

THREE SPRINGS METROPOLITAN DISTRICT NO. 4
CITY OF DURANGO, COLORADO
2022 ANNUAL REPORT

City of Durango,
via Email

Division of Local Government,
via E-Filing Portal
1313 Sherman Street
Room 521
Denver, Colorado 80203

Office of the State Auditor,
via E-Filing Portal
1525 Sherman Street, 7th Floor
Denver, Colorado 80203

La Plata County Clerk and Recorder,
via Email

The following information and documents (attached as exhibits) are provided for the above-referenced calendar year pursuant to Section XI of the Service Plan of the Three Springs Metropolitan District No. 4 (the “**District**”) approved by the City Council of the City of Durango (the “**City**”) and filed with the District Court and City Clerk:

1. Boundary changes made in 2022:

There were no changes made to the District’s boundaries during the calendar year 2022.

2. Intergovernmental Agreements entered into or terminated in 2022:

The District did not enter into or terminate any Intergovernmental Agreements in 2022.

3. Bylaws, Rules and Regulations of the District Regarding Bidding, Conflict of Interest, Contracting and Other Government Matters.

The District’s bylaws were filed with the District’s 2007 Annual Report. The District’s amended and restated bylaws were filed with the District’s 2020 Annual Report. Attached as Exhibit A are the current conflict of interest disclosures for all directors.

4. Access information to obtain a copy of the Rules and Regulations:

The District has not adopted Rules and Regulations; however, the District has adopted bylaws and can be found on its public website: <https://www.threespringsdurango.com/residents-builders-businesses/metro-district/>

5. A summary of any litigation involving public improvements by the District:

The District is not aware of any litigation involving public improvements.

6. Construction Schedules and Capital Improvement Programs for Current Fiscal Year.

None. All construction work is performed by Three Springs Metropolitan District No. 3 (“**District No. 3**”).

7. List of facilities or improvements constructed by the District that were conveyed to the City in 2022:

None. All construction work is performed by District No. 3.

8. Final Assessed Value of Taxable Property within the District’s boundaries as of December 31, 2022:

The final 2022 total assessed value of taxable property within the boundaries of the District was \$2,806,000.

9. Budget:

Attached as Exhibit B is a copy of the District’s 2023 Budget.

10. Most recently filed audited financial statements of the District. To the extent audited financial statements are required by state law or most recently filed audit exemption:

The 2022 audited financial statements will be filed with the City Clerk upon completion.

11. Total Debt Authorized and Remaining Debt Authorized and Intended to be Issued.

The District has debt authorized by voters in the total amount of \$3,250,000 for capital improvements within the District and additional authorization to support debt service incurred for funding capital improvements in Three Springs Metropolitan District No. 1. The authorization date for the debt is May 3, 2016. On December 11, 2020, the District incurred debt in the principal amount of up to \$3,600,000 in the form of its Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2020A (the “Series 2020 Bonds”). As of December 31, 2021, the principal balance drawn on the Series 2020 Bonds was \$1,896,349. The District has no remaining debt authorization for capital improvements within the District. The District does not intend to authorize additional debt at the present.

12. Official Statements of Outstanding Bonded Indebtedness if not Already Received by City.

A copy of the Official Statement for the District’s Series 2020 Bonds was filed with the 2020 Annual Report.

13. Notice of any uncured defaults:

The District is not in default of any debt.

14. The District's inability to pay any financial obligations as they come due under any obligation which continues beyond a ninety-day period:

The District is able to pay its financial obligations.

15. Name and Address/Telephone Number of District's Contact Person and Names and Terms of Members of Board of Directors and Officers.

Attached as Exhibit C is the contact information requested and the terms of the members of the Board of Directors, as of the date of this report.

16. Service Plan.

The District's Service Plan was filed with the 2007 Annual Report. The Service Plan has not been amended.

Respectfully submitted this 29th day of September, 2023.

COCKREL ELA GLESNE GREHER &
RUHLAND, P.C.

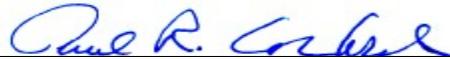
By: 
Paul R. Cockrel
Attorney for Three Springs Metropolitan
District No. 4

EXHIBIT A

Conflict of Interest Disclosures

**TIM ZINK
C/O GRVP, LLC
65 MERCADO STREET, SUITE 250
DURANGO, CO 81301**

May 11, 2021

Board of Directors
Three Springs Metropolitan District Nos. 1, 2, 3 and 4
65 Mercado Street, Suite 250
Durango, Colorado 81301

Honorable Jena Griswold
Colorado Secretary of State
1700 Broadway, Suite 270
Denver, Colorado 80290

**Re: Disclosure of Conflict of Interest
Three Springs Metropolitan District Nos. 1, 2, 3 and 4**

Dear Board Members and Honorable Secretary of State:

I, Tim Zink, am a Director and Treasurer of the Three Springs Metropolitan District Nos. 1, 2, 3 and 4 (“**Districts**” or individually, “**District No. 1, District No. 2, District No. 3 or District No. 4**” as applicable) located in the City of Durango (“**City**”), La Plata County, Colorado. I also am employed by GF Properties Group, LLC (“**GFP**”), a Colorado limited liability company, which is affiliated with GRVP, LLC (“**GRVP**”), a Colorado limited liability company. GRVP is the owner and master developer of all or a significant share of the developable real property within each of the Districts. Additionally, I am an authorized representative of Tierra Vision Homes, LLC; GFP Mercado, LLC; and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the Districts. GFP is directly owned, and GRVP is indirectly owned, by the Southern Ute Indian Tribe (the “**Tribe**”). The Tribe is the sole member of GFMC, LLC (“**GFMC**” and together with GFP and GRVP, the “**Companies**”), and GFMC is the manager of both GFP of GRVP. I am regularly authorized by GFMC to carry out various management activities of the Companies. Although I am an employee of GFP, and an officer or agent of the Companies, I am not an owner or creditor of the Companies or the Tribe, nor do I have any other substantial financial interest in the Companies or the Tribe.

There are various agreements between the Districts and one or more of the Companies. Among others, GFP acts as the construction manager for various infrastructure development activities of the Districts, which services are performed pursuant to the Management Services Agreement dated January 1, 2007 between GF Development Group, LLC and District No. 3, which has been since assigned and the current assignee is GFP. GRVP provides financing for the District’s infrastructure

Board of Directors
Honorable Jena Griswold
May 11, 2021
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development activities pursuant to the Funding Agreement dated June 16, 2006 between GRVP and District No. 3 and the Acquisition and Reimbursement Agreement dated May 1, 2007 between GRVP and District No. 3, as subsequently amended (together, the “**Agreements**”).

The Districts were created to construct and finance public improvements, as more specifically set forth in their respective Service Plans, and have been approved for such purposes by the Districts’ electors, the City and the District Court. The Districts have and/or will issue bonds or notes, and have incurred and/or will incur other financial obligations as hereinafter set forth, the proceeds of which will be used for public purposes, including the completion and/or acquisition and reimbursement of the costs of public infrastructure improvements and the reimbursement of funds advanced for such purposes to the Districts by the Companies or affiliated entities.

The Board of Directors of District No. 3 (“**Board of District No. 3**”) has previously issued the District No. 3 Limited Property Tax Supported Revenue Bonds, Series 2010 (“**Series 2010 Bonds**”) in the principal amount of \$16,900,000, the proceeds of which were used to reimburse money advances made, or the costs of completion of certain public infrastructure improvements funded by GRVP pursuant to the Agreements, for which appropriate disclosures were made at the time.

The Board of District No. 3 has also issued the District No. 3 Junior Revenue Note, Series 2013 (“**Series 2013 Note**”) to GRVP in a principal amount not to exceed \$7,900,000, the proceeds of which were used to reimburse money advances made, or the costs of completion of certain public infrastructure improvements funded by GRVP pursuant to the Agreements, for which appropriate disclosures were made at the time. The Board of District No. 3 subsequently issued the District No. 3 Second Revised Junior Revenue Note, Series 2013 (“**Second Revised Series 2013 Note**”) to GRVP increasing the principal amount of the Series 2013 Note to an amount not to exceed \$11,500,000, the proceeds of which have been used to reimburse GRVP for costs incurred in completing additional public infrastructure improvements in accordance with the Agreements, for which appropriate disclosures were made at the time. The Board of District No. 3 subsequently issued the District No. 3 Third Revised Junior Revenue Note, Series 2013 (“**Third Revised Series 2013 Note**”) to GRVP in a principal amount not to exceed \$11,500,000 for purposes of replacing the Second Revised Series 2013 Note, for which appropriate disclosures were made at the time.

The Board of District No. 3 has also previously issued the District No. 3 Junior Revenue Note, Series 2020 (“**Series 2020 Note**”) to GRVP in a principal amount not to exceed \$7,600,000, the proceeds of which were or will be used to repay and/or reimburse certain money advances made for debt service and operating purposes by GRVP pursuant

Board of Directors
Honorable Jena Griswold
May 11, 2021
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to the Agreements and a Guaranty Agreement supporting the Series 2010 Bonds, for which appropriate disclosures were made at the time.

In addition to the District No. 3 obligations set forth above, the Board of Directors of District No. 1 (“**Board of District No. 1**”) has previously issued the District No. 1 Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2020A (“**District No. 1 Series 2020A Refunding Bonds**”) in the principal amount of \$19,000,000, the proceeds of which were used to (i) refund the Series 2010 Bonds in full and (ii) repay a portion of the Second Revised Series 2013 Note, for which appropriate disclosures were made at the time.

The Board of District No. 1 has also previously issued the District No. 1 Subordinate Limited Tax General Obligation Refunding Bonds, Series 2020B (“**District No. 1 Series 2020B Refunding Bonds**”) in the principal amount of \$6,750,000, the proceeds of which were used to repay a portion of the Second Revised Series 2013 Note, for which appropriate disclosures were made at the time.

Further, the Board of Directors of District No. 4 (“**Board of District No. 4**”) has previously issued the District No. 4 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2020A (“**District No. 4 Series 2020A Bonds**”) on a drawdown basis in the principal amount of \$3,600,000, the proceeds of which were or will be used to (i) reimburse money advances made, or the costs of completion of certain public infrastructure improvements funded by GRVP pursuant to the Agreements and (ii) repay a portion of the Third Revised Series 2013 Note, for which appropriate disclosures were made at the time.

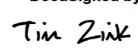
I believe that significant economic benefits have, and will be, received by the Districts under the Agreements, which have previously been disclosed and are being made in accordance with the terms of the Agreements as intended. My relationships with the Districts and the Companies, and the financial benefit resulting specifically from the Districts’ reimbursements to GRVP under the Agreements and/or from proceeds of the Districts’ bonds may, however, constitute a potential conflict of interest for me under State law necessitating this disclosure, including without limitation any action which I may take with respect to the approval and authorization of the acquisition and reimbursement of the costs of completion of such additional public infrastructure improvements and the repayment to GRVP and the Companies of funding advances made pursuant to the Agreements.

This disclosure is being made in accordance with the conflict of interest statutes, particularly Article 18 of Title 24, C.R.S. and §§32-1-902(3) and 18-8-308, C.R.S., and is intended to constitute both (i) a general disclosure of any potential conflict of interest and

Board of Directors
Honorable Jena Griswold
May 11, 2021
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(ii) a specific disclosure of any potential conflict of interest on my part with respect to the pending actions in full compliance with the requirements of State law. The foregoing disclosure shall be effective and continuing for all purposes until I advise the Boards of Directors of the Districts and the Colorado Secretary of State in writing of any changes in my status as disclosed herein.

Respectfully submitted,

By  

9A41EBE9CF C944A...
Tim Zink

**JON PENNY
C/O GRVP, LLC
65 MERCADO STREET, SUITE 250
DURANGO, CO 81301**

May11, 2021

Board of Directors
Three Springs Metropolitan District Nos. 1, 2, 3 and 4
65 Mercado Street, Suite 250
Durango, Colorado 81301

Honorable Jena Griswold
Colorado Secretary of State
1700 Broadway, Suite 270
Denver, Colorado 80290

**Re: Disclosure of Conflict of Interest
Three Springs Metropolitan District Nos. 1, 2, 3 and 4**

Dear Board Members and Honorable Secretary of State:

I, Jon Penny, am a Director and Secretary of the Three Springs Metropolitan District Nos. 1, 2, 3 and 4 (“**Districts**”) located in the City of Durango (“**City**”), La Plata County, Colorado. I also am employed by GF Properties Group, LLC (“**GFP**”), a Colorado limited liability company, which is affiliated with GRVP, LLC (“**GRVP**”), a Colorado limited liability company. GRVP is the owner and master developer of all or a significant share of the developable real property within each of the Districts. Additionally, I am an authorized representative of Tierra Vision Homes, LLC; GFP Mercado, LLC; and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the Districts. GFP is directly owned, and GRVP is indirectly owned, by the Southern Ute Indian Tribe (the “**Tribe**”). The Tribe is the sole member of GFMC, LLC (“**GFMC**” and together with GFP and GRVP, the “**Companies**”), and GFMC is the manager of both GFP of GRVP. I am regularly authorized by GFMC to carry out various management activities of the Companies. Although I am an employee of GFP, and an officer or agent of the Companies, I am not an owner or creditor of the Companies or the Tribe, nor do I have any other substantial financial interest in the Companies or the Tribe.

There are various agreements between the Districts and one or more of the Companies. Among others, GFP acts as the construction manager for various infrastructure development activities of the Districts, which services are performed pursuant to the Management Services Agreement dated January 1, 2007 between GF Development Group, LLC and District No. 3, which has been since assigned and the current assignee is GFP. GRVP provides financing for the District’s infrastructure development activities pursuant to the Funding Agreement dated June 16, 2006 between

Board of Directors
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GRVP and District No. 3 and the Acquisition and Reimbursement Agreement dated May 1, 2007 between GRVP and District No. 3, as subsequently amended (together, the “**Agreements**”).

The Districts were created to construct and finance public improvements, as more specifically set forth in their respective Service Plans, and have been approved for such purposes by the Districts’ electors, the City and the District Court. The Districts have and/or will issue bonds or notes, and have incurred and/or will incur other financial obligations as hereinafter set forth, the proceeds of which will be used for public purposes, including the completion and/or acquisition and reimbursement of the costs of public infrastructure improvements and the reimbursement of funds advanced for such purposes to the Districts by the Companies or affiliated entities.

The Board of Directors of District No. 3 (“**Board of District No. 3**”) has previously issued the District No. 3 Limited Property Tax Supported Revenue Bonds, Series 2010 (“**Series 2010 Bonds**”) in the principal amount of \$16,900,000, the proceeds of which were used to reimburse money advances made, or the costs of completion of certain public infrastructure improvements funded by GRVP pursuant to the Agreements, for which appropriate disclosures were made at the time.

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Honorable Jena Griswold
May 11, 2021
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Further, the Board of Directors of District No. 4 (“**Board of District No. 4**”) has previously issued the District No. 4 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2020A (“**District No. 4 Series 2020A Bonds**”) on a drawdown basis in the principal amount of \$3,600,000, the proceeds of which were or will be used to (i) reimburse money advances made, or the costs of completion of certain public infrastructure improvements funded by GRVP pursuant to the Agreements and (ii) repay a portion of the Third Revised Series 2013 Note, for which appropriate disclosures were made at the time.

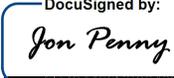
I believe that significant economic benefits have, and will be, received by the Districts under the Agreements, which have previously been disclosed and are being made in accordance with the terms of the Agreements as intended. My relationships with the Districts and the Companies, and the financial benefit resulting specifically from the Districts’ reimbursements to GRVP under the Agreements and/or from proceeds of the Districts’ bonds may, however, constitute a potential conflict of interest for me under State law necessitating this disclosure, including without limitation any action which I may take with respect to the approval and authorization of the acquisition and reimbursement of the costs of completion of such additional public infrastructure improvements and the repayment to GRVP and the Companies of funding advances made pursuant to the Agreements.

This disclosure is being made in accordance with the conflict of interest statutes, particularly Article 18 of Title 24, C.R.S. and §§32-1-902(3) and 18-8-308, C.R.S., and is intended to constitute both (i) a general disclosure of any potential conflict of interest and

Board of Directors
Honorable Jena Griswold
May 11, 2021
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(ii) a specific disclosure of any potential conflict of interest on my part with respect to the pending actions in full compliance with the requirements of State law. The foregoing disclosure shall be effective and continuing for all purposes until I advise the Boards of Directors of the Districts and the Colorado Secretary of State in writing of any changes in my status as disclosed herein.

Respectfully submitted,

By  _____
Jon Penny
20294462FC90402...

**PATRICK MORRISSEY
C/O GRVP, LLC
65 MERCADO STREET, SUITE 250
DURANGO, CO 81301**

May 11, 2021

Board of Directors
Three Springs Metropolitan District Nos. 1, 2, 3 and 4
175 Mercado Street, Suite 240
Durango, Colorado 81301

Honorable Jena Griswold
Colorado Secretary of State
1700 Broadway, Suite 270
Denver, Colorado 80290

**Re: Disclosure of Conflict of Interest
Three Springs Metropolitan District Nos. 1, 2, 3 and 4**

Dear Board Members and Honorable Secretary of State:

I, Patrick Morrissey, am a Director and President of the Three Springs Metropolitan District Nos. 1, 2, 3 and 4 (“**Districts**” or individually, “**District No. 1**, **District No. 2**, **District No. 3** or **District No. 4**” as applicable) located in the City of Durango (“**City**”), La Plata County, Colorado. I also am the President and Chief Operating Officer of, and employed by, GF Properties Group, LLC (“**GFP**”), a Colorado limited liability company, which is affiliated with GRVP, LLC (“**GRVP**”), a Colorado limited liability company. GRVP is the owner and master developer of all or a significant share of the developable real property within each of the Districts. Additionally, I am the President and Chief Operating Officer and an authorized representative of Tierra Vision Homes, LLC; GFP Mercado, LLC; and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the Districts. GFP is directly owned, and GRVP is indirectly owned, by the Southern Ute Indian Tribe (the “**Tribe**”). The Tribe is the sole member of GFMC, LLC (“**GFMC**” and together with GFP and GRVP, the “**Companies**”), and GFMC is the manager of both GFP and GRVP. I am regularly authorized by GFMC to carry out various management activities of the Companies. Although I am an employee of GFP, and an officer or agent of the Companies, I am not an owner or creditor of the Companies or the Tribe, nor do I have any other substantial financial interest in the Companies or the Tribe.

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Board of Directors
Honorable Jena Griswold
May 11, 2021
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Board of Directors
Honorable Jena Griswold
May 11, 2021
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This disclosure is being made in accordance with the conflict of interest statutes, particularly Article 18 of Title 24, C.R.S. and §§32-1-902(3) and 18-8-308, C.R.S., and is intended to constitute both (i) a general disclosure of any potential conflict of interest and (ii) a specific disclosure of any potential conflict of interest on my part with respect to the

Board of Directors
Honorable Jena Griswold
May 11, 2021
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pending actions in full compliance with the requirements of State law. The foregoing disclosure shall be effective and continuing for all purposes until I advise the Boards of Directors of the Districts and the Colorado Secretary of State in writing of any changes in my status as disclosed herein.

Respectfully submitted,

DocuSigned by:
By Patrick Morrissey
95CCD01D2B2D4F1...
Patrick Morrissey

EXHIBIT B

2023 Budget

Three Springs Metropolitan Districts No. 1, No. 2, No. 3 & No. 4

Final Budget

For the Year Ending December 31, 2023

Approved

December 7, 2022

Three Springs Metropolitan Districts No. 1, No. 2, No. 3 and No. 4

Final Budgets

For the Year Ending December 31, 2023

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Three Springs Metropolitan Districts No. 1, No. 2, No. 3 and No. 4

Final Budgets

For the Year Ending December 31, 2023

Budget Message

Purposes of the Districts

Three Springs Metropolitan Districts No.1, No. 2, No. 3 & No. 4 were organized to provide certain parks, recreation, and drainage facilities for the mixed uses development project known as “Three Springs”, consisting of 681 acres of land in Durango, Colorado. Three Springs Metropolitan District No. 1 contains all property within Village I of the development (except the regional hospital, acute treatment center and medical office building). Three Springs Metropolitan District No. 2 contains all property within Village II of the development. As the management and control district, Three Springs Metropolitan District No. 3 is responsible for managing, implementing and coordinating the financing, acquisition, construction, and/or operation of certain infrastructure and services throughout the Development, including parks recreation and related drainage facilities. Three Springs Metropolitan District No. 4 contains all property within Three Springs Crossing of the development.

The developer, GRVP, LLC, has advanced funds to District No. 3 necessary to fund the costs of acquisition, construction and/or improvements. District No. 3 issued bonds in 2010 to partially reimburse the developer for these advances. District No. 1 issued bonds in 2020 to refinance the 2010 bonds and to make reimbursement to GRVP, LLC for capital improvements. District No. 4 issued bonds in 2020 to fund capital improvements. District No. 1 and District No. 4 pay part of their tax collections over to District 3 to fund operational expenses and retain the remainder for debt service on the new bonds. District No. 2 pays all of its tax collections to District No. 3 to fund operations. Operations include administration, operation and maintenance of improvements which are not transferred to the City of Durango.

The Districts have in place agreements among the Districts and with the developer, GRVP, LLC that govern responsibilities and obligations for operations and construction of improvements.

Summary of Significant Assumptions

Property Taxes

The primary source of revenue for Districts No. 1, No. 2 and No. 4 are property taxes. The adopted mill levy for District No. 1 is 54.670 mills and is allocated 5.467 mills for operations and 49.203 mills for debt service; District No.2 is 50.639 for operations; and District No. 3 is

50 mills and is allocated 5 mills for operations and 45 mills for debt service. District No. 3 does not levy any property taxes.

Specific Ownership Taxes

This revenue is based on a sharing of the collection of vehicle ownership taxes pooled by La Plata County.

Medical Office Building Fees

This fee is based upon an agreement with the Medical Office Building (MOB) on the campus of the Mercy Regional Medical Center. Due to the fact that the MOB is located within the service area of District No. 1 (but not included within District No. 1), District Nos. 1 and 3 have entered into an agreement to bill the MOB for the various services that they are provided. The amount of the revenue is established by contract.

Administrative Expenditures

Administrative expenditures have been assumed, generally, to be at the same level of required services.

Capital Outlay

During the entire scope of the development the capital outlay expenditures planned by the Districts include certain parks and related improvements, trail construction, drainage improvements and other items outlined in the Service Plans. These expenditures are budgeted in the capital projects fund of District No. 3.

Debt Service

District No. 3 issued \$16.9 million of debt in 2010. This debt was refunded in December 2020 with debt issued by District No. 1. The debt service funds of District No. 1 and District No. 4 reflect principal and interest payments on their respective debt.

Emergency Reserve

The Districts have provided for emergency reserves equal to at least 3% of fiscal year spending for 2023, as defined under TABOR, which are part of the general fund ending fund balances for each respective District.

Leases

District No 3 entered into a lease agreement with GRVP, LLC on the 7th day of February, 2017 for a property to be used for a public park.

Budget Modifications

Appropriations for the budget are adopted on a total fund basis. The Board of Directors may transfer any unencumbered appropriation balance or a portion thereof from one classification or expenditure to another within a fund. The budgets are adopted on the modified accrual basis of accounting. Appropriations lapse at the end of the year.

THREE SPRINGS METROPOLITAN DISTRICT NO. 4
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET
 Budget 2023
 GENERAL FUND

	Unaudited			2022				Budget 2023
	2019	Audited 2020	Audited 2021	Budget	September YTD	Over (Under) Budget	Estimated Totals for 2022	
Beginning Fund Balance	\$ 2,186	\$ 45	\$ 45	\$ 8	45	\$ 37	\$ 45	\$ 45
Revenues and Other Sources								
Property taxes								
Operations	49,468	39,353	9,410	14,253	14,253	0	14,253	14,030
Total Revenues and Other Sources	57,007	43,149	9,454	14,261	14,298	38	14,298	14,075
Expenditures and Other Uses								
Transfers to District No. 3								
Operations	55,478	41,924	9,127	13,821	13,825	4	13,825	13,609
Treasurer fees	1,484	1,181	283	428	428	(0)	428	421
Total Expenditures and Other Uses	56,962	43,105	9,410	14,249	14,253	4	14,253	14,030
Ending Fund Balance	\$ 45	\$ 45	\$ 45	\$ 12	\$ 45	\$ 34	\$ 45	\$ 45

THREE SPRINGS METROPOLITAN DISTRICT NO. 4
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget 2023
DEBT SERVICE FUND

	Audited 2019	Audited 2020	Audited 2021	2022				Budget 2023
				Budget	September YTD	Over (Under) Budget	Estimated Totals for 2022	
Beginning Fund Balance	\$ -	\$ -	\$ 5,330	\$ 4,488	\$ 48,746	\$ 44,258	\$ 48,746	\$ 5,000
Taxes								
Property taxes	-	-	84,686	128,278	128,278	(0)	128,278	126,270
Specific ownership taxes	-	330	10,076	14,253	11,555	(2,698)	14,253	14,030
Interest income	-	-	3	5	140	135	186	30
Bond transactions								
Bond proceeds	-	1,763,052	133,297	-	-	-	-	-
Total Revenues and Other Sources	<u>-</u>	<u>1,763,381</u>	<u>233,391</u>	<u>147,024</u>	<u>188,719</u>	<u>41,560</u>	<u>191,464</u>	<u>145,330</u>
Expenditures and Other Uses								
Debt Service								
2020 Bond interest	-	-	51,348	53,957	28,825	(25,133)	57,650	57,649
2020 Bond principal	-	-	-	-	-	-	-	33,186
Treasurer fees	-	-	-	3,848	3,515	(333)	3,515	3,788
Bond Paying Agent Fees	<u>-</u>	<u>5,500</u>	<u>-</u>	<u>-</u>	<u>5,723</u>	<u>5,723</u>	<u>5,723</u>	<u>6,000</u>
Total general government	-	5,500	51,348	57,805	38,062	(19,743)	66,888	100,623
Bond transactions								
Transfer to District 3-2013 Junior Revenue Note	-	1,456,552	133,297	84,219	42,021	42,198	119,576	38,706
Transfer to District 3-COI Reimbursement	-	45,000	-	-	-	-	-	-
Cost of Issuance	-	251,000	-	-	-	-	-	-
Total uses-2020 bond transaction	-	1,752,552	133,297	84,219	42,021	42,198	119,576	38,706
Total Expenditures and Other Uses	<u>-</u>	<u>1,758,052</u>	<u>184,645</u>	<u>142,024</u>	<u>80,083</u>	<u>22,455</u>	<u>186,464</u>	<u>139,330</u>
Ending Fund Balance	\$ -	\$ 5,330	\$ 48,746	\$ 5,000	\$ 108,636	\$ 103,636	\$ 5,000	\$ 6,000

THREE SPRINGS METROPOLITAN DISTRICT NO. 4

RESOLUTION NO. D

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (“Board”) of Three Springs Metropolitan District No. 4 (“District”) has appointed a budget committee to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on December 7, 2022, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer 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.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Three Springs Metropolitan District No. 4:

The estimated expenditures for each fund are as follows:

General Fund	\$	14,030
Debt Service Fund		139,330
Total	\$	<u>153,360</u>

The estimated revenues from each fund are as follows:

General Fund		
From unappropriated surpluses	\$	45
From general property taxes		14,030
Total	\$	<u>14,075</u>

Debt Service Fund	
From unappropriated surpluses	\$ 5,000
From sources other than property taxes	\$ 14,030
From general property taxes	126,270
Total	<u>\$ 145,300</u>

That reserves have been or are hereby established for each appropriate fund or combined as a single reserve fund as set forth in the budget in order to preserve the spending exemption for reserves under TABOR, and all such reserves shall be transferred or expended within any fund as set forth in the budget.

That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of Three Springs Metropolitan District No. 4 for the 2023 fiscal year.

That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money necessary to balance the budget is \$14,030 for general operating expenses and \$126,270 for debt service; and

WHEREAS, the 2022 final valuation for assessment of the District by the County Assessor is \$2,806,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Springs Metropolitan District No. 4:

That for the purpose of meeting all general expenses of the District during the 2023 budget year, pursuant to the Inter District Financing Agreement, there is hereby levied a property tax of 50 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$140,300. This levy shall be comprised of 5 mills for operations and 45 mills for debt service. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of La Plata County, Colorado, the mill levies for the District as hereinabove determined and set.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; 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 District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Springs Metropolitan District No. 1 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund	\$	14,030
Capital Projects Fund		139,330

Adopted this 7th day of December, 2022.

**THREE SPRINGS METROPOLITAN
DISTRICT No 4**

By: 

Tim Ziuk, Chairman

ATTEST:

By: 

Brien Meyer, Treasurer

EXHIBIT C

Contact Information

Contact Person

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Jon Penny, Secretary
Term Expires May 2025
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Patrick Morrissey, Treasurer
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