

**TIMBERS METROPOLITAN DISTRICT**  
**2022 ANNUAL REPORT ON SERVICE PLAN**  
**DOUGLAS COUNTY, COLORADO**

Pursuant to the Service Plan for the Timbers Metropolitan District (the “District”), the District shall be responsible for submitting an annual report to the County no later than July 1 of each year.

- I. District Description - *Title 32 Metropolitan District*
  - a. Directors  
*Donald Siecke, President, Term: 2023-2027*  
*Steven Schwartz, Director, Term: 2023-2027*  
*Stephen Small, Director, Term: 2023-2027*  
*Matthew Maher, Director, Term: 2022-2025*  
*Michael Carroll, Director, Term: 2023-2025*
  - b. Changes in board membership in past year – *Matthew Maher was elected to one of the vacant seats at the May 3, 2022 election. At the May 2, 2023 election Steven Schwartz replaced Robert Koontz and Michael Carroll was elected to the vacant seat.*
  - c. Name and address for official District contact  
*Thomas N. George, Esq.*  
*Spencer Fane LLP*  
*1700 Lincoln Street, Suite 2000*  
*Denver, CO 80203*  
*(303) 839-3800*  
*tgeorge@spencerfane.com*
  - d. Elections held in the past year and their purpose – *The May 3, 2022 election was canceled and Director Maher was elected by acclimation, since there were not more candidates than positions open. The May 2, 2023 election was also canceled and the candidates were elected by acclimation as noted above.*
- II. Boundary changes for the report year and proposed changes for the coming year –  
  
*None.*
- III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements
  - a. Contracts for operations, debt, and other contractual obligations with sub- districts or operating and taxing districts  
  
*Intergovernmental Public Improvement and Services Agreement dated January 25, 2017 with High Prairie Metropolitan District (“High Prairie”). The Parties intend that upon completion of the District’s construction of storm water, and*

*park and recreation improvements designed and built in accordance with the requirements of Douglas County, said improvements will be dedicated by the District to High Prairie and will thereafter be owned, operated, and maintained exclusively by High Prairie subject to the District's warranty obligations required by Douglas County, if any, for a period of two years.*

- b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District

*Effective March 30, 2023 the District terminated the Advance and Reimbursement Agreement dated January 25, 2017 and its First Amendment dated December 13, 2017 between the District and Timbers Development Group, Inc.*

*There are no other reimbursement agreements.*

IV. Service Plan

- a. List and description of services authorized in Service Plan

*Water, storm sewer, sanitation and wastewater, street, traffic safety protection, and parks and recreation services.*

- b. List and description of facilities authorized in Service Plan

*Water, storm sewer, sanitation and wastewater treatment, street, traffic safety protection, and parks and recreation facilities.*

- c. List and description of any extraterritorial services, facilities, and agreements -  
*None*

V. Development Progress

- a. Indicate the estimated year of build-out, as set forth in the Service Plan

*2024*

- b. List the services provided with the date service began compared to the date authorized by the Service Plan

*The District has constructed water, storm sewer, sanitation and wastewater treatment, street, traffic safety protection, and parks and recreation facilities and consistent with the Service Plan. Construction of facilities began in 2017 as expected in the Service Plan.*

- c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented

*None.*

- d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan

*The District has completed construction of water, storm sewer, sanitation and wastewater treatment, street, traffic safety protection, and parks and recreation facilities consistent with the Service Plan. Construction of facilities began in 2017 and was completed in 2022.*

- e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any

*Filing 30(B) Phase I and Filing 31 have been completed. The Final Plats for these subdivisions have been approved by Douglas County. The schedule for the final subdivision, Filing 33, is unknown.*

- f. List facilities currently under construction with the percentage complete and an anticipated date of completion

*The public infrastructure necessary for Filings 27, 29A, 29B, 30B, 31 and 32 is complete and there are occupied residential units in those Filings.*

- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years

*Current estimated population is over 200. Estimated population upon complete build-out is 606 residents.*

- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan.

*It is projected that upon complete build-out the District will include 195 single family residential units and no commercial or industrial space. 195 residential lots have been sold or are under contract, with residences being constructed on most of these lots as of the date of this report. The Service Plan projected that 89 residential units would be completed by the end of 2019.*

- i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each

*None.*

VI. Financial Plan and Financial Activities -

- a. Provide a copy of the audit or exemption from the audit for the reporting year.

*The District's 2022 Audit is attached hereto as Exhibit A.*

- b. Provide a copy of the budget, showing the reporting and previous years

*The 2023 Budget is attached hereto as Exhibit B.*

- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and

projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation).

***The District was formed in 2016 and did not have any expenditures in that year. The District's 2023 Budget includes revenues and expenditures for 2021, 2022 and 2023.***

- d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired

***Limited Tax General Obligation Refunding Note Series 2022 was issued on June 28, 2022 in the amount of \$6,570,000. The funds were used to refund/refinance the 2018 Senior and Subordinate Bonds and to reimburse developer advances. The maturity date of the Note is December 1, 2042.***

- e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued

***See 2022 Audit.***

- f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan

***The District has issued \$6,570,000 dollars in debt. The Service Plan authorizes a maximum amount of \$9,000,000.***

- g. Enterprises of the District - ***None***

- i. Include revenues of the enterprise, showing both direct support from the District and all other sources
- ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations

- h. Detail contractual obligations - ***None***

- i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments
- ii. Report any inability of the District to pay current obligations that are due within the current budget year
- iii. Describe any District financial obligations in default

- i. Actual and Assessed Valuation History

- i. Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year

***2017 - \$0***

***2018 - \$1,715,760***

***2019 - \$2,666,070***

***2020 - \$6,335,740***

**2021 - \$7,834,430**

**2022 - \$11,082,240**

**2023 - \$12,182,220**

- ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value

***Service Plan estimates:***

**2017 - \$0**

**2018 - \$2,280,540**

**2019 - \$5,016,551**

**2020 - \$8,007,945**

**2021 - \$10,854,491**

**2022 - \$13,247,749**

**2023 - \$14,726,282**

***See actual certified values listed above.***

j. Mill Levy History

- i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance)

***2017 – 2023: 5.000 mills for operations; 25.000 mills for bonds***

- ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.

***The actual mill levies are consistent with the Service Plan estimates. The Service Plan sets the maximum operations mill levy at 10.000 mills and the debt mill levy at 50.000 mills.***

k. Miscellaneous Taxes History

- i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other)

**2017 - \$0**

**2018 - \$9,505 (general operations), \$47,515 (debt)**

**2019 - \$27,154 (general operations), \$71,156 (debt)**

**2020 - \$94,338 (general operations), \$171,649 (debt)**

**2021 - \$42,158 (general operations), \$210,741 (debt)**

**2022 - \$57,922 (general operations), \$293,840 (debt)**

**2023 - \$63,423 (general operations), \$317,543 (debt)**

- ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.

***Service Plan Estimates:***

**2017 - \$0**

**2018 - \$11,403 (general operations), \$57,014 (debt)**

**2019 - \$25,083 (general operations), \$125,414 (debt)**

**2020 - \$40,040 (general operations), \$200,199 (debt)**

**2021 - \$54,272 (general operations), \$271,362 (debt)**

**2022 - \$66,239 (general operations), \$331,194 (debt)**

**2023 - \$73,6331 (general operations), \$368,157 (debt)**

***See actual tax revenues listed above.***

- l. Estimated Assessed Valuation of District at 100% Build-Out - **\$19,000,000**
  - i. Provide an updated estimate and compare this with the Service Plan estimate.  
***No change; same as Service Plan.***
- m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.
  - i. Provide an updated estimate based on current events. Do not include refunding bonds.

***The District is not expected to issue any additional debt at this time.***

**Prepared By:** Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, Colorado 80203

By: Thomas N. George, Counsel for the District

Date: July 1, 2023

Note: As per Section 32-1-104(2), a copy of this report (without attachments) should also be submitted to:

Douglas County Assessor: [Assessors@douglas.co.us](mailto:Assessors@douglas.co.us)  
Douglas County Treasurer [dctreasurer@douglas.co.us](mailto:dctreasurer@douglas.co.us)

**EXHIBIT A**  
**2022 AUDIT**

**Timbers Metropolitan District  
(Douglas County, Colorado)**

Independent Auditor's Report  
and Financial Statements

**December 31, 2022**





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## Independent Auditor's Report

Members of the Board of Directors  
Timbers Metropolitan District

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Timbers Metropolitan District (the District) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Timbers Metropolitan District, as of December 31, 2022, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Timbers Metropolitan District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Timbers Metropolitan District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Timbers Metropolitan District's ability to continue as a going concern for a reasonable period of time.

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

#### **Other-Matters**

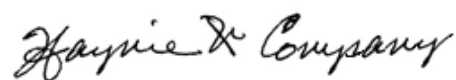
##### *Required Supplementary Information*

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

##### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Timbers Metropolitan District's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Littleton, Colorado  
March 6, 2023

## **BASIC FINANCIAL STATEMENTS**

**Timbers Metropolitan District  
Statement of Net Position  
December 31, 2022**

|   | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
|   |                                    |
| <b>ASSETS</b>                                       |                                    |
| Cash and cash equivalents - unrestricted            | \$ 174,985                         |
| Property taxes receivable                           | 365,467                            |
| Capital assets, net of depreciation                 | 4,605,406                          |
| Total assets  | 5,145,857                          |
| <b>LIABILITIES</b>                                  |                                    |
| Accounts payable                                    | 610                                |
| Accrued loan interest payable                       | 21,674                             |
| Noncurrent liabilities:                             |                                    |
| Due within one year                                 | 120,000                            |
| Due in more than one year                           | 6,415,000                          |
| Total liabilities                                   | 6,557,284                          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                                    |
| Property tax revenue                                | 365,467                            |
| Total liabilities and deferred inflows of resources | 6,922,751                          |
| <b>NET POSITION</b>                                 |                                    |
| Net investment in capital assets                    | (1,929,594)                        |
| Unrestricted  | 152,700                            |
| Total net position (deficit)                        | \$ (1,776,894)                     |

These financial statements should be read only in connection with  
the accompanying notes to financial statements.



**Timbers Metropolitan District  
Balance Sheet  
Governmental Funds  
December 31, 2022**

|  | <b>General</b>    | <b>Debt<br/>Service</b> | <b>Capital<br/>Projects</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|--|-------------------|-------------------------|-----------------------------|---|
| <b>ASSETS</b>  |                   |                         |                             |   |
| Cash and cash equivalents - unrestricted                                       | \$ 47,869         | \$ 127,116              | \$ -                        | \$ 174,985                              |
| Property taxes receivable  | 60,911            | 304,556                 | -                           | 365,467                                 |
| <b>TOTAL ASSETS</b>  | <b>108,780</b>    | <b>431,672</b>          | <b>-</b>                    | <b>540,452</b>                          |
| <b>LIABILITIES</b>   |                   |                         |                             |   |
| Accounts payable   | 610               | -                       | -                           | 610                                     |
| Total liabilities  | 610               | -                       | -                           | 610                                     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                   |                         |                             |   |
| Property tax revenue   | 60,911            | 304,556                 | -                           | 365,467                                 |
| Total liabilities & deferred inflows   | 61,521            | 304,556                 | -                           | 366,077                                 |
| <b>FUND BALANCES</b>   |                   |                         |                             |   |
| Restricted for:  |                   |                         |                             |   |
| Debt service   | -                 | 127,116                 | -                           | 127,116                                 |
| Unassigned   | 47,259            | -                       | -                           | 47,259                                  |
| Total fund balances  | 47,259            | 127,116                 | -                           | 174,375                                 |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS<br/>OF RESOURCES, AND FUND BALANCES</b> | <b>\$ 108,780</b> | <b>\$ 431,672</b>       | <b>\$ -</b>                 |   |

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

|   |                       |
|---|-----------------------|
| Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and are excluded from the funds. | 4,605,406             |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.  |                       |
| Bonds payable   | (6,535,000)           |
| Accrued interest - bonds  | (21,674)              |
| Net position (deficit) of governmental activities   | <b>\$ (1,776,894)</b> |

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**Timbers Metropolitan District  
Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
Year Ended December 31, 2022**

|  | <u>General</u>   | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|------------------|-------------------------|-----------------------------|---|
| <b>REVENUES</b>  |                  |                         |                             |   |
| Property taxes   | \$ 55,893        | \$ 279,398              | \$ -                        | \$ 335,291                              |
| Specific ownership taxes   | 4,486            | 22,427                  | -                           | 26,913                                  |
| Total revenues   | <u>60,379</u>    | <u>301,825</u>          | <u>-</u>                    | <u>362,204</u>                          |
| <b>EXPENDITURES</b>  |                  |                         |                             |   |
| Current  |                  |                         |                             |   |
| Accounting   | 4,000            | -                       | -                           | 4,000                                   |
| County Treasurer's fees  | 832              | 4,160                   | -                           | 4,992                                   |
| Audit and administrative   | 1,129            | -                       | -                           | 1,129                                   |
| Management   | 37,195           | -                       | -                           | 37,195                                  |
| Legal  | 10,485           | -                       | -                           | 10,485                                  |
| Insurance  | 4,097            | -                       | -                           | 4,097                                   |
| Debt service   |                  |                         |                             |   |
| Bond interest  | -                | 1,293,365               | -                           | 1,293,365                               |
| Costs of issuance  | -                | 154,285                 | -                           | 154,285                                 |
| Developer advance - interest   | -                | 6,230                   | -                           | 6,230                                   |
| Total expenditures   | <u>57,738</u>    | <u>1,458,040</u>        | <u>-</u>                    | <u>1,515,778</u>                        |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b>  |                  |                         |                             |   |
|  | <u>2,641</u>     | <u>(1,156,215)</u>      | <u>-</u>                    | <u>(1,153,574)</u>                      |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                  |                         |                             |   |
| Bond proceeds  | -                | 6,570,000               | -                           | 6,570,000                               |
| Repayment bonds  | -                | (5,090,000)             | -                           | (5,090,000)                             |
| Repayment developer advances   | -                | (182,488)               | -                           | (182,488)                               |
| Total other financing sources (uses)   | <u>-</u>         | <u>1,297,512</u>        | <u>-</u>                    | <u>1,297,512</u>                        |
| <b>EXCESS OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> |                  |                         |                             |   |
|  | <u>2,641</u>     | <u>141,297</u>          | <u>-</u>                    | <u>143,938</u>                          |
| <b>FUND BALANCES - BEGINNING<br/>OF YEAR</b>   |                  |                         |                             |   |
|  | <u>44,618</u>    | <u>(14,181)</u>         | <u>-</u>                    | <u>30,437</u>                           |
| <b>FUND BALANCES - END OF YEAR</b>   |                  |                         |                             |   |
|  | <u>\$ 47,259</u> | <u>\$ 127,116</u>       | <u>\$ -</u>                 | <u>\$ 174,375</u>                       |

These financial statements should be read only in connection with  
the accompanying notes to financial statements.



**Timbers Metropolitan District  
Reconciliation of the Statement of Revenues  
Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
Year Ended December 31, 2022**

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

|   |            |
|---|------------|
| Net changes in fund balances - Total governmental funds | \$ 143,938 |
|---|------------|

Governmental funds report capital outlays as expenditure. In the statement of activities, capital outlay is reported as an asset. 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. Therefore, this is the net capital outlay activity for the year.

|              |           |
|--------------|-----------|
| Depreciation | (138,575) |
|--------------|-----------|

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.

|  |                       |
|--|-----------------------|
| Bonds issued   | (6,570,000)           |
| Bonds repayment  | 5,090,000             |
| Developer advances repayment                             | 182,488               |
| Accrued interest on long term debt - Change in liability | (21,674)              |
| Change in net position of governmental activities        | <u>\$ (1,313,824)</u> |

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**Timbers Metropolitan District  
General Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Year Ended December 31, 2022**

|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|----------------------------|-------------------------|---------------------------|---|
| <b>REVENUES</b>   |                            |                         |                           |   |
| Property taxes  | \$ 55,422                  | \$ 55,422               | \$ 55,893                 | \$ 471  |
| Specific ownership taxes                                | 2,500                      | 2,500                   | 4,486                     | 1,986   |
| Total revenues  | <u>57,922</u>              | <u>57,922</u>           | <u>60,379</u>             | <u>2,457</u>  |
| <b>EXPENDITURES</b>                                     |                            |                         |                           |   |
| General Government                                      |                            |                         |                           |   |
| Accounting  | 4,000                      | 4,000                   | 4,000                     | -   |
| Audit and administrative                                | 3,500                      | 3,500                   | 1,129                     | 2,371   |
| Management  | -                          | 37,195                  | 37,195                    | -   |
| Treasurer's fees  | 831                        | 831                     | 832                       | (1)   |
| Insurance   | 2,030                      | 4,097                   | 4,097                     | -   |
| Legal services  | 4,000                      | 9,000                   | 10,485                    | (1,485)   |
| Contingency   | 1,000                      | 1,000                   | -                         | 1,000   |
| Debt service  |                            |                         |                           |   |
| Developer advance payments - Principal                  | 30,000                     | -                       | -                         | -   |
| Developer advance payments - Interest                   | 12,774                     | -                       | -                         | -   |
| Total expenditures                                      | <u>58,135</u>              | <u>59,623</u>           | <u>57,738</u>             | <u>1,885</u>  |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b> | <u>(213)</u>               | <u>(1,701)</u>          | <u>2,641</u>              | <u>4,342</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>                       | <u>(213)</u>               | <u>(1,701)</u>          | <u>2,641</u>              | <u>4,342</u>  |
| <b>FUND BALANCE - BEGINNING<br/>OF YEAR</b>             | <u>23,136</u>              | <u>23,136</u>           | <u>44,618</u>             | <u>21,482</u>   |
| <b>FUND BALANCE - END OF YEAR</b>                       | <u>\$ 22,923</u>           | <u>\$ 21,435</u>        | <u>\$ 47,259</u>          | <u>\$ 25,824</u>  |

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**Timbers Metropolitan District**  
**Notes to Financial Statements**  
**December 31, 2022**

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**1. Definition of Reporting Entity**

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Timbers Metropolitan District (District), is a special district organized under Title 32 of the Colorado Revised Statutes to serve the public improvement needs of Timbers at the Pinery (the “Project”), was organized on August 23, 2016, and is governed pursuant to provisions of the Special District Control Act, C.R.S. 32-1-201, as amended, and the Special District Service Plan Review Procedures for Douglas County (the “County”). The District’s service area is located in Douglas County, Colorado. The District was established for the purpose of providing public improvements for the benefit of all anticipated inhabitants and taxpayers of the District. It also serves to finance and oversee the construction of these public improvements. The District is governed by an elected Board of Directors comprised of up to five members.

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. The Board of Directors (Districts Governing Body) is elected by the Districts qualified voters.

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.

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**2. Summary of Significant Accounting Policies**

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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. For the most part, the effect of inter-fund activity has been removed from these statements. These financial statements include all of the activities of the District. Governmental activities that are normally supported by property taxes.

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

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**2. Summary of Significant Accounting Policies (continued)**

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The statement of activities demonstrates the degree to which the direct 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. Redemption of bonds is recorded as a reduction in liabilities.

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 District 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. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation paid.

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 debt of the governmental funds.

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

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**2. Summary of Significant Accounting Policies (continued)**

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**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. Expenditures in the Debt Service Fund exceeded appropriations during 2022; this may be a violation of the State statutes.

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position**

***Cash and Investments***

The District's cash and investments include cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported on the net asset method.

***Property Taxes***

Property taxes are levied by the District 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 are considered fully collectible and are recorded initially as deferred inflows of resources in the year they are levied and measurable. Property tax revenues are recorded as revenue in the year they are available or collected.

***Capital Assets***

Capital assets, which include infrastructure assets and landfill remediation, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded in historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**2. Summary of Significant Accounting Policies (continued)**

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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

|                         |          |
|-------------------------|----------|
| Water/ Sewer/ Utilities | 50 years |
| Traffic and Streets     | 25 years |

***Deferred Outflows of Resources and Deferred Inflows of Resources***

A deferred inflow of resources is an acquisition of net position by a government that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by a government that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statement as revenues and expenses until the period(s) to which they relate. Deferred inflows of resources in the governmental fund financial statements of the District for the year ended December 31, 2022 are comprised of property taxes due from Douglas County that will not be collected within 60 days of the end of the current fiscal year. Deferred inflows of resources in the government-wide financial statements represents property taxes for which an enforceable legal claim to assets exists, but for which the levy pertains to the subsequent year.

***Long-term Liabilities***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Long-term debt is reported gross.

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fund Balance – Governmental Funds**

The fund balances for the District’s governmental funds are displayed in up to five components:

*Nonspendable* – amounts that are not in a spendable form or are required to be maintained intact.

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**2. Summary of Significant Accounting Policies (continued)**

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*Restricted* – amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

- The restricted fund balance in the Debt Service Fund in the amount of \$127,116 is to be used exclusively for the payment of loan interest and related costs.

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

*Assigned* – amounts intended to be used by the District for specific purposes as determined by management. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. There is no assigned fund balance for the year ended December 31, 2022.

*Unassigned* – the residual classification for the General Fund and includes all amounts not contained in the other classifications.

- The unassigned fund balance for the general fund as of December 31, 2022 is \$47,259.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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**3. Cash and Investments**

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Investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of net position:

|  |                   |
|--|-------------------|
| Cash and cash equivalents – Unrestricted | \$ 174,985        |
|  | <u>\$ 174,985</u> |

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**3. Cash and Investments (continued)**

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**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 equal to 102% of the aggregate uninsured deposits.

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

At December 31, 2022, the District's cash deposits had a carrying balance of \$174,985 and a bank balance of \$174,837, which is fully insured by FDIC coverage and PDPA collateral.

**Investments**

The District has not adopted a formal investment policy; however, the District 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 subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less (depending upon the type of investment) 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
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase and reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- \*Local government investment

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



**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**4. Capital Assets**

The following is an analysis of the changes in capital assets for the year ended December 31, 2022:

|   | Balance at<br>December 31,<br>2021 | Additions           | Transfers and<br>Deletions | Balance at<br>December 31,<br>2022 |
|---|------------------------------------|---------------------|----------------------------|------------------------------------|
| <b>Capital assets, being depreciated:</b>     |                                    |                     |                            |                                    |
| Roadway & Streets                             | \$ 1,709,362                       | \$ -                | \$ -                       | \$ 1,709,362                       |
| Water   | 1,153,314                          | -                   | -                          | 1,153,314                          |
| Sewer/Sanitation                              | 1,153,315                          | -                   | -                          | 1,153,315                          |
| Utility                                       | 1,153,315                          | -                   | -                          | 1,153,315                          |
| Traffic & Safety                              | 25,044                             | -                   | -                          | 25,044                             |
| <b>Total capital assets being depreciated</b> | <b>5,194,350</b>                   | <b>-</b>            | <b>-</b>                   | <b>5,194,350</b>                   |
| Accumulated depreciation                      | (450,369)                          | (138,575)           | -                          | (588,944)                          |
| <b>Net capital assets being depreciated</b>   | <b>5,159,706</b>                   | <b>(138,575)</b>    | <b>-</b>                   | <b>4,605,406</b>                   |
| Governmental assets, net                      | <u>\$ 5,159,706</u>                | <u>\$ (138,575)</u> | <u>\$ -</u>                | <u>\$ 4,605,406</u>                |

Depreciation expense charged in 2022 to the governmental functions of the District was \$138,575.

**5. Long-Term Debt**

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

|  | Balance at<br>December 31,<br>2021 | Additions                  | Payments                     | Balance at<br>December 31,<br>2022 | Due<br>Within<br>One Year |
|--|------------------------------------|----------------------------|------------------------------|------------------------------------|---------------------------|
| <b>Governmental Activities:</b>        |                                    |                            |                              |                                    |                           |
| Senior Limited Tax GO Bonds 2018A      | \$ 1,290,000                       | \$ -                       | \$ (1,290,000)               | \$ -                               | \$ -                      |
| Subordinate Limited Tax GO Bonds 2018B | 3,800,000                          | -                          | (3,800,000)                  | -                                  | -                         |
| Limited Tax GO Refunding Note 2022     | -                                  | 6,570,000                  | (35,000)                     | 6,535,000                          | 120,000                   |
| Interest, series 2022                  | -                                  | 132,806                    | (111,132)                    | 21,674                             | 21,674                    |
| <b>Total Governmental Activities</b>   | <b>5,090,000</b>                   | <b>6,702,806</b>           | <b>(5,236,132)</b>           | <b>6,556,674</b>                   | <b>141,674</b>            |
| <b>Developer Advances:</b>             |                                    |                            |                              |                                    |                           |
| Developer Advances                     | 182,488                            | -                          | (182,488)                    | -                                  | -                         |
| <b>Total Developer Advances</b>        | <b>182,488</b>                     | <b>-</b>                   | <b>(182,488)</b>             | <b>-</b>                           | <b>-</b>                  |
| <b>Long-Term Obligations</b>           | <u><b>\$ 5,272,488</b></u>         | <u><b>\$ 6,702,806</b></u> | <u><b>\$ (5,418,620)</b></u> | <u><b>\$ 6,556,674</b></u>         | <u><b>\$ 141,674</b></u>  |

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**5. Long-Term Debt (continued)**

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On June 28, 2022 the District entered into an Agreement with the NBH Bank to borrow \$6,570,000 as Limited Tax General Obligation Refunding Note, Series 2022; the maturity date is 12/01/2042 and the final locked fixed interest rate is 3.98%. Proceeds from the bond were used to pay and cancel the Senior Limited Tax General Obligation Bonds 2018A, Subordinate Limited Tax General Obligation Bonds 2018B and the Developer Advances.

The outstanding principal and interest of the General Obligation Refunding Note 2022 are due as follows:

|           | <b>Principal</b>    | <b>Interest</b>     | <b>Total</b>         |
|-----------|---------------------|---------------------|----------------------|
| 2023      | \$ 120,000          | \$ 260,093          | \$ 380,093           |
| 2024      | 125,000             | 255,317             | 380,317              |
| 2025      | 130,000             | 250,342             | 380,342              |
| 2026      | 130,000             | 245,168             | 375,168              |
| 2027      | 140,000             | 239,994             | 379,994              |
| 2028-2032 | 780,000             | 1,112,410           | 1,892,410            |
| 2033-2037 | 945,000             | 944,653             | 1,889,653            |
| 2038-2042 | 4,165,000           | 741,275             | 4,906,275            |
|           | <b>\$ 6,535,000</b> | <b>\$ 4,049,252</b> | <b>\$ 10,584,252</b> |

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**6. Net Position**

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The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2022, the District had net investment in capital assets of (\$1,929,594).

Restricted assets include assets 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 a restricted net position of \$127,116 as of December 31, 2022 as follows:

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**6. Net Position (continued)**

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Restricted net position:

|              |                          |
|--------------|--------------------------|
| Debt Service | <u>\$ 127,116</u>        |
|              | <u><u>\$ 127,116</u></u> |

The District's unrestricted net position as of December 31, 2022 totaled \$152,700.

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**7. Risk Management**

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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 (Pool) as of December 31, 2022. The Pool is an organization created by intergovernmental agreement to provide property, liability, public official's 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 official's 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.

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**8. Tax, Spending and Debt Limitations**

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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 which 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.

**Timbers Metropolitan District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**8. Tax, Spending and Debt Limitations (continued)**

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On November 15, 2016, the District's voters passed an election question allowing the District to increase property taxes up to \$1,000,000 annually, without limitation of rate, in order for the District to pay for operations, maintenance, and other expenses. Additionally, voters authorized the District to collect, retain and spend amounts from all revenue sources, without imposed limitations.

## **SUPPLEMENTAL INFORMATION**

**Timbers Metropolitan District**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                   | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-----------------------|-------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>      |                           |   |
| <b>REVENUES</b>                             |                       |                   |                           |   |
| Property taxes                              | \$ 277,045            | \$ 277,187        | \$ 279,398                | \$ 2,211  |
| Specific ownership taxes                    | 13,000                | 16,653            | 22,427                    | 5,774   |
| Total revenues                              | <u>290,045</u>        | <u>293,840</u>    | <u>301,825</u>            | <u>7,985</u>  |
| <b>EXPENDITURES</b>                         |                       |                   |                           |   |
| Current                                     |                       |                   |                           |   |
| County treasurer fees                       | 4,156                 | 4,158             | 4,160                     | (2)   |
| Debt service                                |                       |                   |                           |   |
| Bond - Senior Bonds principal payment       | 225,000               | -                 | -                         | -   |
| Bond interest                               | 64,500                | -                 | 1,293,365                 | (1,293,365)   |
| Bond paying agent fees- Senior Bonds        | 800                   | -                 | -                         | -   |
| Bond paying agent fees- Subordinate Bonds   | 800                   | -                 | -                         | -   |
| Developer advance - interest                | -                     | -                 | 6,230                     | (6,230)   |
| Cost of issuance                            | -                     | -                 | 154,285                   | (154,285)   |
| NBH Bank loan - principal                   | -                     | 35,000            | -                         | 35,000  |
| NBH Bank loan - interest                    | -                     | 111,132           | -                         | 111,132   |
| Total expenditures                          | <u>295,256</u>        | <u>150,290</u>    | <u>1,458,040</u>          | <u>(1,307,750)</u>  |
| <b>EXCESS OF REVENUES OVER (UNDER)</b>      |                       |                   |                           |   |
| <b>EXPENDITURES</b>                         | <u>(5,211)</u>        | <u>143,550</u>    | <u>(1,156,215)</u>        | <u>(1,299,765)</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                       |                   |                           |   |
| Bond proceeds                               | -                     | -                 | 6,570,000                 | 6,570,000   |
| Repayment bonds                             | -                     | -                 | (5,090,000)               | (5,090,000)   |
| Repayment developer advances                | -                     | -                 | (182,488)                 | (182,488)   |
| Total other financing sources (uses)        | <u>-</u>              | <u>-</u>          | <u>1,297,512</u>          | <u>1,297,512</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>           | <u>(5,211)</u>        | <u>143,550</u>    | <u>141,297</u>            | <u>(2,253)</u>  |
| <b>FUND BALANCE - BEGINNING<br/>OF YEAR</b> | <u>18,823</u>         | <u>18,823</u>     | <u>(14,181)</u>           | <u>(33,004)</u>   |
| <b>FUND BALANCE - END OF YEAR</b>           | <u>\$ 13,612</u>      | <u>\$ 162,373</u> | <u>\$ 127,116</u>         | <u>\$ (35,257)</u>  |

**Timbers Metropolitan District  
Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                    | <u>Actual<br/>Amounts</u> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|--------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>       |                           |   |
| <b>EXPENDITURES</b>                                     |                       |                    |                           |   |
| Expenditures  |                       |                    |                           |   |
| Capital outlay  | \$ -                  | \$ -               | \$ -                      | \$ -  |
| Total expenditures                                      | <u>-</u>              | <u>-</u>           | <u>-</u>                  | <u>-</u>  |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b> | <u>-</u>              | <u>-</u>           | <u>-</u>                  | <u>-</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                   |                       |                    |                           |   |
| Transfer from (to) other funds                          | <u>-</u>              | <u>-</u>           | <u>-</u>                  | <u>-</u>  |
| Total other financing sources (uses)                    | <u>-</u>              | <u>-</u>           | <u>-</u>                  | <u>-</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>                       | <u>-</u>              | <u>-</u>           | <u>-</u>                  | <u>-</u>  |
| <b>FUND BALANCE - BEGINNING<br/>OF YEAR</b>             | <u>-</u>              | <u>-</u>           | <u>-</u>                  | <u>-</u>  |
| <b>FUND BALANCE - END OF YEAR</b>                       | <u><u>\$ -</u></u>    | <u><u>\$ -</u></u> | <u><u>\$ -</u></u>        | <u><u>\$ -</u></u>  |

**Timbers Metropolitan District  
 Summary of Assessed Valuation,  
 Mill Levy and Property Taxes Collected  
 December 31, 2022**

| <b>Year Ended<br/>December 31,</b>                       | <b>Prior<br/>Year Assessed<br/>Valuation for<br/>Current Year<br/>Tax Levy</b> | <b>Mills Levied</b> |                     | <b>Total Property Taxes</b> |                  | <b>Percent<br/>Collected<br/>to Levied</b> |
|--|--|---------------------|---------------------|-----------------------------|------------------|--|
|  |  | <b>Operations</b>   | <b>Debt Service</b> | <b>Levied</b>               | <b>Collected</b> |  |
| 2018   | \$ 1,715,760   | 5.000               | 25.000              | \$ 51,473                   | \$ 50,454        | 98.02%                                     |
| 2019   | \$ 2,666,070   | 5.000               | 25.000              | \$ 79,982                   | \$ 335,291       | 419.21%                                    |
| 2020   | \$ 6,335,740   | 5.000               | 25.000              | \$ 190,073                  | \$ 190,335       | 100.14%                                    |
| 2021   | \$ 7,834,430   | 5.000               | 25.000              | \$ 235,033                  | \$ 231,175       | 98.36%                                     |
| 2022   | \$ 11,082,240  | 5.000               | 25.000              | \$ 332,467                  | \$ 335,291       | 100.85%                                    |
| Estimated for<br>the year ending<br>December 31,<br>2023 | \$ 12,182,220  | 5.000               | 25.000              | \$ 365,467                  |                  |  |



**EXHIBIT B**  
**2023 BUDGET**

LETTER OF BUDGET TRANSMITTAL

Date: January 19, 2023

To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached are the 2023 budget and budget message for TIMBERS METROPOLITAN DISTRICT in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 30, 2022. If there are any questions on the budget, please contact:

Thomas N. George  
Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, Colorado 80203  
(303) 839-3800

I, Donald Siecke, as President of the Timbers Metropolitan District, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Donald E Siecke  
President

**RESOLUTION  
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,  
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY  
TIMBERS METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE TIMBERS METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Timbers Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 30, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$60,911 ; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 304,556 ; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$12,182,220 ; and

WHEREAS, at an election held on November 8, 2016, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TIMBERS METROPOLITAN DISTRICT OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Timbers Metropolitan District for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 5.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year,

as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 25.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 30th day of November, 2022.

TIMBERS METROPOLITAN DISTRICT

*Donald E Siecke*

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President

ATTEST:

*Robert A Koontz*

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Secretary

# **TIMBERS METROPOLITAN DISTRICT**

## **2023 BUDGET MESSAGE**

Timbers Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the Douglas County District Court on November 15, 2016, and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado.

The District was organized for the purpose of coordinating and financing the acquisition, construction, completion, operation, and maintenance of public infrastructure and services within and without the District. The improvements will be acquired, constructed, and completed for the collective use and benefit of the property owners within, and residents of, the District. Upon completion, the District will transfer certain improvements to other governmental entities as appropriate. The District may operate and maintain all other improvements for the benefit of all property owners within, and residents of, the District.

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

The District's budget was prepared using the modified accrual basis of accounting, in accordance with requirements of Section 29-1-105, C.R.S. The District's budget has been adopted after proper postings, publications and public hearing.

### **Revenue**

The revenues for the 2023 budget are listed below.

The District will impose a debt service mill levy of 25.000 mills as required by its outstanding bond covenants, and an operations levy of 5.000 mills. Estimated property tax revenues will be \$60,911 for operating expenses and \$304,556 for general obligation bonds.

### **Expenditures**

The expenditures for the 2023 budget are listed below.

#### **General and Administrative Expenditures**

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

## **Debt and Leases**

On September 24, 2018 the District issued its Senior Limited Tax General Obligation Bonds in the amount of \$1,500,000, Series 2018A and Subordinate Limited Tax General Obligation Bonds in the amount of \$3,800,000, Series 2018B. This debt is payable from ad valorem property taxes and bears a maturity date of December 1, 2053.

## **Reserves**

### **Emergency Reserve**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.



**TIMBERS METROPOLITAN DISTRICT**  
**DOUGLAS COUNTY, COLORADO**  
 Budget Summary

|                                  | <b>Actual</b>   | <b>Adopted</b> | <b>Actual</b> | <b>Adopted</b> | <b>Actual</b> | <b>Proposed</b> | <b>Amended</b> | <b>Proposed</b> |
|----------------------------------|-----------------|----------------|---------------|----------------|---------------|-----------------|----------------|-----------------|
|                                  | <b>2019</b>     | <b>2020</b>    | <b>2020</b>   | <b>2021</b>    | <b>2021</b>   | <b>2022</b>     | <b>2022</b>    | <b>2023</b>     |
| <b>General Fund:</b>             |                 |                |               |                |               |                 |                |                 |
| Total Revenue                    | 27,154          | 31,685         | 94,338        | 41,380         | 42,315        | 57,922          | 57,922         | 63,423          |
| Total Expenditures               | (31,020)        | (32,314)       | (30,371)      | (42,942)       | (38,364)      | (58,136)        | (59,623)       | (19,914)        |
| Total Other Financing Sources    | 0               | 0              | (60,000)      | 0              | 0             | 0               | 0              | 0               |
| <b>Net Income (Loss)</b>         | <b>(3,866)</b>  | <b>(629)</b>   | <b>3,967</b>  | <b>(1,562)</b> | <b>3,951</b>  | <b>(213)</b>    | <b>(1,701)</b> | <b>43,509</b>   |
| <b>Capital Fund:</b>             |                 |                |               |                |               |                 |                |                 |
| Total Revenue                    | 0               | 0              | 0             | 0              | 0             | 0               | 0              | 0               |
| Total Expenditures               | 0               | 0              | 0             | 0              | 0             | 0               | 0              | 0               |
| Total Other Financing Sources    | 0               | 0              | 0             | 0              | 0             | 0               | 0              | 0               |
| <b>Net Income (Loss)</b>         | <b>0</b>        | <b>0</b>       | <b>0</b>      | <b>0</b>       | <b>0</b>      | <b>0</b>        | <b>0</b>       | <b>0</b>        |
| <b>Debt Fund:</b>                |                 |                |               |                |               |                 |                |                 |
| Total Revenue                    | 71,156          | 158,387        | 171,649       | 206,853        | 211,526       | 290,045         | 293,840        | 317,543         |
| Total Expenditures               | (77,584)        | (154,976)      | (214,976)     | (209,738)      | (209,672)     | (295,256)       | (150,289)      | (384,661)       |
| Total Other Financing Sources    | 0               | 0              | 60,000        | 0              | 0             | 0               | 0              | 0               |
| <b>Net Income (Loss)</b>         | <b>(6,428)</b>  | <b>3,411</b>   | <b>16,673</b> | <b>(2,885)</b> | <b>1,854</b>  | <b>(5,211)</b>  | <b>143,550</b> | <b>(67,118)</b> |
| <b>Combined Funds:</b>           |                 |                |               |                |               |                 |                |                 |
| Total Revenue                    | 98,310          | 190,072        | 265,987       | 248,233        | 253,841       | 347,967         | 351,762        | 380,967         |
| Total Expenditures               | (108,604)       | (187,290)      | (245,347)     | (252,679)      | (248,036)     | (353,391)       | (209,913)      | (404,575)       |
| Total Other Financing Sources    | 0               | 0              | 0             | 0              | 0             | 0               | 0              | 0               |
| <b>Net Income (Loss)</b>         | <b>(10,294)</b> | <b>2,782</b>   | <b>20,641</b> | <b>(4,447)</b> | <b>5,805</b>  | <b>(5,424)</b>  | <b>141,849</b> | <b>(23,608)</b> |
| <b>Fund Balance End of Year:</b> |                 |                |               |                |               |                 |                |                 |
| General Total                    | 15,218          | 14,589         | 19,185        | 17,624         | 23,136        | 22,923          | 21,435         | 64,945          |
| General Emergency Reserve        |                 |                |               |                |               |                 | 1,740          | 1,905           |
| General Operating Reserve        |                 |                |               |                |               |                 | 19,695         | 63,040          |
| Capital                          | 0               | 0              | 0             | 0              | 0             | 0               | 0              | 0               |
| Debt                             | 296             | 3,707          | 16,969        | 14,084         | 18,823        | 13,612          | 162,373        | 95,255          |
| <b>Total</b>                     | <b>15,514</b>   | <b>18,296</b>  | <b>36,155</b> | <b>31,708</b>  | <b>41,959</b> | <b>36,535</b>   | <b>183,809</b> | <b>160,200</b>  |
| <b>Assessed Value</b>            |                 |                |               |                |               |                 |                |                 |
|                                  | 2,666,070       | 6,335,740      | 6,335,740     | 7,834,430      | 7,834,430     | 11,082,240      | 11,082,240     | 12,182,220      |
| <b>Mill Levies:</b>              |                 |                |               |                |               |                 |                |                 |
| General                          | 5.000           | 5.000          | 5.000         | 5.000          | 5.000         | 5.000           | 5.000          | 5.000           |
| Debt                             | 25.000          | 25.000         | 25.000        | 25.000         | 25.000        | 25.000          | 25.000         | 25.000          |
| <b>Total</b>                     | <b>30.000</b>   | <b>30.000</b>  | <b>30.000</b> | <b>30.000</b>  | <b>30.000</b> | <b>30.000</b>   | <b>30.000</b>  | <b>30.000</b>   |

**TIMBERS METROPOLITAN DISTRICT**  
DOUGLAS COUNTY, COLORADO

BUDGET  
GENERAL FUND

|  | Actual    | Adopted   | Actual    | Adopted   | Actual    | Proposed  | Amended   | Proposed  |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|  | 2019      | 2020      | 2020      | 2021      | 2021      | 2022      | 2022      | 2023      |
| Revenue:                                     |           |           |           |           |           |           |           |           |
| Property Taxes                               | \$ 13,124 | \$ 31,685 | \$ 31,729 | \$ 39,180 | \$ 38,537 | \$ 55,422 | \$ 55,422 | \$ 60,923 |
| Specific Ownership Taxes                     | 1,110     | -         | 2,609     | 2,200     | 3,778     | 2,500     | 2,500     | 2,500     |
| Personal Property Taxes                      | -         | -         | -         | -         | -         | -         | -         | -         |
| Developer Advance                            | 12,920    | -         | 60,000    | -         | -         | -         | -         | -         |
| Public Improvement Fees                      | -         | -         | -         | -         | -         | -         | -         | -         |
| Total Revenue                                | 27,154    | 31,685    | 94,338    | 41,380    | 42,315    | 57,922    | 57,922    | 63,423    |
| Expenditures:                                |           |           |           |           |           |           |           |           |
| General Government                           |           |           |           |           |           |           |           |           |
| Accounting                                   | 2,000     | 2,000     | 2,000     | 4,000     | 4,000     | 4,000     | 4,000     | 4,000     |
| Legal  | 10,089    | 7,500     | 5,014     | 4,000     | 4,035     | 4,000     | 9,000     | 4,000     |
| Delivery Fees                                | -         | -         | -         | -         | -         | -         | -         | -         |
| Audit and Administrative                     | 4,800     | 7,500     | 5,021     | 3,500     | 931       | 3,500     | 3,500     | 7,000     |
| Management and Administration                | -         | -         | -         | -         | -         | -         | 37,195    | -         |
| Treasurer's Fees                             | 197       | 475       | 476       | 588       | 575       | 831       | 831       | 914       |
| Douglas County Fees                          | -         | -         | -         | -         | -         | -         | -         | -         |
| Insurance                                    | 1,015     | 1,015     | 4,036     | 2,030     | -         | 2,030     | 4,097     | 3,000     |
| Maintenance - Regional Pond                  | -         | -         | -         | -         | -         | -         | -         | -         |
| Contingency                                  | -         | -         | -         | -         | -         | 1,000     | 1,000     | 1,000     |
| Debt Service                                 |           |           |           |           |           |           |           |           |
| Developer Advance Payments - Principal       | -         | -         | -         | 15,000    | 15,000    | 30,000    | -         | -         |
| Developer Advance Payments - Interest        | 12,920    | 13,824    | 13,824    | 13,824    | 13,824    | 12,774    | -         | -         |
| Bond Interest                                | -         | -         | -         | -         | -         | -         | -         | -         |
| Capital Outlay                               |           |           |           |           |           |           |           |           |
| Roadways/Streets                             | -         | -         | -         | -         | -         | -         | -         | -         |
| Water/Sewer/Sanitation/Utilities             | -         | -         | -         | -         | -         | -         | -         | -         |
| Traffic & Safety                             | -         | -         | -         | -         | -         | -         | -         | -         |
| Engineering, Design & Soft Cost              | -         | -         | -         | -         | -         | -         | -         | -         |
| Total Expenditures                           | 31,020    | 32,314    | 30,371    | 42,942    | 38,364    | 58,136    | 59,623    | 19,914    |
| Excess (Deficiency) of Revenues              |           |           |           |           |           |           |           |           |
| Over Expenditures                            | (3,866)   | (629)     | 63,967    | (1,562)   | 3,951     | (213)     | (1,701)   | 43,509    |
| Other Financing Sources (Uses)               |           |           |           |           |           |           |           |           |
| Transfer to/from other fund (from Debt Fund) | -         | -         | (60,000)  | -         | -         | -         | -         | -         |
| Bond Proceeds                                | -         | -         | -         | -         | -         | -         | -         | -         |
| Bond Fund (Proceeds) - SR GO Bonds           | -         | -         | -         | -         | -         | -         | -         | -         |
| Bond Fund (Proceeds) - Sub GO Bonds          | -         | -         | -         | -         | -         | -         | -         | -         |
| Developer Advance                            | -         | -         | -         | -         | -         | -         | -         | -         |
| Total Other Financing Sources (Uses)         | -         | -         | (60,000)  | -         | -         | -         | -         | -         |
| Net Change in Fund Balance                   | (3,866)   | (629)     | 3,967     | (1,562)   | 3,951     | (213)     | (1,701)   | 43,509    |
| Fund Balances:                               |           |           |           |           |           |           |           |           |
| Beginning of the Year                        | 19,084    | 15,218    | 15,218    | 19,185    | 19,185    | 23,136    | 23,136    | 21,435    |
| End of the Year                              | \$ 15,218 | \$ 14,589 | \$ 19,185 | \$ 17,624 | \$ 23,136 | \$ 22,923 | \$ 21,435 | \$ 64,945 |
| 3% Emergency Reserve                         |           |           |           |           |           |           | 1,740     | 1,905     |
| Operating Reserve                            |           |           |           |           |           |           | \$ 19,695 | \$ 63,040 |
| Total Reserve                                |           |           |           |           |           |           | \$ 21,435 | \$ 64,945 |

**TIMBERS METROPOLITAN DISTRICT**  
DOUGLAS COUNTY, COLORADO

BUDGET  
DEBT FUND

|   | Actual         | Adopted        | Actual         | Adopted        | Actual         | Proposed       | Amended        | Proposed        |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|   | 2019           | 2020           | 2020           | 2021           | 2021           | 2022           | 2022           | 2023            |
| Revenue:                                      |                |                |                |                |                |                |                |                 |
| Property Taxes                                | \$ 65,605      | \$ 158,387     | \$ 158,606     | \$ 195,853     | \$ 192,638     | \$ 277,045     | \$ 277,187     | \$ 304,543      |
| Specific Ownership Taxes                      | 5,551          | -              | 13,043         | 11,000         | 18,888         | 13,000         | 16,653         | 13,000          |
| Personal Property Taxes                       | -              | -              | -              | -              | -              | -              | -              | -               |
| Developer Advance                             | -              | -              | -              | -              | -              | -              | -              | -               |
| Public Improvement Fees                       | -              | -              | -              | -              | -              | -              | -              | -               |
| <b>Total Revenue</b>                          | <b>71,156</b>  | <b>158,387</b> | <b>171,649</b> | <b>206,853</b> | <b>211,526</b> | <b>290,045</b> | <b>293,840</b> | <b>317,543</b>  |
| Expenditures:                                 |                |                |                |                |                |                |                |                 |
| General Government                            |                |                |                |                |                |                |                |                 |
| Accounting                                    | -              | -              | -              | -              | -              | -              | -              | -               |
| Legal   | -              | -              | -              | -              | -              | -              | -              | -               |
| Delivery Fees                                 | -              | -              | -              | -              | -              | -              | -              | -               |
| Audit and Administrative                      | -              | -              | -              | -              | -              | -              | -              | -               |
| Management and Administration                 | -              | -              | -              | -              | -              | -              | -              | -               |
| Treasurer's Fees                              | 984            | 2,376          | 2,376          | 2,938          | 2,872          | 4,156          | 4,158          | 4,568           |
| Douglas County Fees                           | -              | -              | -              | -              | -              | -              | -              | -               |
| Insurance                                     | -              | -              | -              | -              | -              | -              | -              | -               |
| Maintenance - Regional Pond                   | -              | -              | -              | -              | -              | -              | -              | -               |
| Contingency                                   | -              | -              | -              | -              | -              | -              | -              | -               |
| Debt Service                                  |                |                |                |                |                |                |                |                 |
| Developer Advance Payments - Interest         | -              | -              | -              | -              | -              | -              | -              | -               |
| Developer Advance Payments - Principal        | -              | -              | 60,000         | -              | -              | -              | -              | -               |
| Bond Issuance Fees                            | -              | -              | -              | -              | -              | -              | -              | -               |
| Bond Senior Bonds Principle Pmnt              | -              | 76,000         | 76,000         | 134,000        | 134,000        | 225,000        | -              | -               |
| Bond Interest                                 | 75,000         | 75,000         | 75,000         | 71,200         | 71,200         | 64,500         | -              | -               |
| Bond Paying Agent Fees - Senior Bonds         | 800            | 800            | 800            | 800            | 800            | 800            | -              | -               |
| Bond Paying Agent Fees - Subordinate Bonds    | 800            | 800            | 800            | 800            | 800            | 800            | -              | -               |
| NBH Bank Loan Principle                       |                |                |                |                |                |                | 35,000         | 120,000         |
| NBH Bank Loan Interest                        |                |                |                |                |                |                | 111,132        | 260,093         |
| Capital Outlay                                |                |                |                |                |                |                |                |                 |
| Roadways/Streets                              | -              | -              | -              | -              | -              | -              | -              | -               |
| Water/Sewer/Sanitation/Utilities              | -              | -              | -              | -              | -              | -              | -              | -               |
| Traffic & Safety                              | -              | -              | -              | -              | -              | -              | -              | -               |
| Engineering, Design & Soft Cost               | -              | -              | -              | -              | -              | -              | -              | -               |
| <b>Total Expenditures</b>                     | <b>77,584</b>  | <b>154,976</b> | <b>214,976</b> | <b>209,738</b> | <b>209,672</b> | <b>295,256</b> | <b>150,289</b> | <b>384,661</b>  |
| Excess (Deficiency) of Revenues               |                |                |                |                |                |                |                |                 |
| Over Expenditures                             | (6,428)        | 3,411          | (43,327)       | (2,885)        | 1,854          | (5,211)        | 143,550        | (67,118)        |
| Other Financing Sources (Uses)                |                |                |                |                |                |                |                |                 |
| Transfer from/to other fund (to General Fund) | -              | -              | 60,000         | -              | -              | -              | -              | -               |
| Bond Proceeds                                 | -              | -              | -              | -              | -              | -              | -              | -               |
| Bond Fund (Proceeds) - SR GO Bonds            | -              | -              | -              | -              | -              | -              | -              | -               |
| Bond Fund (Proceeds) - Sub GO Bonds           | -              | -              | -              | -              | -              | -              | -              | -               |
| Developer Advance Proceeds                    | -              | -              | -              | -              | -              | -              | -              | -               |
| <b>Total Other Financing Sources (Uses)</b>   | <b>-</b>       | <b>-</b>       | <b>60,000</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>        |
| <b>Net Change in Fund Balance</b>             | <b>(6,428)</b> | <b>3,411</b>   | <b>16,673</b>  | <b>(2,885)</b> | <b>1,854</b>   | <b>(5,211)</b> | <b>143,550</b> | <b>(67,118)</b> |
| Fund Balances:                                |                |                |                |                |                |                |                |                 |
| Beginning of the Year                         | 6,724          | 296            | 296            | 16,969         | 16,969         | 18,823         | 18,823         | 162,373         |
| End of the Year                               | \$ 296         | \$ 3,707       | \$ 16,969      | \$ 14,084      | \$ 18,823      | \$ 13,612      | \$ 162,373     | \$ 95,255       |

**TIMBERS METROPOLITAN DISTRICT**  
DOUGLAS COUNTY, COLORADO

BUDGET  
CAPITAL FUND

|  | Actual<br>2019 | Adopted<br>2020 | Actual<br>2020 | Adopted<br>2021 | Actual<br>2021 | Proposed<br>2022 | Amended<br>2022 | Proposed<br>2023 |
|--|----------------|-----------------|----------------|-----------------|----------------|------------------|-----------------|------------------|
| Revenue:   |                |                 |                |                 |                |                  |                 |                  |
| Property Taxes                                       | \$ -           | \$ -            | \$ -           | \$ -            | \$ -           | \$ -             | \$ -            | \$ -             |
| Specific Ownership Taxes                             | -              | -               | -              | -               | -              | -                | -               | -                |
| Personal Property Taxes                              | -              | -               | -              | -               | -              | -                | -               | -                |
| Developer Advance                                    | -              | -               | -              | -               | -              | -                | -               | -                |
| Public Improvement Fees                              | -              | -               | -              | -               | -              | -                | -               | -                |
| <b>Total Revenue</b>                                 | -              | -               | -              | -               | -              | -                | -               | -                |
| Expenditures:  |                |                 |                |                 |                |                  |                 |                  |
| General Government                                   |                |                 |                |                 |                |                  |                 |                  |
| Accounting   | -              | -               | -              | -               | -              | -                | -               | -                |
| Legal  | -              | -               | -              | -               | -              | -                | -               | -                |
| Delivery Fees  | -              | -               | -              | -               | -              | -                | -               | -                |
| Audit and Administrative                             | -              | -               | -              | -               | -              | -                | -               | -                |
| Management and Administration                        | -              | -               | -              | -               | -              | -                | -               | -                |
| Treasurer's Fees                                     | -              | -               | -              | -               | -              | -                | -               | -                |
| Douglas County Fees                                  | -              | -               | -              | -               | -              | -                | -               | -                |
| Insurance  | -              | -               | -              | -               | -              | -                | -               | -                |
| Maintenance - Regional Pond                          | -              | -               | -              | -               | -              | -                | -               | -                |
| Contingency  | -              | -               | -              | -               | -              | -                | -               | -                |
| Debt Service   |                |                 |                |                 |                |                  |                 |                  |
| Developer Advance Payments - Interest                | -              | -               | -              | -               | -              | -                | -               | -                |
| Bond Interest  | -              | -               | -              | -               | -              | -                | -               | -                |
| Capital Outlay                                       |                |                 |                |                 |                |                  |                 |                  |
| Roadways/Streets                                     | -              | -               | -              | -               | -              | -                | -               | -                |
| Water/Sewer/Sanitation/Utilities                     | -              | -               | -              | -               | -              | -                | -               | -                |
| Traffic & Safety                                     | -              | -               | -              | -               | -              | -                | -               | -                |
| Engineering, Design & Soft Cost                      | -              | -               | -              | -               | -              | -                | -               | -                |
| <b>Total Expenditures</b>                            | -              | -               | -              | -               | -              | -                | -               | -                |
| Excess (Deficiency) of Revenues<br>Over Expenditures | -              | -               | -              | -               | -              | -                | -               | -                |
| Other Financing Sources (Uses)                       |                |                 |                |                 |                |                  |                 |                  |
| Transfer from (to) other fund                        | -              | -               | -              | -               | -              | -                | -               | -                |
| Bond Proceeds  | -              | -               | -              | -               | -              | -                | -               | -                |
| Bond Fund (Proceeds) - SR GO Bonds                   | -              | -               | -              | -               | -              | -                | -               | -                |
| Bond Fund (Proceeds) - Sub GO Bonds                  | -              | -               | -              | -               | -              | -                | -               | -                |
| Developer Advance                                    | -              | -               | -              | -               | -              | -                | -               | -                |
| Transfer from (to) other funds                       | -              | -               | -              | -               | -              | -                | -               | -                |
| <b>Total Other Financing Sources (Uses)</b>          | -              | -               | -              | -               | -              | -                | -               | -                |
| <b>Net Change in Fund Balance</b>                    | -              | -               | -              | -               | -              | -                | -               | -                |
| Fund Balances:                                       |                |                 |                |                 |                |                  |                 |                  |
| Beginning of the Year                                | -              | -               | -              | -               | -              | -                | -               | -                |
| End of the Year                                      | \$ -           | \$ -            | \$ -           | \$ -            | \$ -           | \$ -             | \$ -            | \$ -             |

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

**TO The County Commissioners of Douglas County, Colorado  
 On behalf of the Timbers Metro District  
 the Board of Directors  
 of the Timers Metropolitan District**

**Hereby** officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$12,182,220** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area 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: **\$12,182,220**

**Submitted:** *Courtney Linney* for budget/fiscal year 2023

| <b>PURPOSE</b>  | <b>LEVY</b>         | <b>REVENUE</b>   |
|---|---------------------|------------------|
| 1. General Operating Expenses   | 5.000 mills         | \$60,911         |
| 2. <Minus> Temporary General Property Tax Credit/<br>Temporary Mill Levy Rate Reduction | -0.000 mills        | -\$0             |
| <b>SUBTOTAL FOR GENERAL OPERATING:</b>  | <b>5.000 mills</b>  | <b>\$60,911</b>  |
| 3. General Obligation Bonds and Interest  | 25.000 mills        | \$304,556        |
| 4. Contractual Obligations  | 0.000 mills         | \$0              |
| 5. Capital Expenditures   | 0.000 mills         | \$0              |
| 6. Refunds/Abatements   | 0.000 mills         | \$0              |
| 7. Other  | 0.000 mills         | \$0              |
| 8. Judgment   | 0.000 mills         | \$0              |
| <b>TOTAL:</b>   | <b>30.000 mills</b> | <b>\$365,467</b> |

**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, CONTRACT, OTHER, AND/OR JUDGMENT:**

**BONDS**

- 1. Purpose of Issue: Senior Limited Tax G O Bonds of \$1,500,000, Series 2018A and Subordinate Limited Tax G O Bonds of \$3,800,000, Series 2018B
- Series: Series 2018a & 2018B
- Date of Issue: 2018-09-24

|                |                        |
|----------------|------------------------|
| Coupon Rate:   | 2018A=5.0%; 2018B=7.0% |
| Maturity Date: | 2053-12-01             |
| Levy:          | 25.000                 |
| Revenue:       | \$304,556              |

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**CONTRACTS**

No Contracts Available

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**OTHER**

No Other Available

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**JUDGMENT**

No Judgment Available

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**Explanation of Change:**

Generated On Mon, 12 Dec 2022