

**THREE SPRINGS METROPOLITAN DISTRICT NO. 4**  
**CITY OF DURANGO, COLORADO**  
**2023 ANNUAL REPORT**

City of Durango,  
*via Email*

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

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

La Plata County Clerk and Recorder,  
*via Email*

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

**1. Boundary changes made in 2023:**

There were no changes made to the District’s boundaries during the calendar year 2023.

**2. Intergovernmental Agreements entered into or terminated in 2023:**

The District did not enter into or terminate any Intergovernmental Agreements in 2023.

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

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

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

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

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

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

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

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

**7. List of facilities or improvements constructed by the District that were conveyed to the City in 2023:**

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

**8. Final Assessed Value of Taxable Property within the District’s boundaries as of December 31, 2023:**

The final 2023 total assessed value of taxable property within the boundaries of the District was \$3,564,330.

**9. Budget:**

Attached as Exhibit B is a copy of the District’s 2024 Budget.

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

The 2023 audited financial statements will be filed with the City Clerk upon completion.

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

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

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

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

**13. Notice of any uncured defaults:**

The District is not in default of any debt.

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

The District is able to pay its financial obligations.

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

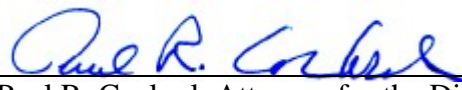
Attached as Exhibit C is the contact information requested and the terms of the members of the Board of Directors, as of the date of this report.

**16. Service Plan.**

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

Respectfully submitted this 30<sup>th</sup> day of September, 2024.

THREE SPRINGS METROPOLITAN  
DISTRICT NO. 4

By:   
Paul R. Cockrel, Attorney for the District

**EXHIBIT A**

Conflict of Interest Disclosures

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO  
**CERTIFICATE**

**20245000338**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

**TIM ZINK**  
PRESIDENT

THREE SPRINGS METROPOLITAN DISTRICT NOS. 1, 2, 3 AND 4

has disclosed and filed a Conflict of Interest with this office in accordance with section 24-18-110, C.R.S., and Rule 1.1 of the Secretary of State's Rules Concerning Conflicts of Interest.

The Conflict of Interest Disclosure was filed with the following information:

**Amount of Financial Interest (if any): 0.00**

Purpose and Duration of Services Rendered: Additional information was filed as an attachment.

Other Relevant Information: Additional information was filed as an attachment.

This certificate reflects facts established or disclosed by documents electronically filed in this office on 01/04/2024 01:17:19 PM.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on Thursday, January 04, 2024 01:17:22 PM pursuant to and in accordance with applicable law.



A handwritten signature in blue ink that reads "Jena Griswold".

Secretary of State of the State of Colorado

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

January 3, 2024

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

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

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

Dear Board Members and Honorable Secretary of State:

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

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

Board of Directors  
Honorable Jena Griswold  
January 3, 2024  
Page 2

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

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

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

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

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

Board of Directors  
Honorable Jena Griswold  
January 3, 2024  
Page 3

to the Agreements and a Guaranty Agreement supporting the Series 2010 Bonds, for which appropriate disclosures were made at the time.

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

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

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

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



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



Board of Directors  
Honorable Jena Griswold  
January 3, 2024  
Page 4

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

Respectfully submitted,

By    
3A41FB1E9CFC944A...  
Tim Zink

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO  
**CERTIFICATE**

20245000336

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

**KIM MORRIS**  
SECRETARY

THREE SPRINGS METROPOLITAN DISTRICT NOS. 2, 3 AND 4

has disclosed and filed a Conflict of Interest with this office in accordance with section 24-18-110, C.R.S., and Rule 1.1 of the Secretary of State's Rules Concerning Conflicts of Interest.

The Conflict of Interest Disclosure was filed with the following information:

**Amount of Financial Interest (if any): 0.00**

Purpose and Duration of Services Rendered: Additional information was filed as an attachment.

Other Relevant Information: Additional information was filed as an attachment.

This certificate reflects facts established or disclosed by documents electronically filed in this office on 01/04/2024 01:11:40 PM.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on Thursday, January 04, 2024 01:12:36 PM pursuant to and in accordance with applicable law.



A handwritten signature in blue ink that reads "Jena Griswold".

Secretary of State of the State of Colorado

**KIM MORRIS  
C/O GRVP, LLC  
65 MERCADO STREET, SUITE 250  
DURANGO, CO 81301**

January 3, 2024

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

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

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

Dear Board Members and Honorable Secretary of State:

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

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

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

The Board of Directors of District No. 1 ("**Board of District No. 1**") has previously issued the District No. 1 Limited Property General Obligation Refunding Bonds, Series 2020A ("**Series 2020A Bonds**"), the proceeds of which were used in part to (i) refund the District No. 3 Limited Property Tax Supported Revenue Bonds, Series 2010 originally issued to reimburse money advances made, or the costs of completion of certain public infrastructure improvements funded by GRVP pursuant to the Agreements and (ii) pay a portion of the principal balance and accrued interest on the Third Revised Series 2013 Note (as defined below), for which appropriate disclosures were made at the time.

In addition to the Series 2020A Bonds, the Board of District No. 1 ("**Board of District No. 1**") has previously issued the District No. 1 Subordinate Limited Tax General Obligation Refunding Bonds, Series 2020B ("**Series 2020B Refunding Bonds**"), the proceeds of which were used to (i) repay a portion of the Second Revised Series 2013 Note, for which appropriate disclosures were made at the time.

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

The Board of District No. 3 has also previously issued the District No. 3 Junior Revenue Note, Series 2020 (“**Series 2020 Note**”) to GRVP in a principal amount not to exceed \$7,600,000, the proceeds of which were or will be used to repay and/or reimburse certain money advances made for debt service and operating purposes by GRVP pursuant to the Agreements and a Guaranty Agreement supporting the Series 2010 Bonds, for which appropriate disclosures were made at the time.

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

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

This disclosure is being made in accordance with the conflict of interest statutes, particularly Article 18 of Title 24, C.R.S. and §§32-1-902(3) and 18-8-308, C.R.S., and is intended to constitute both (i) a general disclosure of any potential conflict of interest and (ii) a specific disclosure of any potential conflict of interest on my part with respect to the pending actions in full compliance with the requirements of State law. The foregoing disclosure shall be effective and continuing for all purposes until I advise the Boards of Directors of the Districts and the Colorado Secretary of State in writing of any changes in my status as disclosed herein.

Respectfully submitted,

By 

Kim Morris

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO  
**CERTIFICATE**

**20245000342**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

**BRIEN MEYER**

TREASURER

THREE SPRINGS METROPOLITAN DISTRICT NOS. 2, 3 AND 4

has disclosed and filed a Conflict of Interest with this office in accordance with section 24-18-110, C.R.S., and Rule 1.1 of the Secretary of State's Rules Concerning Conflicts of Interest.

The Conflict of Interest Disclosure was filed with the following information:

**Amount of Financial Interest (if any): 0.00**

Purpose and Duration of Services Rendered: Additional information was filed as an attachment.

Other Relevant Information: Additional information was filed as an attachment.

This certificate reflects facts established or disclosed by documents electronically filed in this office on 01/04/2024 01:24:05 PM.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on Thursday, January 04, 2024 01:24:09 PM pursuant to and in accordance with applicable law.



A handwritten signature in blue ink that reads "Jena Griswold".

Secretary of State of the State of Colorado

**BRIEN MEYER  
C/O GRVP, LLC  
65 MERCADO STREET, SUITE 250  
DURANGO, CO 81301**

January 2, 2024

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

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

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

Dear Board Members and Honorable Secretary of State:

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

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

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

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

The Board of Directors of District No. 1 (“**Board of District No. 1**”) has previously issued the District No. 1 Limited Property General Obligation Refunding Bonds, Series 2020A (“**Series 2020A Bonds**”), the proceeds of which were used in part to (i) refund the District No. 3 Limited Property Tax Supported Revenue Bonds, Series 2010 originally issued to reimburse money advances made, or the costs of completion of certain public infrastructure improvements funded by GRVP pursuant to the Agreements and (ii) pay a portion of the principal balance and accrued interest on the Third Revised Series 2013 Note (as defined below), for which appropriate disclosures were made at the time.

In addition to the Series 2020A Bonds, the Board of District No. 1 (“**Board of District No. 1**”) has previously issued the District No. 1 Subordinate Limited Tax General Obligation Refunding Bonds, Series 2020B (“**Series 2020B Refunding Bonds**”), the proceeds of which were used to (i) repay a portion of the Second Revised Series 2013 Note, for which appropriate disclosures were made at the time.

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



of replacing the Second Revised Series 2013 Note, for which appropriate disclosures were made at the time.

The Board of District No. 3 has also previously issued the District No. 3 Junior Revenue Note, Series 2020 (“**Series 2020 Note**”) to GRVP in a principal amount not to exceed \$7,600,000, the proceeds of which were or will be used to repay and/or reimburse certain money advances made for debt service and operating purposes by GRVP pursuant to the Agreements and a Guaranty Agreement supporting the Series 2010 Bonds, for which appropriate disclosures were made at the time.

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

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

This disclosure is being made in accordance with the conflict of interest statutes, particularly Article 18 of Title 24, C.R.S. and §§32-1-902(3) and 18-8-308, C.R.S., and is intended to constitute both (i) a general disclosure of any potential conflict of interest and (ii) a specific disclosure of any potential conflict of interest on my part with respect to the pending actions in full compliance with the requirements of State law. The foregoing disclosure shall be effective and continuing for all purposes until I advise the Boards of Directors of the Districts and the Colorado Secretary of State in writing of any changes in my status as disclosed herein.

Respectfully submitted,

By   
Brien Meyer

**EXHIBIT B**

2024 Budget

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

### Final Budgets

For the Year Ending December 31, 2023

### Budget Message

#### **Purposes of the Districts**

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

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

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

### Summary of Significant Assumptions

#### **Property Taxes**

The primary source of revenue for Districts No. 1, No. 2 and No. 4 are property taxes. The adopted mill levy for District No. 1 is 60.558 mills and is allocated 6.056 mills for operations and 54.502 mills for debt service; District No. 2 is 51.067 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 52.093 mills and is allocated 5.209 mills for operations and 46.884 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.

### **Administrative Expenditures**

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

### **Capital Outlay**

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

### **Debt Service**

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

### **Emergency Reserve**

The Districts have provided for emergency reserves equal to at least 3% of fiscal year spending for 2024, 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 7<sup>th</sup> day of February, 2017 for a property to be used for a public park.

### **Budget Modifications**

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

THREE SPRINGS METROPOLITAN DISTRICT NO. 4  
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET  
 For the eleven months ended November 30, 2023  
 GENERAL FUND

	Audited 2020	Audited 2021	Audited 2022	2023				Budget 2024
				Budget	November YTD	Over (Under) Budget	Estimated Totals for 2023	
Beginning Fund Balance	\$ 45	\$ 45	\$ 45	\$ 45	45	\$ -	\$ 45	\$ 3,600
<b>Revenues and Other Sources</b>								
Property taxes								
Operations	39,353	9,410	14,253	14,030	14,030	0	14,030	18,567
Specific ownership taxes	3,752	-	-	-	1,187	1,187	1,187	1,857
<b>Total Revenues and Other Sources</b>	<b>43,150</b>	<b>9,455</b>	<b>14,298</b>	<b>14,075</b>	<b>15,262</b>	<b>1,188</b>	<b>15,262</b>	<b>24,023</b>
<b>Expenditures and Other Uses</b>								
Transfers to District No. 3								
Operations	41,924	9,127	13,825	13,609	11,294	(2,315)	11,168	19,816
Bank fees	-	-	-	-	73	73	73	50
Treasurer fees	1,181	283	428	421	421	(0)	421	557
<b>Total Expenditures and Other Uses</b>	<b>43,105</b>	<b>9,410</b>	<b>14,253</b>	<b>14,030</b>	<b>11,787</b>	<b>(2,243)</b>	<b>11,662</b>	<b>20,423</b>
Ending Fund Balance	\$ 45	\$ 45	\$ 45	\$ 45	\$ 3,475	\$ 3,431	\$ 3,600	\$ 3,600

THREE SPRINGS METROPOLITAN DISTRICT NO. 4  
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 For the eleven months ended November 30, 2023  
 DEBT SERVICE FUND

	Audited 2020	Audited 2021	Audited 2022	2023				Budget 2024
				Budget	November YTD	Over (Under) Budget	Estimated Totals for 2023	
Beginning Fund Balance	\$ -	\$ 5,330	\$ 48,746	\$ 5,000	\$ 10,274	\$ 5,274	\$ 10,274	\$ 10,275
<b>Taxes</b>								
Property taxes	-	84,686	128,278	126,270	126,270	0	126,270	167,110
Specific ownership taxes	330	10,076	15,581	14,030	10,687	(3,343)	12,843	16,711
Interest income	-	3	452	30	354	324	354	200
<b>Bond transactions</b>								
Bond proceeds	1,763,052	133,297	-	-	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>1,763,382</b>	<b>233,392</b>	<b>193,057</b>	<b>145,330</b>	<b>147,587</b>	<b>1,931</b>	<b>149,741</b>	<b>194,296</b>
<b>Expenditures and Other Uses</b>								
<b>Debt Service</b>								
2020 Bond interest-Senior	-	51,349	57,649	57,649	28,825	(28,825)	57,649	56,640
2020 Bond principal	-	-	-	33,186	-	(33,186)	33,186	37,927
Treasurer fees	-	-	3,515	3,788	3,788	0	3,788	5,013
Bond Paying Agent Fees	5,500	-	9,723	6,000	3,455	(2,545)	6,000	7,500
Total general government	5,500	51,349	70,887	100,623	36,067	(64,556)	100,623	107,080
<b>Bond transactions</b>								
Transfer to District 3-2013 Junior Revenue Note	1,456,552	133,297	111,896	38,706	-	38,706	38,843	76,941
Transfer to District 3-COI Reimbursement	45,000	-	-	-	-	-	-	-
Cost of issuance	251,000	-	-	-	-	-	-	-
Total uses-2020 bond transaction	1,752,552	133,297	111,896	38,706	-	38,706	38,843	76,941
<b>Total Expenditures and Other Uses</b>	<b>1,758,052</b>	<b>184,646</b>	<b>182,783</b>	<b>139,329</b>	<b>36,067</b>	<b>(25,850)</b>	<b>139,466</b>	<b>184,021</b>
Ending Fund Balance	\$ 5,330	\$ 48,746	\$ 10,274	\$ 6,001	\$ 111,519	\$ 105,518	\$ 10,275	\$ 10,275

## EXHIBIT C

### Contact Information

#### **Contact Person**

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#### **Board of Directors**

Tim Zink, President/Chairman  
Term Expires May 2027  
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Kim Morris, Secretary  
Term Expires May 2025  
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Brien Meyer  
Term Expires May 2027  
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Vacancy  
Term Expires May 2025

Vacancy  
Term Expires May 2025