

**TALON POINTE METROPOLITAN DISTRICT
FREQUENTLY ASKED QUESTIONS
AS OF JANUARY 29, 2024**

WHAT IS THE TALON POINTE METROPOLITAN DISTRICT?

The Talon Pointe Metropolitan District (the “District”) is a special district that was organized on December 12, 2006, by an Order and Decree issued by the Adams County District Court after an election of the eligible electors authorizing its organization. It is a public entity that is authorized to own, operate and maintain public improvements and impose taxes and/or fees to pay for such services, improvements and its administrative costs.

The current governing document of the District is the Second Amended and Restated Service Plan, which was approved by the City Council of the City of Thornton on September 10, 2013 by Resolution No. 2013-147, as amended on September 2, 2014 (collectively, the “Service Plan”). In addition to the parameters within the Service Plan, the District operates pursuant to Title 32 of the Colorado Revised Statutes (“C.R.S.”), also known as the Special District Act, and various other Colorado State statutes.

WHAT IS THE PURPOSE OF THE DISTRICT?

The District was created in response to the need for the design, financing, construction, operation and maintenance of public improvements for the project. At the time of the District’s creation, it was not economically feasible for the City of Thornton to provide these services and facilities and the most economical means to provide these improvements was determined to be through a district.

HOW IS THE DISTRICT GOVERNED?

The District is governed by a five-member elected Board of Directors (the “Board”). The District currently has one vacant position. Please contact the District’s Manager, Angela Elliott, if you wish to submit an application for the vacant position. To be qualified, you must be an eligible elector of the District which means you must: (1) either be an owner, or the spouse or civil union partner of an owner, (in an individual capacity) of taxable property interests within the legal boundaries of the District; a resident of the District; or have an option to purchase property within the District which obligates you to pay taxes; and (2) be registered to vote in the State of Colorado. More information on the vacancy is available on the District’s website at <https://www.talonpointemetrodistrict.com>.

The next regular election for the Board will be held on May 6, 2025.

ARE DIRECTORS PAID?

Directors may be paid for their services pursuant to the parameters within Sections 32-1-902(3)(a)(1)(I) & (II), C.R.S. which caps the compensation at not more than \$100 per meeting, for a yearly total not to exceed \$1,600 for Directors serving terms of office starting prior to January 1, 2018 and not to exceed \$2,400 for Directors serving terms of office starting on or after January 1, 2018.

At the current time, the Directors have elected *not* to be paid.

WHAT ARE THE DISTRICT'S BONDS?

The District's debt includes the General Obligation Refunding and Improvement (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2019A in the amount of \$21,315,000 and the Subordinate Limited Tax General Obligation Refunding and Improvement Bonds, Series 2019B in the amount of \$2,595,000. The bonds are scheduled to mature in December 2051; however this maturity date is subject to change if the bonds are refinanced, or if additional debt is issued (subject to any Service Plan debt limitations), which could extend the maturity date. At this time, the District does *not* have any current plans to issue additional debt.

WHAT ARE THE SOURCES OF FUNDING FOR DISTRICT EXPENSES?

The District is funded by revenues generated from a property tax mill levy. The District property tax mill levy for debt services is limited to a maximum of 50.000 mills, subject to adjustments in the calculation of residential assessment ratio and is unlimited for operations since the Board now consists of at least three resident-Directors.

For collection in the 2024 fiscal year, the District imposed 61.446 mills on property for the purpose of payment of the debt issued by the District in November of 2019 and 36.868 mills for operational purposes. The total mill levies imposed by the District for collection in 2024 are 98.314 mills.

The mill levy imposed by the District may vary from year-to-year based upon the actual values of the properties within the District and the debt service and operational needs of the District.

The District's Board adopts a budget annually and sets its mill levy for the following year based upon the needs of the District. This meeting is conducted as a public hearing and property owners are encouraged to attend and provide comments. To obtain a copy of the District's most recent budget, please contact the District's Manager (contact information set forth below).

HOW ARE TAXES CALCULATED?

Property taxes are determined by completing the following calculation for an individual parcel of property: assessed valuation x mill levy = annual tax bill.

The assessed valuation of a property is determined by the County Assessor. For residential properties, the County Assessor determines the actual (not market) value of a residential property

and multiples it by the assessment ratio. Once the assessed valuation is determined, the County Treasurer applies the total mill levy of all governmental entities which tax that parcel to the assessed valuation to determine the annual tax bill for that property. Property taxes vary depending on the value of your home so keep in mind that your neighbor may pay a different amount than you.

I JUST BOUGHT MY HOME...WILL MY TAXES BE THE SAME NEXT YEAR?

When establishing the assessed value of your property, the County Assessor looks at the value of your home as of January 1 of the year in which the assessed value is set. To further complicate matters, taxes are imposed in one year and collected the following year. So, for example, for taxes paid in 2022, the taxes are really taxes imposed in 2021 (for collection in 2022) and the assessed value on which those taxes is based is the value of the home and property as of January 1, 2021. This means that if your home was not yet built as of January 1, 2021, the assessed valuation for the taxes you pay in 2022 will be significantly lower than the assessed value for the taxes you pay in 2023.

To determine what your assessed valuation was for the taxes you pay in 2024, refer to your tax bill from the County Treasurer.

WHY DOES THE DISTRICT NEED MONEY?

The District was organized to finance, construct, operate and maintain public improvements serving the properties within its boundaries. In order to finance the capital (i.e., the construction) costs, the District issues bonds or other financial obligations (a/k/a “debt”) which are required to be repaid over a period of time, typically thirty or forty years. This debt is repaid through the property tax revenues generated by mill levies.

As a public entity, the District must remain in compliance with Colorado law for Title 32 special districts. There are administrative costs associated with maintaining the District and complying with these requirements.

WHAT IS THE CURRENT MONTHLY DISTRICT FEE?

At the November 9 2023 meeting, the Board reviewed various budget scenarios and decided **NOT** to impose an ongoing operations fee for the time being. This, however, is subject to change as the Board has the continued ability to impose ongoing operations fees and it may be necessary to do so in the future in order to pay for the operation and maintenance of the District’s facilities and services such as landscape maintenance, snow removal and covenant enforcement.

DOES THE DISTRICT ENFORCE COVENANTS?

Yes, the District enforces the Covenants and Restrictions of Talon Pointe which were recorded with the Clerk and Recorder of Adams County, Colorado on August 26, 2013 at Reception Number 2013000074582 (the “Covenants”). The District also enforces the rules and regulations and guidelines.

WHAT HAPPENS IF I DON'T ABIDE BY THE COVENANTS?

Failure to abide by the Covenants will result in the District taking covenant enforcement action. These actions may consist of sending covenant enforcement demand letters, cease and desist letters, issuing fines and/or turning files over to special counsel for legal action. Authority for these actions is found in Colorado statutes (Section 32-1-1001(1)(j)(I) and Section 32-1-1004(8).) and the Service Plan. Information on the District's enforcement procedures can be found in the *Amended and Restated Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents*. A copy of this document can be found on the District's website.

WHAT HAPPENS IF I DON'T PAY COVENANT FINES?

Failure to pay covenant enforcement fines may result in the District taking collection actions, in addition to covenant enforcement actions. Authority for these actions is found in Colorado statutes. Information on the District's collection procedures can be found in the *Amended and Restated Resolution Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges*. A copy of this document can be found on the District's website

WHEN AND WHERE ARE THE DISTRICT MEETINGS HELD?

In 2024, the District scheduled meetings on April 11th, June 13th October 17th and November 14th at 5p.m. via teleconference. All meetings are open to the public and notice of the meetings are posted on the District's website at least twenty-four (24) hours in advance of any such meeting. If the website is not available for posting meeting notices, the notices may be posted physically within the boundaries of the District.

Due to unforeseen circumstances, meetings are subject to cancellation. To avoid inconvenience, any interested parties are encouraged to verify the status of an upcoming meeting with the District's Manager (contact information set forth below).

The Board is considering offering meetings both virtually and in-person. To do so, the Board must first locate a venue. If an in-person option is made available, information will be posted on the District's website and the management company will send an e-blast.

The Annual Meeting for the District will be held on November 14th at 4pm via teleconference.

WHO DO I CONTACT ABOUT IF THERE ARE QUESTIONS OR CONCERNS ABOUT DISTRICT PROPERTY?

For questions relating to the condition of District-owned property, please contact the District's Manager. For general reference, the District is responsible for maintaining District-owned property, while owners are responsible for maintaining their lots, including weed and snow removal.

NEED MORE INFORMATION?

More information regarding the District may be obtained from the District's Manager:

Angela Elliott

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