

FAQ FREQUENTLY
ASKED
QUESTIONS
ABOUT METROPOLITAN DISTRICTS



Town of
TIMNATH
ESTABLISHED 1882

| QUESTION | ANSWER |
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| WHAT IS A METROPOLITAN DISTRICT? | A metropolitan district or “metro district” is a special district and a unit of local government authorized by Colorado state statutes including the Special District Act (Section 32-1-101, et seq., C.R.S.). |
| WHAT IS THE PURPOSE OF A METRO DISTRICT? | Metro districts are organized to finance public improvements necessary for development to occur and provide ongoing operations and maintenance of certain public improvements. |
| WHAT IS A SERVICE PLAN? | The service plan is the governing document of any given metro district. The Town Council reviews and approves the service plan for metro districts located within the Town of Timnath boundaries. |
| WHAT IS AN INTERGOVERNMENTAL AGREEMENT (“IGA”)? | An intergovernmental agreement is any agreement that involves or is made between two or more governments in cooperation to solve problems. Metro districts can enter into intergovernmental agreements with other metro districts and other special districts or municipalities. |
| WHAT IS THE SPECIAL DISTRICT ACT? | In addition to the service plan, metro districts are governed by Title 32 of the Colorado Revised Statutes (also known as the Special District Act). |

QUESTION

ANSWER

HOW DOES A METRO DISTRICT GENERATE REVENUE?

Metro districts have the ability to impose property taxes and fees on property owners within their boundaries to pay for the construction, installation, and operations and maintenance of public improvements. The metro districts ability to impose property taxes and fees can be restricted or limited by the metro district's service plan. To see individual property tax contributions, you can visit the Larimer County treasurer site at larimer.org/treasurer/search.

WHAT BENEFIT DO PROPERTY OWNERS AND RESIDENTS RECEIVE FROM BUYING PROPERTY WITHIN A METRO DISTRICT AND WHAT ARE THE COSTS TO THAT BENEFIT?

Some of the benefits of metro districts include:

1. metro districts can help provide access to capital that can be used to build amenities, such as enhanced parks, pools, rec centers, etc., that benefit their residents, these costs to residents are spread over years of property taxes rather than inflating the initial cost of a home;
2. property taxes are usually tax deductible by property owners;
3. metro districts can provide covenant enforcement to preserve property values;
4. metro districts have access to a sophisticated insurance pool which results in lower insurance costs as compared to homeowners associations;
5. metro districts have governmental immunity which may result in fewer legal issues and reduced litigation costs The costs of these benefits are the fees and property taxes residents pay to their metro district.

| QUESTION | ANSWER |
|---|---|
| <p>WHY DOES THE TOWN ALLOW METRO DISTRICTS TO OPERATE HERE?</p> | <p>The Town of Timnath allows metro districts in Timnath because it localizes the costs for developing a neighborhood to the property owners within that neighborhood. Property taxes from a neighborhood within a metro district are directed more to the infrastructure and amenities in the neighborhood built or funded by the metro district serving that neighborhood.</p> |
| <p>HOW CAN RESIDENTS HAVE A SAY IN HOW THEIR METRO DISTRICT OPERATES?</p> | <p>Any member of the public can attend metro district board meetings, get to know and communicate with their metro district board members. "Eligible electors" of the metro district can run for seats on their metro district board.</p> |
| <p>WHO GOVERNS A METRO DISTRICT?</p> | <p>Metro districts are governed by an elected Board of Directors, consisting of either five or seven members (usually 5). The Boards of Directors are elected to staggered terms of office at regular elections. The Board of Directors has a fiduciary duty to act in the best interest of the metro district.</p> |
| <p>WHO IS ELIGIBLE TO VOTE IN METRO DISTRICT ELECTIONS?</p> | <p>Every "eligible elector" is able to vote in a metro district election. An "eligible elector" is a person who is registered to vote in the State of Colorado and:</p> <ol style="list-style-type: none"> 1. who is a resident of the metro district; 2. who is a property owner of property within the metro district; or 3. who is the spouse or civil union partner of a property owner who owns property within the metro district. |

QUESTION

ANSWER

HOW ARE DEVELOPER REPRESENTATIVES ABLE TO BE ON THE BOARD OF DIRECTORS?

In the early stages of development before homes are constructed, there are no residents or individual property owners within the boundaries of the metro district who are eligible electors. The Special District Act recognizes that people who are obligated to pay property taxes under a contract to purchase taxable property within the metro district can also qualify as “eligible electors.” This statutory provision allows developer representatives to serve on the Board of Directors during the initial stages of development until residents move into the development and have the opportunity to elect each other into these seats.

WHEN IS THE NEXT METRO DISTRICT REGULAR ELECTION?

The next four regular election dates are:

- Election Day - May 3, 2022
- Election Day - May 2, 2023
- Election Day - May 6, 2025
- Election Day - May 4, 2027

IF I WANTED TO RUN FOR MY NEIGHBORHOOD’S METRO DISTRICT, WHAT DO I DO NEXT?

In order to run to be on the Board of Directors for your metro district you first must be an eligible elector. Then you must submit a self-nomination and acceptance form to the metro district’s designated election official before the deadline.

The deadline to submit a self-nomination form for each election is as follows:

- Election Day - May 3, 2022
Deadline - February 25, 2022
- Election Day - May 2, 2023
Deadline - February 24, 2023
- Election Day - May 6, 2025
Deadline - February 28, 2025
- Election Day - May 4, 2027
Deadline - February 26, 2027

QUESTION

ANSWER

WHAT ARE THE REQUIREMENTS FOR METRO DISTRICTS TO PROVIDE NOTICE OF PUBLIC MEETINGS?

Metro districts are required to post notice 24 hours in advance of any meeting. The notice may be posted on the metro district's website or physically within the boundaries of the metro district.

WHERE CAN I FIND OUT MORE ABOUT MY METRO DISTRICT'S FINANCES?

Unless the metro district is exempt, it must undergo an annual financial audit by an independent auditor.

Copies of metro district audits can be found here: Office of the State Auditor (Local Government Audit Division):

https://apps.leg.co.gov/osa/lg/local_govs

For a metro district to be exempt from audit, it is either inactive or has only nominal activity before development begins.

SOME METRO DISTRICT FINANCIALS SHOW TRANSFERS OR SHARING OF FUNDS BETWEEN DISTRICTS IN A DEVELOPMENT. WHAT IS THE PURPOSE OF THIS RELATIONSHIP?

Please see the Town's Metro District 201 Presentation to learn more: <https://timnath.org/metro-districts-101/>

HOW CAN I LEARN MORE ABOUT THE DEBT MY METRO DISTRICT OWES? CAN WE PAY OFF THAT DEBT EARLY? HOW ARE WE PROTECTED FROM RUNAWAY DEBT?

Please see the Town's Metro District 301 Presentation to learn more: <https://timnath.org/metro-districts-101/>

QUESTION

ANSWER

WHAT ARE THE CURRENT METRO DISTRICTS IN THE TOWN OF TIMNATH?

- Serratoga Falls Metropolitan District Nos. 1 & 3 (Kitchell Lake) <https://www.kitchelllake.com/>
- Serratoga Falls Metropolitan District No. 22 <https://ccgcolorado.com/serratogafalls>
- South Timnath Metropolitan District Nos. 1-2 <http://southtimnathmetrodistrict.com/>
- Southwest Timnath Metropolitan District Nos. 1-4 <https://www.swtmd.com>
- Timnath Farms North Metropolitan District (Landings) Nos. 1-3
- Timnath Ranch Metropolitan District Nos. 1-4 <https://www.timnathranchmetrodistrict.com>
- Trailside Metropolitan District Nos. 1-5 (f/k/a Rendezvous Metropolitan District Nos. 1-5) <http://trailsidemd.net/>
- Wildwing Metropolitan District Nos. 1-5 <http://wildwinglivingmd.net/>

WHERE CAN I FIND OUT MORE INFORMATION ABOUT METRO DISTRICTS AND HOW THEY FUNCTION?

To learn more about how metro districts work, you can view our presentations online:

<https://timnath.org/metro-districts-101/>

Division of Local Government:

<https://dola.colorado.gov/lgis/>

Electronic Municipal Market Access (EMMA):

<https://emma.msrb.org/>