

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6

2021 ANNUAL REPORT

Pursuant to Section VII of the Service Plan approved by the Town of Timnath, Colorado (“Town”), on September 10, 2019, the following information is being provided:

1. Boundary changes made to the District’s boundaries as of December 31 of the prior year: There were no boundary changes made during 2021.

2. Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year: None.

3. Copies of the District’s Rules and Regulations, if any as of December 31, of the Prior year. On November 8, 2021, The District acknowledged the following documents and authorized all actions in connection therewith concerning the District’s enforcement thereof:

- First Amendment to Declaration of Architectural, Use and Maintenance Restrictions For Timnath Lakes (Residential) consented by CAC Timnath LLC, Weekley Homes, LLC, and Lennar Colorado, LLC
- Declaration Concerning Disclosures Acknowledgments, Waivers and Construction Defect Dispute Resolution (Residential) by CAC Timnath LLC
- Rules and Regulations of Timnath Lakes

4. A summary of any litigation which involves the Public Improvements as of December 31 of the prior year. The District was not involved in any litigation during 2021.

5. Status of the District’s construction of Public Improvements as of December 31 of the prior year: There were no facilities and/or improvements constructed during 2021.

6. List of Facilities and improvements constructed by the District that have been dedicated to and accepted by the Town as of December 31 of the prior year. There were no facilities and/or improvements constructed during 2021.

7. The assessed valuation of the District for the current year. A copy of the assessed valuation is attached hereto as *Exhibit A*.

8. Current year budget including a description of the Public Improvements to be constructed in such year. The 2022 Budget is attached hereto as *Exhibit B*.

9. Audit of the District’s financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable: A copy of the 2021 audited financial statements of the District will be sent upon completion.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument: There were no uncured events of default by the District in 2021.

11. Any inability of a District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period. There were no instances of the District's inability to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period during 2021.

EXHIBIT A
Assessed Valuation

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 384 - TIMNATH LAKES METROPOLITAN DISTRICT NO. 6

IN LARIMER COUNTY ON 11/23/2021

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY
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IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$7
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$238
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$234
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$4
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TAVOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2021

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$820
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2021

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.	

EXHIBIT B
2022 Budget

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 1,390
REVENUES			
Developer advance	-	54,000	83,500
Other revenue	-	1	10
Interest income	-	-	5
Intergovernmental revenues	-	19,627	1,651
Operation fees	-	3,780	42,000
Working capital fees	-	5,400	9,000
Total revenues	<u>-</u>	<u>77,408</u>	<u>136,166</u>
Total funds available	<u>-</u>	<u>77,408</u>	<u>137,556</u>
EXPENDITURES			
General and administrative			
Accounting	-	25,000	26,500
Dues and licenses	-	1,197	2,000
Insurance and bonds	-	14,821	16,000
District management	-	23,000	16,500
Landscaping	-	-	28,500
Legal services	-	12,000	23,000
Miscellaneous	-	-	1,000
Election expense	-	-	2,000
Snow removal	-	-	15,000
Contingency	-	-	5,000
Total expenditures	<u>-</u>	<u>76,018</u>	<u>135,500</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>76,018</u>	<u>135,500</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 1,390</u>	<u>\$ 2,056</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 800</u>	<u>\$ 1,600</u>

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Agricultural	\$ -	\$ 232	\$ 238
	-	232	238
Adjustments	-	(225)	(234)
Certified Assessed Value	\$ -	\$ 7	\$ 4
 MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Levied property taxes	-	-	-
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -

TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

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

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

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

Revenues

Property Taxes

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

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% of the property taxes collected.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 6
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Developer Advances

The District is in the development stage. As such, operating and administrative expenditures for 2022 are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds or other available revenue.

Maintenance and Working Capital Fee

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

Expenditures

Administrative and Operating Expenditures

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

Debt and Leases

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

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.