

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
Larimer County, Colorado

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
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YEAR ENDED DECEMBER 31, 2025**

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Board of Directors
Timnath Lakes Metropolitan District No. 3
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. 3 (the "District"), as of and for the year ended December 31, 2025, 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. 3 as of December 31, 2025, 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 23, 2026

BASIC FINANCIAL STATEMENTS

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments - Restricted	\$ 443,609
Due from Other Districts	4,606
Receivable from County Treasurer	1,656
Property Tax Receivable	<u>458,578</u>
Total Assets	908,449
LIABILITIES	
Accrued Interest	48,283
Noncurrent Liabilities:	
Due Within One Year	10,000
Due in More Than One Year	<u>21,078,973</u>
Total Liabilities	21,137,256
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>458,578</u>
Total Deferred Inflows of Resources	<u>458,578</u>
NET POSITION	
Restricted for:	
Debt Service	401,588
Unrestricted	<u>(21,088,973)</u>
Total Net Position	<u><u>\$ (20,687,385)</u></u>

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
FUNCTIONS/PROGRAMS	Expenses			Governmental Activities
Primary Government:				
Governmental Activities:				
General Government	\$ 51,533	\$ -	\$ -	\$ (51,533)
Interest on Long-Term Debt and Related Costs	993,401	-	-	(993,401)
Total Governmental Activities	<u>\$ 1,044,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,044,934)</u>
GENERAL REVENUES				
Property Taxes				136,993
URA District Property Taxes				182,169
Specific Ownership Taxes				20,160
Interest Income				12,369
Total General Revenues and Transfers				<u>351,691</u>
CHANGES IN NET POSITION				
				(693,243)
Net Position - Beginning of Year				<u>(19,994,142)</u>
NET POSITION - END OF YEAR				<u>\$ (20,687,385)</u>

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments - Restricted	\$ -	\$ 443,609	\$ 443,609
Receivable from County Treasurer	-	1,656	1,656
Due from Other Districts	-	4,606	4,606
Property Tax Receivable	50,996	407,582	458,578
	<u>50,996</u>	<u>407,582</u>	<u>458,578</u>
Total Assets	<u>\$ 50,996</u>	<u>\$ 857,453</u>	<u>\$ 908,449</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Total Liabilities	\$ -	\$ -	\$ -
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	50,996	407,582	458,578
Total Deferred Inflows of Resources	<u>50,996</u>	<u>407,582</u>	<u>458,578</u>
FUND BALANCES			
Debt Service	-	449,871	449,871
Total Fund Balances	<u>-</u>	<u>449,871</u>	<u>449,871</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 50,996</u>	<u>\$ 857,453</u>	

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.

Accrued Interest	(1,109,256)
Bonds Payable Series A and B	<u>(20,028,000)</u>

Net Position of Governmental Activities	<u>\$ (20,687,385)</u>
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See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	\$ 51,574	\$ 85,419	\$ 136,993
Ura District Property Taxes	-	182,169	182,169
Specific Ownership Taxes	-	20,160	20,160
Interest Income	-	12,369	12,369
Total Revenues	<u>51,574</u>	<u>300,117</u>	<u>351,691</u>
EXPENDITURES			
Current:			
County Treasurer's Fee	1,033	1,710	2,743
Intergovernmental Expenditures	50,500	-	50,500
Paying Agent Fees	-	7,000	7,000
Total Expenditures	<u>51,533</u>	<u>8,710</u>	<u>60,243</u>
EXCESS OF REVENUES OVER EXPENDITURES	41	291,407	291,448
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds	-	41	41
Transfers To Other Fund	<u>(41)</u>	<u>-</u>	<u>(41)</u>
Total Other Financing Sources (Uses)	<u>(41)</u>	<u>41</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	291,448	291,448
Fund Balances - Beginning of Year	<u>-</u>	<u>158,423</u>	<u>158,423</u>
FUND BALANCES - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 449,871</u></u>	<u><u>\$ 449,871</u></u>

See accompanying Notes to Basic Financial Statements.

**TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

Net Change in Fund Balances - Total Governmental Funds	\$	291,448
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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	(422,093)	
Bond Accretion Series 2022A	(562,598)	
		(984,691)

Changes in Net Position of Governmental Activities	\$	<u>(693,243)</u>
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TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 51,573	\$ 51,574	\$ 1
Other Revenue	3,427	-	(3,427)
Total Revenues	55,000	51,574	(3,426)
EXPENDITURES			
County Treasurer's Fee	1,031	1,033	(2)
Intergovernmental Expenditures	50,500	50,500	-
Contingency	3,469	-	3,469
Total Expenditures	55,000	51,533	3,467
EXCESS OF REVENUES OVER EXPENDITURES	-	41	41
OTHER FINANCING SOURCES			
Transfers To Other Fund	-	(41)	(41)
Total Other Financing Uses	-	(41)	(41)
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 DEFINITION OF REPORTING ENTITY

Timnath Lakes Metropolitan District No. 3 (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. 3” 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. 1 (District No. 1) and District No. 2 (District No. 2) 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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

Adoption of New Accounting Standard

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures* (Statement 102). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments - Restricted	\$ 443,609
Total Cash and Investments	<u>\$ 443,609</u>

Cash and investments as of December 31, 2025, consist of the following:

Investments	\$ 443,609
Total Cash and Investments	<u>\$ 443,609</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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

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, 2025, 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.

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

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

As of December 31, 2025, 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	\$ 227,346
US Treasury Money Market Funds	Weighted-Average Under 60 Days	216,263
Total		<u>\$ 443,609</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 are 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, and 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.

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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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, 2025:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
General Obligation Bonds -					
Series 2022A	\$ 13,922,402	\$ 562,598	\$ -	\$ 14,485,000	\$ 10,000
Subordinate Bond -					
Series 2022B(3)	5,543,000	-	-	5,543,000	-
Accrued Interest:					
Subordinate Bonds	687,163	373,810	-	1,060,973	-
Subtotal Bonds Payable	<u>20,152,565</u>	<u>936,408</u>	<u>-</u>	<u>21,088,973</u>	<u>10,000</u>
 Total Long-Term Obligations	 <u>\$ 20,152,565</u>	 <u>\$ 936,408</u>	 <u>\$ -</u>	 <u>\$ 21,088,973</u>	 <u>\$ 10,000</u>

The details of the District's general obligation bonds outstanding during 2025 are as follows:

General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2022A (the Senior Bonds) and **Subordinate General Obligation Limited Tax Bonds, Series 2022B(3)** (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 \$12,901,934 and appreciating to a principal amount of \$14,485,000. The District also issued the Subordinate Bonds on December 29, 2022, in the amount of \$5,543,000.

Bond Proceeds

Proceeds from the sale of the Bonds were used to fund: (a) the costs of providing or reimbursing certain public improvements to serve the Development, and (b) the costs of issuing the Bonds.

Senior Bonds 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 4.0% from their date of issuance to December 1, 2025 (the Accretion Period). The accreted amount compounds semi-annually 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 \$14,485,000, assuming no redemptions prior to that date.

Upon conversion to current interest bonds, the Senior Bonds will bear interest at 4.0% per annum, payable semi-annually to the extent of Senior Pledged Revenue on June 1 and December 1, 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).

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Details (Continued)

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 2, 2062 (Senior Termination Date). 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 Senior Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Senior Termination Date, regardless of the principal and interest amounts remaining unpaid.

The Senior Bonds are not subject to acceleration. The Senior Bonds do not have any unused lines of credit. No assets have been pledged as collateral on 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, 2027, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Optional Redemption Date</u>	<u>Redemption Premium</u>
December 1, 2027 to November 30, 2028	3.00%
December 1, 2028 to November 30, 2029	2.00
December 1, 2029 to November 30, 2030	1.00
December 1, 2030 and Thereafter	0.00

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 25.

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: (a) the Senior Required Mill Levy; (b) the portion of the Specific Ownership Tax collected as a result of imposition of the Senior Required Mill Levy; (c) the TDA Agreement Revenues (defined below), as and to the extent received by and on behalf of the District; and (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Required Mill Levy

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), is an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to 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 the 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 (as adjusted) less the amount of the Operations Mill Levy, or such lesser mill levy which will pay the Senior Bonds as they come due and will fund the Surplus Fund up to the Maximum Surplus Amount.

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 2025 is 55.516 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 2025 (for collection in 2026), the amount of \$51,005, and (ii) for each year thereafter, an additional 1% (Operations Deduction).

Senior Bonds 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 \$1,290,193 (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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Subordinate Bonds Details

The Subordinate Bonds are structured as “cash flow” bonds meaning that there are no scheduled payments of principal or interest. 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 a rate of 6.0% per annum and are payable annually to the extent of available Subordinate Pledged Revenue on each December 15, commencing on December 15, 2023.

Principal of the Subordinate Bonds shall remain outstanding until paid, subject to discharge on December 16, 2062 (Subordinate Termination Date). Unpaid interest on the Subordinate Bonds shall compound on each interest payment date, at the rate then borne by the Senior Bond. The Subordinate Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 16, 2062, regardless of the principal and interest amounts remaining unpaid.

The Subordinate Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Subordinate Bonds.

Subordinate Bonds Pledged Revenue

The Subordinate Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue which means: (a) the Subordinate Required Mill Levy (defined below); (b) the portion of the Specific Ownership Tax collected as a result of imposition of the Subordinate Required Mill Levy; (c) the Subordinate TDA Agreement Revenues (defined below), as and to the extent received by the District, if any; (d) the amounts, if any, in the Senior Bond Surplus Fund after the payment or defeasance of the Senior Bonds; and (e) 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 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 Required 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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

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 Indenture and Subordinate Indenture, and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

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		Total
	Principal	Interest	
2026	\$ 10,000	\$ 579,400	\$ 589,400
2027	165,000	579,000	744,000
2028	260,000	572,400	832,400
2029	270,000	562,000	832,000
2030	295,000	551,200	846,200
2031-2035	1,780,000	2,563,200	4,343,200
2036-2040	2,415,000	2,159,200	4,574,200
2041-2045	3,175,000	1,617,600	4,792,600
2046-2050	4,145,000	908,400	5,053,400
2051-2052	1,970,000	119,400	2,089,400
Total	<u>\$ 14,485,000</u>	<u>\$ 10,211,800</u>	<u>\$ 24,696,800</u>

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

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization Limit

The Districts were organized to provide services to the same service area pursuant to the Service Plan. The Districts, in aggregate, are limited in their ability to issue debt, as set forth in the Service Plan, to a total amount of \$99,260,000 (Service Plan Debt Issuance Limit). In no event is the District authorized to issue debt, which in the aggregate with the debt issued by District No. 1, District No. 2, District No. 4, District No. 5, and District No. 6, is in excess of the Service Plan Debt Issuance Limit. Of the \$99,260,000 in Service Plan Debt Issuance Limit, the Districts have issued the following debt to date: the District has issued \$20,028,000 and District No. 1 has issued \$7,776,925, for a total of \$27,804,925 (Aggregate Issuance).

Therefore, the amount of debt authorization remaining within the Service Plan Debt Issuance Limit for the Districts combined is \$71,455,075 (Remaining Service Plan Authority).

Service Plan Debt Issuance Limit		Aggregate Issuance		Remaining Service Plan Authority
\$99,260,000	-	\$27,804,925	=	\$71,455,075

The District's voters have authorized the District to issue debt in accordance with the Service Plan Debt Issuance Limit.

The District has authorized but unissued debt in the amount of the Remaining Service Plan Authority (\$71,455,075). In the future, the District may issue a portion or all of the Remaining Service Plan Authority for purposes of providing public improvements to support development as it occurs within the District's service area.

Any increase in the debt limit issuance of debt over the Service Plan Debt Issuance Limit will be considered a material modification of the Service Plan which would require approval from the Town.

NOTE 5 NET POSITION

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

Restricted net position includes amounts subject to restrictions 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, 2025, as follows:

Restricted Net Position:	Governmental Activities
Debt Service Reserve	\$ 401,588
Total Restricted Net Position	<u>\$ 401,588</u>

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 5 NET POSITION (CONTINUED)

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.

NOTE 6 INTERFUND AND OPERATING TRANSFERS

The transfer from the General Fund to the Debt Service Fund was to transfer excess property taxes to the Debt Service Fund.

NOTE 7 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. 1, District No. 2, 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 coordinated fashion, essential services within the Districts.

Pursuant to the FFCOA, the District, District No. 1, District No. 2, 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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 7 DISTRICT AGREEMENTS (CONTINUED)

TDA Agreement (Continued)

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 20 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.

NOTE 8 RELATED PARTIES

The majority of the members on the Board of Directors are employees, owners, or are otherwise associated with the Developer (Catellus Development Corporation) and may have conflicts of interest in dealing with the District.

NOTE 9 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, 2025. 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.

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 10 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.

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.

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado. Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 85,419	\$ 85,419	\$ -
Ura District Property Taxes	185,445	182,169	(3,276)
Specific Ownership Taxes	22,570	20,160	(2,410)
Interest Income	12,000	12,369	369
Other Revenue	5,046	-	(5,046)
Total Revenues	310,480	300,117	(10,363)
EXPENDITURES			
County Treasurer's Fee	1,708	1,710	(2)
Paying Agent Fees	7,000	7,000	-
Contingency	5,292	-	5,292
Total Expenditures	14,000	8,710	5,290
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	296,480	291,407	(5,073)
OTHER FINANCING (USES)			
Transfers From Other Funds	-	41	41
Total Other Financing Sources	-	41	41
NET CHANGE IN FUND BALANCE	296,480	291,448	(5,032)
Fund Balance - Beginning of Year	161,820	158,423	(3,397)
FUND BALANCE - END OF YEAR	<u>\$ 458,300</u>	<u>\$ 449,871</u>	<u>\$ (8,429)</u>

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

\$12,901,934 Limited Tax General
Obligation Convertible Capital Appreciation Bonds
Series 2022A
Interest 4.000%
Dated December 29, 2022
Interest Payable June 1 and December 1
Principal Payable December 1

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

TIMNATH LAKES METROPOLITAN DISTRICT NO. 3
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percent Collected to Levied
			Levied	Collected	
2021	\$ 7	50.349	\$ -	\$ -	N/A
2022	4	50.000	-	-	N/A
2023	5,801	54.924	319	319	100.00 %
2024	1,488,048	51.971	77,335	77,336	100.00 %
2025	2,467,603	55.516	136,991	136,993	100.00 %
Estimated for Year Ending December 31, 2026	\$ 8,188,169	56.005	\$ 458,578		

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.