

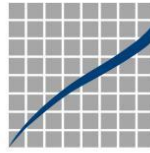
**TRIVIEW METROPOLITAN DISTRICT
NO. 4
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2020

**TRIVIEW METROPOLITAN DISTRICT NO. 4
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YEAR ENDED DECEMBER 31, 2020**

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BiggsKofford
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Triview Metropolitan District No. 4
Town of Monument, Colorado

Report on the Financial Statements

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2020, the changes in its financial position, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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.

The supplementary 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

The other information, as identified in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on the other information.

BiggsKofford, P.C.

Colorado Springs, Colorado
September 28, 2021

BASIC FINANCIAL STATEMENTS

**TRIVIEW METROPOLITAN DISTRICT NO. 4
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 26,083
Cash and Investments - Restricted	726,131
Receivable from County Treasurer	1,454
Property Taxes Receivable	268,348
Prepaid Expenses	2,855
Capital Assets, Not Being Depreciated	2,949,601
Total Assets	3,974,472
LIABILITIES	
Accounts Payable	4,231
Accrued Interest Payable	23,958
Noncurrent Liabilities:	
Due in More Than One Year	5,073,060
Total Liabilities	5,101,249
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	268,348
Total Deferred Inflows of Resources	268,348
NET POSITION	
Restricted for:	
Emergency Reserves	1,080
Debt Service	482,877
Unrestricted	(1,879,082)
Total Net Position	\$ (1,395,125)

See accompanying Notes to Basic Financial Statements.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

		Program Revenues			(Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 16,465	\$ -	\$ -	\$ -	\$ (16,465)
Facilities Fees	-	-	147,750	-	147,750
Interest and Related Costs on Long-Term Debt	289,463	-	-	-	(289,463)
Total Governmental Activities	\$ 305,928	\$ -	\$ 147,750	\$ -	(158,178)
GENERAL REVENUES					
					165,602
					18,028
					7,155
					190,785
CHANGE IN NET POSITION					
					32,607
					(1,427,732)
					\$ (1,395,125)

See accompanying Notes to Basic Financial Statements.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 26,083	\$ -	\$ 26,083
Cash and Investments - Restricted	1,080	725,051	726,131
Receivable - County Treasurer	282	1,172	1,454
Property Taxes Receivable	51,972	216,376	268,348
Prepaid Expenses	2,855	-	2,855
Total Assets	\$ 82,272	\$ 942,599	\$ 1,024,871
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 4,231	\$ -	\$ 4,231
Total Liabilities	4,231	-	4,231
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	51,972	216,376	268,348
Total Deferred Inflows of Resources	51,972	216,376	268,348
FUND BALANCES			
Nonspendable:			
Prepaid Expenses	2,855	-	2,855
Restricted For:			
Emergencies (TABOR)	1,080	-	1,080
Debt Service	-	726,223	726,223
Unassigned	22,134	-	22,134
Total Fund Balances	26,069	726,223	752,292
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 82,272	\$ 942,599	

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
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Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds:

Bond Payable	(5,073,060)
Accrued Interest Payable	(23,958)

Net Position of Governmental Activities	\$ (1,395,125)
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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, 2020**

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 32,073	\$ 133,529	\$ -	\$ 165,602
Specific Ownership Taxes	3,492	14,536	-	18,028
Net Investment Income	144	4,211	2,800	7,155
Facilities Fees	-	147,750	-	147,750
Total Revenues	<u>35,709</u>	<u>300,026</u>	<u>2,800</u>	<u>338,535</u>
EXPENDITURES				
Current:				
Accounting	7,869	-	-	7,869
County Treasurer's Fees	482	2,006	-	2,488
Dues and Membership	294	-	-	294
Banking Fees	-	22	-	22
Insurance and Bonds	2,410	-	-	2,410
Legal	5,388	-	-	5,388
Debt Service:				
Paying Agent Fee	-	3,500	-	3,500
Bond interest	-	287,500	-	287,500
Capital Outlay	-	-	1,074,718	1,074,718
Total Expenditures	<u>16,443</u>	<u>293,028</u>	<u>1,074,718</u>	<u>1,384,189</u>
NET CHANGE IN FUND BALANCES	<u>19,266</u>	<u>6,998</u>	<u>(1,071,918)</u>	<u>(1,045,654)</u>
Fund Balances - Beginning of Year	<u>6,803</u>	<u>719,225</u>	<u>1,071,918</u>	<u>1,797,946</u>
FUND BALANCES - END OF YEAR	<u>\$ 26,069</u>	<u>\$ 726,223</u>	<u>\$ -</u>	<u>\$ 752,292</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, 2020**

Net Change in Fund Balances - Governmental Funds	\$ (1,045,654)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense, the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay	1,074,718
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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	<u>3,543</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 32,607</u></u>
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**TRIVIEW METROPOLITAN DISTRICT NO. 4
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 32,121	\$ 32,073	\$ (48)
Specific Ownership Tax	1,859	3,492	1,633
Net Investment Income	-	144	144
Total Revenues	<u>33,980</u>	<u>35,709</u>	<u>1,729</u>
EXPENDITURES			
Current:			
Accounting	5,600	7,869	(2,269)
County Treasurer's Fee	482	482	-
Dues and Membership	200	294	(94)
Insurance and Bonds	2,500	2,410	90
Legal	10,000	5,388	4,612
Banking Fees	6,000	-	6,000
Contingency	10,000	-	10,000
Total Expenditures	<u>34,782</u>	<u>16,443</u>	<u>18,339</u>
NET CHANGE IN FUND BALANCE	<u>(802)</u>	<u>19,266</u>	<u>20,068</u>
Fund Balance - Beginning of Year	<u>11,642</u>	<u>6,803</u>	<u>(4,839)</u>
FUND BALANCE - END OF YEAR	<u>\$ 10,840</u>	<u>\$ 26,069</u>	<u>\$ 15,229</u>

See accompanying Notes to Basic Financial Statements.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 DEFINITION OF REPORTING ENTITY

Triview Metropolitan District No. 4 (District No. 4), 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.

District No. 4 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 District No. 4 are responsible for providing the funding and tax base needed to support the financing plan for capital improvements and to fund ongoing operations.

District No. 4 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.

District No. 4 is not financially accountable for any other organization nor is District No. 4 a component unit of any other primary governmental entity.

District No. 4 has no employees, and all operational and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of District No. 4 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 District No. 4. 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 District No. 4. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of District No. 4 is reported as net position.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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, District No. 4 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 District No. 4 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.

District No. 4 reports the following major governmental funds:

The General Fund is District No. 4'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.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, District No. 4'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. District No. 4'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.

District No. 4 amended its annual budget for the year ended December 31, 2020.

Property Taxes

Property taxes are levied by District No. 4'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 District No. 4.

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 District No. 4 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, 2020**

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. District No. 4 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 District No. 4'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, 2020**

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 District No. 4's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2020, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 26,083
Cash and Investments - Restricted	726,131
Total Cash and Investments	\$ 752,214

Cash and investments as of December 31, 2020, consist of the following:

Deposits with Financial Institutions	\$ 68,477
Investments	683,737
Total Cash and Investments	\$ 752,214

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, 2020, District No. 4's cash deposits had a bank balance of \$71,332 and a carrying balance of \$68,477.

Investments

District No. 4 has not adopted a formal investment policy; however, District No. 4 follows state statutes regarding investments.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

District No. 4 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, District No. 4 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, 2020, District No. 4 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	\$ 683,737

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

District No. 4 invested in the Colorado Local Government Liquid Asset Trust ("COLOTRUST" or "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. treasury securities and repurchase agreements collateralized by U.S. treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and District No. 4 records its investment in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily 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, 2020 follows:

	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 1,874,883	\$ 1,074,718	\$ -	\$ 2,949,601
Total Capital Assets, Not Being Depreciated	<u>\$ 1,874,883</u>	<u>\$ 1,074,718</u>	<u>\$ -</u>	<u>\$ 2,949,601</u>

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in District No. 4's long-term obligations for the year ended December 31, 2020:

	Balance - December 31, 2019	Additions	Retirements	Balance - December 31, 2020	Due Within One Year
Bonds Payable					
2018 G.O. Refunding Bonds	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000	\$ -
2018 G.O. Refunding Bonds Premium	76,603	-	3,543	73,060	-
Total Long-Term Obligations	<u>\$ 5,076,603</u>	<u>\$ -</u>	<u>\$ 3,543</u>	<u>\$ 5,073,060</u>	<u>\$ -</u>

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2018 – General Obligation Refunding Bonds

On October 18, 2018, District No. 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 No. 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 No. 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.

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>
2021	\$ -	\$ 287,500	\$ 287,500
2022	-	287,500	287,500
2023	-	287,500	287,500
2024	-	287,500	287,500
2025	-	287,500	287,500
2026-2030	450,000	1,390,638	1,840,638
2031-2035	690,000	1,235,100	1,925,100
2036-2040	1,025,000	1,001,363	2,026,363
2041-2045	1,465,000	658,663	2,123,663
2046-2048	1,370,000	173,075	1,543,075
Total	<u>\$ 5,000,000</u>	<u>\$ 5,896,338</u>	<u>\$ 10,896,338</u>

Authorized Debt

On November 7, 2007, a majority of the qualified electors of District No. 4 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, 2020, District No. 4 had no remaining authorized debt.

**TRIVIEW METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 6 NET POSITION

District No. 4 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. District No. 4 had restricted net position as of December 31, 2020, as follows:

Restricted Net Position:	
Emergencies	\$ 1,080
Debt Service Reserve	482,877
Total Restricted Net Position	<u>\$ 483,957</u>

District No. 4 has a deficit in unrestricted net position. The deficit was a result of District No. 4 being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from District No. 4's financial records.

NOTE 7 FACILITIES FEES

On November 1, 2016, District No. 4 adopted a resolution imposing facilities fees on the property within District No. 4 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 District No. 4 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 District No. 4.

NOTE 9 RISK MANAGEMENT

District No. 4 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.

District No. 4 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, 2020**

NOTE 9 RISK MANAGEMENT (CONTINUED)

District No. 4 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. District No. 4 voters approved a ballot issue allowing District No. 4 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.

District No. 4'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, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 133,732	\$ 133,529	\$ (203)
Specific Ownership Tax	7,741	14,536	6,795
Net Investment Income	-	4,211	4,211
Facilities Fees	147,750	147,750	-
Total Revenues	<u>289,223</u>	<u>300,026</u>	<u>10,803</u>
EXPENDITURES			
County Treasurer's Fees	2,006	2,006	-
Banking Fees	-	22	(22)
Bond Interest	287,500	287,500	-
Paying Agent Fee	3,500	3,500	-
Total Expenditures	<u>298,006</u>	<u>293,028</u>	<u>4,978</u>
NET CHANGE IN FUND BALANCE	<u>(8,783)</u>	<u>6,998</u>	<u>15,781</u>
Fund Balance - Beginning of Year	<u>714,387</u>	<u>719,225</u>	<u>4,838</u>
FUND BALANCE - END OF YEAR	<u>\$ 705,604</u>	<u>\$ 726,223</u>	<u>\$ 20,619</u>

**TRIVIEW METROPOLITAN DISTRICT NO. 4
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Net Investment Income	\$ -	\$ 2,800	\$ 2,800	\$ -
Total Revenues	-	2,800	2,800	-
EXPENDITURES				
Capital Outlay:				
Capital Outlay:	1,065,917	1,074,718	1,074,718	-
Contingency	5,000	-	-	-
Total Expenditures	<u>1,070,917</u>	<u>1,074,718</u>	<u>1,074,718</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(1,070,917)</u>	<u>(1,071,918)</u>	<u>(1,071,918)</u>	<u>-</u>
Fund Balance - Beginning of Year	<u>1,071,918</u>	<u>1,071,918</u>	<u>1,071,918</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,001</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER INFORMATION

**TRIVIEW METROPOLITAN DISTRICT NO. 4
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2020**

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			
Year Ending December 31,	Principal	Interest	Total
2021	\$ -	\$ 287,500	\$ 287,500
2022	-	287,500	287,500
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
	\$ 5,000,000	\$ 5,896,338	\$ 10,896,338
Total	\$ 5,000,000	\$ 5,896,338	\$ 10,896,338

**TRIVIEW METROPOLITAN DISTRICT NO. 4
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2020**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Property Taxes		Percent Collected to Levied
			Levied	Collected	
2016	\$ 563,830	14.490	\$ 8,733	\$ 8,734	100.01
2017	604,010	15.489	9,356	9,356	100.00
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
Estimated for the Year Ending December 31, 2021	\$ 15,864,480	16.915	\$ 268,348		