

TRIVIEW METROPOLITAN DISTRICT NO. 4

2022 ANNUAL REPORT

Pursuant to section 32-1-207(3)(c), C.R.S., Triview Metropolitan District No. 4 (the “District”), hereby submits the following annual report for the year ending December 31, 2022:

A. Boundary changes made.

During the report year of 2022 there were no changes to the District boundaries.

B. Intergovernmental agreements entered into or terminated with other governmental entities.

During the report year of 2022 the District did not enter into or terminate any intergovernmental agreements.

C. Access information to obtain a copy of rules and regulations adopted by the Board.

During the report year of 2022 the District did not adopt or propose any rules and regulations. The District website is: <https://www.triviewmd4.com/>

D. A summary of litigation involving public improvements owned by the District.

During the report year of 2022 the District was not involved in any litigation.

E. The status of the construction of public improvements by the District.

During the report year of 2022 the District did not construct any public improvements.

F. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.

During the report year of 2022 the District did not dedicate any facilities or improvements to the City.

G. The final assessed valuation of the District as of December 31 of the reporting year.

The 2022 final assessed valuation was: \$25,751,610.00.

H. A copy of the current year’s budget.

See attached Exhibit A.

I. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, Part 6 of Article 1 of Title 29, or the application for exemption from audit, as applicable.

See attached Exhibit B.

J. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the District.

During the report year of 2022 the District had no uncured events of default.

K. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

During the report year of 2022 the District had no inability to pay its obligations.

Dated: September 12, 2023

TRIVIEW METROPOLITAN DISTRICT NO. 4

/s/ Russell W. Dykstra, Esq.

By: Russell W. Dykstra

Its: District Attorney

EXHIBIT A
2023 BUDGET

LETTER OF BUDGET TRANSMITTAL

Date: January 27, 2023

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2023 budget and budget message for TRIVIEW METROPOLITAN DISTRICT NO. 4 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 18, 2022. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Carrie Bartow
121 S Tejon St # 1100
Colorado Springs, CO 80903
Tel.: 719-473-3630

I, George Lenz, as President of the Triview Metropolitan District No. 4, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: George A Lenz

**RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
TRIVIEW METROPOLITAN DISTRICT NO. 4**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE TRIVIEW METROPOLITAN DISTRICT NO. 4, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Triview Metropolitan District No. 4 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 18, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$38,627 and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$283,268; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$25,751,610; and

WHEREAS, at an election held on November 6, 2007 the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TRIVIEW METROPOLITAN DISTRICT NO. 4 OF EL PASO COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Triview Metropolitan District No. 4 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 1.500 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 11.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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ADOPTED this 18th day of November 2022.

TRIVIEW METROPOLITAN DISTRICT
NO. 4

George A Lenz

President

ATTEST:

Gerald Richardson

Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

TRIVIEW METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**TRIVIEW METROPOLITAN DISTRICT NO. 4
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 752,292	\$ 877,454	\$ 1,077,572
REVENUES			
Property taxes	268,348	395,192	321,895
Specific ownership tax	31,513	39,692	32,190
Interest income	288	2,950	10,800
Facilities fees	145,500	87,750	13,500
Total revenues	<u>445,649</u>	<u>525,584</u>	<u>378,385</u>
Total funds available	<u>1,197,941</u>	<u>1,403,038</u>	<u>1,455,957</u>
EXPENDITURES			
General Fund	26,210	29,686	43,000
Debt Service Fund	294,277	295,780	300,249
Total expenditures	<u>320,487</u>	<u>325,466</u>	<u>343,249</u>
Total expenditures and transfers out requiring appropriation	<u>320,487</u>	<u>325,466</u>	<u>343,249</u>
ENDING FUND BALANCES	<u>\$ 877,454</u>	<u>\$ 1,077,572</u>	<u>\$ 1,112,708</u>
EMERGENCY RESERVE	\$ 1,800	\$ 2,600	\$ 1,400
AVAILABLE FOR OPERATIONS	56,181	110,172	112,262
DEBT SERVICE RESERVE (Max of \$219,388)	219,388	219,388	219,388
DEBT SERVICE SURPLUS (Max of \$500,000)	474,321	500,000	500,000
EXCESS DEBT SERVICE REVENUE	125,764	245,412	279,658
TOTAL RESERVE	<u>\$ 877,454</u>	<u>\$ 1,077,572</u>	<u>\$ 1,112,708</u>

No assurance provided. See summary of significant assumptions.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Residential - Single Family	\$ 11,960,470	\$ 18,693,800	\$ 23,678,630
Commercial	3,610	60,710	58,080
State assessed	177,420	233,990	252,010
Vacant land	3,722,980	4,374,900	1,762,890
	<u>15,864,480</u>	<u>23,363,400</u>	<u>25,751,610</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 15,864,480</u>	<u>\$ 23,363,400</u>	<u>\$ 25,751,610</u>
MILL LEVY			
General	3.276	3.276	1.500
Debt Service	13.639	13.639	11.000
Total mill levy	<u>16.915</u>	<u>16.915</u>	<u>12.500</u>
PROPERTY TAXES			
General	\$ 51,972	\$ 76,539	\$ 38,627
Debt Service	216,376	318,653	283,268
Levied property taxes	<u>268,348</u>	<u>395,192</u>	<u>321,895</u>
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 268,348</u>	<u>\$ 395,192</u>	<u>\$ 321,895</u>
BUDGETED PROPERTY TAXES			
General	\$ 51,972	\$ 76,539	\$ 38,627
Debt Service	216,376	318,653	283,268
	<u>\$ 268,348</u>	<u>\$ 395,192</u>	<u>\$ 321,895</u>

No assurance provided. See summary of significant assumptions.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 26,069	\$ 57,981	\$ 112,772
REVENUES			
Property taxes	51,972	76,539	38,627
Specific ownership tax	6,103	7,688	3,863
Interest income	47	250	1,400
Total revenues	<u>58,122</u>	<u>84,477</u>	<u>43,890</u>
Total funds available	<u>84,191</u>	<u>142,458</u>	<u>156,662</u>
EXPENDITURES			
General and administrative			
Accounting	10,898	12,000	14,000
Auditing	4,400	4,550	4,900
County Treasurer's fee	780	1,148	579
Website	-	2,000	1,000
Dues and licenses	309	296	500
Election expense	-	988	2,000
Insurance and bonds	2,855	3,704	3,800
Legal services	6,968	5,000	10,000
Banking fees	-	-	-
Contingency	-	-	6,221
Total expenditures	<u>26,210</u>	<u>29,686</u>	<u>43,000</u>
Total expenditures and transfers out requiring appropriation	<u>26,210</u>	<u>29,686</u>	<u>43,000</u>
ENDING FUND BALANCE	<u>\$ 57,981</u>	<u>\$ 112,772</u>	<u>\$ 113,662</u>
EMERGENCY RESERVE	\$ 1,800	\$ 2,600	\$ 1,400
AVAILABLE FOR OPERATIONS	56,181	110,172	112,262
TOTAL RESERVE	<u>\$ 57,981</u>	<u>\$ 112,772</u>	<u>\$ 113,662</u>

No assurance provided. See summary of significant assumptions.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 726,223	\$ 819,473	\$ 964,800
REVENUES			
Property taxes	216,376	318,653	283,268
Specific ownership tax	25,410	32,004	28,327
Interest income	241	2,700	9,400
Facilities fees	145,500	87,750	13,500
Total revenues	387,527	441,107	334,495
Total funds available	1,113,750	1,260,580	1,299,295
EXPENDITURES			
General and administrative			
County Treasurer's fee	3,247	4,780	4,249
Banking fees	30	-	-
Paying agent fees	3,500	3,500	3,500
Contingency	-	-	5,000
Debt Service			
Bond interest	287,500	287,500	287,500
Total expenditures	294,277	295,780	300,249
Total expenditures and transfers out requiring appropriation	294,277	295,780	300,249
ENDING FUND BALANCE	\$ 819,473	\$ 964,800	\$ 999,046
DEBT SERVICE RESERVE (Max of \$219,388)	\$ 219,388	\$ 219,388	\$ 219,388
DEBT SERVICE SURPLUS (Max of \$500,000)	474,321	500,000	500,000
EXCESS DEBT SERVICE REVENUE	125,764	245,412	279,658
TOTAL RESERVE	\$ 819,473	\$ 964,800	\$ 999,046

No assurance provided. See summary of significant assumptions.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Triview Metropolitan District No. 4 (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by court order and decree of the District Court on November 13, 2007, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan dated December 17, 2007, and approved by the Town of Monument, Colorado. The District's service area is located in the Town of Monument, El Paso County, Colorado. The District was organized to provide financing for the design, acquisition, construction and installation and maintenance of essential public-purpose facilities.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirement 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 in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales 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 the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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 that the District's share will be equal to approximately 10% of the property taxes collected.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (Continued)

Facility Fees

The District will assess and charge a facility fee against all property within the District in the amount of \$1,500 for lots greater than 8,000 square feet, \$750 for lots less than or equal to 8,000 square feet and \$0.75 per buildable square foot on commercial space. Facilities fees are due at the earlier occurrence of the issuance of a building permit or the sale or transfer of ownership of a platted lot to a third-party.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.00%.

Expenditures

County Treasurer's Collection Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Administrative and Operating Expenditures

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

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the anticipated Series 2018 Bonds (discussed under Debt and Leases).

Debt and Leases

Series 2018 Bonds

On October 18, 2018, District #4 issued \$5,000,000 of General Obligation Limited Tax Bonds, Series 2018 ("2018 Bonds"). The 2018 Bonds are term bonds that bear interest of 5.75% per annum payable on June 1 and December 1, commencing on December 1, 2018. Mandatory principal payments are due on December 1, commencing on December 1, 2026, with final payment due on December 1, 2048. Bonds maturing after December 1, 2026, are subject to redemption prior to maturity, at the option of District #4, on December 1, 2026, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. The 2018 Bonds are secured by and payable from general ad valorem taxes, specific ownership taxes and facilities fees which may be levied on all taxable property within District #4 in an amount necessary to pay the principal and interest on the 2018 Bonds when due. The 2018 Bonds are additionally secured by the reserve fund, which was initially funded with proceeds of the 2018 Bonds in the amount of \$219,388. Proceeds of the 2018 Bonds were used for the purposes of (i) funding and reimbursing a portion of the costs of acquiring, constructing, and installing certain public improvements; (ii) funding an initial deposit to the reserve fund; and (iii) paying the costs of issuance of the bonds.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (Continued)

Schedule of Long Term Obligations

	Balance at December 31, 2021	Additions*	Repayments*	Balance at December 31, 2022*
G.O. Refunding Bonds - Series 2018	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
Premium - Series 2018	69,498	-	3,562	65,936
	<u>\$ 5,069,498</u>	<u>\$ -</u>	<u>\$ 3,562</u>	<u>\$ 5,065,936</u>
	Balance at December 31, 2022*	Additions*	Repayments*	Balance at December 31, 2023*
G.O. Refunding Bonds - Series 2018	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
Premium - Series 2018	65,936	-	3,562	62,373
	<u>\$ 5,065,936</u>	<u>\$ -</u>	<u>\$ 3,562</u>	<u>\$ 5,062,373</u>

* Estimate

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3.0% of fiscal year spending for 2023, as defined under TABOR.

Debt Service Reserves

The Debt Service Reserve in the amount of \$219,388 is required to be maintained on the Series 2018 Bonds.

This information is an integral part of the accompanying budget.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
2023 BUDGET**

\$5,000,000
General Obligation Limited Tax Bonds Series 2018
October 18, 2018
Interest Rate 5.75%
Interest due June 1 and December 1
Principal due December 1

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total All Bonds</u>
2023	\$ -	\$ 287,500	\$ 287,500
2024	-	287,500	287,500
2025	-	287,500	287,500
2026	75,000	287,500	362,500
2027	80,000	283,188	363,188
2028	90,000	278,588	368,588
2029	95,000	273,413	368,413
2030	110,000	267,950	377,950
2031	115,000	261,625	376,625
2032	130,000	255,013	385,013
2033	135,000	247,538	382,538
2034	150,000	239,775	389,775
2035	160,000	231,150	391,150
2036	175,000	221,950	396,950
2037	185,000	211,888	396,888
2038	205,000	201,250	406,250
2039	220,000	189,463	409,463
2040	240,000	176,813	416,813
2041	250,000	163,013	413,013
2042	275,000	148,638	423,638
2043	290,000	132,825	422,825
2044	315,000	116,150	431,150
2045	335,000	98,038	433,038
2046	360,000	78,775	438,775
2047	380,000	58,075	438,075
2048	630,000	36,225	666,225
Total	<u>\$ 5,000,000</u>	<u>\$ 5,321,338</u>	<u>\$ 10,321,338</u>

No assurance provided. See summary of significant assumptions.

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: | <u>Public Infrastructure</u> |
| | Series: | <u>\$5,000,000 General Obligation Limited Tax Refunding and Improvement Bonds Series 2018</u> |
| | Date of Issue: | <u>October 18, 2018</u> |
| | Coupon Rate: | <u>5.750%</u> |
| | Maturity Date: | <u>December 1, 2048</u> |
| | Levy: | <u>11.000</u> |
| | Revenue: | <u>\$283,268</u> |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 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.

EXHIBIT B
2022 AUDIT

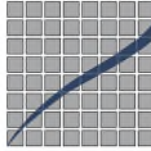
**TRIVIEW METROPOLITAN DISTRICT NO. 4
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

**TRIVIEW METROPOLITAN DISTRICT NO. 4
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YEAR ENDED DECEMBER 31, 2022**

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BiggsKofford
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Triview Metropolitan District No. 4
El Paso County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Triview Metropolitan District No. 4 ("District"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2022, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it

exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in

accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

BiggsKofford, P.C.

Colorado Springs, Colorado
July 26, 2023

BASIC FINANCIAL STATEMENTS

TRIVIEW METROPOLITAN DISTRICT NO. 4
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	\$ 115,900
Cash and Investments - Restricted	972,932
Facilities Fees Receivable	1,500
Receivable from County Treasurer	3,360
Property Taxes Receivable	321,895
Prepaid Expenses	3,730
Capital Assets, Not Being Depreciated	2,949,601
Total Assets	4,368,918
LIABILITIES	
Accounts Payable	9,058
Accrued Interest Payable	23,958
Noncurrent Liabilities:	
Due in More Than One Year	5,065,936
Total Liabilities	5,098,952
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	321,895
Total Deferred Inflows of Resources	321,895
NET POSITION	
Restricted for:	
Emergency Reserves	2,600
Debt Service	731,195
Unrestricted	(1,785,724)
Total Net Position	\$ (1,051,929)

See accompanying Notes to Basic Financial Statements.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

ASSETS	General	Debt Service	Total Governmental Funds
Cash and Investments	\$ 115,900	\$ -	\$ 115,900
Cash and Investments - Restricted	2,600	970,332	972,932
Receivable - County Treasurer	651	2,709	3,360
Facilities Fees Receivable	-	1,500	1,500
Property Taxes Receivable	38,627	283,268	321,895
Prepaid Expenses	3,730	-	3,730
Total Assets	<u>\$ 161,508</u>	<u>\$ 1,257,809</u>	<u>\$ 1,419,317</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 9,058	\$ -	\$ 9,058
Total Liabilities	9,058	-	9,058
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	38,627	283,268	321,895
Total Deferred Inflows of Resources	38,627	283,268	321,895
FUND BALANCES			
Nonspendable:			
Prepaid Expenses	3,730	-	3,730
Restricted For:			
Emergencies (TABOR)	2,600	-	2,600
Debt Service	-	974,541	974,541
Unassigned	107,493	-	107,493
Total Fund Balances	<u>113,823</u>	<u>974,541</u>	<u>1,088,364</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 161,508</u>	<u>\$ 1,257,809</u>	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Capital Assets, Not Being Depreciated			2,949,601
Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds:			
Bond Payable			(5,065,936)
Accrued Interest Payable			(23,958)
Net Position of Governmental Activities			<u>\$ (1,051,929)</u>

See accompanying Notes to Basic Financial Statements.

TRIVIEW METROPOLITAN DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
REVENUES			
Property Taxes	\$ 76,539	\$ 318,653	\$ 395,192
Specific Ownership Taxes	7,958	33,133	41,091
Net Investment Income	2,039	13,565	15,604
Facilities Fees	-	85,500	85,500
Total Revenues	<u>86,536</u>	<u>450,851</u>	<u>537,387</u>
EXPENDITURES			
Current:			
Accounting	13,376	-	13,376
Auditing	4,625	-	4,625
Banking Fees	8	-	8
County Treasurer's Fees	1,149	4,783	5,932
District Management	772	-	772
Dues and Membership	296	-	296
Election	1,204	-	1,204
Insurance and Bonds	3,704	-	3,704
Legal	4,633	-	4,633
Website	927	-	927
Debt Service:			
Paying Agent Fee	-	3,500	3,500
Bond Interest	-	287,500	287,500
Total Expenditures	<u>30,694</u>	<u>295,783</u>	<u>326,477</u>
NET CHANGE IN FUND BALANCES	55,842	155,068	210,910
Fund Balances - Beginning of Year	<u>57,981</u>	<u>819,473</u>	<u>877,454</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 113,823</u></u>	<u><u>\$ 974,541</u></u>	<u><u>\$ 1,088,364</u></u>

See accompanying Notes to Basic Financial Statements.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Governmental Funds \$ 210,910

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

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.

Bond Premium Amortization 3,562

Change in Net Position of Governmental Activities \$ 214,472

See accompanying Notes to Basic Financial Statements.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 76,539	\$ 76,539	\$ -
Specific Ownership Tax	7,654	7,958	304
Net Investment Income	100	2,039	1,939
Total Revenues	<u>84,293</u>	<u>86,536</u>	<u>2,243</u>
EXPENDITURES			
Current:			
Accounting	15,000	13,376	1,624
Audit	4,550	4,625	(75)
Banking Fees	500	8	492
County Treasurer's Fee	1,148	1,149	(1)
District Management	-	772	(772)
Dues and Membership	500	296	204
Election	2,000	1,204	796
Insurance and Bonds	3,000	3,704	(704)
Legal	10,000	4,633	5,367
Website	-	927	(927)
Contingency	10,302	-	10,302
Total Expenditures	<u>47,000</u>	<u>30,694</u>	<u>16,306</u>
NET CHANGE IN FUND BALANCE	37,293	55,842	18,549
Fund Balance - Beginning of Year	<u>53,706</u>	<u>57,981</u>	<u>4,275</u>
FUND BALANCE - END OF YEAR	<u>\$ 90,999</u>	<u>\$ 113,823</u>	<u>\$ 22,824</u>

See accompanying Notes to Basic Financial Statements.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 DEFINITION OF REPORTING ENTITY

Triview Metropolitan District No. 4 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado created pursuant to the Special District Act, was formed in 2007 for the design, construction, and financing of certain internal roadways, including that portion of Sanctuary Rim Drive within its boundaries, and for financing offsite improvements to Higby Road and Jackson Creek Parkway in the Town of Monument.

The District was formed in conjunction with Triview Metropolitan District No. 1 (District No. 1), Triview Metropolitan District No. 2 (District No. 2) and Triview Metropolitan District No. 3 (District No. 3) to design, finance and construct Ranch Pointe Road, Sanctuary Pointe Avenue, Higby Road, and Jackson Creek Parkway. District No. 1 is responsible for managing the construction, operation and maintenance of all improvements not transferred to the Town of Monument. District No. 2, District No. 3 and the District are responsible for providing the funding and tax base needed to support the financing plan for capital improvements and to fund ongoing operations.

The District follows 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 operational 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.

The statement of net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District is reported as net position.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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 instead 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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 has determined that Developer advances are not considered as revenue susceptible to accrual. 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.

TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 sales 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, 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.

Capital Assets

Capital assets, which include infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

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.

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.

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.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 115,900
Cash and Investments - Restricted	972,932
Total Cash and Investments	<u><u>\$ 1,088,832</u></u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 115,044
Investments	973,788
Total Cash and Investments	<u><u>\$ 1,088,832</u></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.

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, 2022, the District's cash deposits had a bank balance and a carrying balance of \$115,044, respectively.

Investments

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

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

The District generally limits its concentration of investments to those noted with an asterisk (*) below, 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, 2022, 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	<u>\$ 973,788</u>

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 currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. 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.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

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 PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAsf/S1 by FitchRatings. 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 or weekly, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2022 follows:

	Balance at December 31, 2021	Increases	Decreases	Balance at December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 2,949,601	\$ -	\$ -	\$ 2,949,601
Total Capital Assets, Not Being Depreciated	<u>\$ 2,949,601</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,949,601</u>

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, 2022:

	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022	Due Within One Year
Bonds Payable:					
2018 G.O. Refunding Bonds	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000	\$ -
2018 G.O. Refunding Bonds Premium	69,498	-	3,562	65,936	-
Total Long-Term Obligations	<u>\$ 5,069,498</u>	<u>\$ -</u>	<u>\$ 3,562</u>	<u>\$ 5,065,936</u>	<u>\$ -</u>

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2018 – General Obligation Refunding Bonds

On October 18, 2018, the District issued \$5,000,000 of General Obligation Limited Tax Bonds, Series 2018 (2018 Bonds). The 2018 Bonds are term bonds that bear interest of 5.75% per annum payable on June 1 and December 1, commencing on December 1, 2018. Mandatory principal payments are due on December 1, commencing on December 1, 2026, with final payment due on December 1, 2048. Bonds maturing after December 1, 2026, are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par and accrued interest, without redemption premium.

The 2018 Bonds are secured by and payable from general ad valorem taxes, specific ownership taxes and facilities fees which may be levied on all taxable property within the District in an amount necessary to pay the principal and interest on the 2018 Bonds when due. The 2018 Bonds are additionally secured by the reserve fund, which was initially funded with proceeds of the 2018 Bonds in the amount of \$219,388.

Proceeds of the 2018 Bonds were used for the purposes of (i) funding and reimbursing a portion of the costs of acquiring, constructing, and installing certain public improvements; (ii) funding an initial deposit to the reserve fund; and (iii) paying the costs of issuance of the bonds.

Events of Default

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an event of default under the Indenture:

- i. The District fails or refuses to impose the required mill levy or to apply the pledged revenue as provided in the indenture.
- ii. The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the indenture or the bond resolution, other than as described in paragraph (i) above, and fails to remedy the same after notice thereof pursuant to the indenture.
- iii. The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the bonds.

It is acknowledged that due to the limited nature of the pledged revenue, the failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an event of Default under the Indenture.

Upon the occurrence and continuance of an event of default, the trustee has the following rights and remedies which may be pursued:

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Events of Default (Continued)

- i. Receivership: Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the trustee and of the owners, the trustee is entitled to as a matter of right to the appointment of a receiver or receivers of the trust estate, and of the revenues, income, product, and profits there of pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the District; but notwithstanding the appointment of any receiver or other custodian, the trustee is to be entitled to the possession and control of any cash, securities, or other instruments at the time held by, or payable or deliverable under the provisions of the indenture to the trustee.
- ii. Suit for judgment: The trustee may proceed to protect and enforce its rights and the rights of the owners by suit, action, or special proceedings as the trustee, being advised by counsel, deems appropriate.
- iii. Mandamus or other suit: The trustee may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce all rights of the owners.

No Acceleration

Notwithstanding the foregoing or anything else herein to the contrary, acceleration shall not be an available remedy for an Event of Default.

As of December 31, 2022, the District was not in default.

The annual requirements to amortize the remaining Series 2018 Bonds are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 287,500	\$ 287,500
2024	-	287,500	287,500
2025	-	287,500	287,500
2026	75,000	287,500	362,500
2027	80,000	283,187	363,187
2028-2032	540,000	1,336,586	1,876,586
2033-2037	805,000	1,152,299	1,957,299
2038-2042	1,190,000	879,173	2,069,173
2043-2047	1,680,000	483,862	2,163,862
2048	630,000	36,225	666,225
Total	<u>\$ 5,000,000</u>	<u>\$ 5,321,332</u>	<u>\$ 10,321,332</u>

Authorized Debt

On November 7, 2007, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$5,000,000 at an interest rate not to exceed 16% per annum. At December 31, 2022, the District had no remaining authorized debt.

TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 6 NET POSITION

The District has net position consisting of two components – restricted, and unrestricted.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022, as follows:

Restricted Net Position:	
Emergencies	\$ 2,600
Debt Service Reserve	731,195
Total Restricted Net Position	<u>\$ 733,795</u>

The District has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 7 FACILITIES FEES

On November 1, 2016, the District adopted a resolution imposing facilities fees on the property within the District in the amount of \$1,500 for lots greater than 8,000 square feet, \$750 for lots less than or equal to 8,000 square feet and \$0.75 per buildable square foot on commercial space. Facilities fees are due at the earlier occurrence of the issuance of a building permit or the sale or transfer of ownership of a platted lot to a third party.

NOTE 8 RELATED PARTIES

The developers of the property which constitutes the District are McKinney Classic 3, LLC and Collin Elite 1, LLC. The members of the Board of Directors are officers, employees or associated with the developers and may have conflicts of interest in dealing with the District.

NOTE 9 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.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 9 RISK MANAGEMENT (CONTINUED)

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 10 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. The District voters approved a ballot issue allowing the District to retain all revenues.

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.

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

**TRIVIEW METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 318,653	\$ 318,653	\$ -
Specific Ownership Tax	31,865	33,133	1,268
Net Investment Income	500	13,565	13,065
Facilities Fees	-	85,500	85,500
Total Revenues	<u>351,018</u>	<u>450,851</u>	<u>99,833</u>
EXPENDITURES			
County Treasurer's Fees	4,780	4,783	(3)
Bond Interest	287,500	287,500	-
Paying Agent Fee	3,500	3,500	-
Contingency	5,000	-	5,000
Total Expenditures	<u>300,780</u>	<u>295,783</u>	<u>4,997</u>
NET CHANGE IN FUND BALANCE	50,238	155,068	104,830
Fund Balance - Beginning of Year	<u>821,101</u>	<u>819,473</u>	<u>(1,628)</u>
FUND BALANCE - END OF YEAR	<u>\$ 871,339</u>	<u>\$ 974,541</u>	<u>\$ 103,202</u>

OTHER INFORMATION

TRIVIEW METROPOLITAN DISTRICT NO. 4
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2022

\$5,000,000
 General Obligation Limited Tax Bonds Series 2018
 October 18, 2018
 Interest Rate 5.75%
 Interest due June 1 and December 1
 Principal due December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 287,500	\$ 287,500
2024	-	287,500	287,500
2025	-	287,500	287,500
2026	75,000	287,500	362,500
2027	80,000	283,187	363,187
2028	90,000	278,587	368,587
2029	95,000	273,412	368,412
2030	110,000	267,950	377,950
2031	115,000	261,625	376,625
2032	130,000	255,012	385,012
2033	135,000	247,537	382,537
2034	150,000	239,775	389,775
2035	160,000	231,150	391,150
2036	175,000	221,950	396,950
2037	185,000	211,887	396,887
2038	205,000	201,250	406,250
2039	220,000	189,462	409,462
2040	240,000	176,812	416,812
2041	250,000	163,012	413,012
2042	275,000	148,637	423,637
2043	290,000	132,825	422,825
2044	315,000	116,150	431,150
2045	335,000	98,037	433,037
2046	360,000	78,775	438,775
2047	380,000	58,075	438,075
2048	630,000	36,225	666,225
Total	<u>\$ 5,000,000</u>	<u>\$ 5,321,332</u>	<u>\$ 10,321,332</u>

**TRIVIEW METROPOLITAN DISTRICT NO. 4
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percent Collected to Levied
			Levied	Collected	
2018	\$ 2,986,880	15.622	\$ 46,661	\$ 46,661	100.00
2019	5,056,040	16.450	83,172	83,014	99.81
2020	9,805,190	16.915	165,853	165,602	99.85
2021	15,864,480	16.915	268,348	268,348	100.00
2022	23,363,400	16.915	395,192	395,192	100.00
Estimated for the Year Ending December 31, 2023	\$ 25,751,610	12.500	\$ 321,895		

Note:

Property taxes shown as collected in any one year include collection of delinquent property taxes or of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessment.