

## **Accountant's Compilation Report**

Board of Directors  
Timnath Farms North Metropolitan District No. 1

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Timnath Farms North Metropolitan District No. 1 for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019 and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). 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 AICPA. We did not audit or review the budget 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 accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to the Timnath Farms North Metropolitan District No. 1.



Greenwood Village, Colorado  
January 13, 2020

**TIMNATH FARMS NORTH METROPOLITAN DISTRICT NO. 1**  
**SUMMARY**  
**2020 BUDGET**  
**WITH 2018 ACTUAL AND 2019 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/13/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 145	\$ 183	\$ 376
REVENUES			
Property taxes	39	19	19
Specific ownership tax	-	48	44
Interest income	-	11	12
Intergovernmental revenues	-	3	2
Developer advance	-	25,000	12,085,000
Total revenues	39	25,081	12,085,077
Total funds available	184	25,264	12,085,453
EXPENDITURES			
General and administrative	1	24,888	85,000
Capital projects	-	-	12,000,000
Total expenditures	1	24,888	12,085,000
Total expenditures and transfers out requiring appropriation	1	24,888	12,085,000
ENDING FUND BALANCES	\$ 183	\$ 376	\$ 453
EMERGENCY RESERVE	\$ 100	\$ 100	\$ 100
TOTAL RESERVE	\$ 100	\$ 100	\$ 100

This financial information should be read only in connection with the accompanying accountant's  
compilation report and summary of significant assumptions.

**TIMNATH FARMS NORTH METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2020 BUDGET**  
**WITH 2018 ACTUAL AND 2019 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/14/20

ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
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**ASSESSED VALUATION**

Residential	\$ 8,280	\$ -	\$ -
Agricultural	21,748	16,122	12,254
	30,028	16,122	12,254
Adjustments	(28,928)	(15,570)	(11,879)
Certified Assessed Value	\$ 1,100	\$ 552	\$ 375

**MILL LEVY**

General	35.000	35.000	50.350
Total mill levy	35.000	35.000	50.350

**PROPERTY TAXES**

General	\$ 39	\$ 19	\$ 19
Levied property taxes	39	19	19
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	\$ 39	\$ 19	\$ 19

**BUDGETED PROPERTY TAXES**

General	\$ 39	\$ 19	\$ 19
	\$ 39	\$ 19	\$ 19

This financial information should be read only in connection with the accompanying accountant's  
compilation report and summary of significant assumptions.

**TIMNATH FARMS NORTH METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2020 BUDGET**  
**WITH 2018 ACTUAL AND 2019 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/13/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 145	\$ 183	\$ 376
REVENUES			
Property taxes	39	19	19
Specific ownership tax	-	48	44
Interest income	-	11	12
Intergovernmental revenues	-	3	2
Developer advance	-	25,000	85,000
Total revenues	39	25,081	85,077
Total funds available	184	25,264	85,453
EXPENDITURES			
General and administrative			
Accounting	-	4,500	24,500
County Treasurer's fee	1	1	1
Dues and membership	-	780	2,000
Insurance and bonds	-	7,578	12,000
District management	-	8,500	15,000
Legal services	-	3,500	23,000
Miscellaneous	-	29	100
Election expense	-	-	3,000
Contingency	-	-	5,399
Total expenditures	1	24,888	85,000
Total expenditures and transfers out requiring appropriation	1	24,888	85,000
ENDING FUND BALANCES	\$ 183	\$ 376	\$ 453
EMERGENCY RESERVE	\$ 100	\$ 100	\$ 100
TOTAL RESERVE	\$ 100	\$ 100	\$ 100

This financial information should be read only in connection with the accompanying accountant's  
compilation report and summary of significant assumptions.

**TIMNATH FARMS NORTH METROPOLITAN DISTRICT NO. 1**  
**CAPITAL PROJECTS FUND**  
**2020 BUDGET**  
**WITH 2018 ACTUAL AND 2019 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/13/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	-	12,000,000
Total revenues	-	-	12,000,000
Total funds available	-	-	12,000,000
EXPENDITURES			
Capital Projects			
Capital outlay	-	-	12,000,000
Total expenditures	-	-	12,000,000
Total expenditures and transfers out requiring appropriation	-	-	12,000,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's  
 compilation report and summary of significant assumptions.

**TIMNATH FARMS NORTH METROPOLITAN DISTRICT No. 1**  
**2020 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 Farms North Nos. 2 and 3. On September 10, 2019, the District amended and restated its service plan to include Districts No. 4-6.

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.

**Developer Advances**

The District is in the development stage. As such, operating and administrative expenditures for 2020 are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds or other available revenue. As of December 31, 2019, the District has estimated \$20,631 in outstanding developer advances including interest accrued at 8%.

**Expenditures**

**Administrative and Operating Expenditures**

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

**TIMNATH FARMS NORTH METROPOLITAN DISTRICT No. 1**  
**2020 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures – (continued)**

**County Treasurer's Fees**

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

**Debt and Leases**

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

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending, as defined under TABOR.

**This information is an integral part of the accompanying budget.**