

CORNERSTONE METROPOLITAN DISTRICT NO. 2

January 23, 2017

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

RE: Cornerstone Metropolitan District No. 2
LG ID #65391

Attached is the 2017 Budget for Cornerstone Metropolitan District No. 2 in Montrose and Ouray Counties, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on December 5, 2016. If there are any questions on the budget, please contact Mr. Eric Weaver, telephone number 970-926-6060 Ext. 6.

The mill levy certified to the County Commissioners of Montrose and Ouray Counties is 0.00 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 40.00 mills for G.O. bonds; 70.000 mills for contractual obligations, 0.000 mills for refund/abatement; and 0.00 mills for Temporary Tax Credit/Mill Levy Reduction. Based on a total assessed valuation of \$3,550,597, the total property tax revenue is \$390,565.67. A copy of the certification of mill levies sent to the County Commissioners for Montrose and Ouray Counties is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Montrose and Ouray Counties, Colorado.

Sincerely,



Eric Weaver
District Administrator

Enclosure(s)

Administrative & Financial Management Provided By Marchetti & Weaver, LLC

Mountain Office
28 Second Street, Suite 213
Edwards, CO 81632
(970) 926-6060

Website & Email
www.mwcpaa.com
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245 Century Circle, Suite 103
Louisville, CO 80027
(720) 210-9136

CORNERSTONE METROPOLITAN DISTRICT NO. 2

2017 BUDGET MESSAGE

Cornerstone Metropolitan District No. 2 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide funding for the financing and operations of facilities being constructed and operated by Cornerstone Metropolitan District No. 1.

The District has no employees and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2017 BUDGET STRATEGY

The District's strategy in preparing the budget is to strive to provide the type of public-purpose facilities desired by the property owners and residents of the District in the most economic manner possible. Virtually all services needed by the District will be provided by the Cornerstone Metropolitan District No. 1 pursuant to the District Facilities and Construction Service Agreement. The District is levying a contractual obligation mill levy which will be collected and transferred to Cornerstone Metropolitan District No. 1 to be used to fund a portion of the operations associated with the facilities installed and maintained for the benefit of the constituents of the District.

The District also levies a debt service mill levy to pay for the debt service on the District's bonded indebtedness, issued in 2010. The full debt service mill levy of 40.000 mills is dedicated towards payment of principal and interest on the Series 2010A Bonds. The budget shows a shortfall of funds necessary to pay the full debt service due on the Series 2010A Bonds. Unpaid debt service will be accrued for payment in future years if and when funds become available. The 2010B Developer Bonds remain subordinate to the 2010A Bonds and because there are no funds available to pay current interest on the 2010B Bonds, such unpaid amounts will be accrued for payment in future years if and when funds become available.

RESOLUTIONS OF CORNERSTONE METROPOLITAN DISTRICT NO. 2

TO ADOPT 2017 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE CORNERSTONE METROPOLITAN DISTRICT NO. 2, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2017 AND ENDING ON THE LAST DAY OF DECEMBER 2017.

WHEREAS, the Board of Directors of the Cornerstone Metropolitan District No.2 has appointed a budget committee to prepare and submit a proposed 2017 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on December 5, 2016, interested taxpayers 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/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 Cornerstone Metropolitan District No.2, Montrose and Ouray Counties, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Cornerstone Metropolitan District No.2 for the year stated above.

Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

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RESOLUTIONS OF CORNERSTONE METROPOLITAN DISTRICT NO.2
(CONTINUED)

TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2016, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE CORNERSTONE METROPOLITAN DISTRICT NO.2, MONTROSE AND OURAY COUNTIES, COLORADO, FOR THE 2017 BUDGET YEAR.

WHEREAS, the Board of Directors of the Cornerstone Metropolitan District No. 2, has adopted the annual budget in accordance with the Local Government Budget Law, on December 5, 2016 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses purposes from property tax revenue is \$0.00 and;

WHEREAS, the Cornerstone Metropolitan District No. 2 finds that it is required to temporarily lower the general operating mill levy to render a refund for \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for contractual obligations approved at election is \$248,541.79 and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$142,023.88.

WHEREAS, the 2016 valuation for assessment for the Cornerstone Metropolitan District No. 2, as certified by the Montrose County Assessor is \$1,017,037 and

WHEREAS, the 2016 valuation for assessment for the Cornerstone Metropolitan District No. 2, as certified by the Ouray County Assessor is \$2,533,560

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the CORNERSTONE METROPOLITAN DISTRICT, MONTROSE AND OURAY COUNTIES, COLORADO:

Section 1. That for the purposes of meeting all general operating expenses of the Cornerstone Metropolitan District No.2 during the 2017 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2016.

Section 2. That for the purposes of rendering a refund to its constituents during budget year 2017 there is hereby levied a temporary tax credit/mill levy reduction of 0.000 mills.

RESOLUTIONS OF CORNERSTONE METROPOLITAN DISTRICT NO. 2
(CONTINUED)

TO SET MILL LEVIES (CONTINUED)

- Section 3. That for the purpose of meeting all capital expenditures of the Cornerstone Metropolitan District No.2 during the 2017 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2016.
- Section 4. That for the purpose of meeting all payments for bonds and interest of the Cornerstone Metropolitan District No. 2 during the 2017 budget year, there is hereby levied a tax of 40.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2016.
- Section 5. That for the purpose of meeting the contractual obligations of the Cornerstone Metropolitan District No. 2 during the 2017 budget year, there is hereby levied a tax of 70.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2016.
- Section 6. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Montrose County and Ouray County, Colorado, the mill levies for the Cornerstone Metropolitan District No.2 as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Montrose County and Ouray County, Colorado, the mill levies for the Cornerstone Metropolitan District No. 2 as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

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RESOLUTIONS OF CORNERSTONE METROPOLITAN DISTRICT NO. 2
(CONTINUED)

TO APPROPRIATE SUMS OF MONEY
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE CORNERSTONE METROPOLITAN DISTRICT NO. 2, MONTROSE COUNTY AND OURAY COUNTY, COLORADO, FOR THE 2017 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 5, 2016, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORNERSTONE METROPOLITAN DISTRICT NO. 2, MONTROSE COUNTY AND OURAY COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

DEBT SERVICE FUND	
Contractual Obligations	\$ 280,386
Current Debt Service Expenditures	<u>220,424</u>
TOTAL DEBT SERVICE FUND	\$ 500,810

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RESOLUTIONS OF CORNERSTONE METROPOLITAN DISTRICT NO. 2
(CONTINUED)

TO ADOPT 2017 BUDGET, SET MILL LEVIES AND
APPROPRIATE SUMS OF MONEY
(CONTINUED)

The above resolutions to adopt the 2017 budget, set the mill levies and to appropriate sums of money were adopted this 5th day of December, 2016.

Attest: Wanen Ache

Title: Vice President/Treasurer/Secretary

CORNERSTONE METROPOLITAN DISTRICT NO. 2
STATEMENT OF NET POSITION
October 31, 2016

Print Date: 01/22/17

	IGA DEBT SVC FUND	BOND DEBT SVC FUND	LONG-TERM DEBT	TOTAL
ASSETS				
Csafe	303,379	133,985	-	437,364
Reserve Fund- 2010A		109,877		109,877
Interest Account-2010A		12		12
Revenue Fund- 2010B		-		-
Fee Account - 2010B		14		14
Interest Account-2010B		57		57
Surplus Fund- 2010B		0		0
Due from Montrose Co. Treasurer	-	-	-	-
Due from Ouray County Treasurer	-	-	-	-
Property Taxes Receivable Montrose	34,535	19,734		54,269
Property Taxes Receivable Montrose - Prior Yr	-	-		-
Property Taxes Receivable Ouray	19,019	10,868		29,887
Property Taxes Receivable Ouray - Prior Year	-	-		-
TOTAL ASSETS	356,932	274,547	-	631,479
LIABILITIES AND DEFERRED INFLOWS				
Accounts Payable	-	-		-
Due to District No. 1- Ops	302,760		-	302,760
Due to Montrose County Treasurer	-	-		-
Deferred Property Tax Revenue Montrose	34,535	19,734		54,269
Deferred Property Tax Revenue Montrose - PY	-	-	-	-
Deferred Property Tax Revenue Ouray	19,019	10,868		29,887
Deferred Property Tax Revenue Ouray - PY	-	-	-	-
Bonds Payable-2010A			5,195,000	5,195,000
Bonds Payable 2010B Developer Bonds			16,298,001	16,298,001
Accrued Interest			1,756,337	1,756,337
TOTAL LIAB & DEF INFLOWS	356,314	30,602	23,249,339	23,636,254
NET POSITION				
Invested In Bonds Payable			(23,249,339)	(23,249,339)
Invested In Delinquent Taxes			-	-
Fund Balance- Restricted For Debt Service		243,945		243,945
Fund Balance- UnAssigned	618			618
TOTAL NET POSITION	618	243,945	(23,249,339)	(23,004,775)
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	356,932	274,547	-	631,479
	=	=	=	=

**CORNERSTONE METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED**

**Modified
Accrual
Basis**

CONTRACTUAL OBLIGATIONS DEBT SERVICE FUND	2015 Audited Actual	2016 Adopted Budget	Variance Favorable (Unfav)	2016 Forecast	2016 Amended Budget	10 Months Ended 10/31/16 Actual	10 Months Ended 10/31/16 Budget	Variance Favorable (Unfav)	2017 Adopted Budget	2017 Budget Comments
Assessed Valuation Montrose	1,050,622	1,012,760		1,012,760	1,012,760				1,017,037	Final AV 11/29/2016
Assessed Valuation Ouray	3,729,930	2,671,340		2,671,340	2,671,340				2,533,560	Final AV 11/20/2016
Total AV For Certification	4,780,552	3,684,100		3,684,100	3,684,100				3,550,597	
Less AV Not Expected to Be Collected In CY	(614,440)	(391,253)		(391,253)	(391,253)				-	Properties not sold at tax lien sale
Net AV For Expected Current Yr Collection	4,166,112	3,292,847		3,292,847	3,292,847				3,550,597	
Mill Levy- Contractual- Operations	70.000	70.000		70.000	70.000				70.000	
Mill Levy- Contractual - Debt Service	0.000	0.000		0.000	0.000				0.000	
REVENUES										
Prop Taxes- Montrose Ops	73,529	70,893	(67)	70,826	70,826	36,359	36,864	(506)	71,193	Amounts Levied
Prop Taxes- Montrose Ops- Prior Year	60,457	-	-	-	-	-	-	-	-	-
Prop Taxes- Ouray Ops	243,965	186,994	-	186,994	186,994	167,975	160,815	7,160	177,349	Amounts Levied
Prop Taxes- Ouray Ops- Prior Year	2,962	-	41,669	41,669	41,669	41,669	-	41,669	-	-
Prop. Taxes- Montrose DS	-	-	-	-	-	-	-	-	-	-
Prop. Taxes- Ouray DS	-	-	-	-	-	-	-	-	-	-
Less Allowance for Unsold Tax Liens	-	(27,388)	27,388	-	-	-	(20,994)	20,994	-	Assume all sold at tax lien sale
Specific Ownership- Montrose	9,280	8,507	-	8,507	8,800	6,694	6,380	314	8,543	12% of Ppty Taxes
Specific Ownership- Ouray	22,934	14,025	4,898	18,923	18,923	14,251	10,518	3,733	13,301	7.5% of Ppty Taxes
Development Fees	-	-	-	-	-	-	-	-	-	-
Interest Income/ Contingency	24,907	10,000	10,000	20,000	21,000	17,292	5,000	12,292	10,000	-
TOTAL REVENUES	438,034	263,031	83,887	346,918	348,211	284,239	198,584	85,655	280,386	
EXPENSES										
Treasurer's Fees Montrose	3,036	1,418	1	1,417	1,417	752	1,219	467	1,424	2% of taxes
Treasurer's Fees Ouray	7,634	5,610	(1,868)	7,478	7,478	7,296	4,824	(2,472)	5,320	3% of taxes
Xfer to No. 1 Operations	427,363	246,003	(92,021)	338,024	339,317	276,190	184,207	(91,983)	263,642	Amt Available
Xfer to No. 1 Capital/Debt Svc	-	-	-	-	-	-	-	-	-	-
Trfr to No. 1- Development Fees	-	-	-	-	-	-	-	-	-	-
Contingency	-	10,000	10,000	-	-	-	8,333	8,333	10,000	Equal to interest income
TOTAL EXPENDITURES	438,034	263,031	(83,887)	346,918	348,211	284,239	198,584	(85,655)	280,386	
REVENUE OVER (UNDER) EXPEND.	1	-	-	-	-	0	-	0	-	
OTHER FINANCING SOURCES/(USES)										
Inter-Fund Transfer for Senior Bond Fund	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	-	-	-	-	-	-	-	
FUND BALANCE - BEGINNING	618	618	1	618	618	618	618	1	618	
FUND BALANCE - ENDING	618	618	1	618	618	618	618	1	618	

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**CORNERSTONE METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED**

**Modified
Accrual
Basis**

SENIOR & SUBORDINATE BOND DEBT SERVICE FUND	2015 Audited Actual	2016 Adopted Budget	Variance Favorable (Unfav)	2016 Forecast	2016 Amended Budget	10 Months Ended 10/31/16 Actual	10 Months Ended 10/31/16 Budget	Variance Favorable (Unfav)	2017 Adopted Budget	Comments
Senior Mill Levy	40,000	40,000		40,000	40,000				40,000	Maximum of 40
Subordinate Mill Levy	-	-		-	-				-	Only if Senior below 30
Total Mill Levy- Bond Debt Service	40,000	40,000		40,000	40,000				40,000	40 Max
Assessed Valuation- Montrose	1,050,622	1,012,760		1,012,760	1,012,760				1,017,037	Final AV 11/29/2016
Assessed Valuation- Ouray	3,729,930	2,671,340		2,671,340	2,671,340				2,533,560	Final AV 11/20/2016
# of Lots Sold	-	-		-	-				-	All paid for current plattings
Development Fee Per Lot Sale	26,000	26,000		26,000	26,000				26,000	
REVENUES										
Prop Taxes- Montrose	42,017	40,510	(38)	40,472	40,472	20,776	21,065	(289)	40,681	Amounts Levied
Prop Taxes- Montrose- Prior Year	67,373	-	-	-	-	-	-	-	-	
Prop Taxes- Ouray	139,408	106,854	-	106,854	106,854	95,986	91,894	4,092	101,342	Amounts Levied
Prop Taxes- Ouray- Prior Year	3,847	-	44,067	44,067	44,067	44,067	-	44,067	-	
Less Allowance for Delayed Payments	-	(15,650)	15,650	-	-	-	(11,996)	11,996	-	Assume all sold at tax lien sale
Specific Ownership- Montrose	5,303	4,861	-	4,861	4,861	3,825	3,646	179	4,882	12% of Pty Taxes
Specific Ownership- Ouray	13,105	8,014	2,799	10,814	10,814	8,143	6,011	2,133	7,601	7.5% of Pty Taxes
Development Fees	-	-	-	-	-	-	-	-	-	Lot Sales X Dev Fee Amt
Interest Income	23,392	10,000	10,250	20,250	20,250	19,061	9,600	9,461	10,000	
TOTAL REVENUES	294,445	154,589	72,728	227,317	227,317	191,858	120,220	71,639	164,506	
EXPENSES										
Treasurer's Fees Montrose	2,556	810	1	809	809	430	421	(9)	814	2% of taxes
Treasurer's Fees Ouray	4,425	3,206	(1,676)	4,882	4,882	4,169	2,757	(1,412)	3,040	3% of taxes
Series 2010A Senior Bonds- Principal	5,000	10,000	-	10,000	10,000	-	-	-	5,000	Required payment due
Series 2010A Senior Bonds- Interest	416,000	415,600	-	415,600	415,600	207,800	207,800	-	414,800	\$5.2M at 8%
Less Shortfall In Funds Available	-	(15,475)	(15,475)	-	-	-	-	-	(203,230)	Unavailable amounts
Wire Fees	-	-	-	-	-	-	-	-	-	B Bonds paid off in 2014
Paying Agent Fees	-	-	-	-	-	-	-	-	-	Flat Fee
Rating Agent Fees	-	-	-	-	-	-	-	-	-	B Bonds paid off in 2014
Remarketing Fees	-	-	-	-	-	-	-	-	-	B Bonds paid off in 2014
Letter of Credit Fee	-	-	-	-	-	-	-	-	-	B Bonds paid off in 2014
Series 2010B Sub Bonds- Principal	-	-	-	-	-	-	-	-	-	No funds available
Series 2010B Sub Bonds- Interest	-	-	-	-	-	-	-	-	-	\$16.3M @ 6%- No Funds Available
Contingency	-	-	(1,000)	1,000	1,000	-	-	-	-	
TOTAL EXPENDITURES	427,981	414,141	(18,150)	432,291	432,291	212,399	210,978	(1,421)	220,424	
REVENUE OVER (UNDER) EXPEND.	(133,536)	(259,552)	54,578	(204,974)	(204,974)	(20,541)	(90,759)	70,217	(55,917)	
OTHER FINANCING SOURCES/(USES)										
Bond Proceeds- 2010A	-	-	-	-	-	-	-	-	-	
Bond Proceeds- 2010B	-	-	-	-	-	-	-	-	-	
Bond Cost of Issuance	-	-	-	-	-	-	-	-	-	
Inter-District Contributions	-	-	-	-	-	-	-	-	-	
Xfer of Net Bond Proceeds to No. 1	-	-	-	-	-	-	-	-	-	
TOTAL OTHER FINANCING SOURCES	-	-	-	-	-	-	-	-	-	
FUND BALANCE - BEGINNING	394,427	259,552	1,339	260,891	260,891	260,891	259,552	1,339	55,917	
FUND BALANCE - ENDING	260,891	-	55,917	55,917	55,917	240,350	168,793	71,557	-	
FUND BALANCE DETAIL		=	=		=	=	=	=	=	
2010-A Reserve Fund	254,285	-	55,917	55,917	55,917	109,877	-	-	-	\$520K required balance
Assigned For 2010-A Future Debt Service	6,592	-	-	-	-	133,997	-	-	-	Remaining Amount
Assigned For 2010-B Future Debt Service	14	-	-	-	-	14	-	-	-	Remaining Amount
TOTAL FUND BALANCE	260,891	-	55,917	55,917	55,917	243,888	-	-	-	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Montrose, Colorado.

On behalf of the Cornerstone Metropolitan District No. 2

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Cornerstone Metropolitan District No. 2

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 1,017,037

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

\$ 1,017,037

(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/14/2016
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2017.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ -
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>(0.000)</u> mills	\$ -
SUBTOTAL FOR GENERAL OPERATING:	(0.000) mills	\$ -
3. General Obligation Bonds and Interest ^J	<u>40.000</u> mills	\$ 40,681.48
4. Contractual Obligations ^K	<u>70.000</u> mills	\$ 71,192.59
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ -
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ -
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ -
	<u>0.000</u> mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	110.000 mills	\$ 111,874.07

Contact person: Eric Weaver Daytime phone: (970) 926-6060 x6
 (print) _____
 Signed:  Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S. with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenue to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | |
|----------------------|---|
| 1. Purpose of Issue: | <u>Refund a portion of the Cornerstone Metropolitan District No. 1 2006 Bonds</u> |
| Series: | <u>2010A</u> |
| Date of Issue: | <u>December 15, 2010</u> |
| Coupon rate: | <u>8.00%</u> |
| Maturity Date: | <u>December 1, 2040</u> |
| Levy: | <u>40.000</u> |
| Revenue: | <u>\$40,681.48</u> |
| | |
| 2. Purpose of Issue: | <u>Refund a portion of the Cornerstone Metropolitan District No. 1 2006 Bonds</u> |
| Series: | <u>2010B</u> |
| Date of Issue: | <u>12/15/2010 (Converted to Developer Bonds 11/24/2014)</u> |
| Coupon rate: | <u>6.00%</u> |
| Maturity Date: | <u>December 1, 2046</u> |
| Levy: | <u>0.000</u> |
| Revenue: | <u>\$0.00</u> |

CONTRACTS^K:

- | | |
|-------------------------|--|
| 3. Purpose of Contract: | <u>To provide for the implementation of principals and objectives in the Service Plan regarding financing, construction, operation and maintenance of facilities, and administration of the District's affairs</u> |
| Title: | <u>District Facilities Construction and Service Agreement</u> |
| Date: | <u>December 16, 2004</u> |
| Principal Amount: | <u>N/A</u> |
| Maturity Date: | <u>None Stated</u> |
| Levy: | <u>70.000</u> |
| Revenue: | <u>\$71,192.59</u> |
| | |
| 4. Purpose of Contract: | <u> </u> |
| Title: | <u> </u> |
| Date: | <u> </u> |
| Principal Amount: | <u> </u> |
| Maturity Date: | <u> </u> |
| Levy: | <u> </u> |
| Revenue: | <u> </u> |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Ouray County, Colorado.

On behalf of the Cornerstone Metropolitan District No. 2

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Cornerstone Metropolitan District No. 2

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 2,533,560

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

\$ 2,533,560

(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)


USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/14/2016
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2017.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ -
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>(0.000)</u> mills	\$ -
SUBTOTAL FOR GENERAL OPERATING:	<u>(0.000)</u> mills	<u>\$ -</u>
3. General Obligation Bonds and Interest ^J	<u>40.000</u> mills	\$ 101,342.40
4. Contractual Obligations ^K	<u>70.000</u> mills	\$ 177,349.20
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ -
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ -
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ -
	<u>0.000</u> mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>110.000</u> mills	<u>\$ 278,691.60</u>

Contact person: _____
(print) Eric Weaver

Signed: 

Daytime phone: (970) 926-6060 x6

Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S. with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenue to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|---|
| 1. | Purpose of Issue: | <u>Refund a portion of the Cornerstone Metropolitan District No. 1 2006 Bonds</u> |
| | Series: | <u>2010A</u> |
| | Date of Issue: | <u>December 15, 2010</u> |
| | Coupon rate: | <u>8.00%</u> |
| | Maturity Date: | <u>December 1, 2040</u> |
| | Levy: | <u>40.000</u> |
| | Revenue: | <u>\$101,342.40</u> |
| | | |
| 2. | Purpose of Issue: | <u>Refund a portion of the Cornerstone Metropolitan District No. 1 2006 Bonds</u> |
| | Series: | <u>2010B</u> |
| | Date of Issue: | <u>12/15/2010 (Converted to Developer Bonds 11/24/2014)</u> |
| | Coupon rate: | <u>6.00%</u> |
| | Maturity Date: | <u>December 1, 2046</u> |
| | Levy: | <u>0.000</u> |
| | Revenue: | <u>\$0.00</u> |

CONTRACTS^K:

- | | | |
|----|----------------------|--|
| 3. | Purpose of Contract: | <u>To provide for the implementation of principals and objectives in the Service Plan regarding financing, construction, operation and maintenance of facilities, and administration of the District's affairs</u> |
| | Title: | <u>District Facilities Construction and Service Agreement</u> |
| | Date: | <u>December 16, 2004</u> |
| | Principal Amount: | <u>N/A</u> |
| | Maturity Date: | <u>None Stated</u> |
| | Levy: | <u>70.000</u> |
| | Revenue: | <u>\$177,349.20</u> |
| | | |
| 4. | Purpose of Contract: | <u> </u> |
| | Title: | <u> </u> |
| | Date: | <u> </u> |
| | Principal Amount: | <u> </u> |
| | Maturity Date: | <u> </u> |
| | Levy: | <u> </u> |
| | Revenue: | <u> </u> |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.