

**BELLA MESA METROPOLITAN DISTRICT  
ANNUAL REPORT  
TO  
THE TOWN OF CASTLE ROCK  
  
2016 FISCAL YEAR**

Pursuant to the Service Plan of Bella Mesa Metropolitan District, the District is required to provide an annual report to the Town of Castle Rock with regard to the matters listed below. For the year ending December 31, 2016, the District makes the following report:

A. Summary of Public Improvement Construction Schedule.

Certain public improvements have been constructed pursuant to a Tri-Party Agreement, dated July 31, 2006, which improvements the District intends to acquire pursuant to an agreement with the developer of the land within the District. Future public improvements are anticipated to be constructed in coordination with private development within the boundaries of the District.

B. Audited Financial Statements for 2016, including Balance Sheet and Statement of Revenues and Expenditures.

The District has applied for exemption from audit for 2016.

C. Summary of Capital Expenditures and Proposed Capital Improvements (5 year plan).

The final plat for Phase 1 of the project has been approved by the Town (Final Plat: Founders Village Filing 24, Phase I.) To date, the District has not yet expended funds for capital construction. Please see response to "A" above.

D. Summary of Financial Obligations, including Outstanding Indebtedness, Amount and Terms of New District Indebtedness, Total Assessed Valuation and Current Mill Levy.

The District's 2017 budget is attached as **Exhibit A**. The District has no outstanding indebtedness. The District's 2016 valuation for assessment, as certified by the Douglas County Assessor, was \$1,996,890. The District levied a tax of 20.000 mills for general operating expenses for collection in the year 2017.

E. 2017 Budget.

The 2017 Budget is attached as **Exhibit A**.

F. A summary of residential and commercial development which has occurred within the District for the report year.

No development occurred during 2016.

- G. Summary of all fees, charges and assessment imposed by the District as of January 1<sup>st</sup> of the report year.

No fees, charges or assessments have been imposed.

- H. Certification by Board that no action event or condition enumerated in Section 11.02.060, Material modification, of the Town Municipal Code has occurred during the report year.

Certification is attached as **Exhibit B**.

- I. List of the name, business address and telephone number of each Board member, administrative officer and general counsel and date, place and time of regular meetings of the Board. Submission of the current assessed valuation in the District.

A contact list is attached as **Exhibit C**. The current assessed valuation is attached as **Exhibit D**.

**EXHIBIT A**  
**2017 BUDGET**  
**Attached**

**BELLA MESA METROPOLITAN DISTRICT  
FKA (VISTAS AT ROCK CANYON METROPOLITAN DISTRICT)  
2017  
BUDGET MESSAGE**

Attached please find a copy of the adopted 2017 budget for the Bella Mesa Metropolitan District.

The Bella Mesa Metropolitan District has adopted three separate funds, a General Fund to provide for general operating expenditures; a Debt Service Fund to provide for payments on the proposed general obligation debt; and a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built by the District, proposed general obligation debt issuance costs and transfers to the Debt Service Fund.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2017 will be property taxes, developer advances, developer contributions, and bond proceeds. In 2017, the District intends to impose a 20.000 mill levy on property within the District, which will be dedicated to the General Fund.

**Bella Mesa Metropolitan District**  
**fka (Vistas at Rock Canyon Metropolitan District)**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2017**

	Actual <u>2015</u>	Adopted Budget <u>2016</u>	Actual <u>06/30/16</u>	Estimated <u>2016</u>	Adopted Budget <u>2017</u>
Beginning fund balance	\$ 286,544	\$ 303,715	\$ 303,230	\$ 303,230	\$ 303,230
Revenues:					
Property taxes	26,596	39,874	39,874	39,874	39,938
Specific ownership taxes	2,559	2,791	1,808	3,600	2,796
Developer advances	-	-	-	-	-
Interest income	508	400	1,173	1,500	400
Total revenues	<u>29,663</u>	<u>43,065</u>	<u>42,855</u>	<u>44,974</u>	<u>43,134</u>
Total funds available	<u>316,207</u>	<u>346,780</u>	<u>346,085</u>	<u>348,204</u>	<u>346,364</u>
Expenditures:					
Accounting / audit	1,892	5,000	240	2,000	5,000
Legal	6,893	15,000	1,578	5,000	15,000
Insurance	2,688	3,000	2,764	2,764	3,000
Elections	905	-	1,066	1,066	-
Miscellaneous	-	5,000	-	1,000	5,000
Engineering	-	-	-	-	-
Directors fees	200	1,000	300	1,000	1,000
Treasurer fees	399	598	604	598	599
Repay developer advances	-	-	-	-	-
Contingency	-	316,294	-	-	315,877
Emergency reserve (3%)	-	888	-	-	888
Total expenditures	<u>12,977</u>	<u>346,780</u>	<u>6,552</u>	<u>13,428</u>	<u>346,364</u>
Ending fund balance	<u>\$ 303,230</u>	<u>\$ -</u>	<u>\$ 339,533</u>	<u>\$ 334,776</u>	<u>\$ -</u>
Assessed valuation	<u>1,329,780</u>	<u>1,993,690</u>			<u>1,996,890</u>
Mill Levy	<u>20.000</u>	<u>20.000</u>			<u>20.000</u>

**Bella Mesa Metropolitan District**  
**fka (Vistas at Rock Canyon Metropolitan District)**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2017**

	Actual <u>2015</u>	Adopted Budget <u>2016</u>	Actual <u>6/30/2016</u>	Estimated <u>2016</u>	Adopted Budget <u>2017</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Bond issue	-	4,825,000	-	-	4,825,000
Developer advances	-	673,779	-	-	673,779
Interest income	-	-	-	-	-
Bond proceeds	-	-	-	-	-
Developer contributions	-	859,238	-	-	859,238
	<u>-</u>	<u>6,358,017</u>	<u>-</u>	<u>-</u>	<u>6,358,017</u>
Total revenues	-	6,358,017	-	-	6,358,017
Total funds available	<u>-</u>	<u>6,358,017</u>	<u>-</u>	<u>-</u>	<u>6,358,017</u>
Expenditures:					
Issuance costs	-	193,000	-	-	193,000
Organization costs	-	60,000	-	-	60,000
Accounting	-	5,000	-	-	5,000
Legal	-	20,000	-	-	20,000
Capital expenditures	-	5,537,204	-	-	5,537,204
Repay developer advances	-	-	-	-	-
Repay developer advances - interest	-	-	-	-	-
Transfer to Debt Service	-	542,813	-	-	542,813
	<u>-</u>	<u>6,358,017</u>	<u>-</u>	<u>-</u>	<u>6,358,017</u>
Total expenditures	-	6,358,017	-	-	6,358,017
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Bella Mesa Metropolitan District**  
**fka (Vistas at Rock Canyon Metropolitan District)**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2017**

	Actual <u>2015</u>	Adopted Budget <u>2016</u>	Actual <u>6/30/2016</u>	Estimated <u>2016</u>	Adopted Budget <u>2017</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	-
Specific ownership taxes	-	-	-	-	-
Transfer from Capital Projects (cap interest)	-	542,813	-	-	542,813
Interest income	-	-	-	-	-
Total revenues	<u>-</u>	<u>542,813</u>	<u>-</u>	<u>-</u>	<u>542,813</u>
Total funds available	<u>-</u>	<u>542,813</u>	<u>-</u>	<u>-</u>	<u>542,813</u>
Expenditures:					
Interest expense bonds	-	386,000	-	-	386,000
Bond principal	-	-	-	-	-
Treasurer's fees	-	-	-	-	-
Trustee / paying agent fees	-	-	-	-	-
Total expenditures	<u>-</u>	<u>386,000</u>	<u>-</u>	<u>-</u>	<u>386,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 156,813</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,813</u>
Assessed valuation	<u>\$ 1,329,780</u>	<u>\$ 1,993,690</u>			<u>\$ 1,996,890</u>
Mill Levy	<u>-</u>	<u>-</u>			<u>-</u>
Total Mill Levy	<u>20.000</u>	<u>20.000</u>			<u>20.000</u>

**EXHIBIT B**  
**CERTIFICATION OF BOARD OF DIRECTORS**  
**Attached**



CERTIFICATION

We, the undersigned members of the Board of Directors of the Bella Mesa Metropolitan District, Town of Castle Rock, Douglas County, Colorado, do hereby certify, to the best of our knowledge and belief, no action, event or condition enumerated below occurred during calendar year 2016.

Town of Castle Rock Municipal Code Section 11.02.060:

A. Default in the payment of principal or interest of any District bonds, notes, certificates, debentures, contracts or other evidences of indebtedness or borrowing issued or incurred by the District which:

1. Persists for a period of one hundred twenty (120) days or more;
2. The defaulted payment(s) aggregates either fifty thousand dollars (\$50,000.00) or ten percent (10%) of the outstanding principal balance of the indebtedness; and
3. The creditors have not agreed in writing with the District to forbear from pursuit of legal remedies.

B. The institution of a proceeding for debt adjustment or the confirmation of a plan for adjustment of debt under Chapter 9 of the Bankruptcy Code;

C. The failure of the District to develop any capital facility proposed in its service plan when necessary to service approved development within the District;

D. Failure of the District to realize at least seventy-five percent (75%) of the development revenues (including developer contributions, loans or advances) projected in the financial portion of the service plan during the three-year period ending with the report year, where development revenue is defined as fees, exactions and charges imposed by the District on residential and commercial development, excluding taxes, provided that the disparity between projected and realized revenue exceeds fifty thousand dollars (\$50,000.00);

E. The development of any capital facility in excess of ten thousand dollars (\$10,000.00) in cost, which is not either identified in the service plan or authorized by the Town in the course of a separate development approval;

F. The occurrence of any event or condition which is defined under the service plan or intergovernmental agreement as necessitating a service plan amendment;

G. The default by the District under any intergovernmental agreement with the Town;

H. The disconnection from the corporate limits of any property within the District's boundaries exceeding either ten percent (10%) of the service area of the District or ten (10) acres in area; or

I. Any of the events or conditions enumerated in 32-1-207(2) of the Special District Act. (Ord. 92-15 §1(part), 1992)

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Ervin F. Holle, President / Chairman of the Board

\_\_\_\_\_  
Barbara B. Randell, Secretary/Treasurer

\_\_\_\_\_  
Perry Radic, Assistant Secretary

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Date: August 2, 2017

\_\_\_\_\_  
Ervin F. Holle, President / Chairman of the Board

\_\_\_\_\_  
Barbara B. Randell  
Barbara B. Randell, Secretary/Treasurer

\_\_\_\_\_  
Perry Radic, Assistant Secretary

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I. Any of the events or conditions enumerated in 32-1-207(2) of the Special District Act. (Ord. 92-15 §1(part), 1992)

Date: 8/10/17

\_\_\_\_\_  
Ervin F. Holle, President / Chairman of the Board

\_\_\_\_\_  
Barbara B. Randell, Secretary/Treasurer

*Perry S. Radic*  
\_\_\_\_\_  
Perry Radic, Assistant Secretary

**EXHIBIT C  
DISTRICT CONTACT LIST**

BOARD OF DIRECTORS:

Ervin F. Holle, President  
19063 E. Oak Creek Way  
Parker, CO 80134  
(303) 840-9175

Barbara B. Randell, Secretary/Treasurer  
314 Washington Street  
Denver, CO 80203  
(303) 514-0097

Perry Radic, Assistant Secretary  
13161 Endless View Way  
Parker, CO 80138  
(720) 215-4500

VACANCY

VACANCY

ATTORNEY / PARALEGAL:

Kim J. Seter / Colin B. Mielke / Michele Barrasso  
Seter & Vander Wall, P.C.  
7400 E. Orchard Road, Suite 3300  
Greenwood Village, CO 80111  
(303) 770-2700

Regular Meeting Schedule: The second Thursday of April and November at 9:00 a.m., at the  
offices of Seter & Vander Wall, 7400 E. Orchard Road, Suite 3300, Greenwood Village,  
Colorado 80111

**EXHIBIT D**  
**COPY OF ASSESSED VALUATION CERTIFICATION**  
**Attached**

# CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4470 - Bella Mesa Metro District

New Entity: No

IN DOUGLAS COUNTY ON 11/21/2016

<b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY</b>
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IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2016 IN DOUGLAS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$1,993,690
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$1,996,890
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$1,996,890
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND ( 29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

<b>USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY</b>
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IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2016 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2016

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$6,875,246
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

† Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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**NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2016**

Data Date: 11/21/2016