

RECORD OF PROCEEDINGS

MINUTES OF THE JOINT SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF TWIN BUTTES METROPOLITAN DISTRICT NOS. 1-4

HELD: Wednesday, October 2, 2013, at 2:00 p.m. at the offices of Crane Leake Ehlers Bruzzese and Ehlers PC, 102 West 18th Street, Durango, Colorado

ATTENDANCE:

The joint special meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4 was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Glenn D. Pauls, President
Eric E. Flora
Jeffrey A. Perino
Scott Strand, Treasurer
Parker S. Newby

No members of the Boards were absent.

Also present were Paula Schler, Secretary to the Boards, and Steven (Willie) Wilson of Twin Buttes of Durango; Denny Ehlers of Crane Leake Ehlers Bruzzese and Ehlers PC; and Matthew R. Dalton of Spencer Fane & Grimshaw LLP (via telephone conferencing)

CALL TO ORDER:

Director Pauls noted that a quorum was present for the purpose of conducting a joint special meeting by the Boards of Directors and called the meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4 to order.

APPROVAL OF MINUTES:

The Boards reviewed the minutes of the organizational meeting of the Boards held on September 4, 2013. Following discussion and upon a motion duly made, seconded, and unanimously carried, the Board approved the minutes as presented and authorized Ms. Schler, as Secretary to the Boards, to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

RECORD OF PROCEEDINGS

Twin Buttes Metropolitan District Nos. 1-4

October 2, 2013

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2013 BUDGETS:

- a. Twin Buttes Metropolitan District No. 1. Director Pauls declared the public hearing on the 2013 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2013 budget. Following discussion of the budget as proposed, Mr. Dalton presented for the Board's consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2013 budget as presented, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2013 budget be attached to these minutes and incorporated herein by this reference.

- b. Twin Buttes Metropolitan District No. 2. Director Pauls declared the public hearing on the 2013 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2013 budget. Following discussion of the budget as proposed, Mr. Dalton presented for the Board's consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2013 budget as presented, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2013 budget be attached to these minutes and incorporated herein by this reference.

- c. Twin Buttes Metropolitan District No. 3. Director Pauls declared the public hearing on the 2013 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2013 budget. Following discussion of the budget as proposed, Mr. Dalton presented for the Board's consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2013 budget as presented, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2013 budget be attached to these minutes and incorporated herein by this reference.

RECORD OF PROCEEDINGS

Twin Buttes Metropolitan District Nos. 1-4

October 2, 2013

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- d. Twin Buttes Metropolitan District No. 4. Director Pauls declared the public hearing on the 2013 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2013 budget. Following discussion of the budget as proposed, Mr. Dalton presented for the Board's consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2013 budget as presented, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2013 budget be attached to these minutes and incorporated herein by this reference.

2014 BUDGETS:

Mr. Wilson distributed and briefly reviewed the draft 2014 budgets. The Boards set the public hearing date for the adoption of the 2014 budgets for Tuesday, December 12, 2013, at the offices of Crane Leake Ehlers Bruzzese and Ehlers PC at 2:00 p.m.

SDA PROPERTY AND LIABILITY POOL:

The Board of District No. 1 reviewed the need for the District to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool. The Board reviewed the resolution and intergovernmental agreement to obtain the insurance coverage. Upon motion duly made, seconded and unanimously carried, the District No. 1 Board adopted the resolution and approved the IGA.

LONG-TERM FINANCIAL PLAN:

Mr. Wilson reviewed the long range plan prepared by Stan Bernstein.

ATTORNEY'S ITEMS:

- a. November 5, 2013 Elections. Mr. Dalton reviewed for the Boards' information the issues involved in the November 5, 2013 special elections among these being de-TABORing and debt and mill levy limit authorization.

RECORD OF PROCEEDINGS

Twin Buttes Metropolitan District Nos. 1-4

October 2, 2013

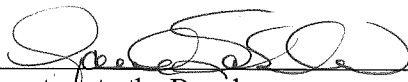
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- b. Intergovernmental Agreement. The Boards tabled discussion and action on the Intergovernmental Agreement between the Twin Buttes Districts.
- c. Developer Reimbursement Agreement. Mr. Dalton reviewed the proposed reimbursement agreement between the Districts and the Developer. The Boards tabled discussion and action to a later meeting.
- d. Banking. The Boards discussed the need to open bank accounts with Alpine Bank. Upon motion duly made, seconded and unanimously carried, the Boards approved the opening of the accounts and that each Board Member is a signatory of which two must authorize each bank withdrawal or check transaction.

ADJOURNMENT:

Following discussion and upon motion duly made, seconded and unanimously approved the Boards adjourned the joint special meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4. The Boards noted for the record that the next joint meeting of the Boards will be a special meeting scheduled for Thursday, December 12, 2013, being at the same time and place.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Boards of Directors of Twin Buttes Metropolitan District Nos. 1-4.


Secretary to the Boards

LGID # _____

**RESOLUTION
TO ADOPT 2013 BUDGET AND APPROPRIATE SUMS OF MONEY
TWIN BUTTES METROPOLITAN DISTRICT NO. 1**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE TWIN BUTTES METROPOLITAN DISTRICT NO. 1, LA PLATA COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2013, AND ENDING ON THE LAST DAY OF DECEMBER, 2013,

WHEREAS, the Board of Directors of the Twin Buttes Metropolitan District No. 1 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 2, 2013, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TWIN BUTTES METROPOLITAN DISTRICT NO. 1 OF LA PLATA COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Twin Buttes Metropolitan District No. 1 for calendar year 2013.

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

Section 3. 2013 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and does not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 2nd day of October, 2013.



TWIN BUTTES METROPOLITAN
DISTRICT NO. 1

President

ATTEST:

Secretary

LETTER OF BUDGET TRANSMITTAL


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

Attached are the 2013 budget and budget message for TWIN BUTTES METROPOLITAN DISTRICT NO. 1 in La Plata County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 2, 2013. If there are any questions on the budget, please contact

Paula Schler, Secretary to the Board
20091 W. US Hwy 160
Durango, CO 81301
(970) 749-1620

I, Paula Schler, Secretary to the Board of the Twin Buttes Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2013 budget.

By:



Paula Schler

**Twin Buttes Metropolitan Districts (1-4)
2013 Budget Message**

DISTRICTS SERVICES:

Formed on August 27, 2013 the Districts provide the management, implementation and the coordination of the financing, acquisition, completion and operation of certain public infrastructure and services throughout the development. The improvements will be for the collective use and benefit of the property owners within and residents of the Districts. It is anticipated that District No. 1 may dedicate and transfer certain improvements to the City (of Durango) or another governmental entity as appropriate. District No. 1 will operate and maintain all other improvements within the development consistent with an intergovernmental agreement to be entered into with the City. In the absence of a master property owners' association District No. 1 will perform design review and covenant enforcement for the development.

BASIS OF ACCOUNTING:

The basis of accounting utilized in the preparation of the 2013 budget for the Districts is the modified accrual method. The Districts' 2013 Budget includes projected revenues and expenditures for general operating fund, debt service fund capital projects fund.

IMPORTANT FEATURES OF THE BUDGET:

The 2013 budget does not result in a violation of any applicable property tax or fiscal year spending limitations. Emergency reserves will be provided in 2013 (3% of the Districts' fiscal year spending excluding bonded debt service.)

1. **General Operating Fund-Revenues and Expenditures:** Paid for out of the District No. 1's General Fund are the following major line items,
 - a. Management, Accounting, and Administration
 - b. Emergency Reserves
 - c. Contingency

Management, accounting and administration costs include the costs related to the necessary services to manage and operate District No. 1. A listing of those projected costs is provided on Schedule #1. Those costs include but are not limited to,

- Contract administration
- Contract accounting
- General counsel
- Insurance, risk management
- Other miscellaneous costs

Pursuant to Colorado State Statute an emergency reserve provision in the amount of 3% of fiscal year spending (Approximate amount of reserve is calculated at \$1,800 or approximately 3% of \$53,000). An additional contingency of \$8,000 is also provided which can be utilized for unanticipated spending subject to Board approval to reallocate such contingency to appropriate line items.

The above expenditures will be covered solely out of Developer operating subsidies as the two (2) other primary sources of revenue 1.) Property taxes and 2.) Develop Fees are not anticipated to be generated until 2014 and 2015.

Twin Buttes of Durango, the organizer (the "Organizer") of the Districts has incurred approximately \$100,000 of organization and formation costs to form the Districts. It is intention of the District (#1) to reimburse the Organizer contingent on having the financial resources to do so. The ability for the District to repay the Organizer cannot be determined and does not have an obligation to do unless future funds become available. This contingent liability will be incorporated in the Advance, Acquisition Reimbursement Agreement between the District and the Organizer which anticipated to be executed in late 2013.

2. Gardens' Operating Costs: It is anticipated that the Organic Gardens operation will be transferred to District No. 1 at the beginning of 2014. Accordingly no provision has been incorporated into the 2013 Budget. It is anticipated that the District will account for this operation under either a special revenue or enterprise fund.
3. Capital Projects Fund –Although District dedicated infrastructure development is currently under way the Developer is currently funding and constructing the improvements and anticipated to dedicate and transfer such improvements to District No.1 upon satisfactory completion. The developer anticipates satisfactory completion of various District improvements in 2014. Accordingly; no fund activity is anticipated until 2014 at the earliest.
4. Debt Service Funds: Debt Service Fund activity is not anticipated until 2015 at the earliest.

TWIN BUTTES METROPOLITAN DISTRICT NO. 1
LA PLATA COUNTY, COLORADO

GENERAL FUND
2013 BUDGET

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
Property Taxes	\$ -0-	\$ -0-	\$ -0-
Developer Advances	-0-	-0-	\$ 165,076
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ 165,076
Expenditures:			
Mgt, Acc & Admin (Sched #1)	\$ -0-	\$ -0-	\$ 45,276
Emergency Reserve Fund Transfer	-0-	-0-	1,800
Contingency	-0-	-0-	8,000
Total Expenditures	\$ -0-	\$ -0-	\$ 55,076
Ending Fund Balance	\$ -0-	\$ -0-	\$ 10,000

Twin Buttes Metropolitan District #1
District #1-2013 General Fund Budget
Schedule #1-Management, Accounting & Administration

(4 mos)
Proposed
2013

Wages-Manager	-
Wages-Administrator	-
Wages-Other	-
Subtotal Wages	-
Payroll Taxes	-
Workers Comp	-
Payroll Processing	-
Contract -Administration	12,501
Contract Accounting/Admin	7,000
Design Review Administration Services	-
Auto Expense-Mileage Reimbursement	90
Bank Charges	60
Board Meetings	150
Insurance-Commercial Policy	1,200
Professional Fees-Legal	15,000
Professional -Audit	5,000
Professional-MIS Support/Website Maint	2,000
Postage & Freight	150
Memberships & Publications	150
Office Lease	750
Office Utilities	
Power	-
Natural Gas	-
Phone	75
Internet	-
Office Supplies	1,000
Misc & Other	150
Total Management, Accounting & Admin	45,276

**TWIN BUTTES METROPOLITAN DISTRICT NO. 1
LA PLATA COUNTY, COLORADO**

**EMERGENCY RESERVE FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
General Fund Transfer	\$ -0-	\$ -0-	\$ 1,800
	-0-	-0-	-0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ 1,800
Expenditures:			
Miscellaneous	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ 1,800

**TWIN BUTTES METROPOLITAN DISTRICT NO. 1
LA PLATA COUNTY, COLORADO**

**DEBT SERVICE FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

TWIN BUTTES METROPOLITAN DISTRICT NO. 1
LA PLATA COUNTY, COLORADO

CAPITAL PROJECTS FUND
2013 BUDGET

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

LGID # _____

RESOLUTION
TO ADOPT 2013 BUDGET AND APPROPRIATE SUMS OF MONEY
TWIN BUTTES METROPOLITAN DISTRICT NO. 2

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE TWIN BUTTES METROPOLITAN DISTRICT NO. 2, LA PLATA COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2013, AND ENDING ON THE LAST DAY OF DECEMBER, 2013,

WHEREAS, the Board of Directors of the Twin Buttes Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 2, 2013, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TWIN BUTTES METROPOLITAN DISTRICT NO. 2 OF LA PLATA COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Twin Buttes Metropolitan District No. 2 for calendar year 2013.

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

Section 3. 2013 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and does not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 2nd day of October, 2013.



TWIN BUTTES METROPOLITAN
DISTRICT NO. 2



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL


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

Attached are the 2013 budget and budget message for TWIN BUTTES METROPOLITAN DISTRICT NO. 2 in La Plata County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 2, 2013. If there are any questions on the budget, please contact

Paula Schler, Secretary to the Board
20091 W. US Hwy 160
Durango, CO 81301
(970) 749-1620

I, Paula Schler, Secretary to the Board of the Twin Buttes Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2013 budget.

By:



Paula Schler

Twin Buttes Metropolitan Districts (1-4)
2013 Budget Message

DISTRICTS SERVICES:

Formed on August 27, 2013 the Districts provide the management, implementation and the coordination of the financing, acquisition, completion and operation of certain public infrastructure and services throughout the development. The improvements will be for the collective use and benefit of the property owners within and residents of the Districts. It is anticipated that District No. 1 may dedicate and transfer certain improvements to the City (of Durango) or another governmental entity as appropriate. District No. 1 will operate and maintain all other improvements within the development consistent with an intergovernmental agreement to be entered into with the City. In the absence of a master property owners' association District No. 1 will perform design review and covenant enforcement for the development.

BASIS OF ACCOUNTING:

The basis of accounting utilized in the preparation of the 2013 budget for the Districts is the modified accrual method. The Districts' 2013 Budget includes projected revenues and expenditures for general operating fund, debt service fund capital projects fund.

IMPORTANT FEATURES OF THE BUDGET:

The 2013 budget does not result in a violation of any applicable property tax or fiscal year spending limitations. Emergency reserves will be provided in 2013 (3% of the Districts' fiscal year spending excluding bonded debt service.)

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4. Debt Service Funds: Debt Service Fund activity is not anticipated until 2015 at the earliest.

TWIN BUTTES METROPOLITAN DISTRICT NO. 2
LA PLATA COUNTY, COLORADO

GENERAL FUND
2013 BUDGET

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
Property Taxes	\$ -0-	\$ -0-	\$ -0-
Developer Advances	-0-	-0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:			
Mgt, Acc & Admin (Sched #1)	\$ -0-	\$ -0-	\$ -0-
Emergency Reserve Fund Transger	-0-	-0-	-0-
Contingency	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**TWIN BUTTES METROPOLITAN DISTRICT NO. 2
LA PLATA COUNTY, COLORADO**

**EMERGENCY RESERVE FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
General Fund Transfer	\$ -0- -0-	\$ -0- -0-	\$ -00 -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:			
Miscellaneous	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**TWIN BUTTES METROPOLITAN DISTRICT NO. 2
LA PLATA COUNTY, COLORADO**

**DEBT SERVICE FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**TWIN BUTTES METROPOLITAN DISTRICT NO. 2
LA PLATA COUNTY, COLORADO**

**CAPITAL PROJECTS FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**RESOLUTION
TO ADOPT 2013 BUDGET AND APPROPRIATE SUMS OF MONEY
TWIN BUTTES METROPOLITAN DISTRICT NO. 3**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE TWIN BUTTES METROPOLITAN DISTRICT NO. 3, LA PLATA COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2013, AND ENDING ON THE LAST DAY OF DECEMBER, 2013,

WHEREAS, the Board of Directors of the Twin Buttes Metropolitan District No. 3 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 2, 2013, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TWIN BUTTES METROPOLITAN DISTRICT NO. 3 OF LA PLATA COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Twin Buttes Metropolitan District No. 3 for calendar year 2013.

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

Section 3. 2013 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and does not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 2nd day of October, 2013.




TWIN BUTTES METROPOLITAN
DISTRICT NO. 3



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

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

Attached are the 2013 budget and budget message for TWIN BUTTES METROPOLITAN DISTRICT NO. 3 in La Plata County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 2, 2013. If there are any questions on the budget, please contact

Paula Schler, Secretary to the Board
20091 W. US Hwy 160
Durango, CO 81301
(970) 749-1620

I, Paula Schler, Secretary to the Board of the Twin Buttes Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2013 budget.

By:



Paula Schler

Twin Buttes Metropolitan Districts (1-4)
2013 Budget Message

DISTRICTS SERVICES:

Formed on August 27, 2013 the Districts provide the management, implementation and the coordination of the financing, acquisition, completion and operation of certain public infrastructure and services throughout the development. The improvements will be for the collective use and benefit of the property owners within and residents of the Districts. It is anticipated that District No. 1 may dedicate and transfer certain improvements to the City (of Durango) or another governmental entity as appropriate. District No. 1 will operate and maintain all other improvements within the development consistent with an intergovernmental agreement to be entered into with the City. In the absence of a master property owners' association District No. 1 will perform design review and covenant enforcement for the development.

BASIS OF ACCOUNTING:

The basis of accounting utilized in the preparation of the 2013 budget for the Districts is the modified accrual method. The Districts' 2013 Budget includes projected revenues and expenditures for general operating fund, debt service fund capital projects fund.

IMPORTANT FEATURES OF THE BUDGET:

The 2013 budget does not result in a violation of any applicable property tax or fiscal year spending limitations. Emergency reserves will be provided in 2013 (3% of the Districts' fiscal year spending excluding bonded debt service.)

1. General Operating Fund-Revenues and Expenditures: Paid for out of the District No. 1's General Fund are the following major line items,
 - a. Management, Accounting, and Administration
 - b. Emergency Reserves
 - c. Contingency

Management, accounting and administration costs include the costs related to the necessary services to manage and operate District No. 1. A listing of those projected costs is provided on Schedule #1. Those costs include but are not limited to,

- Contract administration
- Contract accounting
- General counsel
- Insurance, risk management
- Other miscellaneous costs

Pursuant to Colorado State Statute an emergency reserve provision in the amount of 3% of fiscal year spending (Approximate amount of reserve is calculated at \$1,800 or approximately 3% of \$53,000). An additional contingency of \$8,000 is also provided which can be utilized for unanticipated spending subject to Board approval to reallocate such contingency to appropriate line items.

The above expenditures will be covered solely out of Developer operating subsidies as the two (2) other primary sources of revenue 1.) Property taxes and 2.) Develop Fees are not anticipated to be generated until 2014 and 2015.

Twin Buttes of Durango, the organizer (the "Organizer") of the Districts has incurred approximately \$100,000 of organization and formation costs to form the Districts. It is intention of the District (#1) to reimburse the Organizer contingent on having the financial resources to do so. The ability for the District to repay the Organizer cannot be determined and does not have an obligation to do unless future funds become available. This contingent liability will be incorporated in the Advance, Acquisition Reimbursement Agreement between the District and the Organizer which anticipated to be executed in late 2013.

2. Gardens' Operating Costs: It is anticipated that the Organic Gardens operation will be transferred to District No. 1 at the beginning of 2014. Accordingly no provision has been incorporated into the 2013 Budget. It is anticipated that the District will account for this operation under either a special revenue or enterprise fund.
3. Capital Projects Fund –Although District dedicated infrastructure development is currently under way the Developer is currently funding and constructing the improvements and anticipated to dedicate and transfer such improvements to District No.1 upon satisfactory completion. The developer anticipates satisfactory completion of various District improvements in 2014. Accordingly, no fund activity is anticipated until 2014 at the earliest.
4. Debt Service Funds: Debt Service Fund activity is not anticipated until 2015 at the earliest.

TWIN BUTTES METROPOLITAN DISTRICT NO. 3
LA PLATA COUNTY, COLORADO

GENERAL FUND
2013 BUDGET

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
Property Taxes	\$ -0-	\$ -0-	\$ -0-
Developer Advances	-0-	-0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:			
Mgt, Acc & Admin (Sched #1)	\$ -0-	\$ -0-	\$ -0-
Emergency Reserve Fund Transger	-0-	-0-	-0-
Contingency	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**TWIN BUTTES METROPOLITAN DISTRICT NO. 3
LA PLATA COUNTY, COLORADO**

**EMERGENCY RESERVE FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
General Fund Transfer	\$ -0- -0-	\$ -0- -0-	\$ -00 -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:			
Miscellaneous	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

TWIN BUTTES METROPOLITAN DISTRICT NO. 3
LA PLATA COUNTY, COLORADO

DEBT SERVICE FUND
2013 BUDGET

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

TWIN BUTTES METROPOLITAN DISTRICT NO. 3
LA PLATA COUNTY, COLORADO

CAPITAL PROJECTS FUND
2013 BUDGET

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

RESOLUTION
TO ADOPT 2013 BUDGET AND APPROPRIATE SUMS OF MONEY
TWIN BUTTES METROPOLITAN DISTRICT NO. 4

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE TWIN BUTTES METROPOLITAN DISTRICT NO. 4, LA PLATA COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2013, AND ENDING ON THE LAST DAY OF DECEMBER, 2013,

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

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 2, 2013, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TWIN BUTTES METROPOLITAN DISTRICT NO. 4 OF LA PLATA COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Twin Buttes Metropolitan District No. 4 for calendar year 2013.

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

Section 3. 2013 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and does not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 2nd day of October, 2013.



TWIN BUTTES METROPOLITAN
DISTRICT NO. 4

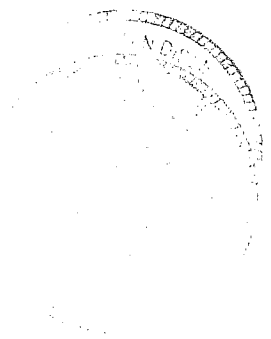


President

ATTEST:



Secretary



LETTER OF BUDGET TRANSMITTAL


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

Attached are the 2013 budget and budget message for TWIN BUTTES METROPOLITAN DISTRICT NO. 4 in La Plata County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 2, 2013. If there are any questions on the budget, please contact

Paula Schler, Secretary to the Board
20091 W. US Hwy 160
Durango, CO 81301
(970) 749-1620

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By:



Paula Schler

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TWIN BUTTES METROPOLITAN DISTRICT NO. 4
LA PLATA COUNTY, COLORADO

GENERAL FUND
2013 BUDGET

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:			
Property Taxes	\$ -0-	\$ -0-	\$ -0-
Developer Advances	-0-	-0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:			
Mgt, Acc & Admin (Sched #1)	\$ -0-	\$ -0-	\$ -0-
Emergency Reserve Fund Transfer	-0-	-0-	-0-
Contingency	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**TWIN BUTTES METROPOLITAN DISTRICT NO. 4
LA PLATA COUNTY, COLORADO**

**EMERGENCY RESERVE FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue: General Fund Transfer	\$ -0- -0-	\$ -0- -0-	\$ -00 -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures: Miscellaneous	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**TWIN BUTTES METROPOLITAN DISTRICT NO. 4
LA PLATA COUNTY, COLORADO**

**DEBT SERVICE FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-

**TWIN BUTTES METROPOLITAN DISTRICT NO. 4
LA PLATA COUNTY, COLORADO**

**CAPITAL PROJECTS FUND
2013 BUDGET**

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
Beginning Fund Balance	\$ -0-	\$ -0-	\$ -0-
Revenue:	\$ -0-	\$ -0-	\$ -0-
Total Revenue and Fund Balance	\$ -0-	\$ -0-	\$ -0-
Expenditures:	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Ending Fund Balance	\$ -0-	\$ -0-	\$ -0-