

**TALON POINTE METROPOLITAN DISTRICT  
191 UNIVERSITY BLVD. #358  
DENVER, CO 80206  
TEL 303 818 9365**

May 29, 2026

Kristen Rosebaum  
City Clerk's Office  
9500 Civic Center Drive  
Thornton, CO 80229

RE: Talon Pointe Metropolitan District  
2025 Annual Report

Dear Ms. Rosebaum:

Enclosed is the 2025 Annual Report for the Talon Pointe Metropolitan District.

Please acknowledge receipt of the information and documents by signing this letter below and returning it to this office.

Sincerely



Angela Elliott  
District Manager

cc: Heather L. Hartung, Esq.  
White Bear Ankele Tanaka & Waldron

Enclosure

The above referenced information and documents were received this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

Thornton City Clerk

By: \_\_\_\_\_

# TALON POINTE METROPOLITIAN DISTRICT

## 2025 ANNUAL REPORT

Pursuant to §32-1-207(3)(c), C.R.S and the Second Amended and Restated Service Plan for Talon Pointe Metropolitan District (the “**District**”), the District is required to provide an annual report to the City Clerk of the City of Thornton regarding the following matters:

For the year ending December 31, 2025, the District makes the following report:

### §32-1-207(3), C.R.S. Statutory Requirements

**1. Boundary changes made.**

There were no boundary changes made or proposed in the year ending December 31, 2025, for the District.

**2. Intergovernmental Agreements entered into or terminated with other governmental entities.**

There have been no other intergovernmental agreements entered into or proposed by the District in the year ending December 31, 2025. The District did terminate the District Facilities Construction and Service Agreement and District Coordinating Services Agreement with Talon Pointe Coordinating Metropolitan District on June 29, 2023.

**3. Access information to obtain a copy of rules and regulations adopted by the board.**

Copies of the District’s Rules and Regulations can be found on the District’s website at: <https://www.talonpointemetrodistrict.com/district-data>

**4. A summary of litigation involving public improvements owned by the District.**

To our actual knowledge, based on review of the court records in Adams County, Colorado, and the Public Access to Court Electronic Records (PACER), there is no litigation pending against the District which involves the District’s Public Improvements.

**5. The status of the construction of public improvements by the District.**

The District did not construct any public improvements in the year ending December 31, 2025.

**6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.**

The District did not construct or convey any public improvements in the year ending December 31, 2025.

**7. The final assessed valuation of the District as of December 31<sup>st</sup> of the reporting year.**

The 2025 valuation for assessment for the District, as certified by the County Assessor of Adams County, was \$13,716,220.00.

**8. A copy of the current year's budget.**

Please see Exhibit "A", 2026 budget adopted during the year ending December 31, 2025, for the District.

**9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

Please see Exhibit "B" 2025 Audit.

**10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

There were no events of default which continued beyond a ninety (90) day-period, under any Debt instrument during the year ending December 31, 2025. However, payments are being partially funded from the reserve fund and material event notices of insufficient payments were provided on June 1, 2025, and December 1, 2025.

**11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

The District has not yet established a revenue base sufficient to pay the District's operation or debt service costs. However, payments are being partially funded by the reserve fund.

### **Service Plan Requirements**

**1. Boundary changes made or proposed to the District's boundaries as of December 31 of the prior year.**

There were no boundary changes made or proposed in the year ending December 31, 2025, for the District.

**2. Intergovernmental Agreements with other governmental entities entered into or proposed as of December 31 of the prior year.**

There have been no other intergovernmental agreements entered into or proposed by the District in the year ending December 31, 2025. The District did terminate the District

Facilities Construction and Service Agreement and District Coordinating Services Agreement with Talon Pointe Coordinating Metropolitan District on June 29, 2023.

- 3. Copies of the District's rules and regulations, if any, as of December 31 of the prior year and access information to obtain a copy of rules and regulations adopted by the Board**

Copies of the District's Rules and Regulations can be found on the District's website at: <https://www.talonpointemetrodistrict.com/district-data>

- 4. Summary of any litigation which involves the Districts' Public Improvements as of December 31 of the prior year.**

To our actual knowledge, based on review of the court records in Adams County, Colorado, and the Public Access to Court Electronic Records (PACER), there is no litigation pending against the District which involves the District's Public Improvements.

- 5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.**

The District did not construct any public improvements in the year ending December 31, 2025.

- 6. A list of all facilities and improvements constructed by the District that has been dedicated to and accepted by the City as of December 31 of the prior year.**

The District did not construct or convey any public improvements in the year ending December 31, 2025.

- 7. The assessed valuation of the District for the current year.**

The 2025 valuation for assessment for the District as certified by the County Assessor of Adams County was \$13,716,220.00.

- 8. Current year budget including a description of Public Improvements to be constructed in such year.**

Please see Exhibit "A", 2026 budget adopted during the year ending December 31, 2025, for the District.

- 9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

Please see Exhibit "B" 2025 Audit

**10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day-period, under any Debt instrument.**


There were no events of default which continued beyond a ninety (90) day-period, under any Debt instrument during the year ending December 31, 2025. However, pledged revenues are not sufficient to make the payments that came due and material event notices of insufficient payments were provided on June 1, 2025, and December 1, 2025.

**11. Any liability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day-period.**

As discussed in 10, above the District has not yet established a revenue base sufficient to pay the District's debt service costs. Such shortfalls are not events of default under the bonds, but unpaid amounts are accrued for payment in future years if and when funds become available.

The foregoing filing and accompanying exhibits, if any, are submitted this 29<sup>th</sup> day of May 2026.

Talon Pointe Metropolitan District

By:   
\_\_\_\_\_  
Angela N. Elliott, District Manager

**EXHIBIT A**  
**CURRENT YEAR BUDGET FOR**  
**TALON POINTE METROPOLITAN DISTRICT**

**RESOLUTION**  
**ADOPTING BUDGET, AND APPROPRIATING SUMS OF MONEY**  
**AND CERTIFYING MILL LEVIES FOR THE CALENDAR YEAR 2026**

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The Board of Directors of Talon Pointe Metropolitan District (the “**Board**”), City of Thornton, Adams County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 13, 2025, at the hour of 5:00 p.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

*[Remainder of Page Intentionally Left Blank]*

Colorado Trust for Local News  
143 S. Second Place  
Brighton, CO 80601

Talon Pointe / Talon P. Coordin MD (Teleos) \*\*  
c/o Teleos Management Group  
191 University Blvd., No. 358  
Denver CO 80206

## AFFIDAVIT OF PUBLICATION

State of Colorado }  
County of Adams } ss

This Affidavit of Publication for the Northglenn-Thornton Sentinel, a weekly newspaper, printed and published for the County of Adams, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/23/2025, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



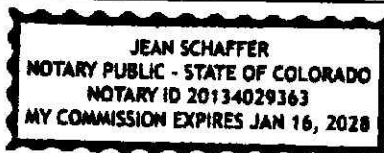
For the Northglenn-Thornton Sentinel

State of Colorado }  
County of Adams } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Erin Adams, director of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/23/2025. Erin Adams has verified to me that she has adopted an electronic signature to function as her signature on this document.

20134029363-338860

Jean Schaffer  
Notary Public  
My commission ends January 16, 2028



### Public Notice

#### NOTICE OF PUBLIC HEARING ON THE AMENDED 2025 BUDGET AND NOTICE OF PUBLIC HEARING ON THE PROPOSED 2026 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the TALON POINTE METROPOLITAN DISTRICT (the "District"), will hold a public hearing via teleconference on November 13, 2025, at 5:00 p.m., to consider adoption of the District's proposed 2026 budget (the "Proposed Budget") and, if necessary, adoption of an amendment to the 2025 Budget (the "Amended Budget").

The public hearing can be joined using the following teleconference information:

Join Zoom Meeting  
<https://us06web.zoom.us/j/85338237866?pwd=dcDEfysEUb4fuhSK7llco6akbSZg.1>  
Meeting ID: 853 3823 7866  
Passcode: 921478  
One tap mobile: 7207072699 (Denver)

The Proposed 2026 Budget and Amended 2025 Budget are available for inspection by the public at the offices of Marchetti & Weaver, 245 Century Circle, Suite 103, Louisville, CO 80027.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to the final adoption of the Proposed Budget or the Amended Budget by the Board.

The agenda for any meeting may be obtained at  
[www.talonpointemetrodistrict.com](http://www.talonpointemetrodistrict.com)  
or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:  
TALON POINTE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

/s/ WBA, PC

Legal Notice No. NTS4914  
First Publication: October 23, 2025  
Last Publication: October 23, 2025  
Publisher: Northglenn-Thornton Sentinel

WHEREAS, the Board has appointed its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2026. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2026 as more specifically set out in the budget attached hereto.

Section 3. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut, or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant, or other designee to certify to the Board of County Commissioners of Adams County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 7. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED NOVEMBER 13, 2025.

**DISTRICT:**

**TALON POINTE METROPOLITAN DISTRICT,**  
a quasi-municipal corporation and political  
subdivision of the State of Colorado

DocuSigned by:  
*Nicole Ubarra*  
By: 6C1841791BCB493  
Officer of the District

**ATTEST:**

DocuSigned by:  
*Angela Elliott*  
By: D2F394E77E9B4B1...

STATE OF COLORADO  
COUNTY OF ADAMS  
TALON POINTE METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Thursday, November 13, 2025, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 13<sup>th</sup> day of November, 2025.

DocuSigned by:  
*Angela Elliott*  
D2F394E77E9B4B1...  
Signature

*[Signature page to Resolution Adopting Budget, and Appropriating Sums of Money  
and Certifying Mill Levies for the Calendar Year 2026]*

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

Talon Pointe Metropolitan District  
Statement of Net Position  
September 30, 2025

	General Fund	Debt Service Fund	Capital Fund	Fixed Assets & LTD	Total
<b>ASSETS</b>					
<b>CASH</b>					
Chase Checking	51,719				51,719
First Bank Checking	2,770				2,770
ColoTrust	694,660				694,660
Series 2019A - Bond Fund		426,325			426,325
Series 2019B - Bond Fund		9			9
Series 2019A - Reserve Fund		3			3
Series 2019A - Project Fund		-			-
Series 2019B - Restricted Project Fund		-			-
Pooled Cash	(11,491)	11,491			-
<b>TOTAL CASH</b>	<b>737,657</b>	<b>437,829</b>	<b>-</b>	<b>-</b>	<b>1,175,486</b>
<b>OTHER CURRENT ASSETS</b>					
Due From County Treasurer	-	-			-
Property Tax Receivable	3,334	5,557			8,891
Accounts Receivable - Other	-	-			-
Accounts Receivable -Fees	8,532				8,532
Due From Developer	-	-			-
Prepaid Expense	-	-			-
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>11,866</b>	<b>5,557</b>	<b>-</b>	<b>-</b>	<b>17,423</b>
<b>FIXED ASSETS</b>					
Construction in Progress				-	-
Parks & Recreation				3,355,213	3,355,213
Accumulated Depreciation- Parks & Rec				(394,830)	(394,830)
<b>TOTAL FIXED ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,960,383</b>	<b>2,960,383</b>
<b>TOTAL ASSETS</b>	<b>749,524</b>	<b>443,385</b>	<b>-</b>	<b>2,960,383</b>	<b>4,153,292</b>
<b>LIABILITIES &amp; DEFERRED INFLOWS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	51,846	-			51,846
Prepaid Operations Fees	-				-
<b>TOTAL CURRENT LIABILITIES</b>	<b>51,846</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,846</b>
<b>DEFERRED INFLOWS</b>					
Deferred Property Taxes	3,334	5,557			8,891
<b>TOTAL DEFERRED INFLOWS</b>	<b>3,334</b>	<b>5,557</b>	<b>-</b>	<b>-</b>	<b>8,891</b>
<b>LONG-TERM LIABILITIES</b>					
Series 2019A Bonds Payable				21,198,000	21,198,000
Series 2019B Bonds Payable				2,595,000	2,595,000
Series 2020 Junior Note Payable				2,090,000	2,090,000
Premium / Discount on Bonds Payable				377,069	377,069
Loss On Refinance of Series 2008 Bonds				(51,869)	(51,869)
Accrued Interest - Bonds & Notes				1,636,262	1,636,262
Developer Payable- Operations				-	-
Developer Payable- Capital				-	-
Accrued Interest- Developer Advances				-	-
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,844,462</b>	<b>27,844,462</b>
<b>TOTAL LIAB &amp; DEF INFLOWS</b>	<b>55,180</b>	<b>5,557</b>	<b>-</b>	<b>27,844,462</b>	<b>27,905,198</b>
<b>NET POSITION</b>					
Inv in Capital Assets, Net of Debt				(24,884,079)	(24,884,079)
Fund Balance- Non-Spendable	8,532				8,532
Fund Balance- Restricted	18,764	437,829			456,593
Fund Balance- Assigned	405,944				405,944
Fund Balance- Unassigned	261,104				261,104
<b>TOTAL NET POSITION</b>	<b>694,344</b>	<b>437,829</b>	<b>-</b>	<b>(24,884,079)</b>	<b>(23,751,906)</b>
	=	=	=	=	=

No assurance is provided on these financial statements;  
substantially all disclosures required by GAAP omitted.

Talon Pointe Metropolitan District  
 Statement of Revenues, Expenditures, & Changes in Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 12/4/2025

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
<b>PROPERTY TAXES</b>									
Assessed Valuation	11,325,540	12,195,310	12,195,310	12,195,310				13,716,220	Final AV
Mill Levy - General Fund	36.868	37.898	37.898	37.898				37.220	30 Mills, Adjusted For Rate Change & Exemptions
Mill Levy - General Fund- Temporary Credit	-	-	-	-				(0.250)	Required Reduction To Stay Within Revenue Limitations
Mill Levy - Debt Service Fund	61.446	63.163	63.163	63.163				62.033	50 Mills, Adjusted For Rate Change & Exemptions
<b>Total</b>	<b>98.314</b>	<b>101.061</b>	<b>101.061</b>	<b>101.061</b>				<b>99.003</b>	Total of 80 Mills Adjusted, Net of Temp Credit
Property Tax Revenue - General Fund	417,550	462,178	462,178	462,178				507,089	30 Mills Adjusted, Net of Temporary Reduction
Property Tax Revenue - Debt Service Fund	695,909	770,292	770,292	770,292				850,858	50 Mills, Adjusted For Rate Change & Exemptions
<b>Total</b>	<b>1,113,459</b>	<b>1,232,470</b>	<b>1,232,470</b>	<b>1,232,470</b>				<b>1,357,947</b>	Total of 80 Mills Adjusted, Net of Temp Credit

Talon Pointe Metropolitan District  
 Statement of Revenues, Expenditures, & Changes in Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 12/4/2025

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
<b>COMBINED FUNDS</b>									
<b>REVENUES</b>									
Property Taxes	1,113,225	1,232,470	1,232,470	1,232,470	1,220,107	1,232,470	(12,363)	1,357,947	Total of 80 Milis Adjusted, Net of Temp Credit
State Property Tax Backfill	12,276	-	-	-	-	-	-	-	None Anticipated for 2026
Specific Ownership Taxes	54,130	55,461	55,461	55,461	40,378	36,974	3,404	61,108	4.5% of Property Taxes
Operations Fees	(517)	-	-	-	-	-	-	-	Fees Eliminated in 2024
Interest & Other Income	60,301	70,400	124,900	34,300	30,752	51,758	(21,006)	46,500	Capital & Bond Interest Income + Contingency
System Development & LOC Fees	120,000	45,000	220,000	220,000	140,000	35,000	105,000	445,000	\$4,000 & \$1,000 Per Unit- See Debt Service Fund
Infrastructure Cost Recovery Fee	-	-	46,085	46,085	46,085	-	46,085	-	City water infrastructure reimbursement
<b>TOTAL REVENUE</b>	<b>1,359,415</b>	<b>1,403,331</b>	<b>1,678,916</b>	<b>1,588,316</b>	<b>1,477,322</b>	<b>1,356,203</b>	<b>121,119</b>	<b>1,910,555</b>	
<b>EXPENDITURES</b>									
<b>Administration</b>									
Accounting, Management, Legal & Election	111,247	134,600	134,600	120,600	91,953	103,290	11,337	123,700	See Detail in General Fund
Treasurer's Fees	16,891	18,487	18,487	18,487	18,307	18,487	180	20,369	1.5 % of property taxes
Trustee Administrative Fee	7,000	7,000	7,000	7,000	-	-	-	7,000	No funds Available in Debt Service Fund
Insurance, SDA Dues, Website, Other	14,317	16,850	16,850	16,980	16,056	15,513	(543)	19,000	See Detail in General Fund
Contingency	-	10,000	10,000	-	-	-	-	10,000	Unforeseen Needs
<b>Operations &amp; Maintenance</b>									
Billing, Collections, & Reserve Study	9,324	5,000	5,000	11,700	10,903	3,750	(7,153)	5,700	See Detail in General Fund
Water & Electric	157,391	143,800	168,800	169,800	151,179	133,670	(17,509)	207,000	See Detail in General Fund
Grounds and Other Maintenance	188,516	268,000	353,645	265,445	92,801	240,690	147,890	246,845	See Detail in General Fund
Snow Plowing	9,212	15,000	15,000	13,000	7,970	10,500	2,530	30,000	Hourly Basis Contract- Add Talon Pointe
Community Events	2,034	2,500	2,500	4,000	712	2,500	1,788	16,000	Annual Meeting & Social Committee
Contingency	-	20,000	20,000	10,000	-	15,000	15,000	25,000	Potential Unforeseen Needs/ Revenue Shortfalls
<b>Debt Service</b>									
Bond Interest	1,114,313	1,112,895	1,112,895	1,112,895	556,448	556,448	-	1,247,448	Per Amortization Schedule, Including Past Due Interest
Bond Principal	205,000	120,000	120,000	120,000	-	-	-	235,000	Per Amortization Schedule
Less Shortfall in Funds Available	(178,000)	(379,052)	(247,842)	(247,842)	(85,118)	(86,351)	(1,232)	(248,169)	Estimated Shortfall in Funds Available to Make Payments
LOC Payments	24,000	9,000	44,000	44,000	28,000	7,000	(21,000)	89,000	\$1,000 Per Unit- Equal to Revenues Collected
Debt Issuance Expense & Trustee Fees	-	-	-	-	-	-	-	-	Now in General Fund
Contingency	-	25,000	100,000	-	-	18,750	18,750	25,000	Unforeseen Needs- To Avoid Budget Amendment
Capital Outlay	7,509	-	-	-	-	-	-	-	Capital Fund Closed Out in 2024
<b>TOTAL EXPENDITURES</b>	<b>1,688,753</b>	<b>1,529,080</b>	<b>1,880,935</b>	<b>1,666,065</b>	<b>889,210</b>	<b>1,039,247</b>	<b>150,037</b>	<b>2,058,894</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>(329,338)</b>	<b>(125,749)</b>	<b>(202,019)</b>	<b>(77,749)</b>	<b>588,111</b>	<b>316,956</b>	<b>271,156</b>	<b>(148,339)</b>	

Taion Pointe Metropolitan District  
Statement of Revenues, Expenditures, & Changes in Fund Balance  
Modified Accrual Basis For the Period Indicated

Print Date: 12/4/2025

**COMBINED FUNDS (CONTINUED)**

**OTHER SOURCES / (USES)**

Transfers to TPCMD  
Bond Proceeds & Premium  
Developer Advances  
Developer Repayments

**TOTAL OTHER SOURCES / (USES)**

**CHANGE IN FUND BALANCE**

**BEGINNING FUND BALANCE**

**ENDING FUND BALANCE**

**COMPONENTS OF FUND BALANCE:**

Non-Spendable- Prepays  
Non-Spendable- Accounts Receivable  
TABOR Emergency Reserve  
Restricted For Debt Service  
Restricted For Capital Projects  
Assigned For Subsequent Year  
Assigned For Capital Reserves  
Unassigned

**TOTAL ENDING FUND BALANCE**

2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
-	-	-	-	-	-	-	-	- Transfer of Net Tax & Fee Revenues
-	-	-	-	-	-	-	-	- Filled Up Junior Note in 2023
-	-	-	-	-	-	-	-	- To Extend Subordinate Project Fund
-	-	-	-	-	-	-	-	- All Capital Principal Repaid in 2022.
-	-	-	-	-	-	-	-	
(329,338)	(125,749)	(202,019)	(77,749)	588,111	316,956	271,156	(148,339)	
873,399	514,592	544,061	544,061	544,061	514,592	29,470	466,312	
544,061	388,843	342,042	466,312	1,132,173	831,547	300,625	317,973	
=	=	=	=	=	=	=	=	
9,620	12,075	12,075	14,000	-	-	-	14,700	Prepaid Insurance
10,166	8,000	8,000	8,500	8,532	-	-	9,000	Remaining Unpaid Fees
14,773	15,101	16,514	18,764	18,764	-	-	16,467	3% of General Fund Revenues
17,929	5,777	5,777	5,777	437,829	-	-	6,381	Per Debt Service Fund
-	-	-	-	-	-	-	-	Per Capital Fund
116,687	-	-	148,944	148,944	-	-	-	Assume Breakeven 2027 Budget
335,000	190,000	190,000	125,000	257,000	-	-	125,000	Reserve For Future Capital
39,886	157,890	109,676	145,328	261,104	-	-	146,425	3 Months of Expense is Roughly \$170K
544,061	388,843	342,042	466,312	1,132,173	-	-	317,973	

Talon Pointe Metropolitan District  
 Statement of Revenues, Expenditures, & Changes in Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 12/4/2025

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
<b>GENERAL FUND</b>									
<b>REVENUE</b>									
Property Taxes	417,462	462,178	462,178	462,178	457,542	462,178	(4,636)	507,089	30 Mills Adjusted, Net of Temporary Reduction
State Property Tax Backfill	12,276	-	-	-	-	-	-	-	None Anticipated for 2026
Specific Ownership Taxes	20,299	20,798	20,798	20,798	15,142	13,865	1,277	22,819	4.5% of Property Taxes
Interest Income	37,230	18,000	19,000	29,000	26,915	13,500	13,415	17,000	Estimated 4% Earnings Rate
Operations Fees- Residential	33	-	-	-	-	-	-	-	Fees Eliminated in 2024
Operations Fees- Builders	(550)	-	-	-	-	-	-	-	Fees Eliminated in 2024
Late Fees, Interest, & Collections Fees	1,800	2,000	2,000	1,700	918	1,500	(582)	1,500	Accounts Still Delinquent From 2023 Fees
Design Review Fees	-	400	400	-	-	300	(300)	400	For New Homes In Talon Pointe
Violation Fee Income	-	-	-	100	50	-	50	100	Based on 2025 Forecast
Miscellaneous Income	3,882	-	-	-	-	-	-	-	Based on 2025 Forecast
System Development Fees	-	-	-	-	-	-	-	-	See Debt Service Fund
Infrastructure Cost Recovery Fee	-	-	46,085	46,085	46,085	-	46,085	-	City water infrastructure reimbursement
<b>TOTAL REVENUE</b>	<b>492,432</b>	<b>503,376</b>	<b>550,461</b>	<b>559,861</b>	<b>546,651</b>	<b>491,343</b>	<b>55,308</b>	<b>548,908</b>	
<b>EXPENDITURES</b>									
<b>Administration</b>									
Accounting	47,931	56,000	56,000	50,000	36,562	41,440	4,878	52,000	Based on 2025 Forecast
Audit	6,900	7,600	7,600	7,600	7,600	7,600	-	7,700	Per Engagement Letter
District Management	30,000	30,000	30,000	30,000	22,500	22,500	-	30,000	Staying Flat Per Teleos
Legal	26,194	37,000	37,000	30,000	22,488	27,750	5,262	31,500	Based on 2025 Forecast
Director Fees	-	-	-	-	-	-	-	2,000	5 Directors @ \$100/meeting, 4 meetings
Election	221	4,000	4,000	3,000	2,804	4,000	1,196	500	Prep Work For 2027 Election
Insurance & SDA Dues	10,389	11,500	11,500	10,630	10,630	11,500	870	14,000	Assume 10% Increase + Add'l Property
Bank Fees, Office Supp, Misc Other	1,595	1,850	1,850	1,850	1,219	1,388	169	2,000	Bill.com and Misc Other
Website	2,333	3,500	3,500	4,500	4,207	2,625	(1,582)	3,000	Website & ADA Compliance
Treasurer's Fees	6,334	6,933	6,933	6,933	6,865	6,933	68	7,606	1.5 % of property taxes
Trustee Fees	7,000	7,000	7,000	7,000	-	-	-	7,000	No funds Available in Debt Service Fund
Contingency	-	10,000	10,000	-	-	-	-	10,000	Unforeseen Needs

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2025 Adopted Budget	Budget Notes/Assumptions
<b>GENERAL FUND (CONTINUED)</b>									
<b>EXPENDITURES (CONTINUED)</b>									
<b>Operations &amp; Maintenance</b>									
Management- Additional Services	2,145	3,000	3,000	10,000	9,571	2,250	(7,321)	4,200	Based on 2025 Forecast, No Fencing But With Mulch
Management- Billing	6,641	2,000	2,000	1,500	1,194	1,500	306	1,500	Collection of Open Balances
Management- Collections	-	-	-	-	-	-	-	-	Assume No Additional Efforts
Legal Fees- Collections	538	-	-	200	138	-	(138)	-	Assume No Additional Efforts
Community Events	2,034	2,500	2,500	4,000	712	2,500	1,788	16,000	Annual Meeting & Social Committee
Water - Common Areas	153,481	140,000	165,000	165,000	147,355	130,760	(16,595)	200,000	Based on 2025 Forecast, Add Talon Pointe
Electric- Common Areas	2,321	2,000	2,000	3,000	2,493	1,560	(933)	4,000	Irrigation & Lighting- Add Talon Pointe
Stormwater Fees	1,589	1,800	1,800	1,800	1,332	1,350	18	3,000	Based on 2025 Forecast- Add Talon Pointe
Reserve Study	-	-	-	-	-	-	-	-	Completed in 2023
Holiday Lighting	11,351	-	-	9,300	1,881	-	(1,881)	10,000	Based on 2025 Forecast
Landscaping Maintenance Contract	79,562	85,000	85,000	85,000	70,242	72,857	2,615	103,000	Add Filing 5 & Talon Pointe
Pest Control	-	-	85,645	85,645	950	-	(950)	11,845	Annual Termite Contract
Tree & Grounds/Other Maintenance	20,824	60,000	60,000	15,000	11,981	57,500	45,519	87,000	\$72K Mulch + \$15K Tree Watering & Fert, Tumble Weeds, etc
Tree & Shrub Replacement	65,460	45,000	45,000	-	-	45,000	45,000	7,000	Continue Tree Replacements (100 in '24 * 10 in '26)
Irrigation Repair, Maintenance, & Backflow	11,319	20,000	20,000	15,000	7,507	13,333	5,827	20,000	Misc Repairs and Other Needs
Park Enhancements	-	-	-	-	-	-	-	-	On Hold- No Funding
Entrance Water Feature	-	-	-	-	-	-	-	-	Assume No Changes Made & Leave Turned Off
Drainage Pond Maintenance	-	6,000	6,000	7,500	-	-	-	6,000	Estimated by Teleos
Trail and Path Maintenance	-	5,000	5,000	-	-	5,000	5,000	1,000	City Responsibility, Misc Additions Only
Fence Maintenance	-	47,000	47,000	48,000	240	47,000	46,760	1,000	Perimeter Fence Stained In 2025
Snow Removal	9,212	15,000	15,000	13,000	7,970	10,500	2,530	30,000	Hourly Basis Contract- Add Talon Pointe
Contingency	-	20,000	20,000	10,000	-	15,000	15,000	25,000	Potential Unforeseen Needs/ Revenue Shortfalls
<b>TOTAL EXPENDITURES</b>	<b>505,374</b>	<b>629,683</b>	<b>740,328</b>	<b>625,458</b>	<b>378,439</b>	<b>531,846</b>	<b>153,407</b>	<b>697,851</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>(12,942)</b>	<b>(126,307)</b>	<b>(189,867)</b>	<b>(65,597)</b>	<b>168,212</b>	<b>(40,502)</b>	<b>208,715</b>	<b>(148,944)</b>	
<b>OTHER SOURCES / (USES)</b>									
Transfers In/(Out)	-	-	-	-	-	-	-	-	
Transfers to TPCMD (Taxes & Other)	-	-	-	-	-	-	-	-	
Transfers to TPCMD (Operations Fees)	-	-	-	-	-	-	-	-	
Homebuilder Contributions	-	-	-	-	-	-	-	-	
Developer Advances (Repayments)	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>(12,942)</b>	<b>(126,307)</b>	<b>(189,867)</b>	<b>(65,597)</b>	<b>168,212</b>	<b>(40,502)</b>	<b>208,715</b>	<b>(148,944)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>539,074</b>	<b>509,372</b>	<b>526,132</b>	<b>526,132</b>	<b>526,132</b>	<b>509,372</b>	<b>16,760</b>	<b>460,535</b>	
<b>ENDING FUND BALANCE</b>	<b>526,132</b>	<b>383,066</b>	<b>336,265</b>	<b>460,535</b>	<b>694,344</b>	<b>468,870</b>	<b>225,474</b>	<b>311,592</b>	

Talon Pointe Metropolitan District  
 Statement of Revenues, Expenditures, & Changes in Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 12/4/2025

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
<b>DEBT SERVICE FUND</b>									
<b>REVENUE</b>									
Property Taxes	695,763	770,292	770,292	770,292	762,565	770,292	(7,727)	850,858	50 Mills, Adjusted For Rate Change & Exemptions
Specific Ownership Taxes	33,831	34,663	34,663	34,663	25,236	23,109	2,128	38,289	4.5% of Property Taxes
Interest Income	17,050	25,000	3,500	3,500	2,869	17,708	(14,840)	2,500	Based on 2025 Forecast
LOC Fees	24,000	9,000	44,000	44,000	28,000	7,000	21,000	89,000	\$1,000 Per Unit- 89 Projected By New Home CO
System Dev Fees	96,000	36,000	176,000	176,000	112,000	28,000	84,000	356,000	\$4,000 Per Unit- 89 Projected By New Home CO
Miscellaneous Income	-	25,000	100,000	-	-	18,750	(18,750)	25,000	Equal to Contingency
<b>TOTAL REVENUE</b>	<b>866,644</b>	<b>899,956</b>	<b>1,128,456</b>	<b>1,028,456</b>	<b>930,670</b>	<b>864,859</b>	<b>65,811</b>	<b>1,361,647</b>	
<b>EXPENDITURES</b>									
Treasurer's Fees	10,557	11,554	11,554	11,554	11,442	11,554	113	12,763	1.5 % of property taxes
Bond Principal- Series 2008	-	-	-	-	-	-	-	-	
Bond Interest- Series 2008	-	-	-	-	-	-	-	-	
Bond Principal- Series 2019A	205,000	120,000	120,000	120,000	-	-	-	235,000	Per Amortization Schedule
Less Shortfall In Funds Available For Principal	(178,000)	(120,000)	(120,000)	(120,000)	-	-	-	(235,000)	Estimated Shortfall In Funds Available to Make Payments
Bond Interest- Series 2019A	1,114,313	1,112,895	1,112,895	1,112,895	556,448	556,448	-	1,247,448	Per Amortization Schedule, Including Past Due Interest
Less Shortfall In Funds Available For Interest	-	(259,052)	(127,842)	(127,842)	(85,118)	(86,351)	(1,232)	(13,169)	Estimated Shortfall In Funds Available to Make Payments
Bond Principal- Series 2019B	-	-	-	-	-	-	-	-	No Funds Available
Bond Interest- Series 2019B	-	-	-	-	-	-	-	-	No Funds Available
LOC Payment	24,000	9,000	44,000	44,000	28,000	7,000	(21,000)	89,000	\$1,000 Per Unit- Equal to Revenues Collected
Paying Agent / Trustee Fees	-	-	-	-	-	-	-	-	Now in General Fund
Debt Issuance Expense	-	-	-	-	-	-	-	-	
Transfer to Talon Pointe Coordinating Metro	-	-	-	-	-	-	-	-	
Contingency	-	25,000	100,000	-	-	18,750	18,750	25,000	Unforeseen Needs- To Avoid Budget Amendment
<b>TOTAL EXPENDITURES</b>	<b>1,175,869</b>	<b>899,398</b>	<b>1,140,608</b>	<b>1,040,608</b>	<b>510,771</b>	<b>507,401</b>	<b>(3,370)</b>	<b>1,361,043</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>(309,225)</b>	<b>558</b>	<b>(12,152)</b>	<b>(12,152)</b>	<b>419,899</b>	<b>357,458</b>	<b>62,441</b>	<b>604</b>	
<b>OTHER SOURCES / (USES)</b>									
Transfers In/(Out)	-	-	-	-	-	-	-	-	
Bond Proceeds	-	-	-	-	-	-	-	-	
Bond Premium	-	-	-	-	-	-	-	-	
Developer Contributions	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>(309,225.41)</b>	<b>558</b>	<b>(12,152)</b>	<b>(12,152)</b>	<b>419,899</b>	<b>357,458</b>	<b>62,441</b>	<b>604</b>	
<b>BEGINNING FUND BALANCE</b>	<b>327,155</b>	<b>5,219</b>	<b>17,929</b>	<b>17,929</b>	<b>17,929</b>	<b>5,219</b>	<b>12,710</b>	<b>5,777</b>	
<b>ENDING FUND BALANCE</b>	<b>17,929</b>	<b>5,777</b>	<b>5,777</b>	<b>5,777</b>	<b>437,829</b>	<b>362,677</b>	<b>75,151</b>	<b>6,381</b>	
<b>COMPONENTS OF FUND BALANCE:</b>									
Reserve Fund (\$1.64M Required)	858	-	-	-	3	-	-	-	Draw From \$1,644,325 Requirement For Payments
Senior Bond Surplus Fund (\$1.5M Cap)	-	-	-	-	-	-	-	-	Grow until reaches \$1,500,000
Bond Payment / Capitalized Interest Fund	2,032	-	-	-	426,325	-	-	-	Depleted to Cover Payments
Subordinate Bond Fund	-	-	-	-	9	-	-	-	No Funds Available For Sub Bond Payments
Other / Internal Balances	15,040	5,777	5,777	5,777	11,491	-	-	6,381	SO Taxes Collected after 12/1 Payments
<b>TOTAL ENDING FUND BALANCE</b>	<b>17,929</b>	<b>5,777</b>	<b>5,777</b>	<b>5,777</b>	<b>437,829</b>	<b>362,677</b>	<b>75,151</b>	<b>6,381</b>	

No assurance is provided on these financial statements;  
 substantially all disclosures required by GAAP omitted.

Talon Pointe Metropolitan District  
 Statement of Revenues, Expenditures, & Changes in Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 12/4/2025

	2024 Audited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
<b>CAPITAL FUND</b>									
<b>REVENUE</b>									
Misc Income	-	-	-	-	-	-	-	-	
Interest Income	339	-	-	-	-	-	-	-	
<b>TOTAL REVENUE</b>	<b>339</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>EXPENDITURES</b>									
Capital outlay - general	-	-	-	-	-	-	-	-	
Engineering	-	-	-	-	-	-	-	-	
Grading & Erosion Control	-	-	-	-	-	-	-	-	
Water	-	-	-	-	-	-	-	-	
Sanitary Sewer	-	-	-	-	-	-	-	-	
Storm Sewer	-	-	-	-	-	-	-	-	
Street Improvements	-	-	-	-	-	-	-	-	
Parks & Recreation	7,509	-	-	-	-	-	-	-	
Transfer to Talon Pointe Coordinating Metro	-	-	-	-	-	-	-	-	
Contingency	-	-	-	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>7,509</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>(7,170)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>OTHER SOURCES / (USES)</b>									
Transfers In/(Out)	-	-	-	-	-	-	-	-	
Developer Advances- Capital	-	-	-	-	-	-	-	-	
Developer Advances- Bond Extension	-	-	-	-	-	-	-	-	
Developer Repayment- Principal	-	-	-	-	-	-	-	-	
Developer Repayment- Interest	-	-	-	-	-	-	-	-	
Proceeds- Series 2020 Junlor Note	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>(7,170)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>BEGINNING FUND BALANCE</b>	<b>7,170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>ENDING FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	=	=	=	=	=	=	=	=	

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

**TO:** County Commissioners<sup>1</sup> of Adams County, Colorado.

On behalf of the Talon Pointe Metropolitan District

(taxing entity)<sup>A</sup>

the Board of Directors

(governing body)<sup>B</sup>

of the Talon Pointe Metropolitan District

(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 13,716,220

(Gross<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation From DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

\$ 13,716,220

(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:**

12/4/2025

(not later than Dec 15)

(mm/dd/yyyy)

for budget/fiscal year 2026  
(yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
1. General Operating Expenses <sup>H</sup>	<u>37.220</u> mills	<u>\$ 510,517.71</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	<u>(0.250)</u> mills	<u>\$ (3,429.06)</u>
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>36.970</u> mills</b>	<b><u>\$ 507,088.65</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>62.033</u> mills	<u>\$ 850,858.28</u>
4. Contractual Obligations <sup>K</sup>	<u>0.000</u> mills	<u>\$ -</u>
5. Capital Expenditures <sup>L</sup>	<u>0.000</u> mills	<u>\$ -</u>
6. Refunds/Abatements <sup>M</sup>	<u>0.000</u> mills	<u>\$ -</u>
7. Other <sup>N</sup> (specify): _____	<u>0.000</u> mills	<u>\$ -</u>
_____	<u>0.000</u> mills	<u>\$ -</u>
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b><u>99.003</u> mills</b>	<b><u>\$ 1,357,946.93</u></b>

Contact person:

(print)

Eric Weaver

Daytime

phone:

(970) 926-6060 x6

Signed:

*Eric Weaver*

Title:

District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S. with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203. Questions? Call DLG (303) 864-7720.

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).



**EXHIBIT B**  
**YEAR ENDING DECEMBER 31, 2025, AUDIT INFORMATION**  
**FOR**  
**TALON POINTE METROPOLITAN DISTRICT**

**TALON POINTE METROPOLITAN DISTRICT**

**FINANCIAL STATEMENTS**

**December 31, 2025**

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# Green & Associates LLC

Certified Public Accountants & Business Consultants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Talon Pointe Metropolitan District

### Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of Talon Pointe Metropolitan District as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Talon Pointe Metropolitan District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of Talon Pointe Metropolitan District 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. 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 Talon Pointe Metropolitan 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 opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Talon Pointe Metropolitan 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures of 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 Talon Pointe Metropolitan District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Talon Pointe Metropolitan District's ability to continue as a going concern for a reasonable period of time.

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

#### **Required Supplementary Information**

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

#### **Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Talon Pointe Metropolitan District's financial statements as a whole. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Debt Service Fund, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The other supplemental information is the responsibility of management and was derived from and relate 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Fort Collins, Colorado  
April 8, 2026

## **Basic Financial Statements**

**Talon Pointe Metropolitan District**  
**Statement of Net Position**  
**December 31, 2025**

**Assets**

**Current Assets**

Cash and cash equivalents	\$ 477,217
Cash and cash equivalents - restricted	73,446
Due from County Treasurer	4,486
Accounts receivable	8,399
Prepaid expenses	11,333
Property taxes receivable	1,357,947
Total Current Assets	1,932,828

**Noncurrent Assets**

Capital Assets	
Depreciable	3,355,213
Less: accumulated depreciation	(506,670)
Net Capital Assets	2,848,543

Total Assets	4,781,371
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**Deferred Outflow of Resources**

Loss on bond refunding	48,004
Total Deferred Outflow of Resources	48,004

**Liabilities**

**Current Liabilities**

Accounts payable	10,569
Accrued interest	2,333,106
Current portion of long-term debt	533,000
Total Current Liabilities	2,876,675

**Long-Term Liabilities**

Long-term debt	25,707,100
Total Long-Term Liabilities	25,707,100

Total Liabilities	28,583,775
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**Deferred Inflows of Resources**

Deferred property tax revenue	1,357,947
Total Deferred Inflows of Resources	1,357,947

**Net Position**

Restricted - debt service and capital projects	76,250
Restricted for emergencies	18,006
Unrestricted	(25,206,603)
Total Net Position	\$ (25,112,347)

The accompanying notes are an integral part of these financial statements

**Talon Pointe Metropolitan District  
Statement of Activities  
For the Year Ended December 31, 2025**

<b>Governmental Activities</b>	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Governmental Activities
General government	\$ 723,504	\$ 47,319	\$ -	\$ (676,185)
Interest and related costs on long-term debt	1,640,066	220,000	-	(1,420,066)
<b>Total Governmental Activities</b>	<b>\$ 2,363,570</b>	<b>\$ 267,319</b>	<b>\$ -</b>	<b>(2,096,251)</b>
<b>General Revenues</b>				
Property taxes				1,222,641
Specific ownership taxes				61,125
Interest income				40,156
<b>Total Revenues and Extraordinary Items</b>				<b>1,323,922</b>
Change in Net Position				(772,329)
Net Position - Beginning of Year				(24,340,018)
Net Position - End of Year				<b>\$ (25,112,347)</b>

The accompanying notes are an integral part of these financial statements

## **Fund Financial Statements**

**Talon Pointe Metropolitan District  
Balance Sheet  
Governmental Funds  
December 31, 2025**

	General	Debt Service	Total Governmental Funds
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents - unrestricted	\$ 477,217	\$ -	\$ 477,217
Cash and cash equivalents - restricted	-	73,446	73,446
Due from County Treasurer	1,682	2,804	4,486
Accounts receivable	8,399	-	8,399
Prepaid expenses	11,333	-	11,333
Property taxes receivable	507,089	850,858	1,357,947
<b>Total Assets</b>	<b>1,005,720</b>	<b>927,108</b>	<b>1,932,828</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	10,569	-	10,569
<b>Total Liabilities</b>	<b>10,569</b>	<b>-</b>	<b>10,569</b>
<b>Deferred Inflows of Resources</b>			
Deferred property tax revenue	507,089	850,858	1,357,947
<b>Total Deferred Inflows of Resources</b>	<b>507,089</b>	<b>850,858</b>	<b>1,357,947</b>
<b>Fund Balances</b>			
Nonspendable	11,333	-	11,333
Assigned			
Capital	131,000	-	131,000
Future operating costs	148,944	-	148,944
Restricted	18,006	76,250	94,256
Unassigned	178,779	-	178,779
<b>Total Fund Balance</b>	<b>488,062</b>	<b>76,250</b>	<b>564,312</b>
<b>Total Liabilities, Equity and Deferred Intflows of Resources</b>	<b>\$ 1,005,720</b>	<b>\$ 927,108</b>	<b>\$ 1,932,828</b>

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

<b>Total Fund Balance</b>	\$ 564,312
Amounts reported for governmental funds in the Statement of Net Position are different because:	
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds.	2,848,543
Long-term liabilities, including bonds payable, are not due and payable in the current period and	
Bonds and notes payable	(25,883,000)
Bond premium, net of amortization	(357,100)
Loss on refunding, net of accumulated depreciation	48,004
Accrued interest - bonds	(2,333,106)
<b>Total Net Position</b>	<b>\$ (25,112,347)</b>

The accompanying notes are an integral part of these financial statements

**Talon Pointe Metropolitan District**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2025**

	General	Debt Service	Total Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 458,492	\$ 764,149	\$ 1,222,641
Specific ownership taxes	22,922	38,203	61,125
Development fees	-	176,000	176,000
LOC fees	-	44,000	44,000
Operations and other fees	47,319	-	47,319
Interest income	33,394	6,762	40,156
<b>Total Revenue</b>	<u>562,127</u>	<u>1,029,114</u>	<u>1,591,241</u>
<b>Expenditures</b>			
Administrative	136,355	-	136,355
Operations	449,962	-	449,962
Treasurer's fees	6,880	11,467	18,347
Trustee fees	7,000	-	7,000
Debt Service:			
Bond interest	-	915,326	915,326
LOC fee payment	-	44,000	44,000
<b>Total Expenditures</b>	<u>600,197</u>	<u>970,793</u>	<u>1,570,990</u>
<b>Net Change in Fund Balance</b>	<u>(38,070)</u>	<u>58,321</u>	<u>20,251</u>
Fund Balance, Beginning of Year	526,132	17,929	544,061
Fund Balance, End of Year	<u>\$ 488,062</u>	<u>\$ 76,250</u>	<u>\$ 564,312</u>
<b>Total Change in Fund Balance Governmental Fund</b>			<b>\$ 20,251</b>

Governmental funds report capital outlays as expenditures. In the Statement of Activities capital outlay is not reported as an expenditure, however the Statement of Activities will report depreciation as an expense.

Depreciation (111,840)

Some revenues and expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported in the fund statements.

Accrued interest (696,844)

Amortization of loss on refunding (3,865)

Amortization of bond premium 19,969

Change in net position of governmental activities \$ (772,329)

**Talon Pointe Metropolitan District**  
**Statement of Revenue and Expenditures and Change in Fund Balance**  
**Budget and Actual - General Fund**  
**For the Year Ended December 31, 2025**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>				
Property taxes	\$ 462,178	\$ 462,178	\$ 458,492	\$ (3,686)
Specific ownership taxes	20,798	20,798	22,922	2,124
Operations and other fees	2,400	48,485	47,319	(1,166)
Interest income	18,000	19,000	33,394	14,394
Total Revenue	<u>503,376</u>	<u>550,461</u>	<u>562,127</u>	<u>11,666</u>
<b>Expenditures</b>				
Administrative	151,450	151,450	136,355	15,095
Operations	434,300	544,945	449,962	94,983
Treasurer's fees	6,933	6,933	6,880	53
Trustee fees	7,000	7,000	7,000	-
Contingency	30,000	30,000	-	30,000
Total Expenditures	<u>629,683</u>	<u>740,328</u>	<u>600,197</u>	<u>140,131</u>
Net Change in Fund Balance	<u>(126,307)</u>	<u>(189,867)</u>	<u>(38,070)</u>	<u>151,797</u>
Fund Balance, Beginning of Year	<u>509,372</u>	<u>526,132</u>	<u>526,132</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 383,065</u>	<u>\$ 336,265</u>	<u>\$ 488,062</u>	<u>\$ 151,797</u>

The accompanying notes are an integral part of these financial statements

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements**  
**December 31, 2025**

**Note 1 Summary of Significant Accounting Policies**

Talon Pointe Metropolitan District (the “District”), a quasi-municipal corporation and political subdivision of the State of Colorado, is governed pursuant to provisions of the Colorado Special District Act. The District’s service area is located in the City of Thornton, Colorado (the “City”). The District was established primarily to provide for the planning, design, financing, acquisition, and construction of certain public improvements. The District anticipates that some of the improvements may be dedicated to the City, or its designee.

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

**Financial Reporting Entity**

In accordance with governmental accounting standards, the District has considered the possibility of inclusion of additional entities in its financial statements. The definition of the reporting entity is based primarily on financial accountability. The District is not financially accountable for any other entity, nor is the District a component unit of any other governmental entity; therefore, no other entities are included in the District’s financial statements.

**Basis of Presentation**

The District’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of information.

***Government-wide Financial Statements***

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The statement of net position presents the financial position of the governmental activities at the end of the year. The statement of activities presents a comparison between program expenses and the program revenue for each program or function of the District’s governmental activities. Program expenses are those that are specifically associated with a service, program or department; and therefore, clearly identifiable to a particular function. Program revenue includes charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenue are presented as general revenue of the District. The comparison of program expenses with program revenue identifies the extent to which each governmental function is self-financing or draws from the general revenue of the District.

***Fund Accounting***

During the year the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. The major funds used by the District are described below.

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 1 Summary of Significant Accounting Policies (Continued)**

***Governmental Fund Type***

General Fund – is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – accounts for the repayment of long-term debt incurred by the district.

**Measurement Focus**

***Government-wide Financial Statement***

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the District are included in the statement of net position.

***Fund Financial Statements***

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet and only revenues that are available within 60 days are recorded in the Statement of Revenues, Expenditures, and Changes in Fund Balance.

The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources (revenue and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Basis of Accounting (continued)**

The District follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* as amended by Statement No. 61 *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34* and Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. These statements establish standards for external financial reporting for all state and local governmental entities which includes a management's discussion and analysis section; a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows. It requires the classification of net position into three components: net investment in capital assets, restricted, and unrestricted.

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 1 Summary of Significant Accounting Policies (Continued)**

***Revenue***

Revenue resulting from exchange transactions, in which each party gives and receives essentially the same value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are both measurable and available to finance expenditures of the fiscal period, which is typically within sixty days of realization.

Non-exchange transactions, in which the District receives value without directly giving value in return, include property taxes, grants, entitlements and donations. Revenue from property tax is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

***Property Taxes***

The County Treasurer collects and remits property taxes to the District monthly. Property taxes attach as an enforceable lien on property as of January 1. Taxes are typically levied for the current year prior to December 31 and are payable in full on April 30 of the subsequent year, or in two installments on February 28 and June 15. Property taxes are recorded as receivables and deferred revenue when levied. As taxes are collected, the receivable and deferral are reduced and income is recognized.

***Expenses/Expenditures***

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in governmental funds.

***Assets and Liabilities***

Cash and cash equivalents - the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short term investments with maturities of 90 days or less at the date of their acquisition.

Investments – investments are recorded at fair value, which approximates cost.

Receivables – all receivables are reported at their book value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital assets – all capital assets are stated at cost or estimated cost. The capitalization threshold for fixed assets is \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives. Estimated useful lives are 30 years for parks and recreation.

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

Bond issuance costs – In the government-wide financial statements, bond discounts/premiums are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed as incurred.

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 1 Summary of Significant Accounting Policies (Continued)**

In the fund financial statements, bond discounts/premiums and issuance costs are recognized during the current period. The face amount of debt issued and premiums on issuance are reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Loss on bond refunding – In the government-wide financial statements the deferred loss on bond refunding is amortized over the life of the defeased bonds using the effective interest method. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected in deferred outflows of resources.

***Accrued Liabilities and long-Term Obligation***

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

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

The District implemented the provisions of GASB No. 65 *Items Previously Reported as Assets and Liabilities* (GASB 65). As a result in addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources and deferred inflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period (deferred outflow) or the acquisition of net position that applies to future periods (deferred inflows).

***Net Position***

Equity is classified as net position and displayed in three components:

Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District utilizes restricted net position before utilizing unrestricted net position when an expense is incurred for both purposes.

Unrestricted net position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.” The net position is available for future operations or distributions.

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 1 Summary of Significant Accounting Policies (Continued)**

***Fund Balance***

*Nonspendable* - consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The nonspendable fund balance was \$11,333 as of December 31, 2025.

*Restricted* - Article X, Section 20 of the Constitution of the State of Colorado (TABOR) requires the District to establish Emergency reserves (see Note 4). A reservation of \$18,006 of the General Fund balance has been made in compliance with this requirement. The District has restricted \$76,250 to be used for future debt service.

*Committed - General Fund* - Committed fund balance includes those items which can be used for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board of Directors formally removes or changes the specified uses.

*Assigned* – Includes all amounts that are constrained by the District’s intent to be used for a specific purpose but are neither committed nor restricted. The assignment of these balances must occur through a formal action of the Board of Directors. As of December 31, 2025, the District had an assigned fund balance of \$131,000 for capital reserves and \$148,944 for the 2025 budget deficit.

*Unassigned* - consists of the residual classification for each fund. This represents amounts that have not been assigned to other funds and that has not been restricted, committed, or assigned for specific purposes.

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 and Budgetary Accounting**

Budgets are adopted on a cash basis except for accrual of current vendor invoices. Annual appropriated budgets are adopted for the fund. All annual appropriations lapse at fiscal year-end.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year-end.
- Prior to December 31, the budget is adopted by formal resolution.
- Budgets are required to be filed with the State of Colorado within thirty days after the beginning of the fiscal year.
- Expenditures may not legally exceed appropriations at the fund level.
- The District Board must approve revisions that alter the total expenditures of any fund.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the District Board or amended by the District Board.

**Use of Estimates in the Preparation of Financial Statements**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 2 Cash and Investments**

**Cash Deposits**

As of December 31, 2025, the District's cash deposits had a carrying balance of \$7,590 with a corresponding bank balance of \$7,590, all of which is federally insured.

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 regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified under the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The District had did not have any funds collateralized under PDPA.

The Colorado Divisions of Banking 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.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2025, none of the District's bank deposits were exposed to custodial credit risk.

**Investments**

Colorado statutes specify in which investment instruments the units of local government may invest:

- Obligations of the United States and certain United States government agency securities, and the world bank.
- Certain international agency securities.
- General obligation and revenue bonds of United States local government entities.
- Bankers' acceptances of certain banks.
- Commercial paper.
- Local government investment pools.
- Written repurchase agreements collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.

At December 31, 2025, the District had \$1,244 invested in Morgan Stanley Institutional Liquidity Funds (MSILF) Government Portfolio (MSILF #8352). The project money that is included in the trust accounts at United Missouri Bank (UMB) is invested in the MSILF. The fund is a money market fund managed by Morgan Stanley and each share value is \$1.00. This portfolio invests in U.S. Treasury debt, repurchase agreements and U.S. Government Agency Debt. The District records its investment in the fund at net asset value. The portfolio is rated AAAM by Standard and Poor's.

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 2 Cash and Investments (Continued)**

At December 31, 2025, the District had \$541,829 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust offers shares in three portfolios, COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+ - The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under section 24-75-601, C.R.S., as amended.

COLOTRUST EDGE - The Trust operates similarly to a money market fund and each share is equal in value to \$10.00. The portfolio may invest in U.S. Treasury securities and 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 the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's and is measured at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**Note 3 Capital Assets**

	Balance at 12/31/2024	Additions	Deletions	Balance at 12/31/2025
Depreciable				
Parks and recreation	3,355,213	-	-	3,355,213
Total Depreciable	3,355,213	-	-	3,355,213
Total Capital Assets	3,355,213	-	-	3,355,213
Less Accumulated Depreciation	(394,830)	(111,840)	-	(506,670)
Net Capital Assets	\$ 2,960,383	\$ (111,840)	\$ -	\$ 2,848,543

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 4 Long-term Debt**

The District's long-term debt is as follows:

**General Obligation Refunding and Improvement (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2019A (Series 2019A Bonds) and Subordinated Limited Tax General Obligation Refunding and Improvement Bonds, Series 2019B (Series 2019B Bonds, and together with the 2019A Senior Bonds, the 2019 Bonds)**

On November 12, 2019, the District issued General Obligation Refunding and Improvement (Limited Tax Convertible to Unlimited Tax) Bonds – Series 2019A Bonds with a par amount of \$21,315,000 and with an original issuance premium on the 2019A Bonds of \$479,301, a total bond proceeds amount of \$21,794,301. The 2019A Bonds were issued for the purposes of: (i) paying or reimbursing Project Costs; (ii) refunding a portion of the District's outstanding 2008 Bonds; (iii) funding a portion of the interest to accrue on the Series 2019A Senior Bonds; (iv) funding the Senior Reserve Fund; (v) paying the costs of issuance on the Series 2019B Subordinate Bonds; (vi) paying costs incurred in connection with the issuance of the Series 2019A Senior Bonds.

Interest on the 2019A Bonds is payable semiannually on June 1 and December 1 each year, commencing on December 1, 2019 at the rate of 5.25% per annum. To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and shall continue to bear interest at the rate then borne by the Bond. To the extent interest on any Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Bond. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer outstanding upon the payment by the District of such amount.

On November 12, 2019, the District issued Subordinate Limited Tax General Obligation Refunding and Improvement Bonds – Series 2019B with a par amount of \$2,595,000. The 2019B Bonds were issued for the purposes of: (i) paying or reimbursing Project Costs; (ii) refunding a portion of the District's outstanding 2008 Bonds.

Interest on the 2019B Bonds is payable on December 15 each year to the extent of Subordinate Pledged Revenue available, commencing on December 15, 2019 at the rate of 8% per annum. The Bonds are structured as "cash flow" bonds meaning that there are no scheduled payments of principal thereof prior to the final maturity. To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until the Bond Termination Date and shall continue to bear interest at the rate then borne by the Bond. To the extent interest on the Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Bond. The District is not obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the 2019B Bonds including all payments of principal, premium if any, and interest. All 2019B Bonds will be deemed defeased and no longer outstanding upon the payment of the District of such amount. All of the 2019B Bonds and interest thereon will be deemed paid, satisfied, and discharged on December 16, 2053 ("the Bond Termination Date") regardless of the amount of principal and interest paid prior to the Bond Termination Date.

**Talon Pointe Metropolitan District  
Notes to Financial Statements (Continued)  
December 31, 2025**

**Note 4 Long-term Debt (Continued)**

**Optional Redemption**

The 2019A 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 the principal amount so redeemed plus accrued interest thereon to the date of redemption, together with (if applicable) a redemption premium of a percentage of the principal amount so redeemed as follows:

Date of redemption	Redemption Premium
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 and thereafter	0.00%

The 2019B Bonds are subject to redemption prior to maturity, at the option of the District on December 15, 2025, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed as follows:

Date of redemption	Redemption Premium
December 15, 2025 to November 30, 2026	3.00%
December 15, 2026 to November 30, 2027	2.00%
December 15, 2027 to November 30, 2028	1.00%
December 15, 2028 and thereafter	0.00%

**Security**

The 2019A Bonds are secured by and payable from the moneys derived by the District from the following sources, net of any costs of collection: (i) the Senior Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; (iii) Development Fees; and (iv) any other legally available moneys which the District determines in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

The 2019A Bonds are also secured by amounts on deposit in the Senior Reserve Fund in an amount equal to \$1,644,325 (Senior Reserve requirement), and amounts, if any, accumulated in the Senior Surplus Fund up to the Maximum Surplus Amount of \$1,500,000. The District did not have sufficient pledged revenue in the 2019A Senior Bond fund to pay when due principal payments on the Series 2019A Bonds. As a result, multiple draws from the Senior Reserve Fund were required to pay the interest payments. At December 31, 2025, the balance in the Senior Reserve Fund was \$1,235, and the balance in the Senior Surplus Fund was \$0.

The 2019B Bonds are secured by and payable from the moneys derived by the District from the following sources, net of any costs of collection: (i) the Subordinate Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Subordinate Required Mill Levy; (iii) the amounts, if any, from the Development Fees

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 4 Long-term Debt (Continued)**

remaining after payment of the Series 2019A Senior Bonds; (iv) the amounts, if any, in the Senior Surplus Fund after the termination of such fund pursuant to the Senior Indenture; and (v) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

**Required Mill Levy**

Pursuant to the Senior Indenture, the District has covenanted to impose a Senior Required Mill Levy in an amount sufficient to fund the Senior Bond Fund for the relevant Bond Year and pay the Bonds as they come due, and if necessary, an amount sufficient to replenish the Reserve fund to the amount of the Required Reserve, but (i) not in excess of 50.000 mills, and (ii) for so long as the Surplus Fund is required to be maintained hereunder and the amount on deposit therein is less than the Maximum Surplus Amount, not less than 50.000 mills, or such lesser mill levy which will fund the Senior Bond Fund for the relevant Bond Year and pay the Bonds as they come due, will replenish the Reserve Fund to the amount of the Reserve Requirement and, for so long as the Surplus Fund to the Maximum Surplus Amount; provided however, that if, after January 1, 2004, there were or are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cur or abatement; the minimum and maximum mill levies shall be increased or decreased to offset such changes. The District has determined that as a result of changes in the method of calculating assessed valuation occurring after January 1, 2004, the 50.000 mills has been adjusted upwards to 63.163 for collection year 2025.

Pursuant to the Subordinate Indenture, the District has covenanted to impose a Subordinate Required Mill Levy in the amount of 50.000 mills less the amount of the Senior Bond 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; provided however that if, after January 1, 2004, there were or are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the maximum mill levy provided shall be increased or decreased to offset such changes. It is the intent that if the Senior Mill Levy equals or exceeds 50.000 mills in any year, adjusted for changes in the actual valuation to assessed valuation, the Subordinate Mill Levy for that year shall be zero.

**Project Funds**

Proceeds of \$4,916,005 and \$105,000 from the sale of the 2019A Bonds were deposited to a Senior Project Fund and a Senior Restricted Project Fund respectively. Proceeds of \$2,595,000 from the sale of the 2019B Bonds were deposited into a Subordinate Restricted Project Fund. Between 2020 and 2022, the District amended the parameters of the draw provisions on the Subordinate Project fund with the Trustee, evidenced by the First through Eighth amendments to the indenture of Trust on the 2019B Subordinate Bonds. As required by the amendments, the Developer advanced additional funds to the District to allow for the extensions to the expiration dates of the funds.

The Project Funds are held by the Trustee and funds are only released to the District after a "Requisition" is submitted for reimbursement of approved project costs in accordance with the Senior Indenture and the Subordinate Indenture, as applicable. Pursuant to the Seventh Amendment to the 2019B Indenture of Trust, upon release of the proceeds from the

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 4 Long-term Debt (Continued)**

Subordinate Project Fund, any remaining amounts representing deposits made by the Developer in association with amendments to the Indenture shall be returned to the Developer by the Trustee and the Subordinate Project Fund shall be terminated. On October 31, 2022 all requirements for the release of the restricted project funds were met, and the funds were subsequently used to repay amounts owed to the Developer.

**Non-revolving Line of Credit Note (Junior) Series 2020**

On August 13, 2020, the District authorized the issuance of its Non-revolving Line of Credit Note (Junior), Series 2020, in an amount not to exceed \$2,090,000. As of December 31, 2025 \$2,090,000 has been advanced under this note.

The Note will accrue interest at a rate of 8% per annum. Principal and interest shall be payable annually on December 16 of each year after all payments due and owing on the Senior Obligations, including the Series 2019B Subordinate Bonds, in that year have been fully paid, commencing on December 16, 2021 and shall mature on December 16, 2046.

To the extent principal on the Note is not paid when due, such principal shall remain outstanding until paid. To the extent interest on the Note is not paid when due, such interest shall compound annually, on each December 16, at the rate then borne by the Note. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the note, including all payments of principal, premium if any, and interest, and the Note will be deemed defeased and no longer outstanding upon the payment by the District of such amount. The Note shall be deemed paid, satisfied, and discharged on December 16, 2053 (the Note Termination Date), regardless of the amount of principal and interest paid prior to the Note Termination Date.

The Note is subject to redemption, at the option of the District, in whole or in part, on any date, upon payment of par and accrued interest, without redemption premium. The Note is subject to mandatory redemption in part by lot on December 16 of each year (Mandatory Redemption Date) to the extent of moneys on deposit, if any, in the Mandatory Redemption Account on December 16 of each year, at a redemption price equal to the principal amount (with no redemption premium), plus accrued interest to the redemption date.

The Note is a limited tax obligation of the District secured by a Required Mill Levy, including the portion of the specific ownership tax that is collected as a result of the imposition of the Required Mill Levy, and any other legally available revenues which the District determines to credit to payment of the Note.

The District's Note contains a provision regarding certain events of default, for which acceleration is not a remedy. Events of default occur if the District fails to collect the Pledged Revenue or apply the Pledged Revenue as required by the Resolution authorizing the issuance of the Note, to impose the Required Mill Levy as provided in the Resolution to the extent any such mill levy is available pursuant to the Senior Bond documents, and other customary terms and conditions consistent with normal municipal financings.

**Talon Pointe Metropolitan District  
Notes to Financial Statements (Continued)  
December 31, 2025**

**Note 4 Long-term Debt (Continued)**

The Changes in Long-term Debt during 2025 were as follows:

	Balance 12/31/2024	Additions	Reductions	Balance 12/31/2025	Amounts Due Within One Year
<b>Bonds Payable:</b>					
2019A General Obligation Bonds	\$ 21,198,000	\$ -	\$ -	\$ 21,198,000	\$ 533,000
2019B Subordinate General Obligation Bonds	2,595,000	-	-	2,595,000	-
<b>Other Debt:</b>					
Series 2020 note	2,090,000	-	-	2,090,000	-
Subtotal	25,883,000	-	-	25,883,000	533,000
Premium on 2019A Bonds	377,069	-	(19,969)	357,100	19,855
Total Long-term Debt	<u>\$ 26,260,069</u>	<u>\$ -</u>	<u>\$ (19,969)</u>	<u>\$ 26,240,100</u>	<u>\$ 552,855</u>

The District did not make any principal payments on the 2019A bonds and made partial payments on interest during the year ended as cash flows were not available. The unpaid principal and interest was added to the payments due in the upcoming year on the amortization schedule. The District's long-term obligations for the Series A Bonds will mature as follows:

Year Ended December 31,	Principal	Interest	Total
2026	\$ 533,000	\$ 1,317,943	\$ 1,850,943
2027	240,000	1,084,913	1,324,913
2028	285,000	1,072,313	1,357,313
2029	300,000	1,057,350	1,357,350
2030	345,000	1,041,600	1,386,600
2031-2035	2,195,000	4,907,175	7,102,175
2036-2040	3,260,000	4,223,888	7,483,888
2041-2045	4,605,000	3,234,788	7,839,788
2046-2050	6,315,000	1,851,150	8,166,150
2051	3,120,000	163,800	3,283,800
Total	<u>\$ 21,198,000</u>	<u>\$ 19,954,920</u>	<u>\$ 41,152,920</u>

The repayment of the Series B Bonds, and the Non-revolving Line of Credit Note (Junior) series 2020 are dependent on available cash flows, therefore a maturity schedule cannot be determined.

**Debt Authorization**

On November 7, 2006 and November 6, 2007, the District's electorate authorized total indebtedness of \$163,400,000 for the purpose of providing certain improvements and facilities. The District's Service Plan limits the amount of bonds that the District has the authority to issue to \$26,000,000. After the issuance of the 2019 Bonds and the Series 2020 Non-revolving Line of Credit Note, the District's remaining debt authorization under its Service Plan is \$0.

**Letter of Credit Fees**

Pursuant to a Resolution Concerning the Imposition of a LOC Fee adopted on February 15, 2011, the District imposes a one-time letter of credit fee in the amount of \$1,000 for each residential dwelling unit within the District's boundaries which is due upon the issuance of a building permit (the "LOC Fees"). The LOC Fees were originally pledged to a \$500,000

**Talon Pointe Metropolitan District  
Notes to Financial Statements (Continued)  
December 31, 2025**

**Note 4 Long-term Debt (Continued)**

promissory note dated July 18, 2012 but on March 20, 2017 the District and the note holder, ELGI Investors ("ELGI"), entered into an agreement whereby in exchange for the discharge of the note, the District agreed to pledge all remaining LOC Fees to be collected in the future to ELGI. ELGI later assigned their right to the LOC Fees to multiple parties. During 2025 the District received and then remitted \$44,000 in LOC Fees to those multiple parties.

**System Development Fees**

Pursuant to a Resolution Convening the Imposition of District Fees adopted on November 27, 2007, the District imposes a one-time development fee in the amount of \$4,000 for each residential dwelling unit within the District's boundaries which is due upon the issuance of a building permit (the "Development Fees"). As discussed in Note 4, these fees are pledged for repayment of the Series 2019A Bonds and the Series 2019B Bonds. During 2025 the District received and then remitted \$176,000 in System Development Fees to trustee for the Series 2019A Bonds and the Series 2019B Bonds.

**Note 5 Agreements**

**Intergovernmental Agreement – City of Thornton**

On September 10, 2013 the District entered into an agreement with the City of Thornton, pursuant to the Service Plan, whereby the District will finance and construct public improvements which are necessary to provide municipal services within the District's boundaries as set forth in the Service Plan. Upon completion of the improvements, the District is planning to convey the improvements to other governmental entities. Upon acceptance, the government or agency is responsible for ownership, operation, maintenance, and repair of such improvements. Debt service on the cost of the improvements will be funded in part through a mill levy on taxable property.

**Note 6 Tax, Spending, and Debt Limitation**

Article X, Section 20 of the Colorado Constitution, the Taxpayer's Bill of Rights (TABOR), contains several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR.

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.

TABOR requires local governments to establish emergency reserves, which 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. As of December 31, 2025, the District had \$18,006 restricted under TABOR.

**Talon Pointe Metropolitan District**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025**

**Note 7 Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The District is a participant in the Colorado Special District Association Property and Liability Pool. The Pool was formed by an agreement by member special districts of the Special District Association as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and Sections 29-1-201 et. seq., 8-44-101(1)(c) and (3), 8-44-204, 24-10- 115.5, and 29-13-102, C.R.S, as amended. Membership is restricted to Colorado special districts which are members of the Special District Association.

The purpose of the Pool is to provide defined property, liability, workers' compensation, and associated coverages, and claims and risk management services related thereto, for member special districts through a self-insurance pool. The Pool has contracted with other third parties to operate, administer and manage the Pool. In the event aggregated losses incurred by the Pool exceed amounts recoverable from the reinsurance contracts and capital and surplus accumulated by the Pool, additional contributions may be required from the Pool members. Settled claims have not exceeded the District's commercial coverage in the last three years.

## **Other Supplemental Information**

**Talon Pointe Metropolitan District**  
**Statement of Revenue and Expenditures and Change in Fund Balance**  
**Budget and Actual - Debt Service Fund**  
**For the Year Ended December 31, 2025**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>				
Property taxes	\$ 770,292	\$ 770,292	\$ 764,149	\$ (6,143)
Specific ownership taxes	34,663	34,663	38,203	3,540
Development fees	36,000	176,000	176,000	-
LOC fees	9,000	44,000	44,000	-
Interest income	25,000	3,500	6,762	3,262
Miscellaneous	25,000	100,000	-	(100,000)
<b>Total Revenue</b>	<u>899,955</u>	<u>1,128,455</u>	<u>1,029,114</u>	<u>(99,341)</u>
<b>Expenditures</b>				
Treasurer's fees	11,554	11,554	11,467	87
Debt Service:				
Bond interest	853,843	985,053	915,326	69,727
LOC fee payment	9,000	44,000	44,000	-
Contingency	25,000	100,000	-	100,000
<b>Total Expenditures</b>	<u>899,397</u>	<u>1,140,607</u>	<u>970,793</u>	<u>169,814</u>
<b>Net Change in Fund Balance</b>	<u>558</u>	<u>(12,152)</u>	<u>58,321</u>	<u>70,473</u>
Fund Balance, Beginning of Year	5,219	17,929	17,929	-
<b>Fund Balance, End of Year</b>	<u>\$ 5,777</u>	<u>\$ 5,777</u>	<u>\$ 76,250</u>	<u>\$ 70,473</u>

The accompanying notes are an integral part of these financial statements