

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

**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2023**

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
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Board of Directors  
Timnath Lakes Metropolitan District No. 1  
Larimer County, Colorado

## Independent Auditor's Report

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Timnath Lakes Metropolitan District No. 1 (the "District"), as of and for the year ended December 31, 2023, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Timnath Lakes Metropolitan District No. 1 as of December 31, 2023, and the respective changes in financial position and the respective 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## 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 opinions. 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 GAAS 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 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 GAAS, 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 the 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 the 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 Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States 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.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

*Wipfli LLP*

Wipfli LLP  
Denver, Colorado

September 30, 2024

## **BASIC FINANCIAL STATEMENTS**

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2023**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments - Restricted	\$ 110,874
Due from Other Districts	1,343
Receivable from County Treasurer	658
Property Tax Receivable	<u>8,071</u>
Total Assets	<u>120,946</u>
<b>LIABILITIES</b>	
Noncurrent Liabilities:	
Due in More Than One Year	<u>8,232,884</u>
Total Liabilities	<u>8,232,884</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	<u>8,071</u>
Total Deferred Inflows of Resources	<u>8,071</u>
<b>NET POSITION</b>	
Restricted for:	
Debt Service	112,875
Unrestricted	<u>(8,232,884)</u>
Total Net Position	<u><u>\$ (8,120,009)</u></u>

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
\$ 50,000	\$ -	\$ -	\$ -	\$ (50,000)
362,675	-	-	-	(362,675)
\$ 412,675	\$ -	\$ -	\$ -	(412,675)
<b>FUNCTIONS/PROGRAMS</b>				
Primary Government:				
Governmental Activities:				
General Government				
Interest on Long-Term Debt and Related Costs				
Total Governmental Activities				
<b>GENERAL REVENUES</b>				
Property Taxes				
URA District property taxes				
Specific Ownership Taxes				
Interest Income				
Total General Revenues and Transfers				
<b>CHANGES IN NET POSITION</b>				
Net Position - Beginning of Year				
<b>NET POSITION - END OF YEAR</b>				
				\$ (8,120,009)

See accompanying Notes to Basic Financial Statements.



**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments - Restricted	\$ -	\$ 110,874	\$ 110,874
Receivable from County Treasurer	-	658	658
Due from Other Districts	-	1,343	1,343
Property Tax Receivable	-	8,071	8,071
	-	8,071	8,071
Total Assets	\$ -	\$ 120,946	\$ 120,946
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Total Liabilities	\$ -	\$ -	\$ -
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Property Tax	-	8,071	8,071
Total Deferred Inflows of Resources	-	8,071	8,071
<b>FUND BALANCES</b>			
Restricted for:			
Debt Service	-	112,875	112,875
Total Fund Balances	-	112,875	112,875
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 120,946	
Amounts reported for governmental activities in the statement of net position are different because:			
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 Series A and B			(8,066,565)
Unpaid Interest on Bonds Series B			(166,319)
			(8,232,884)
Net Position of Governmental Activities			\$ (8,120,009)

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Total Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ -	\$ 3,992	\$ 3,992
URA District property taxes	-	134,151	134,151
Specific Ownership Taxes	-	10,146	10,146
Interest Income	-	1,896	1,896
Total Revenues	-	150,185	150,185
<b>EXPENDITURES</b>			
Current:			
County Treasurer's Fee	-	80	80
Intergovernmental Expenditures	-	50,000	50,000
Bond Issue Costs	-	22,050	22,050
Paying Agent Fees	-	9,000	9,000
Total Expenditures	-	81,130	81,130
<b>NET CHANGE IN FUND BALANCES</b>	-	69,055	69,055
Fund Balances - Beginning of Year	-	43,820	43,820
<b>FUND BALANCES - END OF YEAR</b>	\$ -	\$ 112,875	\$ 112,875

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$ 69,055
Amounts reported for governmental activities in the statement of activities are different because:	
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.	
Accrued Interest Payable - Change in Liability	(164,945)
Bond Accretion	<u>(166,600)</u>
Changes in Net Position of Governmental Activities	<u>\$ (262,490)</u>

*See accompanying Notes to Basic Financial Statements.*

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Total Revenues	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Total Expenditures	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
Fund Balance - Beginning of Year	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Timnath Lakes Metro District No. 1 (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by Order and Decree of the District Court for Larimer County recorded on June 23, 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized as “Timnath Farms North Metropolitan District No. 1” and subsequently changed its name effective as of September 10, 2020. The District was organized to provide financing for the design, acquisition, installation and construction of sanitation improvements, water improvements, street improvements, traffic and safety control improvements, park and recreation improvements, transportation improvements, television relay and translation improvements, mosquito control, fire protection, emergency medical services, and operation and maintenance of the District. The District was organized in conjunction with Timnath Lakes Metropolitan District No. 2 (“District No. 2”) and District No. 3 (“District No. 3”) pursuant to the Service Plans (“Original Service Plans”) approved by the Town Council of the Town of Timnath (“Town”). Subsequently Timnath Lakes Metropolitan District No. 4 (“District No. 4”), District No. 5 (“District No. 5”), and District No. 6 (“District No. 6”) were organized on August 5, 2020. The Original Service Plans were superseded by the Consolidated Amended and Restated Service Plan for Timnath Lakes Metropolitan District Nos. 1-6 (the “Districts”), approved by the Town on September 10, 2019 (“Service Plan”).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

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

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**Property Taxes**

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity**

**Net Position**

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government's practice to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

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

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.



**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2023 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments - Restricted	\$ 110,874
Total Cash and Investments	<u>\$ 110,874</u>

Cash and investments as of December 31, 2023 consist of the following:

Investments	\$ 110,874
Total Cash and Investments	<u>\$ 110,874</u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

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

As of December 31, 2023, the District had no deposits.

**Investments**

The District has adopted a formal investment policy that follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or investment custodial credit risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 102,617
Morgan Stanley Institutional Liquidity Fund Treasury	Weighted-Average Under 60 Days	8,257
		<u>\$ 110,874</u>

**CSAFE**

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**CSAFE (Continued)**

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District’s long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	New Issues/ Accretion	Refundings/ Retirements	Balance at December 31, 2023	Due Within One Year
Bonds Payable:					
General Obligation Bonds - Series 2022A	\$ 5,313,965	\$ 166,600	\$ -	\$ 5,480,565	\$ -
Subordinate Bond - Series 2022B	2,586,000	-	-	2,586,000	-
Accrued Interest					
Subordinate Bond - Series 2022B	1,374	164,945	-	166,319	-
Subtotal Bonds Payable	<u>7,901,339</u>	<u>331,545</u>	<u>-</u>	<u>8,232,884</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 7,901,339</u>	<u>\$ 331,545</u>	<u>\$ -</u>	<u>\$ 8,232,884</u>	<u>\$ -</u>

The details of the District's general obligation bonds outstanding during 2023 are as follows:

**General Obligation Limited Tax Convertible Capital Appreciation Refunding and Improvement Bonds**, Series 2022A (the Senior Bonds) and **Subordinate General Obligation Limited Tax Bonds**, Series 2022B<sub>(3)</sub> (the Subordinate Bonds and together with the Senior Bonds, the Bonds).

The District issued the Senior Bonds on December 29, 2022, in the original principal amount of \$5,313,965 and appreciating to a principal amount of \$5,860,000. The District also issued the Subordinate Bonds on December 29, 2022, in the amount of \$2,586,000.

**Bond Proceeds**

Proceeds from the sale of the Bonds were be used to fund: (a) the costs of designing, acquiring, constructing and/or installing certain public improvements to serve the Development, and (b) the costs of issuing the Bonds. Proceeds from the Senior Bonds were also used to pay the costs of refunding the District’s General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2020A and Subordinate General Obligation Limited Tax Bonds, Series 2020B (collectively, the Refunded Bonds).

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Senior Bond Details**

The Senior Bonds were issued as capital appreciation bonds, convertible to current interest bonds on the Conversion Date (defined below). The Senior Bonds accrete in value at an annual yield equal to 3.375% from their date of issuance to December 1, 2025 (“the Accretion Period”). The accreted amount compounds semiannually on June 1 and December 1, beginning on June 1, 2023, to and including December 1, 2025. Such accreted amount, together with the original principal amount of the Senior Bonds, at conversion on December 1, 2025, will be \$5,860,000, assuming no redemptions prior to that date.

Upon conversion to current interest bonds, the Senior Bonds will bear interest at 3.375% per annum, payable semi-annually to the extent of Senior Pledged Revenue (defined below) on June 1 and December 1 (“Interest Payment Dates”), commencing on June 1, 2026. Annual mandatory sinking fund principal payments on the Senior Bonds are due on December 1, beginning on December 1, 2026. The Senior Bonds mature on December 1, 2052 (the “Senior Maturity Date”). To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or the Senior Bonds Termination Date of December 2, 2060 (the “Senior Termination Date”) and shall continue to bear interest at the rate then borne by the Senior Bonds. To the extent interest on any Senior Bond is not paid when due, such interest shall compound on each Interest Payment Date, at the rate then borne by the Senior Bond. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Senior Bonds.

**Senior Bonds Optional Redemption**

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

<u>Optional Redemption Date</u>	<u>Redemption Premium</u>
December 1, 2025 to November 30, 2026	3.00 %
December 1, 2026 to November 30, 2027	2.00
December 1, 2027 to November 30, 2028	1.00
December 1, 2028 to Thereafter	-

**Senior Bonds Mandatory Sinking Fund Redemption**

Annual mandatory sinking fund redemption payments on the Senior Bonds are due prior to the Senior Maturity Date, in part, by lot, upon payment of par and accrued interest, without redemption premium on December 1, beginning on December 1, 2026, in the years and amounts set forth on page 26.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Senior Bonds Pledged Revenue**

The Senior Bonds are secured by and payable solely from and to the extent of Senior Pledged Revenue. The Senior Indenture defines Senior Pledged Revenue as the moneys derived by the District from the following sources: 1) the Senior Required Mill Levy (defined below); 2) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; 3) the TDA Agreement Revenues (defined below), as and to the extent received by and on behalf of the District; and 4) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue (“Senior Pledged Revenue”).

**Senior Bonds Required Mill Levy**

The Senior Indenture defines the Senior Required Mill Levy, net of collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County, prior to the Conversion Date (defined below), as an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to fund the Senior Bond Fund for the relevant Bond Year and pay the Senior Bonds as they come due, but (i) not in excess of 50 mills (As adjusted for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement on or after January 1, 2019). For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation, less the amount of the Operations Mill Levy (defined below), and (ii) for so long as the Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills less the amount of the Operations Mill Levy, or such lesser mill levy which will fund the Senior Bond Fund for the relevant Bond Year and pay the Senior Bonds as they come due and will fund the Surplus Fund up to the Maximum Surplus Amount (“Senior Required Mill Levy”).

On or after the Conversion Date, the Senior Required Mill Levy is an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due, but not in excess of 60 mills, as adjusted, less the Operations Mill levy, as adjusted. The adjusted maximum and minimum mill levy for collection in 2023 is 50.980 mills. The Conversion Date is the first date on which the Debt to Assessed Ratio is 50% or less and no amounts of principal or interest on the Senior Bonds are due but unpaid (“Conversion Date”). The Operations Mill Levy is the number of mills necessary to produce the dollar amount of the Operations Deduction for the collection year (“Operations Mill Levy”). The Operations Deduction is the amount necessary to pay or reimburse the District's operations and maintenance expenses, but not in excess of the following: (i) for levy year 2023 (for collection in 2024), the amount of \$51,515, and (ii) for each year thereafter, an additional 1% (“Operations Deduction”).

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Senior Surplus Fund**

The Senior Bonds are additionally secured by amounts in the Senior Surplus Fund. Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of \$531,397 (the “Maximum Surplus Amount”) for so long as any Senior Bond is outstanding. The District has acknowledged that State Law places certain restrictions on the use of Bond proceeds and debt service mill levies which may be credited to the Senior Surplus Fund. In the event the amounts credited to the Senior Bond Fund are insufficient to pay the principal of, premium if any, or interest on the Senior Bonds when due, the Trustee shall transfer from the Senior Surplus Fund to the Senior Bond Fund an amount which, when combined with moneys in the Senior Bond Fund, will be sufficient to make such payments when due.

**Subordinate Bonds Details**

The Subordinate Bonds are structured as “cash flow” bonds, meaning that there are no scheduled payments of principal or interest prior to the maturity date. Instead, principal is payable on each December 15, beginning on December 15, 2023, from and to the extent of available Subordinate Pledged Revenue (defined below), if any, pursuant to a mandatory redemption. The Subordinate Bonds mature on December 15, 2052 (the “Subordinate Maturity Date”). The Subordinate Bonds bear interest at 6.375% per annum, payable annually to the extent of Subordinate Pledged Revenue available on each December 15, commencing on December 15, 2023. To the extent principal of any Subordinate Bond is not paid when due, such principal is to remain outstanding until the earlier of its payment or the Subordinate Bond Termination Date of December 16, 2060 (the “Subordinate Termination Date”). To the extent interest on any Subordinate Bond is not paid when due, such unpaid interest shall compound annually on each December 15, at the interest rate then borne by the Subordinate Bond; provided, however, that notwithstanding anything in the Subordinate Indenture to the contrary, the District is not obligated to pay more than the amount permitted by law and the electoral authorization in repayment of the Subordinate Bonds.

**Subordinate Bonds Prior Redemption**

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

<u>Optional Redemption Date</u>	<u>Redemption Premium</u>
December 1, 2025 to November 30, 2026	3.00 %
December 1, 2026 to November 30, 2027	2.00
December 1, 2027 to November 30, 2028	1.00
December 1, 2028 to Thereafter	-

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Subordinate Bonds Pledged Revenue**

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

**Subordinate Bonds Required Mill Levy**

The Subordinate Indenture defines the Subordinate Required Mill Levy, net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County, as an ad valorem mill levy imposed upon all taxable property of the District each year in the amount of 50 mills (As adjusted for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after January 1, 2019. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.) less the amount of the Senior Bond Mill Levy and the Operations Mill Levy, or such lesser mill levy which will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal of and interest on the Bonds in full. If the amount of the Senior Required Mill Levy and the Operations Mill Levy equals or exceeds 50 mills in any year, adjusted for changes as aforesaid, the Subordinate Required Mill Levy for that year shall be zero.

**Unused Lines of Credit**

The Series 2022 Bonds do not have any unused lines of credit.

**Collateral**

No assets have been pledged as collateral on the Series 2022 Bonds.

**Events of Default**

Events of default occur if the District fails to impose the Senior Required Mill Levy, or Subordinate Required Mill Levy, or to apply the Senior Pledged Revenues or Subordinate Pledged Revenues as required by the Senior and Subordinate Indenture, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Termination Events**

Notwithstanding anything herein to the contrary, all of the Senior Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Senior Termination Date and all of the Subordinate Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Subordinate Termination Date regardless of the amount of principal and interest paid prior to the Senior Termination Date and the Subordinate Termination Date.

**Acceleration**

The Series 2022 Bonds are not subject to acceleration.

**Bonds Debt Service**

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

<u>Year Ending December 31,</u>	Governmental Activities		
	Bonded Debt		
	Principal	Interest	Total
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	100,000	197,775	297,775
2027	105,000	194,400	299,400
2028	115,000	190,856	305,856
2028-2032	680,000	891,507	1,571,507
2033-2037	885,000	763,425	1,648,425
2038-2042	1,135,000	597,545	1,732,545
2043-2047	1,440,000	386,437	1,826,437
2048-2052	1,400,000	120,825	1,520,825
Total	<u>\$ 5,860,000</u>	<u>\$ 3,342,770</u>	<u>\$ 9,202,770</u>

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



**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Authorized Debt**

On November 5, 2019, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$1,290,380,000. At December 31, 2023, the District had authorized, but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 5, 2019 Election	Authorization Used for Series 2020A Bonds	Authorization Used for Series 2020B Bonds	Authorization Used for Series 2022A Bonds	Authorization Used for Series 2022B Bonds	Authorized But Unused
Streets	\$ 99,260,000	\$ 1,477,000	\$ 212,450	\$ 132,123	\$ 938,718	\$ 96,499,709
Water	99,260,000	919,960	132,326	74,615	530,130	97,602,969
Sanitation	99,260,000	1,612,040	231,874	128,847	915,444	96,371,795
Parks and Recreation	99,260,000	113,940	16,389	17,835	126,714	98,985,122
Traffic and Safety	99,260,000	97,060	13,961	10,555	74,994	99,063,430
Mosquito Control	99,260,000	-	-	-	-	99,260,000
Public Transportation	99,260,000	-	-	-	-	99,260,000
Fire Protection	99,260,000	-	-	-	-	99,260,000
Television Relay and Translation	99,260,000	-	-	-	-	99,260,000
Security	99,260,000	-	-	-	-	99,260,000
Operations and Maintenance	99,260,000	-	-	-	-	99,260,000
Refunding	99,260,000	-	-	940,963	-	98,319,037
Intergovernmental Contracts	99,260,000	-	-	-	-	99,260,000
Total	<u>\$ 1,290,380,000</u>	<u>\$ 4,220,000</u>	<u>\$ 607,000</u>	<u>\$ 1,304,938</u>	<u>\$ 2,586,000</u>	<u>\$ 1,281,662,062</u>

Pursuant to the Service Plan, the Districts are permitted to issue bond indebtedness of up to \$99,260,000. After the issuance of debt by both the District and District No. 3 in 2022, \$71,455,075 of the Service Plan authorization remains as of December 31, 2023.

**NOTE 5 NET POSITION**

The District has net position consisting of two components, restricted and unrestricted.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023 as follows:

Restricted Net Position:	Governmental Activities
Debt Service Reserve	<u>\$ 112,875</u>
Total Restricted Net Position	<u><u>\$ 112,875</u></u>

The District has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 6 DISTRICT AGREEMENTS**

**Facilities Funding, Construction, and Operations Agreement**

On November 9, 2020, the District entered into a Facilities Funding, Construction, and Operations Agreement (FFCOA) with District No. 2, District No. 3, District No. 4, District No. 5 and District No. 6 establishing certain expectations as to the financing, construction, operation and maintenance of improvements contemplated in the Service Plan for the purpose of providing, in a timely and coordinate fashion, essential services within the Districts.

Pursuant to the FFCOA, the District, District No. 2, District No. 3, District No. 4, and District No. 5 are "Consumer Districts," and District No. 6 is the "Maintenance District." Each Consumer District anticipates receiving revenues from the imposition of a mill levy against all property within its respective boundaries and specific ownership taxes, and, if imposed or assessed at the direction of the Maintenance District, the collection of fees, charges, rates, and tolls. All revenue received by the Consumer Districts will be transferred to the Maintenance District.

**TDA Agreement**

The Timnath Development Authority ("TDA") adopted the Revised Timnath Urban Renewal Plan (as amended, the "Plan") which details the TDA inclusion of parcels in the Plan for the purposes authorized in the Colorado Urban Renewal Law, including utilizing tax increment financing ("TIF Financing") and the establishment of a Plan area (the "Urban Renewal Area") which includes property located within the District's boundaries. TIF Financing provides that taxes, if any, levied after the effective date of the approval of the Plan upon taxable property in the Urban Renewal Area each year shall be divided for a period not to exceed 25 years from the effective date of the Plan, and that a portion of property tax revenues (the "TIF Revenue") shall be allocated to and paid into a special fund of the urban renewal authority to pay the principal of, interest on, and any premiums due in connection with bonds of, loans or advances to, or indebtedness incurred by the urban renewal authority for financing an urban renewal project, or to make payments pursuant to an agreement.

The District is cooperating with the TDA to facilitate carrying out the Plan and urban renewal projects within the Urban Renewal Area. Accordingly, property tax revenues collected as a result of the District's mill levy upon the incremental value of property within the District are payable to the TDA. The Districts and the TDA entered into a Cooperation Agreement, effective December 8, 2020 and recorded in the real property records of the Town on December 28, 2020 ("TDA Agreement"), pursuant to which the TDA agrees to remit any revenues collected from the District's mill levy upon the tax increment portion of the District's assessed valuation back to the District (the "TDA Agreement Revenues"). The TDA further agrees to transfer such incremental revenue to the District on or before June 20th of each year, commencing in 2021, all revenues attributable to the District received during the previous calendar year for a period of 25 years from the effective date of the Plan.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 7 ECONOMIC DEPENDENCY**

The District has not yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

**NOTE 8 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, . The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations that apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 5, 2019, a majority of the District's electors authorized the District to collect and spend or retain in a reserve the full amount of all currently levied taxes and fees of the District annually, without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

## **SUPPLEMENTARY INFORMATION**

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 3,991	\$ 3,992	\$ 1
URA District property taxes	136,855	134,151	(2,704)
Specific Ownership Taxes	9,859	10,146	287
Interest Income	1,640	1,896	256
Total Revenues	<u>152,345</u>	<u>150,185</u>	<u>(2,160)</u>
<b>EXPENDITURES</b>			
County Treasurer's Fee	80	80	-
Paying Agent Fees	7,000	9,000	(2,000)
Bond Interest	147,700	-	147,700
Bond Issue Costs	-	22,050	(22,050)
Intergovernmental Expenditures	50,000	50,000	-
Contingency	5,220	-	5,220
Total Expenditures	<u>210,000</u>	<u>81,130</u>	<u>128,870</u>
<b>NET CHANGE IN FUND BALANCE</b>	(57,655)	69,055	126,710
Fund Balance - Beginning of Year	<u>138,176</u>	<u>43,820</u>	<u>(94,356)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 80,521</u></u>	<u><u>\$ 112,875</u></u>	<u><u>\$ 32,354</u></u>

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST REQUIREMENTS TO MATURITY**  
**DECEMBER 31, 2023**

\$5,313,965 Limited Tax General  
Obligation Convertible Capital Appreciation Bonds  
Series 2022A  
Interest 3.375%  
Dated December 29, 2022  
Interest Payable June 1 and December 1  
Principal Payable December 1

Bonds and Interest Maturing in the Year Ending December 31,	Account Bond				
	Balance	Accreted	Principal	Interest	Total
2022	\$ 5,313,965	\$ -	\$ -	\$ -	\$ -
2023	5,480,565	166,600	-	-	-
2024	5,667,089	186,524	-	-	-
2025	5,860,000	192,911	-	-	-
2026	-	-	100,000	197,775	297,775
2027	-	-	105,000	194,400	299,400
2028	-	-	115,000	190,856	305,856
2029	-	-	120,000	186,975	306,975
2030	-	-	130,000	182,925	312,925
2031	-	-	135,000	178,538	313,538
2032	-	-	145,000	173,981	318,981
2033	-	-	150,000	169,088	319,088
2034	-	-	160,000	164,025	324,025
2035	-	-	165,000	158,625	323,625
2036	-	-	180,000	153,056	333,056
2037	-	-	185,000	146,981	331,981
2038	-	-	195,000	140,738	335,738
2039	-	-	205,000	134,156	339,156
2040	-	-	220,000	127,238	347,238
2041	-	-	225,000	119,813	344,813
2042	-	-	240,000	112,219	352,219
2043	-	-	245,000	104,119	349,119
2044	-	-	265,000	95,850	360,850
2045	-	-	270,000	86,906	356,906
2046	-	-	290,000	77,794	367,794
2047	-	-	300,000	68,006	368,006
2048	-	-	315,000	57,881	372,881
2049	-	-	325,000	47,250	372,250
2050	-	-	345,000	36,281	381,281
2051	-	-	355,000	24,638	379,638
2052	-	-	375,000	12,656	387,656
Total	\$ 5,860,000	\$ 546,035	\$ 5,860,000	\$ 3,342,770	\$ 9,202,770

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

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 1**  
**SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED**  
**DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percent Collected to Levied
			Levied	Collected	
2019	\$ 552	35.000	\$ 19	\$ 19	100.00 %
2020	375	50.350	19	19	100.00 %
2021	6,774	50.000	339	339	100.00 %
2022	44,618	50.000	2,231	2,230	99.96 %
2023	78,294	50.980	3,991	3,992	100.03 %
Estimated for Year Ending December 31, 2024	\$ 122,047	66.127	\$ 8,071		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.