

## NORTH VISTA HIGHLANDS METROPOLITAN DISTRICT NO. 3

### 2022 ANNUAL REPORT

Pursuant to the Service Plan for North Vista Highlands Metropolitan Districts No. 3 (the “Service Plan”), North Vista Highlands Metropolitan District No. 3 (the “District”) is required to provide an annual report to the City Manager’s Office or the Mayor’s Office regarding the following matters no later than August 1<sup>st</sup> of each year following the year in which the Order and Decree creating the District has been recorded. Capitalized terms not defined herein shall have the meanings given to them in the Service Plan.

For the year ending December 31, 2022, the District makes the following report:

#### **§32-1-207(3) Statutory Requirements**

**1. Boundary changes made.**

There were no changes to the District’s boundaries during the reporting year.

**2. Intergovernmental Agreements entered into or terminated.**

The District did not enter into or terminate any Intergovernmental Agreements during the reporting year.

**3. Access information to obtain a copy of rules and regulations adopted by the board.**

As of December 31, 2022, the District has not adopted any rules or regulations.

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

To our actual knowledge, based on review of the court records in Pueblo County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s public improvements as of December 31, 2022.

**5. Status of the construction of public improvements by the District.**

The District did not construct any Improvements in 2022. North Vista Highlands Metropolitan District No. 1 and developers within the North Vista Highlands Metropolitan District Nos. 1-5 are undertaking construction of all public improvements.

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

No facilities or improvements constructed by the District were dedicated to or accepted by the City in 2022.

**7. The final assessed valuation of the District as of December 31<sup>st</sup> of the reporting year.**

The 2022 final assessed valuation is \$1,348,960.

**8. A copy of the current year's budget.**

A copy of the 2023 Budget is attached hereto as **Exhibit A**.

**9. 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.**

The 2022 Audit is in process and will be provided in a supplemental report once available.

**10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

The District was not in default under any debt instrument in 2022.

**11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

The District is not aware of any inability to pay its financial obligations as they become due.

**Service Plan Requirements**

**1. Boundary changes made or proposed to the District Boundaries as of December 31<sup>st</sup> of the prior year.**

There were no changes to the District's boundaries during the reporting year.

**2. Intergovernmental Agreement with other governmental entities, either entered into or proposed as of December 31<sup>st</sup> of the prior year.**

The District did not enter into or terminate any Intergovernmental Agreements during the reporting year.

**3. Copies of the Service District's rules and regulations, if any as of December 31<sup>st</sup> of the prior year.**

As of December 31, 2022, the District has not adopted any rules or regulations.

**4. A summary of any litigation which involves the District's Improvements as of December 31<sup>st</sup> of the prior year.**

To our actual knowledge, based on review of the court records in Pueblo County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2022.

**5. Status of the Service District's construction of the Improvements as of December 31<sup>st</sup> of the prior year.**

The District did not construct any Improvements in 2022. North Vista Highlands Metropolitan District No. 1 and developers within the North Vista Highlands Metropolitan District Nos. 1-5 are undertaking construction of all public improvements.

**6. A list of all facilities and improvements constructed by the Service District that have been dedicated to and accepted by the City as of December 31<sup>st</sup> of the prior year.**

No facilities or improvements constructed by the District were dedicated to and accepted by the City in 2022.

**7. The assessed valuation of the Service District for the current year.**

The 2022 final assessed valuation is \$1,348,960.

**8. Current year budget including a description of the Improvements to be constructed in such year.**

A copy of the 2023 Budget is attached hereto as **Exhibit A**.

**9. Audit of the Service District's financial statements, for the year ending December 31<sup>st</sup> of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

The 2022 Audit is in process and will be provided in a supplemental report once available.

**10. Notice of any uncured events of default by the Service District, which continue beyond a ninety (90) day period, under any debt instrument.**

The District was not in default under any debt instrument in 2022.

- 11. Any inability of the Service District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

The District is not aware of any inability to pay its financial obligations as they become due.

Respectfully submitted this 1<sup>st</sup> day of August, 2023.

**EXHIBIT A**  
**2023 Budget**

# **NORTH VISTA HIGHLANDS METROPOLITAN DISTRICTS NOS 1-5**

## **2023 BUDGET MESSAGE**

North Vista Highlands Metropolitan Districts Nos. 1-5 are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act and were formed in 2018. The Districts are located in the City of Pueblo, Colorado and have a service area of approximately 1,054.49 acres. The Districts were organized to plan for, design, acquire, construct, install, relocate, redevelop, provide and finance public improvements and related operation and maintenance services within the boundaries of the Districts.

The Districts have no employees at this time and all operations and administrative functions are contracted.

The budgets are prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the Districts' financial statements.

### **District 1**

#### **General Fund**

##### *Revenue*

Budgeted income in the amount of \$182,387 primarily consists of operating advances and intergovernmental revenue.

##### *Expenses*

The District No. 1 2023 general and administrative expenses budgeted amount is \$181,226. Refer to the General Fund summary included with the budget.

#### **Capital Projects Fund**

##### *Revenue*

Budgeted revenue includes funds from District No. 3 for capital improvements.

##### *Expenses*

Expenses are budgeted for certain Capital Improvement projects including but not limited to the construction of streets, water, sanitation, landscape and safety protection.

##### *Fund Balance/Reserves*

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.

### **District 3**

#### **General Fund**

Transfers from North Vista Highlands Metropolitan District No. 3 are pursuant to an intergovernmental agreement. The tax revenues to be transferred from District Nos. 3 are derived from the 20.000 mill Operation and Maintenance mill levy imposed on properties within the District. The Operation and Maintenance tax revenues received by District No. 1 from District No. 3 will be used to pay administrative expenditures incurred by all Districts.

**Debt Service Fund**

*Revenue*

Budgeted income includes \$80,938 in property taxes derived from the 60.000 mill levy and Specific Ownership Taxes estimated to be 6% of property taxes.

*Expenses*

Budgeted administrative expenses and interest on debt are \$614,009.

*Fund Balance/Reserves*

District No. 3. has provided a capitalized interest fund to pay interest payments through 2023.

*Debt Summary*

<b>North Vista Highland Metropolitan District No. 3</b> <b>General Obligation Bonds, Series 2020</b> <b>\$11,760,000 Maturing 2049</b>		
<b>Year(s)</b>	<b>Principal</b>	<b>Interest</b>
2023	-	602,700
2024	-	602,700
2025	-	602,700
2026-2049	11,760,000	10,472,562
Total	11,760,000	12,280,662
<b>North Vista Highland Metropolitan District No. 3</b> <b>General Obligation Bonds, Series 2021B(3)</b> <b>\$5,003,000 Maturing 2051</b>		
Payments are subject to prior pledge Series 2020		

**District 2**

Transfers from North Vista Highlands Metropolitan District No. 2 are pursuant to an intergovernmental agreement. The tax revenues to be transferred from District Nos. are derived from the 80.000 mill Operation and Maintenance mill levy imposed on properties within the District. The Operation and Maintenance tax revenues received by District No. 1 from District No. 2 will be used to pay administrative expenditures incurred by all Districts.

**Districts 4 & 5**

Districts 4 & 5 anticipate no income or expenses for 2023.

## North Vista Highlands District 3 Budget

### General Fund

	2021	2022	2022	
	Actual	Budget	Estimated	2023
			Actual	Budget
<i>Modified Accrual Basis</i>				
<b>Beginning Fund Balance</b>	-	-	120	57
<b>Income</b>				
Interest Revenue	1	-	1	-
Property Taxes	1,182	3,867	3,867	26,979
Tax Related Interest	-	-	-	-
Transfer In	10	-	-	-
Specific Ownership Taxes	113	232	343	1,619
<b>Total Budgeted Operating Income</b>	1,306	4,099	4,211	28,598
<b>Expense</b>				
<i>General and Administrative</i>				
Treasurers Fees	18	58	58	405
Intergovernmental Fees	1,168	3,984	3,984	27,347
<b>Total Budgeted Operating Expense</b>	1,186	4,042	4,042	27,752
<b>Excess Income (Expenses)</b>	120	57	169	846
<b>Ending Fund Balance</b>	<b>120</b>	<b>57</b>	<b>289</b>	<b>903</b>

### Debt Service Fund

	2021	2022	2022	
	Actual	Budget	Estimated	2023
			Actual	Budget
<i>Modified Accrual Basis</i>				
<b>Beginning Fund Balance</b>	6,752,001	7,420,422	5,920,994	2,388,856
<b>Income</b>				
Other Financing Sources	5,003,000	-	-	-
Interest Revenue	2,866	-	71,189	23,889
Property Tax	3,547	11,600	11,600	80,938
Specific Ownership Taxes	338	696	941	4,856
Tax Related Interest	-	-	89	-
	<b>5,009,751</b>	<b>12,296</b>	<b>83,819</b>	<b>109,683</b>
<b>Expense</b>				
Costs of Issuance	400,884	-	-	-
Treasurers Fees	53	174	174	1,214
Bank Fees	501	-	3,262	1,095
Paying Agent Fees	6,000	9,000	8,000	9,000
Interest - Bonds	602,700	602,700	604,521	602,700
Transfer Out	4,830,620	5,242,978	3,000,000	1,000,000
<b>Total Budgeted Operating Expense</b>	<b>5,840,758</b>	<b>5,854,852</b>	<b>3,615,957</b>	<b>1,614,009</b>
<b>Excess Income (Expenses)</b>	<b>(831,007)</b>	<b>(5,842,556)</b>	<b>(3,532,138)</b>	<b>(1,504,326)</b>
<b>Ending Fund Balance</b>	<b>5,920,994</b>	<b>1,577,866</b>	<b>2,388,856</b>	<b>884,530</b>