

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

Final Budget

For the Year Ending December 31, 2026

Approved

December 3, 2025

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

Final Budgets

For the Year Ending December 31, 2026

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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, 2026

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 60.923 mills and is allocated 6.092 mills for operations and 54.831 mills for debt service; District No. 2 is 52.150 for operations; 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; and District No. 4 is 53.703 mills and is allocated 5.370 mills for operations and 48.333 mills for debt service.

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.

Metro Fees

Metro fees are based on the estimated shortfall of operations and maintenance for Three Springs. The fees are allocated to property owners in District No. 1 and District No. 4 based on a Residential Unit Equivalent methodology. Fees collected will be transferred to District No. 3 to pay for operations and maintenance expenditures.

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. There are no budgeted expenditures for 2026.

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 2026, 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. 1
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET
For the ten months ended October 31, 2025
GENERAL FUND

	Audited 2022	Audited 2023	Audited 2024	2025			Estimated Totals for 2025	Budget 2026
				Budget	October YTD	Over (Under) Budget		
Beginning Fund Balance	\$ 805	\$ 805	\$ 3,475	\$ 3,600	3,475	\$ (125)	\$ 3,475	\$ 4,714
Revenues and Other Sources								
Property taxes								
Operations	105,876	111,595	150,706	116,004	116,387	383	116,387	159,066
Specific ownership taxes	-	11,446	12,576	11,600	9,166	(2,434)	11,600	11,600
Metro Fees	-	-	-	-	-	-	-	222,293
Total Revenues and Other Sources	106,681	123,846	166,757	131,204	129,028	(2,176)	131,463	397,673
Expenditures and Other Uses								
Transfers to District No. 3								
Operations	102,702	116,963	158,722	124,074	122,077	(1,997)	123,223	166,908
Metro fees	-	-	-	-	-	-	-	222,293
Bank fees	-	73	50	50	-	(50)	50	100
Treasurers fees	3,174	3,335	4,510	3,480	3,476	(4)	3,476	4,772
Total Expenditures and Other Uses	105,876	120,371	163,282	127,604	125,553	(2,051)	126,749	394,073
Ending Fund Balance	\$ 805	\$ 3,475	\$ 3,475	\$ 3,600	\$ 3,475	\$ (125)	\$ 4,714	\$ 3,600

THREE SPRINGS METROPOLITAN DISTRICT NO. 1
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the ten months ended October 31, 2025
DEBT SERVICE FUND

	Audited 2022	Audited 2023	Audited 2024	2025			Estimated Totals for 2025	Budget 2026
				Budget	October YTD	Over (Under) Budget		
Beginning Fund Balance	\$ 24,006	\$ 54,372	\$ 50,364	\$ 46,861	\$ 648,040	\$ 601,179	\$ 648,040	\$ 666,293
Taxes								
Property taxes	951,238	1,004,349	1,253,429	1,294,101	1,298,358	4,257	1,298,358	1,431,673
Specific ownership taxes	120,382	103,018	113,176	129,410	99,468	(29,942)	129,410	129,410
Medical office building fees	118,975	118,975	119,028	119,028	119,028	0	119,028	116,245
Interest income	2,599	8,437	17,398	2,000	15,995	13,995	15,995	10,000
Total Revenues and Other Sources	1,217,200	1,289,151	1,553,395	1,591,401	2,180,889	589,488	2,210,831	2,353,621
Expenditures and Other Uses								
General government								
Bond Paying Agent Fees	11,000	7,000	7,120	7,000	3,000	4,000	7,000	7,000
Total general government	11,000	7,000	7,120	7,000	3,000	4,000	7,000	7,000
Debt Service								
2020 Bond Interest-Senior	529,210	520,013	510,815	500,910	250,456	(250,454)	500,910	490,298
2020 Bond principal-Senior	325,000	325,000	350,000	375,000	-	(375,000)	375,000	400,000
2020 Bond Interest-Subordinate	269,100	356,763	-	622,806	-	(622,806)	622,806	1,238,893
Total Debt Service	1,123,310	1,201,776	860,815	1,498,716	250,456	(1,248,260)	1,498,716	2,129,190
Treasurer fees	28,519	30,011	37,420	38,823	38,771	(52)	38,823	42,950
Total Expenditures and Other Uses	1,162,829	1,238,787	905,355	1,544,539	292,227	(1,244,312)	1,544,539	2,179,140
Ending Fund Balance	\$ 54,372	\$ 50,364	\$ 648,040	\$ 46,861	\$ 1,888,662	\$ 1,833,801	\$ 666,293	\$ 174,480

THREE SPRINGS METROPOLITAN DISTRICT NO. 1

RESOLUTION NO. A

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors ("Board") of Three Springs Metropolitan District No. 1 ("District") has appointed a budget committee to prepare and submit a proposed 2026 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 3, 2025, 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. 1:

The estimated expenditures for each fund are as follows:

General Fund	\$ 394,073
Debt Service Fund	2,179,140
Total	<u>\$ 2,573,213</u>

The estimated revenues from each fund are as follows:

General Fund	
From unappropriated surpluses	\$ 4,714
From sources other than property taxes	233,893
From general property taxes	159,066
Total	<u>\$ 397,673</u>

Debt Service Fund	
From unappropriated surpluses	\$ 666,293
From medical office building fees	116,245
From sources other than property taxes	139,410
From general property taxes	<u>1,431,673</u>
Total	<u>\$ 2,353,621</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. 1 for the 2026 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 \$397,673 for general operating expenses and \$2,353,621 for debt service; and

WHEREAS, the 2025 final valuation for assessment of the District by the County Assessor is \$26,110,640.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Springs Metropolitan District No. 1:

That for the purpose of meeting all general operating and debt service expenses of the District during the 2026 budget year, pursuant to the Inter District Financing Agreement, there is hereby levied a property tax of 60.923 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$1,590,739. This levy shall be comprised of 6.092 mills for operations and 54.831 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

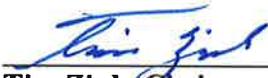
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of District.

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:

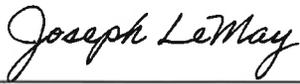
General Fund	394,073
Debt Service Fund	2,179,140
Total	<u>2,573,213</u>

Adopted this 3rd day of December, 2025.

**THREE SPRINGS METROPOLITAN
DISTRICT No 1**

By: 
Tim Zink, Chairman

ATTEST:

By: 
Joe LeMay, Treasurer

THREE SPRINGS METROPOLITAN DISTRICT NO. 2
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET
 For the ten months ended October 31, 2025

GENERAL FUND

	Unaudited 2022			Unaudited 2023			Unaudited 2024			2025				Budget 2026
	Budget	October YTD	Over (Under) Budget	Estimated Totals for 2025	Budget	October YTD	Over (Under) Budget	Estimated Totals for 2025	Budget	October YTD	Over (Under) Budget	Estimated Totals for 2025	Budget 2026	
Beginning Fund Balance	\$ 11	\$ 11	\$ 3,302	\$ 3,600	3,273	\$ (327)	\$ 3,273	\$ 3,600	3,273	\$ (327)	\$ 3,273	\$ 3,600	\$ 3,600	
Revenues and Other Sources														
Property taxes														
Operations	5,718	8,066	14,297	10,355	10,355	0	10,355	5,935	5,935	0	5,935	5,935	5,935	
Specific ownership taxes	647	815	1,257	1,036	590	(446)	1,490	1,000	1,000	(446)	1,490	1,000	1,000	
Total Revenues and Other Sources	6,376	8,892	18,856	14,991	14,218	(773)	15,118	10,535	10,535	(773)	15,118	10,535	10,535	
Expenditures and Other Uses														
Transfers to District No. 3														
Operations	6,193	5,305	15,124	11,030	10,633	(397)	11,197	6,707	6,707	(397)	11,197	6,707	6,707	
Bank fees	-	43	30	50	10	(40)	10	50	50	(40)	10	50	50	
Treasurer fees	172	242	429	311	311	(0)	311	178	178	(0)	311	178	178	
Total Expenditures and Other Uses	6,365	5,590	15,583	11,391	10,954	(437)	11,518	6,935	6,935	(437)	11,518	6,935	6,935	
Ending Fund Balance	\$ 11	\$ 3,302	\$ 3,273	\$ 3,600	\$ 3,264	\$ (336)	\$ 3,600	\$ 3,600	\$ 3,600	\$ (336)	\$ 3,600	\$ 3,600	\$ 3,600	

THREE SPRINGS METROPOLITAN DISTRICT NO 2

RESOLUTION NO. B

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (“Board”) of Three Springs Metropolitan District No. 2 (“District”) has appointed a budget committee to prepare and submit a proposed 2026 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 3, 2025, 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. 2:

The estimated expenditures for each fund are as follows:

General Fund	\$ 6,935
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The estimated revenues from the general fund are as follows:

General Fund	
From unappropriated surpluses	\$ 3,600
From sources other than property taxes	1,000
From general property taxes	5,935
Total	<u>\$10,535</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. 2 for the 2026 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 for general operating expenses is \$10,535; and

WHEREAS, the 2025 final valuation for assessment of the District by the County Assessor is \$113,800.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Springs Metropolitan District No. 2:

That for the purpose of meeting all general operating expenses of the District during the 2026 budget year, there is hereby levied a property tax of 52.150 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$5,935, all of which is for operations.

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

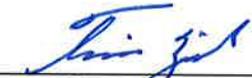
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Springs Metropolitan District No. 2 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 \$ 6,935

Adopted this 3rd day of December, 2025.

**THREE SPRINGS METROPOLITAN
DISTRICT No. 2**

By: 

Tim Zink, Chairman

ATTEST:

By: 

Joe LeMay, Treasurer

THREE SPRINGS METROPOLITAN DISTRICT NO. 3
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 For the ten months ended October 31, 2025
 GENERAL FUND

	Audited 2022	Audited 2023	Audited 2024	2025			Estimated Totals for 2025	Budget 2026
				Budget	October YTD	Over (Under) Budget		
Beginning Fund Balance	\$ 3,420	\$ 10,009	\$ 34,204	\$ 20,000	\$ 61,925	\$ 41,925	\$ 61,925	\$ 20,091
Revenues and Other Sources								
Transfers from Dist No. 1-property taxes	102,702	116,963	158,722	124,074	122,077	(1,997)	123,223	166,908
Transfers from Dist No. 2-property taxes	6,193	5,305	15,124	11,030	10,879	(151)	11,197	6,707
Transfers from Dist No. 4-property taxes	13,825	11,555	20,287	18,687	18,348	(339)	18,563	20,787
Transfers from Dist No. 1-Metro fees	-	-	-	-	-	-	-	222,293
Transfers from Dist No. 4-Metro fees	-	-	-	-	-	-	-	45,530
Metro Fees	-	-	-	165,291	-	(165,291)	-	-
Mercy Housing building fees	5,821	5,938	6,056	6,178	6,178	(0)	6,178	6,427
Permit fees	1,600	1,600	1,900	1,400	1,900	500	1,900	1,800
Developer advances	210,062	265,000	188,000	100,000	106,000	6,000	194,832	-
Total Revenues and Other Sources	343,623	416,370	424,293	446,660	327,307	(119,353)	417,818	490,542
Expenditures and other uses								
General government								
Audit & accounting	24,226	29,570	17,058	41,000	23,615	(17,385)	27,615	58,400
Insurance/dues	13,418	9,244	11,641	10,000	12,103	2,103	12,103	12,708
Legal	26,658	43,161	58,576	40,000	22,064	(17,936)	40,000	40,000
Administration/Staffing/Programing/OH	-	143	94	160	-	(160)	160	160
Plaza lease	5,000	5,035	5,000	5,000	5,000	-	5,000	5,000
Bank fees	-	101	78	100	39	(61)	100	4,280
Dues and subscriptions	2,516	2,325	2,441	2,600	2,658	58	2,658	2,685
Community operations								
Management	35,051	37,439	36,000	37,800	30,000	(7,800)	36,000	36,000
Landscaping/Grounds/Maintenance	139,226	146,439	162,745	172,000	156,466	(15,534)	189,092	185,000
Utilities	50,707	52,605	50,999	57,000	42,577	(14,423)	55,000	59,850
Snow removal	36,812	56,104	17,736	41,000	9,999	(31,001)	9,999	43,460
Contingency	-	-	-	20,000	-	(20,000)	20,000	22,000
Total Expenditures and Other Uses	333,614	382,166	362,368	426,660	304,521	(122,139)	397,727	469,543
Ending Fund Balance	\$ 10,009	\$ 34,204	\$ 61,925	\$ 20,000	\$ 22,786	\$ 2,786	\$ 20,091	\$ 20,999

THREE SPRINGS METROPOLITAN DISTRICT NO. 3
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 For the ten months ended October 31, 2025
 CAPITAL PROJECTS FUND

	Audited 2022	Audited 2023	Audited 2024	2025			Estimated Totals for 2025	Budget 2026
				Budget	October YTD	Over (Under) Budget		
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues and Other Sources								
Developer advances	3,425	171	-	100,000	-	100,000	-	100,000
Total Revenues and Other Sources	3,425	171	-	100,000	-	100,000	-	100,000
Expenditures and Other Uses								
Capital outlay	3,425	-	-	100,000	-	(100,000)	-	100,000
Total Expenditures and Other Uses	3,425	171	-	100,000	-	(100,000)	-	100,000
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

THREE SPRINGS METROPOLITAN DISTRICT NO. 3
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 For the ten months ended October 31, 2025
 DEBT SERVICE FUND

	Audited 2022	Audited 2023	Audited 2024	2025			Estimated Totals for 2025	Budget 2026
				Budget	October YTD	Over (Under) Budget		
Beginning Fund Balance	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ -	\$ 75	\$ 75
Revenues and Other Sources								
Transfers from Dist No. 4-Series 2013 interest	111,896	41,428	41,428	69,171	-	69,171	69,172	44,737
Total Revenues and Other Sources	111,971	41,503	41,503	69,246	75	69,171	69,247	44,812
Expenditures and Other Uses								
Series 2013 Interest	111,896	41,428	41,428	69,171	-	69,171	69,172	44,737
Total debt service	111,896	41,428	41,428	69,171	-	69,171	69,172	44,737
Ending Fund Balance	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ -	\$ 75	\$ 75

THREE SPRINGS METROPOLITAN DISTRICT NO 3

RESOLUTION NO. C

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (“Board”) of Three Springs Metropolitan District No. 3 (“District”) has appointed a budget committee to prepare and submit a proposed 2026 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 3, 2025, 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. 3:

The estimated expenditures for each fund are as follows:

General Fund	\$ 469,543
Capital Projects Fund	-
Debt Service Fund	44,737
Total	<u>\$ 514,280</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.

The estimated revenues for each fund are as follows:

General Fund	
From unappropriated surpluses	\$ 20,091
Inter-district transfers	462,224
Mercy Housing building fees	6,427
Permit fees	1,800
Total	<u><u>\$ 490,542</u></u>
Capital Projects Fund	
From unappropriated surpluses	\$ -
Developer advances	-
Total	<u><u>\$ -</u></u>
Debt Service Fund	
From unappropriated surpluses	\$ 75
Inter-district transfers	44,737
Total	<u><u>\$ 44,812</u></u>

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. 3 for the 2026 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 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

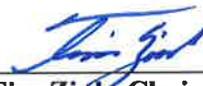
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Three Springs Metropolitan District No. 3 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	\$ 469,543
Capital Projects Fund	-
Debt Service Fund	44,737

Adopted this 3rd day of December, 2025.

**THREE SPRINGS METROPOLITAN
DISTRICT No. 3**

By: 

Tim Zink, Chairman

ATTEST:


By: _____
Joe LeMay, Treasurer

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 2026 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 3, 2025, 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	\$ 66,957
Debt Service Fund	192,303
Total	<u>\$ 259,260</u>

The estimated revenues for each fund are as follows:

General Fund	
From unappropriated surpluses	\$ 3,600
From sources other than property taxes	47,280
From general property taxes	19,677
Total	<u>\$ 70,557</u>

THREE SPRINGS METROPOLITAN DISTRICT NO. 4
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET
 For the ten months ended October 31, 2025
 GENERAL FUND

	Audited 2022	Audited 2023	Audited 2024	2025			Estimated Totals for 2025	Budget 2026
				Budget	October YTD	Over (Under) Budget		
Beginning Fund Balance	\$ 45	\$ 45	\$ 3,476	\$ 3,600	\$ 3,476	\$ (124)	\$ 3,476	\$ 3,600
Revenues and Other Sources								
Property taxes								
Operations	14,253	14,030	19,238	17,511	17,511	-	17,511	19,677
Specific ownership taxes	-	1,450	1,677	1,751	1,362	(389)	1,751	1,750
Metro fees	-	-	-	-	-	-	-	45,530
Total Revenues and Other Sources	14,298	15,525	24,391	22,862	22,349	(512)	22,738	70,557
Expenditures and Other Uses								
Transfers to District No. 3								
Operations	13,825	11,555	20,287	18,687	18,348	(339)	18,563	20,787
Metro fees	-	-	-	-	-	-	-	45,530
Bank fees	-	73	50	50	-	(50)	50	50
Treasurer fees	428	421	578	525	525	0	525	590
Total Expenditures and Other Uses	14,253	12,049	20,915	19,262	18,873	(389)	19,138	66,957
Ending Fund Balance	\$ 45	\$ 3,476	\$ 3,476	\$ 3,600	\$ 3,476	\$ (123)	\$ 3,600	\$ 3,600

THREE SPRINGS METROPOLITAN DISTRICT NO. 4
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 For the ten months ended October 31, 2025
 DEBT SERVICE FUND

	Audited 2022	Audited 2023	Audited 2024	2025			Estimated Totals for 2025	Budget 2026
				Budget	October YTD	Over (Under) Budget		
Beginning Fund Balance	\$ 5,330	\$ 10,274	\$ 6,745	\$ 6,745	\$ 15,498	\$ 8,753	\$ 15,498	\$ 15,498
Taxes								
Property taxes	84,686	126,270	168,246	164,941	164,942	1	164,942	177,103
Specific ownership taxes	10,076	13,040	15,090	16,494	12,752	(3,742)	16,494	15,000
Interest income	3	667	1,704	200	91	(109)	200	200
Total Revenues and Other Sources	233,392	150,251	191,785	188,381	193,283	4,903	197,135	207,801
Expenditures and Other Uses								
Debt Service								
2020 Bond Interest-Senior	51,349	57,649	56,640	58,849	28,321	(30,528)	58,849	93,585
2020 Bond principal	-	33,186	37,927	42,668	-	(42,668)	42,668	42,668
Treasurer fees	-	3,788	5,047	4,948	4,948	0	4,948	5,313
Bond Paying Agent Fees	-	7,455	4,000	6,000	-	(6,000)	6,000	6,000
Total general government	51,349	102,078	103,614	112,465	33,268	(79,195)	112,465	147,566
Transfer to District 3-2013 Junior Revenue Note	133,297	41,428	72,673	69,171	-	69,171	69,172	44,737
Total Expenditures and Other Uses	184,646	143,506	176,287	181,636	33,268	(10,025)	181,637	192,303
Ending Fund Balance	\$ 48,746	\$ 6,745	\$ 15,498	\$ 6,745	\$ 160,015	\$ 153,270	\$ 15,498	\$ 15,498

Debt Service Fund	
From unappropriated surpluses	\$ 15,498
From sources other than property taxes	15,200
From general property taxes	177,103
Total	<u>207,801</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 2026 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 \$66,957 for general operating expenses and \$192,303 for debt service; and

WHEREAS, the 2025 final valuation for assessment of the District by the County Assessor is \$3,664,230.

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 2026 budget year, pursuant to the Inter District Financing Agreement, there is hereby levied a property tax of 53.703 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$196,780. This levy shall be comprised of 5.370 mills for operations and 48.333 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. 4 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	\$	66,957
Debt Service Fund		192,303

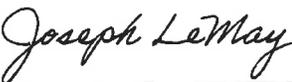
Adopted this 3rd day of December, 2025.

**THREE SPRINGS METROPOLITAN
DISTRICT No 4**

By: 

Tim Zink, Chairman

ATTEST:

By: 

Joe LeMay, Treasurer