

FALLBROOK METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Joshua Bastian	President	2023/May 2023
Steven Slaughter	Treasurer/Assistant Secretary	2022/May 2022
<i>VACANT</i>		2023/May 2022
<i>VACANT</i>		2022/May 2022
<i>VACANT</i>		2023/May 2022

DATE: *July 23, 2020 (Thursday)*

TIME: 6:30 p.m.

PLACE: *Due to Executive Order D 2020 044 Safer at Home issued by Governor Polis on April 26, 2020, and Public Health Order 20-28 implementing the Executive Order, issued by the Colorado Department of Health and Environment (CDPHE) on April 26, 2020, this meeting will be held via teleconferencing and can be joined through the directions below:*

IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE CALL IN TO THE CONFERENCE BRIDGE AT 1-877-250-3814 AND WHEN PROMPTED, DIAL IN THE PASSCODE OF 5592663.

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest and confirm quorum.

B. Approve Agenda; confirm location of meeting and posting of meeting notices and designate 24-hour posting location.

C. Discuss cancellation of the May 5, 2020 Election (enclosure).

D. Discuss vacancies on the Board.

E. Consider appointment of Officers:

President _____

Treasurer _____

Secretary _____

Asst. Secretary _____

F. Review and approve minutes of the November 21, 2019 Special Meeting (enclosure).

G. Consider authorizing all interested Board Members (and guest) to attend the 2020 SDA Conference via video conference on September 23, 24 and 25, 2020.

II. FINANCIAL MATTERS

A. Consider approval of draft 2019 Audit (enclosure) and authorize execution of Representations Letter.

B. Review and ratify the approval of the payment of claims as follows (enclosures):

	Period Ending Dec. 11, 2019	Period Ending Jan 9, 2020	Period Ending Feb.13, 2020
General Fund	\$ 3,971.64	\$ 4,025.35	\$ 1,736.11
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-
Capital Fund	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 3,971.64	\$ 4,025.35	\$ 1,736.11

	Period Ending March 16, 2020	Period Ending April 15, 2020	Period Ending May 11, 2020
General Fund	\$ 2,831.04	\$ 2,265.30	\$ 1,310.77
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-
Capital Fund	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 2,831.04	\$ 2,265.30	\$ 1,310.77

	Period Ending June 15, 2020	Period Ending July 7, 2020
General Fund	\$ 1,803.49	\$ 3,144.38
Debt Service Fund	\$ -0-	\$ -0-
Capital Fund	\$ -0-	\$ -0-
Total Claims	\$ 1,803.49	\$ 3,144.38

C. Review and consider acceptance of unaudited financial statements for the period ending March 31, 2020 (enclosure).

- D. Consider setting the date for a Public Hearing to adopt the 2021 Budget for November 19, 2020, at 6:30 p.m., to be held at Fire Station No. 5, 14051 Colorado Boulevard, Thornton, Colorado 80602.
-

III. LEGAL MATTERS

- A. _____

IV. OTHER MATTERS

- A. _____

- V. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 19, 2020 – BUDGET HEARING.**

NOTICE OF CANCELLATION
and
CERTIFIED STATEMENT OF RESULTS
§1-13.5-513(6), 32-1-104, 1-11-103(3) C.R.S.

NOTICE IS HEREBY GIVEN by the Fallbrook Metropolitan District, Adams County, Colorado, that at the close of business on the sixty-third day before the election, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the election to be held on May 5, 2020 is hereby canceled pursuant to section 1-13.5-513(6) C.R.S.

The following candidates are declared elected for the following terms of office:

<u>Name</u>	<u>Term</u>
Joshua Bastian	Second Regular Election, May 2023
Vacant	Second Regular Election, May 2023
Vacant	Second Regular Election, May 2023
Vacant	Next Regular Election, May 2022

/s/ David Solin
(Designated Election Official)

Contact Person for the District:	David Solin
Telephone Number of the District:	303-987-0835
Address of the District:	141 Union Boulevard, Suite 150, Lakewood, CO 80228
District Facsimile Number:	303-987-2032
District Email:	dsolin@sdmsi.com

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FALLBROOK METROPOLITAN DISTRICT HELD NOVEMBER 21, 2019

A Special Meeting of the Board of Directors of Fallbrook Metropolitan District (referred to hereafter as "Board") was convened on Thursday, November 21, 2019, at 6:30 p.m., at Fire Station No. 5, 14051 Colorado Boulevard, Thornton, Colorado 80602. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Joshua Bastian
Steven Slaughter

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq.; McGeady Becher P.C. (vis speakerphone for a portion of the meeting)

Matt Vigil; CliftonLarsonAllen LLP

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting in accordance with the statute. It was noted that all Directors' Disclosure Statements have been filed. It was noted that Director Bastian is a Board Member on the Fallbrook Farms Homeowners Association and the Fallbrook Farms Patio Homes Association.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Slaughter, seconded by Director Bastian and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director Slaughter, seconded by Director Bastian, and upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the District boundaries.

Minutes: The Board reviewed the minutes of the July 22, 2019 Regular Meeting.

Following discussion, upon motion duly made by Director Bastian, seconded by Director Slaughter and, upon vote, unanimously carried, the Board approved the minutes of the July 22, 2019 Regular Meeting, as presented.

New Legislation Regarding Posting Meeting Notices: Mr. Solin reviewed with the Board new legislation regarding posting meeting notices and establishment of a website.

Resolution 2019-11-01 Establishing 2020 Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for 24-Hour Notices: The Board discussed Resolution No. 2019-11-01 Establishing 2020 Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2020 to meet the statutory compliance requirements. The Board determined to meet on June 18, 2020 and November 19, 2020 at 6:30 p.m. at Fire Station No. 5; 14051 Colorado Boulevard, Thornton, Colorado.

Following discussion, upon motion duly made by Director Slaughter, seconded by Director Bastian and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-01 Establishing 2020 Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices. A copy of the resolution is attached hereto and incorporated herein.

RECORD OF PROCEEDINGS

Eligible Governmental Entity (“EGE”) Agreement Between the Statewide Internet Portal Authority (“SIPA”) and the District: The Board reviewed an EGE Agreement between the District and SIPA for the development of a website for the District.

Following discussion, upon motion duly made by Director Slaughter, seconded by Director Bastian and, upon vote, unanimously carried, the Board approved the EGE Agreement between the District and SIPA.

McGeady Becher P.C. Document Retention Policy: Attorney Williams presented to the Board an update to the McGeady Becher P.C. Document Retention Policy.

Following discussion, the Board acknowledged the update and directed a copy of the approved McGeady Becher P.C. Document Retention Policy be attached hereto and incorporated herein by this reference.

§32-1-809, C.R.S. reporting requirements, mode of eligible elector notification: Mr. Solin discussed with the Board §32-1-809, C.R.S.; Transparency Notice reporting requirements and mode of eligible elector notification.

Following discussion, upon motion duly made by Director Bastian, seconded by Director Slaughter and, upon vote, unanimously carried, the Board authorized staff to post the required Transparency Notice on the Special District Association website to meet the statutory requirement.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

	Period Ending July 11, 2019	Period Ending Aug. 8, 2019	Period Ending Sept. 9, 2019
General Fund	\$ 2,171.15	\$ 2,472.94	\$ 11,662.39
Debt Service Fund	\$ -0-	\$ 500.00	\$ -0-
Capital Fund	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 2,171.15	\$ 2,972.94	\$ 11,662.39

	Period Ending Oct. 9, 2019
General Fund	\$ 1,305.22
Debt Service Fund	\$ -0-
Capital Fund	\$ -0-
Total Claims	\$ 1,305.22

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Slaughter, seconded by Director Bastian and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

The Board then considered the approval of the payment of claims through the period ending November 11, 2019, in the amount of \$1,018.20.

Following discussion, upon motion duly made by Director Bastian, seconded by Director Slaughter and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending November 11, 2019, as presented.

Loan Prepayment Options: Mr. Solin discussed loan prepayment options with the Board. No action was taken.

Financial Statements: Mr. Vigil reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2019, and the schedule of Cash Position updated as of November 6, 2019.

Following discussion, upon motion duly made by Director Bastian, seconded by Director Slaughter and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2019, and the schedule of Cash Position updated as of November 6, 2019, as presented.

Preparation of 2019 Audit: The Board discussed the preparation of the 2019 Audit.

Following discussion, upon motion duly made by Director Slaughter, seconded by Director Bastian and, upon vote, unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. to perform the 2019 Audit, for an amount not-to-exceed \$4,300.

2019 Budget Amendment Hearing: The Board opened the public hearing to consider the Resolution to Amend the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following review and discussion, Director Bastian moved to adopt the Resolution to Amend 2019 Budget, Director Slaughter seconded the motion

RECORD OF PROCEEDINGS

and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-02 to Amend the 2019 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2020 Budget Hearing: The President opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Mr. Vigil reviewed the estimated 2019 expenditures and the proposed 2020 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2019-11-03 to Adopt the 2020 Budget and Appropriate Sums of Money, and Resolution No. 2019-11-04 to Set Mill Levies, (for the General Fund at 2.333 mills and the Debt Service Fund at 40.000 mills), for a total mill levy of 42.333 mills. Upon motion duly made by Director Bastian, seconded by Director Slaughter and, upon vote, unanimously carried, Resolution Nos. 2019-11-03 and 2019-11-04 were adopted, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Adams County and the Division of Local Government, not later than December 15, 2019. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Bastian, seconded by Director Slaughter and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

RECORD OF PROCEEDINGS

LEGAL MATTERS

Election Resolution: The Board discussed Resolution No. 2019-11-05; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director Bastian, seconded by Director Slaughter and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-05; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing David Solin, as the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

OTHER MATTERS

There were no other matters.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

Document Retention Policy

Types of Documents

In representing you we will, or may, take possession of, create, and/or keep various types of documents. These consist of documents you provide to us, documents which constitute the District's official public record, and internal documents we create to assist us in providing services to you.

Documents You Provide to Us

It is our policy to copy and return original documents you provide to us as soon as practicable. Exceptions to this policy are original documents which should be kept as part of the District's official public record, instances where we must have an original document to represent you, and cases where we have affirmatively agreed retain a document for safekeeping.

The District's Record

As a part our engagement, we will maintain the District's official public Record (the "Record"). The Record is a highly useful and detailed compilation of documents reflecting the official actions of the District and serves multiple functions. First, it collects those documents which the public is entitled to inspect and copy under various state and federal public records and freedom of information statutes. Second, it organizes the records of the District - such as its contracts, land and title records, and easements - in a manner which is useful in conducting the ongoing business of the District. Third, the Record helps expedite the District's annual audit process. Fourth, in the event you should change legal counsel or employ in-house counsel, the Record will enable that counsel to understand the status and assume representation of the District with maximum efficiency.

The Record includes the District's organizational documents, fully-executed agreements which are still in effect, rules, regulations, resolutions adopted by the District, official minutes books, meeting notices, agendas, insurance policies, District maps, election records, bond documents, audit documents, and many more. A comprehensive list of documents comprising the Record is available from us at any time upon request.

Creating and maintaining the Record is an important and complex task, and you agree to pay our actual costs and hourly fees associated with doing this.

Supplemental Documents

All other documents created in course of representing you are referred to as Supplemental Documents. These include our notes, drafts, memoranda, worksheets, electronic communications, and other electronic documents stored in various media or file servers.

Documents We Retain

Except as provided in this Document Retention Policy or an amendment thereto, we will keep the Record and any original documents accepted by us for safekeeping so long as we represent you.

Delivery of the Record

Once a matter is concluded, or our representation terminated, we deliver to you or the District's designee the original, printed Record, together with any original documents we have accepted for safekeeping, provided our fees and costs have been paid in full.

If you do not designate someone to receive these records, we will deliver them to a then-current officer or director of the District. If we are unable to deliver these documents for any reason, we may retain, destroy, or otherwise dispose of them in manner which assures their continued confidentiality within thirty (30) days of our concluding that an authorized recipient cannot be readily located.

We will also confidentially destroy the Record of any District in our possession if a final order of dissolution of the District is entered.

All other documents, including all Supplemental Documents, are routinely, periodically, confidentially, and permanently purged by us once they are no longer useful to us in providing services to you.

RESOLUTION NO. 2019-11-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE FALLBROOK METROPOLITAN DISTRICT
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION,
ESTABLISHING DISTRICT WEBSITE AND
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings ("**Notice of Meeting**") will be physically posted at least 24 hours prior to each meeting ("**Designated Public Place**"). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

C. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting, if a special district posts the Notice of Meeting online at a public website of the special district ("**District Website**") at least 24 hours prior to each regular and special meeting

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

E. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

F. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District (the "**District**"), Adams County, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2020 shall be held on June 18, 2020 and November 19, 2020 at 6:30 p.m., at the offices of Fire Station No. 5, 14051 Colorado Boulevard, Thornton, in Adams County, Colorado.

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District Board authorizes establishment of a District Website, if such District Website does not already exist, in order to provide full and timely notice of regular and special meetings of the District Board online pursuant to the provisions of Section 24-6-402(2)(c)(III), C.R.S.

8. That, if the District has established a District Website, the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

9. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

- (a) At the northwest corner of the District’s boundary along 144th Avenue and Detroit Street

10. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING
DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND
DESIGNATING LOCATION FOR 24-HOUR NOTICES]**

RESOLUTION APPROVED AND ADOPTED on November 21, 2019.

**FALLBROOK METROPOLITAN
DISTRICT**

By: _____

President

Attest:

Secretary

RESOLUTION NO. 2019 - 11 - 03
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FALLBROOK METROPOLITAN DISTRICT
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Fallbrook Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 21, 2019 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Fallbrook Metropolitan District for the 2020 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.
3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 21st day of November, 2019.




Secretary

EXHIBIT A
(Budget)



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Fallbrook Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Fallbrook Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ended December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved, as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions, which describe that the budget is presented in accordance with the requirements of C.R.S 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Fallbrook Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 8, 2020

**FALLBROOK METROPOLITAN DISTRICT
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 330,058	\$ 663,596	\$ 945,510
REVENUES			
Property taxes	903,947	906,918	982,942
Specific ownership taxes	79,113	69,800	78,636
Interest income	18,858	20,300	7,404
Total revenues	<u>1,001,918</u>	<u>997,018</u>	<u>1,068,982</u>
Total funds available	<u>1,331,976</u>	<u>1,660,614</u>	<u>2,014,492</u>
EXPENDITURES			
General Fund	33,218	42,000	60,000
Debt Service Fund	635,162	673,104	685,869
Total expenditures	<u>668,380</u>	<u>715,104</u>	<u>745,869</u>
Total expenditures and transfers out requiring appropriation	<u>668,380</u>	<u>715,104</u>	<u>745,869</u>
ENDING FUND BALANCES	<u>\$ 663,596</u>	<u>\$ 945,510</u>	<u>\$ 1,268,623</u>
EMERGENCY RESERVE	\$ 1,800	\$ 1,710	\$ 1,800
DEBT SERVICE RESERVE	563,833	831,166	1,155,034
TOTAL RESERVE	<u>\$ 565,633</u>	<u>\$ 832,876</u>	<u>\$ 1,156,834</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**FALLBROOK METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION			
Residential	\$ -	\$ 21,048,370	\$ 22,788,270
Agricultural	-	90	90
State assessed	-	1,420	1,520
Personal property	-	373,540	429,400
Certified Assessed Value	<u>\$ 21,348,710</u>	<u>\$ 21,423,420</u>	<u>\$ 23,219,280</u>
General	2.342	2.333	2.333
Debt Service	40.000	40.000	40.000
MILL LEVY	<u>42.342</u>	<u>42.333</u>	<u>42.333</u>
PROPERTY TAXES			
General	\$ 49,999	\$ 49,981	\$ 54,171
Debt Service	853,948	856,937	928,771
Levied property taxes	<u>903,947</u>	<u>906,918</u>	<u>982,942</u>
Adjustments to actual/rounding	-	-	-
PROPERTY TAXES	<u>\$ 903,947</u>	<u>\$ 906,918</u>	<u>\$ 982,942</u>
BUDGETED PROPERTY TAXES			
General	\$ 49,999	\$ 49,981	\$ 54,171
Debt Service	853,948	856,937	928,771
BUDGETED PROPERTY TAXES	<u>\$ 903,947</u>	<u>\$ 906,918</u>	<u>\$ 982,942</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**FALLBROOK METROPOLITAN DISTRICT
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 76,084	\$ 99,763	\$ 114,344
REVENUES			
Property taxes	49,999	49,981	54,171
Specific ownership taxes	4,376	3,800	4,334
Interest income	2,522	2,800	740
Total revenues	<u>56,897</u>	<u>56,581</u>	<u>59,245</u>
Total funds available	<u>132,981</u>	<u>156,344</u>	<u>173,589</u>
EXPENDITURES			
General and administrative			
Accounting	10,457	17,000	17,000
Audit	6,202	6,000	6,000
County Treasurer's fee	750	750	813
Insurance	3,234	2,858	3,500
District management	7,328	9,000	9,000
Legal	2,945	5,000	5,000
Miscellaneous	1,598	1,072	3,000
Election	704	-	800
Contingency/Emergency Reserve	-	-	14,557
Total expenditures	<u>33,218</u>	<u>42,000</u>	<u>60,000</u>
Total expenditures requiring appropriation	<u>33,218</u>	<u>42,000</u>	<u>60,000</u>
ENDING FUND BALANCE	<u>\$ 99,763</u>	<u>\$ 114,344</u>	<u>\$ 113,589</u>
EMERGENCY RESERVE	<u>\$ 1,800</u>	<u>\$ 1,710</u>	<u>\$ 1,800</u>
TOTAL RESERVE	<u>\$ 1,800</u>	<u>\$ 1,710</u>	<u>\$ 1,800</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**FALLBROOK METROPOLITAN DISTRICT
DEBT SERVICE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 253,974	\$ 563,833	\$ 831,166
REVENUES			
Property taxes	853,948	856,937	928,771
Specific ownership taxes	74,737	66,000	74,302
Interest income	16,336	17,500	6,664
Total revenues	<u>945,021</u>	<u>940,437</u>	<u>1,009,737</u>
Total funds available	<u>1,198,995</u>	<u>1,504,270</u>	<u>1,840,903</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	12,815	12,854	13,932
Paying agent fees	500	500	500
Debt Service			
Loan interest	121,847	109,750	96,437
Loan principal	500,000	510,000	535,000
Optional principal prepayment	-	40,000	40,000
Total expenditures	<u>635,162</u>	<u>673,104</u>	<u>685,869</u>
Total expenditures and transfers out requiring appropriation	<u>635,162</u>	<u>673,104</u>	<u>685,869</u>
ENDING FUND BALANCE	<u>\$ 563,833</u>	<u>\$ 831,166</u>	<u>\$ 1,155,034</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**FALLBROOK METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Fallbrook Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on December 5, 2005 upon recording of the Order and Decree Creating District with Adams County Clerk and Recorder, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the County of Adams, Colorado.

The District was established to finance and construct certain public infrastructure improvements including sanitary and storm sewers, streets, water, safety protection, and other improvements that benefit the citizens of the District.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

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

The calculation of the taxes levied is displayed on Property Tax Summary page of the budget at the adopted total mill levy of 42.333 mills, of which 2.333 mills is for operations and maintenance and 40.000 mills is for debt service.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes the District's share will be equal to approximately 8.0% of the property taxes collected by the General Fund and the Debt Service Fund.

**FALLBROOK METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting and audit, insurance, banking, meeting expense and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt Service

The District issued its \$6,520,000 General Obligation Refunding Loan, Series 2015 dated July 17, 2015 ("Series 2015 Loan") for the purpose of advance-refunding all of the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2006, refund on a current basis the District's Subordinate Convertible Capital Appreciation General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2007, and pay the cost of issuance of the Loan. The Series 2015 Loan bears interest at a fixed rate of 2.42% per annum, payable semiannually on each June 1 and December 1, commencing on December 1, 2015. The Series 2015 Loan is due December 1, 2026. The District may, at its option, prepay the Loan, in part, on December 1 of each year commencing on December 1, 2015 in the maximum principal amount of up to \$40,000 each December 1, at a prepayment price equal to the sum of the principal so prepaid together with accrued and unpaid interest thereon to the date of prepayment.

Debt and Leases

Principal and interest payments are provided based on the debt amortization schedule from the Series 2015 Loan. The District's current debt service schedule is attached.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending, as defined under the TABOR Amendment.

This information is an integral part of the accompanying budget.

**FALLBROOK METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

2015 Loan

Loan Issued: July 17, 2015 **\$6,520,000**

Loan Dated: July 17, 2015

Interest Rate: 2.42%

Interest Payments on June 1 and December 1.

Principal Payments Due December 1.

Year	Principal	Optional Prepayment Principal	Coupon	Interest	Total Annual Debt Service	Principal Outstanding	Year
2020	535,000	40,000	2.42%	96,437	671,437	3,410,000	2020
2021	550,000	40,000	2.42%	82,522	672,522	2,820,000	2021
2022	575,000	40,000	2.42%	68,244	683,244	2,205,000	2022
2023	585,000	40,000	2.42%	53,361	678,361	1,580,000	2023
2024	615,000	40,000	2.42%	38,236	693,236	925,000	2024
2025	630,000	40,000	2.42%	22,385	692,385	255,000	2025
2026	255,000	-	2.42%	6,171	261,171	-	2026
	3,745,000	240,000		367,356	4,352,356		

This financial information should be read only in connection with the accompanying accountant's
compilation report and summary of significant assumptions.

I, David Solin, hereby certify that I am the duly appointed Secretary of the Fallbrook Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the Fallbrook Metropolitan District held on November 21, 2019.

By:  _____
Secretary

RESOLUTION NO. 2019 - 11 - 04
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FALLBROOK METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Fallbrook Metropolitan District ("District") has adopted the 2020 annual budget in accordance with the Local Government Budget Law on November 21, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Adams County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 21st day of November, 2019.




Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of ADAMS COUNTY, Colorado.

On behalf of the FALLBROOK METROPOLITAN DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS,
(governing body)^B

of the FALLBROOK METROPOLITAN DISTRICT,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 23,219,280 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ 23,219,280 (NET^G 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: 12/10/2019 for budget/fiscal year 2020.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>2.333</u> mills	\$ <u>54,171</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>2.333</u> mills	\$ <u>54,171</u>
3. General Obligation Bonds and Interest ^J	<u>40.000</u> mills	\$ <u>928,771</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>42.333</u> mills	\$ <u>982,942</u>

Contact person: (print) Gigi Pangindian Daytime phone: (303) 779-5710
Signed: Gigi Pangindian Title: Accountant for the District

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, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ 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.
² 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).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: Refund 2006 and 2007 General Obligation Bonds
Title: General Obligation Refunding Loan 2015
Date: July 17, 2015
Principal Amount: \$6,520,000
Maturity Date: December 1, 2026
Levy: 40.000 mills
Revenue: \$928,771

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION NO. 2019-11-05

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
FALLBROOK METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020**

A. The term of the office of Director Joshua S. Bastian shall expire upon the election of his successor at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successor taking office.

B. Three vacancies currently exist on the Board of Directors of the District.

C. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect one (1) Director to serve until the next regular election, to occur May 3, 2022, and three (3) Directors to serve until the second regular election, to occur May 2, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District (the “**District**”) of the County of Adams, Colorado:

1. Date and Time of Election. The Election shall be held on May 5, 2020, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, one (1) Director shall be elected to serve until the next regular election, to occur May 3, 2022, and three (3) Directors shall be elected to serve until the second regular election, to occur May 2, 2023.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. David Solin shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, CO 80228, between the hours of 8:00 a.m. and

5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 28, 2020).

6. Self-Nomination and Acceptance Forms. Self-nomination and acceptance forms are available at the office of the Designated Election Official located at the above address. All candidates must file a self-nomination and acceptance form with the Designated Election Official no later than 3:00 P.M. on February 28, 2020.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 3, 2020, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

8. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

9. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

10. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of Fallbrook Metropolitan District.

[SIGNATURE PAGE FOLLOWS]

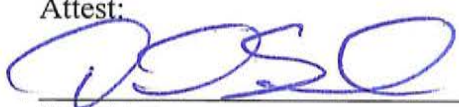
**[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020]**

RESOLUTION APPROVED AND ADOPTED on November 21, 2019.

**FALLBROOK METROPOLITAN
DISTRICT**

By: 

President

Attest:


Secretary

**FALLBROOK METROPOLITAN DISTRICT
Adams County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2019

**FALLBROOK METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2019**

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INSERT INDEPENDENT AUDITOR'S REPORT

BASIC FINANCIAL STATEMENTS

**FALLBROOK METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 117,625
Cash and Investments - Restricted	838,505
Prepaid Insurance	400
Receivable - County Treasurer	5,650
Property Taxes Receivable	982,942
Total Assets	1,945,122
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Cost on Refunding	260,990
Total Deferred Outflows of Resources	260,990
LIABILITIES	
Accounts Payable	5,121
Accrued Interest Payable	8,036
Noncurrent Liabilities:	
Due within One Year	535,000
Due in More Than One Year	3,450,000
Total Liabilities	3,998,157
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	982,942
Total Deferred Inflows of Resources	982,942
NET POSITION	
Restricted for:	
Emergency Reserves	1,700
Debt Service	842,144
Unrestricted	(3,618,831)
Total Net Position	\$ (2,774,987)

See accompanying Notes to Basic Financial Statements.

(1)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

**FALLBROOK METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS				
Primary Government:				
Governmental Activities:				
General Government	\$ 41,479	\$ -	\$ -	\$ (41,479)
Interest and Related Costs on Long-Term Debt	159,730	-	-	(159,730)
	\$ 201,209	\$ -	\$ -	(201,209)
GENERAL REVENUES				
Property Taxes				906,918
Specific Ownership Taxes				73,644
Interest Income				27,487
Total General Revenues				1,008,049
CHANGE IN NET POSITION				806,840
Net Position - Beginning of Year				(3,581,827)
NET POSITION - END OF YEAR				\$ (2,774,987)

See accompanying Notes to Basic Financial Statements.

(2)
DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

**FALLBROOK METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

ASSETS	General	Debt Service	Total Governmental Funds
Cash and Investments	\$ 117,625	\$ -	\$ 117,625
Cash and Investments - Restricted	1,700	836,805	838,505
Prepaid Insurance	400	-	400
Receivable - County Treasurer	311	5,339	5,650
Property Taxes Receivable	54,171	928,771	982,942
Total Assets	174,207	1,770,915	1,945,122
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	5,121	-	5,121
Total Liabilities	5,121	-	5,121
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	54,171	928,771	982,942
Total Deferred Inflows of Resources	54,171	928,771	982,942
FUND BALANCES			
Nonspendable:			
Prepaid Insurance	400	-	400
Restricted:			
Emergency Reserves	1,700	-	1,700
Debt Service	-	842,144	842,144
Assigned:			
Designated for next year's expenditures	112,815	-	112,815
Total Fund Balances	114,915	842,144	957,059
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 174,207	\$ 1,770,915	

Amounts reported for governmental activities in the statement of net position are different because:

Cost of refunding used in governmental activities are not financial resources and, therefore, are not reported in the funds.	260,990
Long-term liabilities are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.	
Series 2015 Loan Payable	(3,985,000)
Accrued Interest Payable	(8,036)
Net Position of Governmental Activities	\$ (2,774,987)

See accompanying Notes to Basic Financial Statements.

**FALLBROOK METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019**

	General Fund	Debt Service Fund	Total Governmental Funds
REVENUES			
Property Taxes	\$ 49,971	\$ 856,947	\$ 906,918
Specific Ownership Taxes	4,058	69,586	73,644
Interest Income	2,602	24,885	27,487
Total Revenues	<u>56,631</u>	<u>951,418</u>	<u>1,008,049</u>
EXPENDITURES			
Accounting	16,980	-	16,980
Auditing	4,300	-	4,300
County Treasurer's Fees	750	12,860	13,610
Insurance	3,108	-	3,108
District Management	9,867	-	9,867
Legal	5,267	-	5,267
Miscellaneous	1,207	-	1,207
Paying Agent Fees	-	500	500
Optional Prepayment Principal	-	40,000	40,000
Loan Interest	-	109,747	109,747
Loan Principal	-	510,000	510,000
Total Expenditures	<u>41,479</u>	<u>673,107</u>	<u>714,586</u>
NET CHANGE IN FUND BALANCES	15,152	278,311	293,463
Fund Balances - Beginning of Year	<u>99,763</u>	<u>563,833</u>	<u>663,596</u>
FUND BALANCES - END OF YEAR	<u>\$ 114,915</u>	<u>\$ 842,144</u>	<u>\$ 957,059</u>

See accompanying Notes to Basic Financial Statements.

(4)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

**FALLBROOK METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

Net Change in Fund Balances - Governmental Funds	\$ 293,463
--	------------

Amounts reported for governmental activities in the statement of activities are different because:

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Current Year Loan Principal Payment	550,000
-------------------------------------	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest on Loan - Change in liability	1,110
Current year amortization of deferred cost on refunding	<u>(37,733)</u>

Change in Net Position of Governmental Activities	<u><u>\$ 806,840</u></u>
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See accompanying Notes to Basic Financial Statements.

**FALLBROOK METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive – (Negative)
REVENUES			
Property Taxes	\$ 49,981	\$ 49,971	\$ (10)
Specific Ownership Taxes	2,999	4,058	1,059
Interest Income	500	2,602	2,102
Total Revenues	<u>53,480</u>	<u>56,631</u>	<u>3,151</u>
EXPENDITURES			
Accounting	9,180	16,980	(7,800)
Audit	6,000	4,300	1,700
County Treasurer's Fee	750	750	-
Insurance	3,798	3,108	690
District Management	7,140	9,867	(2,727)
Legal	8,670	5,267	3,403
Miscellaneous	3,000	1,207	1,793
Emergency Reserve	1,610	-	1,610
Contingency	31,207	-	31,207
Total Expenditures	<u>71,355</u>	<u>41,479</u>	<u>29,876</u>
NET CHANGE IN FUND BALANCE	(17,875)	15,152	33,027
Fund Balance - Beginning of Year	<u>18,827</u>	<u>99,763</u>	<u>80,936</u>
FUND BALANCE - END OF YEAR	<u>\$ 952</u>	<u>\$ 114,915</u>	<u>\$ 113,963</u>

See accompanying Notes to Basic Financial Statements.

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 DEFINITION OF REPORTING ENTITY

Fallbrook Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized on December 5, 2005 upon recording of the Order and Decree Creating District with Adams County Clerk and Recorder, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was established to finance and construct certain public infrastructure improvements including sanitary and storm sewers, streets, water, safety protection and other improvements that benefit the citizens of the District. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

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

Budgets

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

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Property Taxes

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

Property Taxes (Continued)

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

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred cost on refunding, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

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

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed. In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted.

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

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

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

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

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2019, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 117,625
Cash and Investments - Restricted	838,505
Total Cash and Investments	<u>\$ 956,130</u>

Cash and investments as of December 31, 2019, consist of the following:

Deposits with Financial Institutions	\$ 4,338
Investments - Colotrust	951,792
Total Cash and Investments	<u>\$ 956,130</u>

Deposits with Financial Institutions

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

Deposits with Financial Institutions (Continued)

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

At December 31, 2019, the District's cash deposits had a bank balance of \$4,408 and carrying balance of \$4,338.

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

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

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

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

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

As of December 31, 2019, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted Average Under 60 Days	\$ 951,792
		<u>\$ 951,792</u>

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

The District 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 Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. 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 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. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

All capital assets have been conveyed to the City of Thornton.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2019:

	Balance - December 31, 2018	Additions	Retirements	Balance - December 31, 2019	Due Within One Year
Series 2015 Loan	\$ 4,535,000	\$ -	\$ 550,000	\$ 3,985,000	\$ 535,000
Total	<u>\$ 4,535,000</u>	<u>\$ -</u>	<u>\$ 550,000</u>	<u>\$ 3,985,000</u>	<u>\$ 535,000</u>

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

A description of the long-term obligations as of December 31, 2019, is as follows:

Series 2015 Loan

On July 17, 2015 the District issued its \$6,520,000 General Obligation Refunding Loan, Series 2015 dated July 17, 2015 ("Series 2015 Loan") for the purpose of advance-refunding all of the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2006, refund on a current basis the District's Subordinate Convertible Capital Appreciation General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2007, and pay the cost of issuance of the loan. The Series 2015 Loan bears interest at a fixed rate of 2.42% per annum, payable semiannually on each June 1 and December 1, commencing on December 1, 2015. The Series 2015 Loan is due December 1, 2026. The District may, at its option, prepay the Loan, in part, on December 1 of each year commencing on December 1, 2015 in the maximum principal amount of up to \$40,000 each December 1, at a prepayment price equal to the sum of the principal so prepaid together with accrued and unpaid interest thereon to the date of prepayment. The Series 2015 Loan is secured by the District's covenant to impose the Mill Levy (as defined in the Loan Agreement).

Series 2015 Loan (Continued)

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 535,000	\$ 96,437	\$ 631,437
2021	550,000	83,490	633,490
2022	575,000	70,180	645,180
2023	585,000	56,265	641,265
2024	615,000	42,108	657,108
2025-2026	1,125,000	39,204	1,164,204
Total	<u>\$ 3,985,000</u>	<u>\$ 387,684</u>	<u>\$ 4,372,684</u>

Authorized Debt

At an election held November 1, 2005, a majority of the qualified electors of the District who voted in the election authorized the issuance of general obligation indebtedness in an amount not to exceed \$8,500,000 for providing public improvements; \$500,000 for operations and maintenance and \$9,000,000 for refunding of previously issued indebtedness. After the issuance of the Series 2015 Loan, the District has remaining voted authorization to issue \$500,000 for operations and maintenance and \$9,000,000 for refunding. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

**FALLBROOK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 RELATED PARTIES

The Developer of the property which constitutes the District is Richmond American Homes of Colorado, Inc. (Developer). Subsequent to June 29, 2015, the Board members were all individual property owners within the District.

NOTE 7 RISK MANAGEMENT

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

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

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

NOTE 8 TAX, SPENDING, AND DEBT LIMITATIONS

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

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

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. At December 31, 2019, the District determined its required emergency reserve to be approximately \$1,700.

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

SUPPLEMENTARY INFORMATION

**FALLBROOK METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 856,937	\$ 856,947	\$ 10
Specific Ownership Taxes	51,416	69,586	18,170
Interest Income	1,000	24,885	23,885
Total Revenues	<u>909,353</u>	<u>951,418</u>	<u>42,065</u>
EXPENDITURES			
County Treasurer's Fee	12,860	12,860	-
Paying Agent Fees	2,500	500	2,000
Optional Prepayment Principal	40,000	40,000	-
Loan Interest	110,715	109,747	968
Loan Principal	510,000	510,000	-
Total Expenditures	<u>676,075</u>	<u>673,107</u>	<u>2,968</u>
NET CHANGE IN FUND BALANCE	233,278	278,311	45,033
Fund Balance - Beginning of Year	<u>485,317</u>	<u>563,833</u>	<u>78,516</u>
FUND BALANCE - END OF YEAR	<u>\$ 718,595</u>	<u>\$ 842,144</u>	<u>\$ 123,549</u>

**FALLBROOK METROPOLITAN DISTRICT
 SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
 DECEMBER 31, 2019**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2016	\$ 16,885,500	2.961	40.000	\$ 725,418	\$ 725,418	100.00%
2017	18,236,640	2.741	40.000	779,452	779,452	100.00
2018	21,348,710	2.342	40.000	903,947	903,947	100.00
2019	21,423,420	2.333	40.000	906,918	906,918	100.00
Estimated for Year Ending December 31, 2020	\$ 23,219,280	2.333	40.000	\$ 982,942		

Fallbrook Metropolitan District

December-19

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 3,971.64	\$ -	\$ -	\$ 3,971.64
Total Disbursements from Checking	\$ 3,971.64	\$ -	\$ -	\$ 3,971.64

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1507						
12/11/2019	CliftonLarsonAllen	2283651	Accounting	1-612	1,030.65	1,030.65
12/11/2019	CliftonLarsonAllen	2311086	Accounting	1-612	992.75	992.75
Total 1507:						<u>2,023.40</u>
1508						
12/11/2019	Colorado Community Media	00214285	Miscellaneous	1-685	18.72	18.72
Total 1508:						<u>18.72</u>
1509						
12/11/2019	Special District Management Ser	61065	Management	1-680	1,652.00	1,652.00
12/11/2019	Special District Management Ser	61065	Accounting	1-612	140.00	140.00
12/11/2019	Special District Management Ser	61065	Miscellaneous	1-685	137.52	137.52
Total 1509:						<u>1,929.52</u>
Grand Totals:						<u><u>3,971.64</u></u>

Fallbrook Metropolitan District

January-20

	General	Debt	Capital	Totals
Disbursements	\$ 4,025.35	\$ -	\$ -	\$ 4,025.35
Total Disbursements from Checking	\$ 4,025.35	\$ -	\$ -	\$ 4,025.35

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1510						
01/09/2020	CliftonLarsonAllen	2328033	Accounting	1-612	2,332.80	2,332.80
Total 1510:						2,332.80
1511						
01/09/2020	McGeady Becher P.C.	787W 11/19	Legal	1-675	1,023.00	1,023.00
Total 1511:						1,023.00
1512						
01/09/2020	Special District Management Ser	62583	Management	1-680	476.00	476.00
01/09/2020	Special District Management Ser	62583	Accounting	1-612	168.00	168.00
01/09/2020	Special District Management Ser	62583	Miscellaneous	1-685	25.55	25.55
Total 1512:						669.55
Grand Totals:						4,025.35

Fallbrook Metropolitan District
February-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 1,736.11		\$ -	\$ 1,736.11
Total Disbursements from Checking	\$ 1,736.11	\$ -	\$ -	\$ 1,736.11

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1513						
02/13/2020	CliftonLarsonAllen	2353112	Accounting	1-612	365.66	365.66
Total 1513:						365.66
1514						
02/13/2020	Colorado Community Media	704846	Election	1-635	27.52	27.52
Total 1514:						27.52
1515						
02/13/2020	McGeady Becher P.C.	787W-165	Legal	1-675	60.05	60.05
Total 1515:						60.05
1516						
02/13/2020	Special District Association of C	2020 RENEWAL	Insurance/SDA Dues	1-670	309.38	309.38
Total 1516:						309.38
1517						
02/13/2020	Special District Management Ser	01/2020	Accounting	1-612	294.00	294.00
02/13/2020	Special District Management Ser	01/2020	Management	1-680	518.00	518.00
02/13/2020	Special District Management Ser	01/2020	Miscellaneous	1-685	49.50	49.50
02/13/2020	Special District Management Ser	01/2020	Election	1-635	112.00	112.00
Total 1517:						973.50
Grand Totals:						1,736.11

Fallbrook Metropolitan District

March-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 2,831.04	\$ -	\$ -	\$ 2,831.04
Total Disbursements from Checking	\$ 2,831.04	\$ -	\$ -	\$ 2,831.04

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1518						
03/16/2020	CliftonLarsonAllen	2370983	Accounting	1-612	2,047.08	2,047.08
Total 1518:						2,047.08
1519						
03/16/2020	McGeady Becher P.C.	787W 01/20	Legal	1-675	260.00	260.00
Total 1519:						260.00
1520						
03/16/2020	Special District Management Ser	02/2020	Accounting	1-612	252.00	252.00
03/16/2020	Special District Management Ser	02/2020	Election	1-635	84.00	84.00
03/16/2020	Special District Management Ser	02/2020	Insurance/SDA Dues	1-670	56.00	56.00
03/16/2020	Special District Management Ser	02/2020	Management	1-680	98.00	98.00
03/16/2020	Special District Management Ser	02/2020	Miscellaneous	1-685	33.96	33.96
Total 1520:						523.96
Grand Totals:						2,831.04

Fallbrook Metropolitan District

April-20

	General	Debt	Capital	Totals
Disbursements	\$ 2,265.30		\$ -	\$ 2,265.30
Total Disbursements from Checking	\$ 2,265.30	\$ -	\$ -	\$ 2,265.30

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1521						
04/15/2020	CliftonLarsonAllen	2403016	Accounting	1-612	1,873.20	1,873.20
Total 1521:						1,873.20
1522						
04/15/2020	McGeady Becher P.C.	787W 02/2020	Legal	1-675	40.00	40.00
Total 1522:						40.00
1523						
04/15/2020	Special District Management Ser	03/2020	Accounting	1-612	182.00	182.00
04/15/2020	Special District Management Ser	03/2020	Audit	1-615	28.00	28.00
04/15/2020	Special District Management Ser	03/2020	Election	1-635	84.00	84.00
04/15/2020	Special District Management Ser	03/2020	Management	1-680	42.00	42.00
04/15/2020	Special District Management Ser	03/2020	Miscellaneous	1-685	16.10	16.10
Total 1523:						352.10
Grand Totals:						2,265.30

Fallbrook Metropolitan District
May-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 1,310.77		\$ -	\$ 1,310.77
Total Disbursements from Checking	\$ 1,310.77	\$ -	\$ -	\$ 1,310.77

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1524						
05/11/2020	CliftonLarsonAllen	2448124	Accounting	1-612	794.59	794.59
Total 1524:						794.59
1525						
05/11/2020	Colorado Community Media	00223449	Election	1-635	20.48	20.48
Total 1525:						20.48
1526						
05/11/2020	McGeady Becher P.C.	787W 03/20	Legal	1-675	125.00	125.00
Total 1526:						125.00
1527						
05/11/2020	Special District Management Ser	04/2020	Accounting	1-612	196.00	196.00
05/11/2020	Special District Management Ser	04/2020	Election	1-635	112.00	112.00
05/11/2020	Special District Management Ser	04/2020	Insurance/SDA Dues	1-670	14.00	14.00
05/11/2020	Special District Management Ser	04/2020	Management	1-680	28.00	28.00
05/11/2020	Special District Management Ser	04/2020	Miscellaneous	1-685	20.70	20.70
Total 1527:						370.70
Grand Totals:						1,310.77

Fallbrook Metropolitan District

June-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 1,803.49	\$ -	\$ -	\$ 1,803.49
Total Disbursements from Checking	\$ 1,803.49	\$ -	\$ -	\$ 1,803.49

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1528						
06/15/2020	CliftonLarsonAllen	2487605	Accounting	1-612	457.09	457.09
06/15/2020	CliftonLarsonAllen	2487605	Audit	1-615	600.00	600.00
Total 1528:						<u>1,057.09</u>
1529						
06/15/2020	McGeady Becher P.C.	787W 04/20	Legal	1-675	360.00	360.00
Total 1529:						<u>360.00</u>
1530						
06/15/2020	Special District Management Ser	05/2020	Accounting	1-612	210.00	210.00
06/15/2020	Special District Management Ser	05/2020	Audit	1-615	14.00	14.00
06/15/2020	Special District Management Ser	05/2020	Election	1-635	84.00	84.00
06/15/2020	Special District Management Ser	05/2020	Management	1-680	56.00	56.00
06/15/2020	Special District Management Ser	05/2020	Miscellaneous	1-685	22.40	22.40
Total 1530:						<u>386.40</u>
Grand Totals:						<u><u>1,803.49</u></u>

Fallbrook Metropolitan District

July-20

	General	Debt	Capital	Totals
Disbursements	\$ 3,144.38	\$ 500.00	\$ -	\$ 3,644.38
Total Disbursements from Checking	\$ 3,144.38	\$ 500.00	\$ -	\$ 3,644.38

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1531						
07/07/2020	BOKF, NA	5118592	Paying Agent Fees	2-668	500.00	500.00
Total 1531:						500.00
1532						
07/07/2020	CliftonLarsonAllen	2521652	Accounting	1-612	1,119.28	1,119.28
07/07/2020	CliftonLarsonAllen	2521652	Audit	1-615	450.00	450.00
Total 1532:						1,569.28
1533						
07/07/2020	McGeady Becher P.C.	787W 05/20	Legal	1-675	545.00	545.00
Total 1533:						545.00
1534						
07/07/2020	Special District Management Ser	06/2020	Accounting	1-612	238.00	238.00
07/07/2020	Special District Management Ser	06/2020	Audit	1-615	56.00	56.00
07/07/2020	Special District Management Ser	06/2020	Election	1-635	56.00	56.00
07/07/2020	Special District Management Ser	06/2020	Management	1-680	658.00	658.00
07/07/2020	Special District Management Ser	06/2020	Miscellaneous	1-685	22.10	22.10
Total 1534:						1,030.10
Grand Totals:						3,644.38

FALLBROOK METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2020

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FALLBROOK METROPOLITAN DISTRICT
 BALANCE SHEET - GOVERNMENTAL FUNDS
 JUNE 30, 2020

	General	Debt Service	Total
ASSETS			
First Bank - Checking	\$ 156	\$ -	\$ 156
Colotrust	139,768	1,386,492	1,526,260
BOK Financial - Loan Payment Fund	-	623	623
Receivable from County Treasurer	20,209	346,562	366,771
TOTAL ASSETS	\$ 160,133	\$ 1,733,677	\$ 1,893,810
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 5,286	\$ 500	\$ 5,786
Total Liabilities	5,286	500	5,786
FUND BALANCES			
Total Fund Balances	154,878	1,733,146	1,888,024
TOTAL LIABILITIES AND FUND BALANCES	\$ 160,164	\$ 1,733,646	\$ 1,893,810

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No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

FALLBROOK METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE SIX MONTHS ENDED JUNE 30, 2020

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Property taxes	\$ 54,171	\$ 53,366	\$ (805)
Specific ownership taxes	4,334	1,821	(2,513)
Interest income	740	819	79
TOTAL REVENUES	<u>59,245</u>	<u>56,006</u>	<u>(3,239)</u>
EXPENDITURES			
Accounting	17,000	9,117	7,883
Audit	6,000	-	6,000
County Treasurer's fee	813	797	16
Insurance	3,500	414	3,086
District management	9,000	2,418	6,582
Legal	5,000	1,270	3,730
Election	800	496	304
Contingency/Emergency Reserve	14,557	-	14,557
Directors' fees	330	-	330
Miscellaneous	3,000	606	2,394
TOTAL EXPENDITURES	<u>60,000</u>	<u>15,118</u>	<u>44,882</u>
NET CHANGE IN FUND BALANCES	(755)	40,888	41,643
FUND BALANCES - BEGINNING	<u>114,344</u>	<u>113,991</u>	<u>(353)</u>
FUND BALANCES - ENDING	<u>\$ 113,589</u>	<u>\$ 154,879</u>	<u>\$ 41,290</u>

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SUPPLEMENTARY INFORMATION

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FALLBROOK METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE SIX MONTHS ENDED JUNE 30, 2020

DEBT SERVICE FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Property taxes	\$ 928,771	\$ 915,983	\$ (12,788)
Specific ownership taxes	74,302	31,227	(43,075)
Interest income	6,664	5,671	(993)
TOTAL REVENUES	<u>1,009,737</u>	<u>952,881</u>	<u>(56,856)</u>
EXPENDITURES			
County Treasurer's fee	13,932	13,660	272
Optional principal prepayment	40,000	-	40,000
Loan interest	96,437	48,219	48,218
Loan principal	535,000	-	535,000
Paying agent fees	500	500	-
TOTAL EXPENDITURES	<u>685,869</u>	<u>62,379</u>	<u>623,490</u>
NET CHANGE IN FUND BALANCES	323,868	890,502	566,634
FUND BALANCES - BEGINNING	<u>831,166</u>	<u>842,644</u>	<u>11,478</u>
FUND BALANCES - ENDING	<u><u>\$ 1,155,034</u></u>	<u><u>\$ 1,733,146</u></u>	<u><u>\$ 578,112</u></u>

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**FALLBROOK METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Fallbrook Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on December 5, 2005 upon recording of the Order and Decree Creating District with Adams County Clerk and Recorder, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the County of Adams, Colorado.

The District was established to finance and construct certain public infrastructure improvements including sanitary and storm sewers, streets, water, safety protection, and other improvements that benefit the citizens of the District.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

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

The calculation of the taxes levied is displayed on Property Tax Summary page of the budget at the adopted total mill levy of 42.333 mills, of which 2.333 mills is for operations and maintenance and 40.000 mills is for debt service.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes the District's share will be equal to approximately 8.0% of the property taxes collected by the General Fund and the Debt Service Fund.

**FALLBROOK METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting and audit, insurance, banking, meeting expense and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt Service

The District issued its \$6,520,000 General Obligation Refunding Loan, Series 2015 dated July 17, 2015 ("Series 2015 Loan") for the purpose of advance-refunding all of the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2006, refund on a current basis the District's Subordinate Convertible Capital Appreciation General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2007, and pay the cost of issuance of the Loan. The Series 2015 Loan bears interest at a fixed rate of 2.42% per annum, payable semiannually on each June 1 and December 1, commencing on December 1, 2015. The Series 2015 Loan is due December 1, 2026. The District may, at its option, prepay the Loan, in part, on December 1 of each year commencing on December 1, 2015 in the maximum principal amount of up to \$40,000 each December 1, at a prepayment price equal to the sum of the principal so prepaid together with accrued and unpaid interest thereon to the date of prepayment.

Debt and Leases

Principal and interest payments are provided based on the debt amortization schedule from the Series 2015 Loan. The District's current debt service schedule is attached.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending, as defined under the TABOR Amendment.

This information is an integral part of the accompanying budget.

**FALLBROOK METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

2015 Loan

Loan Issued: July 17, 2015 **\$6,520,000**

Loan Dated: July 17, 2015

Interest Rate: 2.42%

Interest Payments on June 1 and December 1.

Principal Payments Due December 1.

Year	Principal	Optional Prepayment Principal	Coupon	Interest	Total Annual Debt Service	Principal Outstanding	Year
2020	535,000	40,000	2.42%	96,437	671,437	3,410,000	2020
2021	550,000	40,000	2.42%	82,522	672,522	2,820,000	2021
2022	575,000	40,000	2.42%	68,244	683,244	2,205,000	2022
2023	585,000	40,000	2.42%	53,361	678,361	1,580,000	2023
2024	615,000	40,000	2.42%	38,236	693,236	925,000	2024
2025	630,000	40,000	2.42%	22,385	692,385	255,000	2025
2026	255,000	-	2.42%	6,171	261,171	-	2026
	3,745,000	240,000		367,356	4,352,356		

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

FALLBROOK METROPOLITAN DISTRICT
Property Taxes Reconciliation
2019

	Current Year							Prior Year					
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County	Due from County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
									Monthly	Y-T-D		Monthly	Y-T-D
January	\$ 9,617.38	\$ -	\$ 5,737.32	\$ -	\$ (144.26)	\$ -	\$ -	\$ 15,210.44	0.98%	0.98%	\$ 11,871.69	0.59%	0.59%
February	\$ 445,098.96	\$ -	\$ 6,176.28	\$ -	\$ (6,676.48)	\$ -	\$ -	444,598.76	45.28%	46.26%	\$ 401,067.12	44.18%	44.78%
March	\$ 32,984.39	\$ -	\$ 5,039.27	\$ 16.02	\$ (495.01)	\$ -	\$ -	37,544.67	3.36%	49.62%	\$ 35,761.91	3.40%	48.17%
April	\$ 48,053.04	\$ -	\$ 3,331.42	\$ -	\$ (720.80)	\$ -	\$ -	50,663.66	4.89%	54.51%	\$ 51,351.14	5.18%	53.36%
May	\$ 65,566.60	\$ -	\$ 7,812.89	\$ 14.29	\$ (983.71)	\$ -	\$ -	72,410.07	6.67%	61.18%	\$ 40,332.85	3.89%	57.25%
June	\$ 367,206.76	\$ -	\$ 4,950.80	\$ 49.94	\$ (5,436.21)	\$ -	\$ -	366,771.29	37.36%	98.53%	\$ 379,942.44	41.86%	99.11%
July	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	98.53%	\$ 9,558.34	0.42%	99.53%
August	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	98.53%	\$ 8,752.98	0.16%	99.69%
September	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	98.53%	\$ 8,635.08	0.19%	99.88%
October	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	98.53%	\$ 5,392.26	0.00%	99.88%
November	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	98.53%	\$ 9,034.79	0.12%	100.00%
December (Accrued)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	98.53%	\$ 5,650.02	0.00%	100.00%
	\$ 968,527.13	\$ -	\$ 33,047.98	\$ 80.25	\$ (14,456.47)	\$ -	\$ -	\$ 987,198.89	98.53%	98.53%	\$ 967,350.62	100.00%	100.00%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
--------------	-------------	--------------------------	------------------------------

Property Tax

General Fund	2.333 mills	\$ 54,171.00	5.51%	\$ 53,365.84	98.51%
Debt Service Fund	40.000 mills	\$ 928,771.00	94.49%	\$ 915,161.29	98.53%
		\$ 982,942.00	100.00%	\$ 968,527.13	98.53%

Specific Ownership Tax

General Fund	\$ 4,334.00	5.51%	\$ 1,820.94	42.02%
Debt Service Fund	74,302.00	94.49%	31,227.04	42.03%
	\$ 78,636.00	100.00%	\$ 33,047.98	42.03%

Treasurer's Fees

General Fund	\$ 813.00	5.51%	\$ 796.55	97.98%
Debt Service Fund	74,302.00	94.49%	13,659.92	18.38%
	\$ 75,115.00	100.00%	\$ 14,456.47	19.25%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

FALLBROOK METROPOLITAN DISTRICT
Schedule of Cash Position
June 30, 2020
Updated as of July 21, 2020

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<u>First Bank Checking</u>			
Balance as of 6/30/2019	\$ 156.20	\$ -	\$ 156.20
Subsequent activities:			
<i>Transfer from ColoTrust</i>	<i>3,750.00</i>	<i>-</i>	<i>3,750.00</i>
<i>Checks #1531-#1534</i>	<i>(3,644.38)</i>	<i>-</i>	<i>(3,644.38)</i>
Anticipated Balance	<u>261.82</u>	<u>-</u>	<u>261.82</u>
<u>ColoTrust</u>			
Balance as of 6/30/2019	\$ 139,767.94	\$ 1,386,491.53	1,526,259.47
Subsequent activities:			
<i>Transfer to 1st Bank</i>	<i>(3,750.00)</i>		<i>(3,750.00)</i>
Anticipated Balance	<u>136,017.94</u>	<u>1,386,491.53</u>	<u>1,522,509.47</u>
<u>BOK Financial Loan Payment Fund</u>			
Balance as of 6/30/2019	\$ -	\$ 622.84	\$ 622.84
Subsequent activities:			
Anticipated Balance	<u>-</u>	<u>622.84</u>	<u>622.84</u>
<i>Anticipated Balances</i>	<u>\$ 136,279.76</u>	<u>\$ 1,387,114.37</u>	<u>\$ 1,523,394.13</u>

Yield information (as of 06/30/19):

Colotrust - .46%