: 3A7C7E7EA7D64B4BA0E77B23871A227D	Status: Completed
Subject: Please DocuSign: TLMD 2 - 2021 Audit Exemption (03-16-22).pdf	
Client Name: Timnath Lakes Metropolitan District No. 2	
Client Number: 011-043638-00	
Source Envelope:	
Document Pages: 8	Signatures: 3
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	Carl Powell
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 South 6th Street
	Suite 300
	Minneapolis, MN 55402
	Carl.Powell@claconnect.com
	IP Address: 165.225.10.147

Record Tracking

Status: Original	Holder: Carl Powell	Location: DocuSign
3/22/2022 2:22:30 PM	Carl.Powell@claconnect.com	

Signer Events

Theodore Antenucci
 tantenucci@catellus.com
 Manager
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

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 Signature Adoption: Pre-selected Style
 Using IP Address: 73.14.108.144

Timestamp

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 Viewed: 3/28/2022 8:33:22 PM
 Signed: 3/28/2022 8:33:47 PM

Electronic Record and Signature Disclosure:

Accepted: 3/28/2022 8:33:22 PM
 ID: bf04f952-d160-4e7b-8bc6-404556b29bbf

Robert Bol
 robbol@yahoo.com
 Security Level: Email, Account Authentication (None)

DocuSigned by:

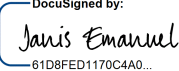
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 Signed: 3/28/2022 10:07:34 PM

Electronic Record and Signature Disclosure:

Accepted: 3/28/2022 10:06:10 PM
 ID: c6c96b15-23fc-49c2-a7b8-c8c92e01b516

Janis Emanuel
 jemanuel@catellus.com
 President
 Catellus
 Security Level: Email, Account Authentication (None)

DocuSigned by:

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 Signature Adoption: Pre-selected Style
 Using IP Address: 173.8.249.57

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 Signed: 3/29/2022 7:43:18 AM

Electronic Record and Signature Disclosure:

Accepted: 11/18/2021 3:05:12 PM
 ID: e44cc491-726b-41d5-a960-93622b1ef791

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Editor Delivery Events	Status	Timestamp
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Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/22/2022 2:49:13 PM
Certified Delivered	Security Checked	3/29/2022 7:43:12 AM
Signing Complete	Security Checked	3/29/2022 7:43:18 AM
Completed	Security Checked	3/29/2022 7:43:18 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

APPLICATION FOR EXEMPTION FROM AUDIT**SHORT FORM**NAME OF GOVERNMENT
ADDRESS

Timnath Lakes Metropolitan District No. 3

8390 E Crescent Parkway

Suite 300

Greenwood Village, CO 80111

CONTACT PERSON

Jason Carroll

PHONE

303-779-5710

EMAIL

Jason.Carroll@claconnect.com

FAX

303-779-0348

For the Year Ended

12/31/21

or fiscal year ended:

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:

Jason Carroll

TITLE

Accountant for the District

FIRM NAME (if applicable)

CliftonLarsonAllen LLP

ADDRESS

8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111

PHONE

303-779-5710

DATE PREPARED

3/11/2022

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPIILATION REPORT

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)



PROPRIETARY
(CASH OR BUDGETARY BASIS)



PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 1	
2-2	Specific ownership	\$ 1	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 2	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):		
3-24	Intergovernmental	\$ 2	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 2	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

	Yes	No		
4-1 Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2 Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-3 Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much? \$ 367,000,000.00 Date the debt was authorized: 5/2/2006	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? If yes: What is being leased? What is the original date of the lease? Number of years of lease? Is the lease subject to annual appropriation? What are the annual lease payments? \$ -	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ -
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
Total Investments		\$ -
Total Cash and Investments		\$ -

Please answer the following questions by marking in the appropriate boxes

	Yes	No	N/A
5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

6-3 Complete the following capital assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firefighters' pension plan? Yes No
- 7-2 Does the entity have a volunteer firefighters' pension plan? Yes No
- If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund (Amended)	\$ 5

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

10-1 Is this application for a newly formed governmental entity?

If yes:

Date of formation:

10-2 Has the entity changed its name in the past or current year?

If yes: Please list the NEW name & PRIOR name:

10-3 Is the entity a metropolitan district?

Please indicate what services the entity provides:

See Below

10-4 Does the entity have an agreement with another government to provide services?

If yes: List the name of the other governmental entity and the services provided:

See Below

10-5 Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during

If yes: Date Filed:

10-6 Does the entity have a certified Mill Levy?

If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	50.349
Total mills	50.349

Bond Redemption mills	-
General/Other mills	50.349
Total mills	50.349

Please use this space to provide any explanations or comments:

10-3: District provides for the design, acquisition, construction, installation and financing of street, park and recreation, water, sanitation, mosquito control and safety protection.

10-4: The District operates in connection with Timnath Lakes Metro District No. 1, 2, 4, 5 and 6. District 6 is the Operating District and Districts 1 through 5 are the Financing Districts.

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

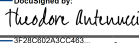

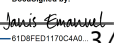
Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Theodore Antenucci	I Theodore Antenucci , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/28/2022</u> My term Expires: May 2023
Board Member 2	Robert Bol	I Robert Bol , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/28/2022</u> My term Expires: May 2022
Board Member 3	Janis Emanuel	I Janis Emanuel , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  Date: <u>3/29/2022</u> My term Expires: May 2023
Board Member 4		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____ , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen LLP
8390 East Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
phone 303-779-5710 fax 303-779-0348
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Timnath Lakes Metropolitan District No. 3
Larimer County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Timnath Lakes Metropolitan District No. 3 as of and for the year ended December 31, 2021, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Timnath Lakes Metropolitan District No. 3.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

Greenwood Village, Colorado
03/11/2022

Certificate Of Completion

Envelope Id: 99E31AEB22414EB1A4D28FFD8DD2C42F	Status: Completed
Subject: Please DocuSign: TLMD 3 - 2021 Audit Exemption (03-16-22).pdf	
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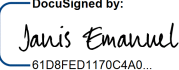
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Denver, Colorado 80202
Attn: John Heronimus



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**DECLARATION
CONCERNING DISCLOSURES, ACKNOWLEDGMENTS AND WAIVERS
FOR TIMNATH LAKES
(COMMERCIAL)**

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EXHIBIT A Legal Description of the Property

**DECLARATION
CONCERNING DISCLOSURES, ACKNOWLEDGMENTS AND WAIVERS
FOR TIMNATH LAKES
(COMMERCIAL)**

This DECLARATION CONCERNING DISCLOSURES, ACKNOWLEDGMENTS AND WAIVERS FOR TIMNATH LAKES (COMMERCIAL) (this “**Declaration**”) is made and effective as of this 1st day of March, 2022 by CAC TIMNATH, LLC, a Delaware limited liability company (“**Declarant**”).

RECITALS

A. Declarant is the owner of the real property located in the town of Timnath, Larimer County, Colorado legally described on the attached Exhibit A (the “**Property**”).

B. Declarant has obtained necessary approvals to develop a master planned community commonly known as “Timnath Lakes” in the Town of Timnath (the “**Town**”), Larimer County, Colorado. Such master planned community is referred to herein as the “**Community**”.

C. In connection with the sale of the lots in the Community to developers and commercial property owners and tenants, Declarant desires to disclose certain conditions and potential conditions relating to the Property, the Community and surrounding areas to any future owner of a portion of the Property (each, an “**Owner**”), and waive claims related to such matters.

D. Without the disclosures, waiver, alternative dispute resolution provisions and other terms and conditions contained in this Declaration, Declarant would not proceed with the development of the Community.

DECLARATION

NOW, THEREFORE, Declarant hereby declares that at all times the Property shall be subject to this Declaration and that all Owners and any property owners associations formed for any portion of the Property (each an “**Association**”) shall be subject to this Declaration with respect to the Property and any interest therein or obligation with respect thereto such Owners or the Association has from time to time. Nothing herein shall be deemed to replace a prospective Owner’s investigations and due diligence regarding the Property and its suitability for such Owner’s intended use.

1. **DISCLOSURES AND WAIVER REGARDING ACTIVITIES.** Declarant hereby discloses the following matters concerning or affecting the Property and, by taking title to, owning, holding, using or occupying the Property or any portion thereof, each Owner, any occupants of any portion of the Property (“**Occupants**”) and any Association shall be deemed to have acknowledged and agreed to the following matters:

a. Construction Activities. The Property is located in an area that is subject to or near ongoing construction activities (the “**Construction Activities**”). The Construction Activities are expected to generate an unpredictable amount of visible, audible and odorous

impacts and disturbances. The Construction Activities may include, without limitation: (i) construction traffic (including, without limitation, construction vehicles, equipment and vehicles used or owned by Declarant, contractors, adjacent landowners, and the employees, agents and contractors of any of them); (ii) construction activities (including, without limitation, grading, excavation, clearing, site work, cranes, relocation of roadways and public utilities, and construction of improvements) relating to the development of the Community or nearby properties; and (iii) blasting and pneumatic hammering activity.

b. Open Space. The Property is or may be located adjacent to or in the vicinity of areas used for open space and recreational purposes (the “**Open Space Areas**”). Some or all of the Open Space Areas may be open to members of the general public, and not just Owners of property within the Community. The Open Space Areas are expected to generate visible, audible and odorous impacts and disturbances from activities relating to the use, construction, operation and maintenance of the Open Space Areas (the “**Open Space Activities**”), the precise amount of which is unpredictable. The Open Space Activities may include, without limitation: (a) movement and operation of vehicles, including, without limitation, passenger vehicles, commercial vehicles and bicycles; (b) activities relating to the construction, operation and maintenance of roads, trails and other facilities relating to the Open Space Areas (including, without limitation, tree cutting and clearing, grading and earth moving and other construction activities, construction, operation and maintenance of access roads, operation of vehicles and equipment relating to trash removal); (c) activities relating to the use of the Open Space Areas (including, without limitation, use of the Open Space Areas by animals, Owners or members of the general public); (d) the installation and use of trails, lakes, utilities and storm drainage lines and/or other water storage, conveyance or delivery facilities, including, without limitation, inlets, drop stations, dewatering systems, augmentation ponds, and water quality ponds; and (e) other activities permitted by law. Nothing in this Declaration may be interpreted as a representation or warranty by Declarant regarding the location or amount of Open Space within the Community, or when such Open Space, if any, will be open for use. Each Owner and any members of the general public that utilize the Open Space Areas do so at their own risk. To the extent permitted by law, neither Declarant nor any of the Timnath Districts (as defined in Section 2(a) below) shall be responsible for any damage to property or injury arising from any individual’s use of the Open Space Areas.

c. Agricultural Activities. The Property was formerly used for agricultural purposes, and the Property is or may be located adjacent to or in the vicinity of areas used for agricultural purposes (the “**Agricultural Areas**”). Additionally, a portion of the Community may be located within the Agricultural Areas. The Agricultural Areas are expected to generate visible, audible and odorous impacts and disturbances from activities relating to the use, construction, operation and maintenance of the Agricultural Areas (the “**Agricultural Activities**”) the precise amount of which is unpredictable. The Agricultural Activities may include, without limitation: (a) movement and operation of agricultural vehicles (including, without limitation, tractors), commercial vehicles, and construction vehicles and equipment; (b) activities relating to the construction, operation and maintenance of roads, trails and other facilities relating to the Agricultural Areas (including, without limitation, tree cutting and clearing, grading and earth moving and other construction activities, construction, operation

and maintenance of access roads, operation of vehicles and equipment relating to trash removal); (c) activities relating to the use of the Agricultural Areas (including, without limitation, use of the Agricultural Areas by animals); (d) activities related to the use of fertilizers, herbicides and pesticides within the Agricultural Areas; and (e) other activities permitted by law. Over time as the Community and surrounding areas are developed, the Agricultural Areas and Agricultural Activities may dissipate, but there is no guarantee as to whether the Agricultural Activities will cease or continue.

d. Social and Commercial Activities. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and agreed that (i) Social and Commercial Activities and events, including, but not limited to: (A) the operation of full-service hotels with associated swimming pools and other outdoor recreational facilities, (B) the holding of meetings, conferences, banquets and other group events, (C) the operation of full-service shopping malls and other retail businesses, including grocery stores, gasoline stations and car washes, (D) the operation of various businesses, including banks and other financial service providers, real estate and mortgage brokers, veterinary clinics, and other general office uses, (E) indoor and outdoor restaurant and bar operations (including the sale of food and alcoholic and non-alcoholic beverages for on-site and off-site consumption) and preparation of hot and cold food (including through the use of barbecue grills, fire pits and other smoke and/or odor producing means) and beverages at indoor and outdoor facilities which may include outdoor music, smoking and deliveries, (F) parking activities, including special event parking and after hours parking, (G) the installation, operation and maintenance of illuminated (including electronic media displays) and non-illuminated signage, (H) concerts, sporting events and other outdoor and indoor entertainment, performances and events, (I) operation, repair, maintenance, construction, replacement, expansion, alteration and use of the Property and improvements thereon and thereunder, (J) operation, repair, maintenance, construction, replacement, expansion, alteration and use of the Highways (as defined below), and other streets and roads, light rail, commuter or heavy rail trains and other modes of transit, including buses and shuttles and related equipment and improvements, (K) the use of bicycles and other recreational equipment, and (L) any other uses or activities permitted by law ((A) – (L) collectively, the “**Social and Commercial Activities**”) are and may be conducted within or nearby the Property (the “**Social and Commercial Activity Areas**”), (ii) the Social and Commercial Activities are expected to generate an unpredictable amount of visible, audible, odorous, and other sensory and non-sensory impacts and disturbances, and (iii) the Social and Commercial Activities may occur during daytime and nighttime. Nothing in this Declaration shall be interpreted as a representation or warranty by Declarant regarding the location of Social and Commercial Activity Areas or the amount of Social and Commercial Activities within or in the vicinity of the Community, or when such Social and Commercial Activities, if any, will occur.

e. Highway and Railway Activities.

i. The Property is located in the vicinity of highways, including Interstate 25, State Highway 40, and State Highway 38 (Harmony Road) (collectively, the “**Highways**”). The Highways are expected to generate visible, audible and odorous impacts and disturbances, including, without limitation, noise,

dust, dirt, lighting and pedestrian and vehicular traffic typically associated with these types of facilities (the “**Highway Impacts**”), the precise amount of which is unpredictable. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that (a) such Owner is aware of the proximity of the Property to the Highways; (b) the future demands of the Highways may increase significantly thereby increasing the amount of Highway Impacts; and (c) Declarant has no control over the future plans for the Highways or any other highways or major roads in the vicinity of the Property.

ii. The Property is located in the vicinity of certain railroad tracks (collectively, the “**Railways**”). The Railways are expected to generate visible, audible and odorous impacts and disturbances, including, without limitation, noise, dust, dirt, lighting and rail traffic typically associated with these types of facilities (the “**Railway Impacts**”), the precise amount of which is unpredictable. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that (a) such Owner is aware of the proximity of the Property to the Railways; (b) the future demands of the Railways may increase significantly thereby increasing the amount of Railway Impacts; and (c) Declarant has no control over the future plans for the Railways or any other railroad tracks in the vicinity of the Property.

f. General Improvement District. The Property is or shall be included within the General Improvement District (the “**GID**”). The GID may impose (i) a mill levy on the Property and/or (ii) an operations and maintenance fee on the Property. The Property is also included within the boundaries of the “Metro District” (as defined in Section 2(a) below).

g. Recreational Amenities. The Community contains certain playground equipment, swimming pool facilities, and other recreational facilities (collectively, the “**Recreational Amenities**”) for the use of the general public and/or for the use of residents of the Community. Each Owner and any members of the general public that utilize the Recreational Amenities do so at their own risk. To the extent permitted by law, neither Declarant nor any of the Timnath Districts shall be responsible for any damage to property or injury arising from any individual’s use of the Recreational Amenities.

h. WKR Airport. The Community is located in close proximity to the WKR Airport and aircraft, including business jets, operating from the airport should be expected to over fly, be visible from, and be heard from the Community on a regular basis. Such aircraft may be operating at low altitudes and at high power setting, causing noticeably high levels of noise.

i. Town Property. A parcel adjacent to the Property is owned by the Town as shown on the Plat. This parcel will be developed by the Town and Declarant does not have any control over the development of this parcel.

j. Oil and Gas Wells. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and agreed that oil and/or gas wells may

be located on or nearby the Property (the “**Oil and Gas Wells**”), which Oil and Gas Wells may, from time to time, be operating or may be plugged and abandoned or in any other condition. Declarant does not have any control over the development of the Oil and Gas Wells.

k. Fireworks. Declarant, any of the Timnath Districts, any Association and their respective representatives, agents, employees and contractors may discharge fireworks in connection with Community events.

l. Water Decree and Well Permit.

i. The Property is subject to and bound by that certain Findings of Fact, Conclusions of Law and Judgment and Decree of the Water Court in Case No. 15CW3169, District Court in and for Water Division No. 1, State of Colorado, entered June 11, 2018 (the “**Water Decree**”). The Water Decree prohibits (i) using water pumped from the existing groundwater wells on the Property for irrigation of the Property; and (ii) locating, constructing or drilling any new groundwater wells on the Property. Declarant makes no representation or guarantee that the terms of the Water Decree will remain unchanged.

ii. Pursuant to the Water Decree, Declarant has installed or will install an integrated, passive dewatering system that will intercept ground water tributary to the Cache La Poudre River (the “**Pond Well Dewatering System**”). The Pond Well Dewatering System will include 3 unlined ponds designed to maintain fixed water surface elevations, an underdrain, and an earthen channel to accommodate water resulting from 100-year storm events. Additionally, pursuant to the Water Decree, Declarant has installed or will install a lined augmentation pond on the Property (the “**Augmentation Pond**”), which will be utilized for augmentation, recreation and fire protection purposes. There will also be other water infrastructure on the Property for purposes of diverting, measuring, storing, delivering and/or returning to the Cache La Poudre River certain irrigation water delivered to the Property from the Lake Canal Ditch, all as more fully set forth in the Water Decree and the exhibits thereto, as such may be amended from time to time.

iii. The Property is also subject to and bound by the terms of a Well Permit (Receipt No. 3682932, prior permit No. 796665-F) issued by the Colorado Division of Water Resources for the Pond Well Dewatering System, as amended from time to time. Third parties have, or will have in the future, the right to access the Property to utilize and deliver water from an existing well pursuant to such permit.

m. Waiver and Release. By taking title to, owning, holding, using or occupying the Property or any portion thereof, each Owner, Occupant and any Association acknowledges that the (i) Construction Activities; (ii) Open Space Activities; (iii) Agricultural Activities; (iv) Social and Commercial Activities; (v) Highway Impacts; (vi) Railway Impacts; (vii) activities relating to the GID; (viii) Recreational Amenities; (ix) WKR Airport; (x) activities relating to the property owned by the Town; (xi) Oil and Gas

Wells; (xii) fireworks; (xiii) Pond Well Dewatering System; (xiv) Lake Canal Ditch lateral water presence, delivery, measurement, storage, and return systems; and (xv) Augmentation Pond (collectively, the “**Activities**”) and the impacts and disturbances generated by the Activities may occur in and around the Property, and may occur during daytime and nighttime and may be temporarily or permanently interrupted, discontinued or modified, in whole or in part, from time to time. Each Owner, Occupant and any Association, by taking title to, owning, holding, using or occupying the Property or any portion thereof, forever waives and releases any actions or claims such party or its successors and assigns may have against Declarant and its successors and assigns and each of its respective parents, subsidiaries, affiliates, officers, directors, members, investors, contractors, agents and employees, which in any way arise out of the existence, occurrence, or the temporary or permanent interruption, discontinuance or modification of the Activities and such impacts and disturbances.

2. SPECIAL TAXING DISTRICT.

a. Metro District Charges. In addition to the GID, the Property is located within the boundaries of the Timnath Lakes Metropolitan District No. 2 (the “**Metro District**”). The Metro District is one of the several Timnath Lakes Metropolitan District Nos. 1 - 6 (collectively, the “**Timnath Districts**”), each of which has been organized to provide services to various portions of the Community from time to time. The Metro District is governed by one or more service plans (collectively, the “**Service Plans**”), and the Metro District is entitled to levy and collect taxes and impose rates, fees, tolls and charges as outlined in the Service Plans (the “**Metro District Charges**”). The Metro District (possibly in conjunction with one or more of the other Timnath Districts or a subsequent metropolitan district or authority organized and authorized pursuant to Title 32, C.R.S. or Title 29, C.R.S., respectively, as amended) will construct infrastructure improvements to benefit the Community funded by such Metro District Charges. Eligible electors and property owners within the boundaries of the Metro District previously authorized the Metro District to impose such Metro District Charges and to issue bonds or other capital debt instruments permitted by applicable law (collectively, “**Bonds**”) in amounts sufficient to construct certain improvements within the Property. These Bonds might be floating over a period of time. The approval of eligible electors or property owners is not required prior to (i) such imposition of the Metro District Charges or (ii) the issuance of debt that does not exceed previously approved amounts within the Property.

b. Acknowledgments. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that the Metro District has issued or may issue debt pursuant to such previously approved authorizations. Each Owner, by taking title to a portion of the Property, is further deemed to have acknowledged and agreed that it will be responsible for the (i) payment of Metro District Charges and (ii) repayment of any Bonds issued previously or in the future by the Metro District; regardless of whether such Owner was a property owner as of the date of the initial authorization was given to impose such Metro District Charges or issue Bonds or as of the date that such Metro District issued such debt. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that the Metro District will be authorized to impose up to an

aggregate 25 mill levy for commercial property, and to impose fees for services to the Owners and the Property, subject to any amendments to the service plans for the Metro District.

3. DEVELOPMENT IMPACTS. Declarant hereby discloses the following matters affecting the Property related to certain development impacts and, by taking title to, owning, holding, using or occupying the Property or any portion thereof, each Owner, Occupant and any Association shall be deemed to have acknowledged and agreed to the following matters:

a. Development of the Property. Future development of the Property, the Community and surrounding areas is subject to change and cannot be predicted, and Declarant cannot guarantee the number, type, style, density, use, location or timing of construction of any structures built or to be built on the Property or other portions of the Community. Notwithstanding any oral, written or other representation (including any marketing materials, land use maps, or similar items) made to the contrary by Declarant, any agent, employee, or representative of Declarant, any seller or developer of any portion of the Property, any real estate agency or agent, or any other person, each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that other portions of the Property and the Community may be developed for any use or purpose whatsoever and that Declarant has made no assurances, representations or warranties that the Property or the Community will be developed as proposed. Development within the Property and the Community is governed by zoning and land use ordinances of the Town, as well as any other governmental rules, regulations, or policies in effect now or in the future which are applicable to the Property, as may be amended from time to time (collectively, the "**Ordinances**"). Declarant retains the right to (a) seek amendments or changes to, and exemptions from, the Ordinances; (b) develop the Property and the Community according to its plans and to change such plans from time to time; (c) build (or the right to allow to be built) improvements or other structures which may differ substantially from any models of such improvements or other structures; (d) change the style, design, size, price, density or any other feature of any portions of the Property or the Community; (e) change the timing of construction of any improvements or other structures on any portion of the Property or the Community; and (f) use any method of marketing or advertisement to sell, lease or otherwise dispose of any portions of the Property or the Community. Without limiting the foregoing, Declarant specifically discloses to each Owner and each Owner, by taking title to a portion of the Property, acknowledges and agrees, that Declarant may determine to modify the Town approvals of the Property to allow different uses than contemplated by the Town approvals of the Property, if any, as of the date of this Declaration and may develop the Community in accordance with such modified approval. Declarant may also modify the Town approvals to allow for greater density than currently contemplated and may then develop in accordance with such modified plan. Conversely, Declarant may determine to develop in a less dense manner than currently contemplated. Declarant makes no assurances, representations or warranties as to the type of product or uses that will be adjacent to or in the vicinity of the Property. To the fullest extent of the law, each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that it will not interfere with, or object to, any public process involved with Declarant's exercise of the foregoing rights, or oppose or otherwise attempt to prevent Declarant from exercising the foregoing rights. Each Owner,

by taking title to a portion of the Property, is deemed to have acknowledged and agreed that the zoning for the Property is established and governed by the Ordinances. Any amendment of those Ordinances requires approval of the Town. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that it has not relied upon any statements or representations regarding the Property, including, without limitation, any representations made, except for those representations expressly set forth in a written agreement executed by an authorized representative of Declarant and those matters provided for in the Ordinances. To the fullest extent of the law, each Owner, by taking title to a portion of the Property, is further deemed to have acknowledged and agreed that it will not cause or attempt to cause any of the Ordinances to be amended without the prior written consent of Declarant.

b. Architectural Control Committee. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that the exterior appearance of buildings within the Community is important to Declarant. In order to ensure a uniform appearance of the exterior of each building or other improvement constructed on the Property (or portions thereof), Declarant has or may subject some or all of the Property to an architectural review covenant. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that it may be subject to such an architectural review covenant and will comply with the terms thereof to the extent applicable. Notwithstanding the foregoing, Declarant makes no representation and expressly disclaims any representation that (a) the Property will be developed in accordance with the terms and provisions of any such architectural review covenant; (b) that the terms and provisions of any such architectural review covenant will be consistently applied; and (c) that improvements on any portion of the Property will be of comparable quality, value or size, or similar design, or aesthetically pleasing or otherwise acceptable to any other Owner. In addition, each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that any such architectural review covenant may be amended from time to time pursuant to the terms and conditions thereof.

c. Development of Other Properties. Notwithstanding any oral, written or other representation made to the contrary by Declarant, any agent, employee, or representative of Declarant, any seller or developer of any portion of the Property, any real estate agency or agent, or any other person, each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that other properties are located adjacent to and in the general vicinity of the Property and the Community (the “**Other Properties**”), that the Other Properties may be developed pursuant to the land uses permitted by the Ordinances and that the existing and proposed uses of the Other Properties are subject to change and are not within the Declarant’s control. Neither Declarant, nor developers or sellers of any portion of the Property, nor their affiliates make any representations concerning the planned uses of the Other Properties nor the number, type, style, density, use, location or timing of construction of any structures built or to be built on the Other Properties. Each Owner, by taking title to a portion of the Property, is also deemed to have acknowledged and agreed that the zoning for the Other Properties is established and governed by the Ordinances. Any amendment of those Ordinances requires approval of the Town. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that it has not relied

upon any statements or representations regarding the Other Properties by Declarant, or any agent, employee, or representative of Declarant, except for those matters provided for in the Ordinances.

d. No View Easement. Notwithstanding any oral, written or other representation made to the contrary by Declarant, any agent, employee, or representative of Declarant, any seller or developer of any portion of the Property, any real estate agency or agent, or any other person, each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that (a) there is no easement or other right, express or implied, for the benefit of such Owner's portion of the Property for light, view, or air included in or created by such representation or as a result of owning any portion of the Property; and (b) Declarant has made no representation or warranty with respect to the presence or absence of any current or future view or scene from any portion of the Property or any existing or contemplated structure thereon. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that any view, sight lines, or openings for light or air available from the Property may be blocked or altered in whole or in part in the future by virtue of development and landscaping, natural or unnatural causes, including but not limited to future construction or expansion of commercial or residential buildings or facilities, or by natural or unnatural loss or alteration of vegetation. Without limiting the foregoing, each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that Declarant, the seller or developer of any portion of the Property may remove or trim trees, bushes or other vegetation or landscape on the Property or areas of the Community adjacent to the Property.

e. Subsurface Rights. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and agreed that: (a) subsurface rights, including those pertaining to it, natural gas, other hydrocarbon, and minerals, underneath the surface of the Property may be owned by persons other than the owners of the surface of the Property, and (b) the owners of such subsurface rights may have rights to explore, extract and remove the same in accordance with applicable law.

f. Retention Ponds and Detention Ponds. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and agreed that: (a) in furtherance of developing the Property, retention ponds and/or detention ponds may be constructed within or in proximity to the boundaries of the Property to hold and release storm water, (b) with the presence of retention ponds or detention ponds, surface water may accumulate within the area of such ponds, and there may be periods of time when the area immediately surrounding a retention pond or detention pond is subject to flooding, (c) certain risks and dangers of physical injury and property damage are inherent in the physical configuration of a retention pond and a detention pond, and (d) such Owner hereby releases Declarant, Declarant's affiliates, and the Timnath Districts from any and all liability for any injury, loss or damage arising from such flooding or otherwise arising from the retention ponds or detention ponds.

g. Non-potable Water for Landscaping and Irrigation. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and

agreed that non-potable water may be used for purposes of landscaping and irrigation within and in the vicinity of the Property.

h. Safety. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and agreed that: (a) such Owner and its tenant or Occupant of such Owner's portion of the Property, or an agent, employee, customer, contractor, licensee, guest or invitee of such Owner (collectively, an Owner's "Permittees") shall be responsible for their own personal safety and the security of their property, (b) the Timnath Districts may, but shall not be obligated to, maintain or support certain activities within the Community designed to promote or enhance the level of safety or security therein, (c) in the event that Declarant or the Timnath Districts implement safety precautions for all or any portion of the Property, such action shall not be deemed under any circumstances as an undertaking by Declarant or the Timnath Districts to guarantee the safety and security of Owners or their property or the security of the property of any persons. No person shall be entitled to rely upon such safety precautions on the Property as a guarantee of safety and security, (d) neither the Timnath Districts, nor Declarant or its affiliates shall in any way be considered insurers or guarantors of safety or security within the Community, nor shall they be liable for any injury, loss or damage to persons or property by reason of failure to provide adequate security or the ineffectiveness of security measures undertaken, (e) no representation or warranty has been made or is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Property, cannot be compromised or circumvented, nor that any such system or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended, and (f) that it is responsible for informing its Permittees that neither the Timnath Districts nor Declarant or its affiliates are insurers or guarantors of security or safety and that each person within the Property assumes all risks or personal injury and loss or damage to property resulting from the acts of third persons.

i. Assumption of Risk. Each Owner, Occupant and any Association, by taking title to, owning, holding, using or occupying the Property or any portion thereof, knowingly accepts all risks associated with any and all of the matters disclosed in this Section 3.

4. SOIL DISCLOSURES.

a. Acknowledgment. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and agreed that: (i) the soils within Colorado consist of both expansive soils and low-density soils which may adversely affect the integrity of a site if such site is not properly maintained, (ii) expansive soils contain clay which have the characteristic of changing volume with the addition or subtraction of moisture, thereby resulting in swelling and/or shrinking soils, and (iii) the addition of moisture to low-density soils causes a re-alignment of soil grains, thereby resulting in consolidation and/or collapse of the soils.

b. Waiver of Liability of Declarant. By acceptance of a deed to any portion of the Property, each Owner shall be deemed to have acknowledged and agreed that such Owner has waived and will be deemed to have waived the right to any award of damages

against Declarant or its affiliates and the managers, members, employees and agents of Declarant and its affiliates, for any loss or damage to any portion of the Property caused by, resulting from or in any way connected with soil conditions, including the presence of expansive soils and radon gas.

5. UTILITY AND WATER TRANSMISSION LINES; AKIN DITCH.

a. Utility Lines. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that (a) overhead power lines and substations exist on portions of the Community; (b) such overhead power lines and substations may be expanded in the future and/or new overhead power lines and substations may be installed on other portions of the Community within the vicinity of the Property; and (c) overhead, above-ground and underground utility, water and sewer collection and transmission lines will run throughout the Community pursuant to recorded easement agreements (collectively, the “**Utility Lines**”). Declarant neither represents nor guarantees that such Utility Lines or related substations will be buried or relocated underground in the future. Such Utility Lines and related substations are expected to generate visible, audible and odorous impacts and disturbances to the Property, the precise amount of which is unpredictable. In addition, the Utility Lines and related substations will require activities relating to construction, operation and maintenance of the same and such construction, operation and maintenance activities are expected to generate visible, audible and odorous impacts and disturbances, including, without limitation, traffic, noise, dust, odors, debris, interference with access and interruptions of utility services, the precise amount of which is unpredictable. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that the Utility Lines and related substations, and the impacts and disturbances generated by such Utility Lines and related substations may be reconfigured, expanded or eliminated from time to time. Each Owner, by taking title to a portion of the Property, is deemed to have waived, disclaimed and released forever any claims the Owner, its successors and assigns may have against Declarant and its Affiliates, which in any way arise out of the impacts and disturbances generated from the Utility Lines and related substations.

b. Lateral Ditch Infrastructure. An open concrete irrigation lateral is currently located within the Community (the “**Akin Lateral**”), which carries irrigation water through the Community to downstream irrigation users. Declarant has or will relocate the Akin Lateral and another historical lateral ditch utilized to deliver water to the Property from the Lake Canal Ditch, to one or more underground pipelines and/or one or more realigned surface ditches within the Community (collectively the “**New Akin Lateral Facilities**”). To document Declarant’s right to locate, construct, operate, repair and replace New Akin Lateral Facilities and related infrastructure, one or more perpetual, non-exclusive easements may be recorded against the Property for the New Akin Lateral Facilities and related infrastructure that will be utilized to measure, divert, deliver and divide water delivered to the Community from the Lake Canal Ditch, as applicable. This lateral ditch infrastructure will require activities relating to construction, operation and maintenance of the same and such construction, operation and maintenance activities are expected to generate visible, audible and odorous impacts and disturbances, including, without limitation, traffic, noise, dust, odors, debris, and interference with access, the precise amount of which is unpredictable.

Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that the New Akin Lateral Facilities and related infrastructure, and the impacts and disturbances generated by the New Akin Lateral Facilities and related infrastructure, may be realigned, reconfigured, expanded or eliminated from time to time. Each Owner, by taking title to a portion of the Property, is deemed to have waived, disclaimed and released forever any claims the Owner, its successors and assigns may have against Declarant and its Affiliates, which in any way arise out of the impacts and disturbances generated from the New Akin Lateral Facilities and related infrastructure.

6. INVESTMENT AND INCOME. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that neither Declarant, nor any agent, employee, or representative of Declarant have made, and Declarant hereby disclaims, any guaranties, representations or warranties, express or implied, as to (i) any return on investment from an Owner's purchase of a portion of the Property; (ii) a means of obtaining income from the rental thereof; (iii) any opportunity for appreciation of value from any portion of the Property; or (iv) any other economic benefit, including possible advantages from the ownership of any portion of the Property under federal or state laws, to be derived from the purchase of any portion of the Property.

7. DEVELOPMENT LIABILITY. Declarant has not made any representations, warranties (either express or implied, including, without limitation, any implied warranty of habitability, merchantability or fitness for a particular purpose, and any and all such warranties are hereby disclaimed), or agreements to or on behalf of any Owner as to any matter concerning the Property or any improvements thereto, including, without limitation, any representations, warranties or agreements relating to topography, climate, air, water, water rights, utilities, present and future zoning, soil, subsoil, soil swell potential, expansiveness of soil or the effects thereof, radon or gamma rays in or emanating from the Property, environmental conditions, the purposes to which the Property is suited, the use of the Other Properties, drainage, access to public roads, or proposed routes of roads, or extensions thereof, or the effect of any state or federal environmental protection laws or regulations. Each Owner, by taking title to a portion of the Property, is deemed to have acknowledged and agreed that Declarant does not have control over or responsibility for any warranty, representation or financial or other pre-closing or post-closing obligation made by anyone other than Declarant and set forth in a purchase and sale agreement with anyone other than Declarant. To the extent permitted by law, each Owner, by taking title to a portion of the Property, is deemed to have waived, disclaimed and released forever any claims the Owner, its successors and assigns may have against Declarant and its Affiliates, which in any way arise out of the condition of the Property and all improvements now or hereafter constructed thereon or in connection therewith.

8. MISCELLANEOUS.

a. Duration of Declaration. The disclosures, acknowledgments, waivers and dispute resolution procedures and limitations set forth in this Declaration shall run with and bind the Property and all subdivided portions of the Property in perpetuity unless terminated in accordance with the terms of this Declaration. In the event that this Declaration or any provision hereof is found to be subject to any rule against perpetuities or similar legal doctrine, this Declaration or provision shall be deemed to run for a period of 30 years from the date of recordation of this Declaration, after which it shall be automatically extended for

successive 10 year periods, unless at least 1 year prior to the expiration of the 30 year period or any successive 10 year period, this Declaration is terminated by a recorded termination agreement executed by Declarant.

b. Amendment. This Declaration runs to the benefit of Declarant and may not be amended or terminated unless such amendment or termination instrument is approved by all Owners plus the affirmative vote of Declarant. Any such amendment or termination instrument will be recorded in the office of the Larimer County Clerk and Recorder.

c. Effect of Provisions of Declaration; Declaration Runs with the Property. Each disclosure, acknowledgment, waiver and dispute resolution procedure or limitation of this Declaration: (a) shall be deemed incorporated in each deed or other instrument by which any right, title or interest in the Property or any subdivided portion of the Property is granted, devised or conveyed, whether or not set forth or referred to in such deed or other instrument; (b) shall, by virtue of acceptance of any right, title or interest in the Property or any subdivided portion of the Property by an Owner or Occupant be deemed accepted, ratified, adopted and declared as a personal covenant of such Owner or Occupant, as the case may be and, as a personal covenant, shall be binding on such Owner or Occupant and their respective heirs, personal representatives, successors and assigns and, as a personal covenant of an Owner; and (c) shall be deemed a real covenant by Declarant, for itself, its successors and assigns, and also an equitable servitude, running, in each case, as a burden with and upon the title to the Property and any subdivided portion of the Property.

d. Recitals. The Recitals set out above are incorporated herein and made part hereof.

e. Equitable Relief. In the event of a default under or non-compliance with the terms, covenants or conditions of this Declaration, Declarant may suffer immediate and irreparable harm. Accordingly, Declarant reserves to itself the right of specific performance of the terms, covenants and conditions of this Declaration and the right to obtain from the Larimer County District Court a temporary restraining order, preliminary injunction and permanent injunction to obtain such performance. Any equitable relief provided for herein may be sought separately or in combination with such legal remedies as may be appropriate pursuant to the provisions of this Declaration or under the laws of the State of Colorado.

f. Attorneys' Fees. In the event of any dispute under or with respect to this Declaration, or the enforceability or interpretation hereof, the prevailing party shall be entitled to recover from the non-prevailing party all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.

g. Successors and Assigns. Except as may otherwise be provided for herein, this Declaration shall be binding upon and shall inure to the benefit of Declarant, the Timnath Districts, every Association, Owner, and Occupant, and their respective successors and assigns.

h. Severability. Invalidity or unenforceability of any provision of this Declaration in whole or in part shall not affect the validity or enforceability of any other provision or any valid and enforceable part of a provision of this Declaration.

i. Captions. The captions and headings in this Declaration are for convenience only and shall not be considered in construing any provisions of this Declaration.

j. Construction. When necessary for proper construction, the masculine of any word used in this Declaration shall include the feminine or neuter gender, and the singular, the plural, and vice versa.

k. No Waiver. Failure to enforce any provisions of this Declaration shall not operate as a waiver of any such provision or of any other provision of this Declaration.

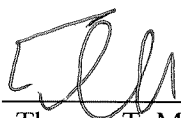
l. Notices. All notices or demands provided for in this Declaration shall be personally delivered or sent by certified mail, postage prepaid, to the address of Declarant and any Association, Owner, or Occupant at the addresses shown in both the recorded instrument transferring title to the Property (or a subdivided portion of the Property) to Declarant and each Owner, if any, and in the records of the Colorado Secretary of State for Declarant, any Association, or any entity Owner or Occupant. Notices or demands to one or more of the Timnath Districts shall be delivered to the address of the applicable Timnath District(s) on file with the Town from time to time.

[Signature on following page]

IN WITNESS WHEREOF, Declarant has executed this Declaration effective the date first above set forth.

DECLARANT:

CAC TIMNATH, LLC,
a Delaware limited liability company

By: 
Thomas T. Marshall
Executive Vice President

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

On March 1, 2022, before me, Laurie Sanders, personally appeared Thomas T. Marshall, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)

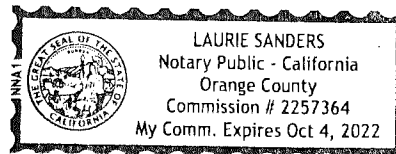


EXHIBIT A
Legal Description of the Property

The following real property, lying within Section 35, Township 7 North, Range 68 West of the 6th Principal Meridian, County of Larimer, State of Colorado:

Tract H,
Timnath Landing Filing No. 1, according to the plat recorded August 28, 2019 at
Reception No. 20190051031, County of Larimer, State of Colorado.

Lots 1 through 4, inclusive,
Timnath Landing Filing No. 5, according to the plat recorded September 7, 2021 at
Reception No. 20210083894, County of Larimer, State of Colorado.