

RESOLUTION NO. 2023–11-02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
TO ADOPT THE 2024 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Timnath Lakes Metropolitan District No. 3 (“District”) has appointed the District Accountant to prepare and submit a proposed 2024 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2023, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 8, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

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

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Timnath Lakes Metropolitan District No. 3:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Timnath Lakes Metropolitan District No. 3 for the 2024 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 8th day of November, 2023.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a horizontal line.

Secretary

EXHIBIT A
(Budget)

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 17,000	\$ 8,130
REVENUES			
Property taxes	-	319	77,335
Specific ownership taxes	1	60	13,621
URA District property taxes	12	509	117,254
Interest income	-	134	3,300
Other revenue	-	-	10,453
Bond proceeds - Series 2022A	12,901,934	-	-
Bond proceeds - Series 2022B	5,543,000	-	-
Total revenues	<u>18,444,947</u>	<u>1,022</u>	<u>221,963</u>
TRANSFERS IN	<u>-</u>	<u>8,000</u>	<u>50,000</u>
Total funds available	<u>18,444,947</u>	<u>26,022</u>	<u>280,093</u>
EXPENDITURES			
General Fund	13	892	55,000
Debt Service Fund	-	-	16,000
Capital Projects Fund	18,427,934	9,000	-
Total expenditures	<u>18,427,947</u>	<u>9,892</u>	<u>71,000</u>
TRANSFERS OUT	<u>-</u>	<u>8,000</u>	<u>50,000</u>
Total expenditures and transfers out requiring appropriation	<u>18,427,947</u>	<u>17,892</u>	<u>121,000</u>
ENDING FUND BALANCES	<u>\$ 17,000</u>	<u>\$ 8,130</u>	<u>\$ 159,093</u>

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/25/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Agricultural	\$ 238	\$ 15,071	\$ -
State assessed	-	-	10,300
Vacant land	-	-	3,733,898
	238	15,071	3,744,198
Adjustments	(234)	(9,270)	(2,256,150)
Certified Assessed Value	\$ 4	\$ 5,801	\$ 1,488,048

MILL LEVY

General	50.000	54.924	0.000
Debt Service	0.000	0.000	51.971
Total mill levy	50.000	54.924	51.971

PROPERTY TAXES

General	\$ -	\$ 319	\$ -
Debt Service	-	-	77,335
Levied property taxes	-	319	77,335
Budgeted property taxes	\$ -	\$ 319	\$ 77,335

BUDGETED PROPERTY TAXES

General	\$ -	\$ 319	\$ -
Debt Service	-	-	77,335
	\$ -	\$ 319	\$ 77,335

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	319	-
Specific ownership taxes	1	60	-
URA District property taxes	12	509	-
Interest income	-	4	-
Other revenue	-	-	5,000
Total revenues	<u>13</u>	<u>892</u>	<u>5,000</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>50,000</u>
Total funds available	<u>13</u>	<u>892</u>	<u>55,000</u>
EXPENDITURES			
County Treasurer's fee	-	6	-
Intergovernmental expenditures	13	886	50,000
Contingency	-	-	5,000
Total expenditures	<u>13</u>	<u>892</u>	<u>55,000</u>
Total expenditures and transfers out requiring appropriation	<u>13</u>	<u>892</u>	<u>55,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 8,130
REVENUES			
Property taxes	-	-	77,335
Specific ownership taxes	-	-	13,621
URA District property taxes	-	-	117,254
Interest income	-	130	3,300
Other revenue	-	-	5,453
Total revenues	-	130	216,963
TRANSFERS IN			
Transfers from other funds	-	8,000	-
Total funds available	-	8,130	225,093
EXPENDITURES			
County Treasurer's fee	-	-	1,547
Paying agent fees	-	-	9,000
Contingency	-	-	5,453
Total expenditures	-	-	16,000
TRANSFERS OUT			
Transfers to other fund	-	-	50,000
Total expenditures and transfers out requiring appropriation	-	-	66,000
ENDING FUND BALANCES	\$ -	\$ 8,130	\$ 159,093

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 17,000	\$ -
REVENUES			
Bond proceeds - Series 2022A	12,901,934	-	-
Bond proceeds - Series 2022B	5,543,000	-	-
Total revenues	18,444,934	-	-
Total funds available	18,444,934	17,000	-
EXPENDITURES			
Paying agent fees	-	9,000	-
Bond issue costs	328,999	-	-
Intergovernmental expenditures	18,098,935	-	-
Total expenditures	18,427,934	9,000	-
TRANSFERS OUT			
Transfers to other fund	-	8,000	-
Total expenditures and transfers out requiring appropriation	18,427,934	17,000	-
ENDING FUND BALANCES	\$ 17,000	\$ -	\$ -

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

Revenues

Property Taxes

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

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (Continued)

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.

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 7.0% of the property taxes collected.

Interest Income

Interest earned on the District’s available funds has been estimated based on an average interest rate of approximately 4.0%.

Expenditures

Intergovernmental Expenditures

The District collected property and specific ownership taxes. The District will transfer \$50,000 of funds collected each year to District No. 6 to help fund administrative and operating expenditures. The amount transferred will increase 1.0% each year thereafter.

County Treasurer’s Fees

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

Debt and Leases

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

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

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.

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

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

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

I, David Solin, hereby certify that I am the duly appointed Secretary of the Timnath Lakes Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 3 held on November 8, 2023.

By:  _____
Secretary

RESOLUTION NO. 2023-11-03
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TIMNATH LAKES MEROPOLITAN DISTRICT NO. 3
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Timnath Lakes Metropolitan District No. 3 (“District”) has adopted the 2024 annual budget in accordance with the Local Government Budget Law on November 8, 2023; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2024 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Timnath Lakes Metropolitan District No. 3:

1. That for the purposes of meeting all general fund expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Larimer County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 8th day of November, 2023.



Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Larimer County, Colorado.

On behalf of the Timnath Lakes Metropolitan District No. 3,

the Board of Directors (taxing entity)^A

of the Timnath Lakes Metropolitan District No. 3 (governing body)^B
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 3,744,198
(GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 1,488,048
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/09/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	<u>51.971</u> mills	\$ <u>77,335</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	51.971 mills	\$ 77,335

Contact person: Jason Carroll Phone: (303)779-5710
Signed:  Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

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

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|--|
| 1. | Purpose of Issue: | Capital Project Expenditures |
| | Series: | Series 2022A General Obligation Limited Tax Convertible Capital Appreciation Bonds |
| | Date of Issue: | December 29, 2022 |
| | Coupon Rate: | 4.0% |
| | Maturity Date: | December 1, 2052 |
| | Levy: | 51.971 |
| | Revenue: | \$77,335 |
| | | |
| 2. | Purpose of Issue: | Capital Project Expenditures |
| | Series: | Series 2022B(3) Subordinate General Obligation Limited Tax Bonds |
| | Date of Issue: | December 29, 2022 |
| | Coupon Rate: | 6.0% |
| | Maturity Date: | December 15, 2052 |
| | Levy: | 0.000 |
| | Revenue: | \$0 |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

I, David Solin, hereby certify that I am the duly appointed Secretary of the Timnath Lakes Metropolitan District No. 3, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2024, duly adopted at a meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 3 held on November 8, 2023.



Secretary