

# CORNERSTONE METROPOLITAN DISTRICT NO. 2

January 15, 2021

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

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

Attached is the 2021 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 November 16, 2020. 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 0.000 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 40.730 mills for G.O. bonds; 69.270 mills for contractual obligations, 0.000 mills for refund/abatement; and 0.000 mills for Temporary Tax Credit/Mill Levy Reduction. Based on a total assessed valuation of \$4,556,430, the total property tax revenue is \$501,207. Copies of the certification of mill levies sent to the County Commissioners for Montrose and Ouray Counties are 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)

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*Administrative & Financial Management Provided By Marchetti & Weaver, LLC*

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## **CORNERSTONE METROPOLITAN DISTRICT NO. 2**

### **2021 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.

### **2021 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 maximum debt service mill levy of 40.000 mills (adjusted for changes in residential assessment rates up to 40.730 for the 2021 budget year) 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 2021 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 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board of Directors of the Cornerstone Metropolitan District No. 2 has appointed a budget committee to prepare and submit a proposed 2021 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 November 2, 2020 and continued to November 16, 2020 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, as adjusted for immaterial changes in the final certified assessed value of the District as certified by the county assessor and corresponding adjustments resulting from such changes to the assessed value. In the event there are material changes to the assessed value then a subsequent meeting of the Board shall be called to consider such changes. Furthermore, to the extent capital or significant operating expenditures forecasted for the current year are anticipated to be extended into the following year, the expenditures and offsetting change in the budgeted beginning fund balance shall be updated to reflect management's best estimate at the time the budget is to be filed with the Colorado Division of Local Affairs.

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 2020, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE CORNERSTONE METROPOLITAN DISTRICT NO.2, MONTROSE AND OURAY COUNTIES, COLORADO, FOR THE 2021 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 November 16, 2020 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 \$315,623.91 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 \$185,583.39 and;

WHEREAS, the 2020 valuation for assessment for the Cornerstone Metropolitan District No. 2, as certified by the Montrose County Assessor is \$987,890 and;

WHEREAS, the 2020 valuation for assessment for the Cornerstone Metropolitan District No. 2, as certified by the Ouray County Assessor is \$3,568,540

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 2021 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 2020.

Section 2. That for the purposes of rendering a refund to its constituents during budget year 2021 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 2021 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 2020.
- Section 4. That for the purpose of meeting all payments for bonds and interest of the Cornerstone Metropolitan District No. 2 during the 2021 budget year, there is hereby levied a tax of 40.730 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.
- Section 5. That for the purpose of meeting the contractual obligations of the Cornerstone Metropolitan District No. 2 during the 2021 budget year, there is hereby levied a tax of 69.270 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2020.
- 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 2021 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on November 16, 2020 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	\$ 321,048
Current Debt Service Expenditures	<u>230,770</u>
TOTAL DEBT SERVICE FUND	\$ 551,818

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**RESOLUTIONS OF CORNERSTONE METROPOLITAN DISTRICT NO. 2**  
**(CONTINUED)**

**TO ADOPT 2021 BUDGET, SET MILL LEVIES AND**  
**APPROPRIATE SUMS OF MONEY**  
**(CONTINUED)**

The above resolutions to adopt the 2021 budget, set the mill levies and to appropriate sums of money were adopted this 16th day of November, 2020.

Attest: *Bill Feyazz*

Title: *President*

## CORNERSTONE METROPOLITAN DISTRICT NO. 2

## STATEMENT OF NET POSITION

Print Date: 01/13/21

September 30, 2020

	IGA DEBT SVC FUND	BOND DEBT SVC FUND	LONG-TERM DEBT	TOTAL
<b>ASSETS</b>				
Csafe	-		-	-
Colotrust	30,010	17,242		47,251
Reserve Fund- 2010A		-		-
Interest Account-2010A		12		12
Revenue Fund- 2010B		-		-
Fee Account - 2010B		-		-
Interest Account-2010B		0		0
Surplus Fund- 2010B		-		-
Due from Montrose Co. Treasurer	-	-	-	-
Due from Ouray County Treasurer	-	-	-	-
Property Taxes Receivable Montrose	13,015	7,639		20,655
Property Taxes Receivable Montrose - Prior Yr	-	-		-
Property Taxes Receivable Ouray	144,028	84,538		228,566
Property Taxes Receivable Ouray - Prior Year	-	-		-
<b>TOTAL ASSETS</b>	<b>187,053</b>	<b>109,432</b>	<b>-</b>	<b>296,485</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>				
Accounts Payable	-	-		-
Due to District No. 1- Ops	29,184	-	-	29,184
Due to Montrose County Treasurer	-	-		-
Deferred Property Tax Revenue Montrose	13,015	7,639		20,655
Deferred Property Tax Revenue Montrose - PY	-	-	-	-
Deferred Property Tax Revenue Ouray	144,028	84,538		228,566
Deferred Property Tax Revenue Ouray - PY	-	-	-	-
Bonds Payable-2010A			5,185,000	5,185,000
Bonds Payable 2010B Developer Bonds			16,298,001	16,298,001
Accrued Interest			6,540,076	6,540,076
<b>TOTAL LIAB &amp; DEF INFLOWS</b>	<b>186,227</b>	<b>92,178</b>	<b>28,023,077</b>	<b>28,301,482</b>
<b>NET POSITION</b>				
Invested In Bonds Payable			(28,023,077)	(28,023,077)
Invested In Delinquent Taxes			-	-
Fund Balance- Restricted For Debt Service		17,254		17,254
Fund Balance- UnAssigned	826			826
<b>TOTAL NET POSITION</b>	<b>826</b>	<b>17,254</b>	<b>(28,023,077)</b>	<b>(28,004,997)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	<b>187,053</b>	<b>109,432</b>	<b>-</b>	<b>296,485</b>
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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**

<b>CONTRACTUAL OBLIGATIONS DEBT SERVICE FUND</b>	<b>2019 Audited Actual</b>	<b>2020 Adopted Budget</b>	<b>Variance Favorable (Unfav)</b>	<b>2020 Forecast</b>	<b>09 Months Ended 09/30/20 Actual</b>	<b>09 Months Ended 09/30/20 Budget</b>	<b>Variance Favorable (Unfav)</b>	<b>2021 Adopted Budget</b>	<b>Budget Comments</b>
Assessed Valuation Montrose	988,240	988,080		988,080				987,890	Final Values From County
Assessed Valuation Ouray	2,366,310	3,685,940		3,685,940			3,568,540	Final Values From County	
<b>Total AV For Certification</b>	<b>3,354,550</b>	<b>4,674,020</b>		<b>4,674,020</b>			<b>4,556,430</b>		
Less AV Not Expected to Be Collected In CY	-	-		(750,000)			-	-	Assume all sold at tax lien sale
<b>Net AV For Expected Current Yr Collection</b>	<b>3,354,550</b>	<b>4,674,020</b>		<b>3,924,020</b>			<b>4,556,430</b>		
<b>Mill Levy- Contractual- Operations</b>	<b>69.057</b>	<b>69.315</b>		<b>69.315</b>			<b>69.270</b>	Keep total at 110	
<b>Mill Levy- Contractual - Debt Service</b>	<b>0.000</b>	<b>0.000</b>		<b>0.000</b>			<b>0.000</b>	None available	
<b>REVENUES</b>									
Prop Taxes- Montrose Ops	68,197	68,489	-	68,489	55,474	68,489	(13,015)	68,431	Amounts Levied
Prop Taxes- Montrose Ops- Prior Year	561	-	-	-	-	-	-	-	
Prop Taxes- Ouray Ops	160,061	255,491	(90,947)	164,544	111,463	255,491	(144,028)	247,193	Amounts Levied
Prop Taxes- Ouray Ops- Prior Year	-	-	-	-	-	-	-	-	
Delayed Receipts- Montrose DS	-	-	-	-	-	-	-	-	
Delayed Receipts- Ouray DS	-	-	-	-	-	-	-	(39,052)	Assume R006699 Not sold at tax sale
Specific Ownership- Montrose	11,215	8,200	1,388	9,588	6,691	5,467	1,224	9,580	14% of Ppty Taxes
Specific Ownership- Ouray	20,573	23,000	5,104	28,104	18,907	15,333	3,574	22,896	11% of Ppty Taxes
Development Fees	-	-	-	-	-	-	-	-	
Interest Income/ Contingency	6,117	12,000	(10,000)	2,000	1,420	1,000	420	12,000	Budget high to avoid budget overage
<b>TOTAL REVENUES</b>	<b>266,724</b>	<b>367,180</b>	<b>(94,455)</b>	<b>272,725</b>	<b>193,954</b>	<b>345,780</b>	<b>(151,825)</b>	<b>321,048</b>	
<b>EXPENSES</b>									
Treasurer's Fees Montrose	1,421	1,370	-	1,370	1,126	1,370	244	1,369	2% of taxes
Treasurer's Fees Ouray	4,857	7,665	2,728	4,936	3,413	7,665	4,252	7,416	3% of taxes
Xfer to No. 1 Operations	260,446	348,145	81,726	266,419	189,208	336,745	147,537	302,264	Amt Available
Xfer to No. 1 Capital/Debt Svc	-	-	-	-	-	-	-	-	
Trfr to No. 1- Development Fees	-	-	-	-	-	-	-	-	
Contingency	-	10,000	10,000	-	-	-	-	10,000	To avoid budget overage
<b>TOTAL EXPENDITURES</b>	<b>266,724</b>	<b>367,180</b>	<b>94,455</b>	<b>272,725</b>	<b>193,746</b>	<b>345,780</b>	<b>152,033</b>	<b>321,048</b>	
<b>REVENUE OVER (UNDER) EXPEND.</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>208</b>	<b>-</b>	<b>208</b>	<b>-</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>									
Inter-Fund Transfer for Senior Bond Fund	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>618</b>	<b>618</b>	<b>0</b>	<b>618</b>	<b>618</b>	<b>618</b>	<b>-</b>	<b>618</b>	
<b>FUND BALANCE - ENDING</b>	<b>618</b>	<b>618</b>	<b>0</b>	<b>618</b>	<b>826</b>	<b>618</b>	<b>208</b>	<b>618</b>	

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

**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**

<b>SENIOR &amp; SUBORDINATE BOND DEBT SERVICE FUND</b>	<b>2019 Audited Actual</b>	<b>2020 Adopted Budget</b>	<b>Variance Favorable (Unfav)</b>	<b>2020 Forecast</b>	<b>09 Months Ended 09/30/20 Actual</b>	<b>09 Months Ended 09/30/20 Budget</b>	<b>Variance Favorable (Unfav)</b>	<b>2021 Adopted Budget</b>	<b>Budget Comments</b>
Senior Mill Levy	40,943	40,685		40,685				40,730	Maximum of 40, Gallagherized Only if Senior below 30
Subordinate Mill Levy	-	-		-			-	-	
<b>Total Mill Levy- Bond Debt Service</b>	<b>40,943</b>	<b>40,685</b>		<b>40,685</b>				<b>40,730</b>	40 Gallagherized Max
Assessed Valuation- Montrose	988,240	988,080		988,080				987,890	Final Values From County
Assessed Valuation- Ouray	2,366,310	3,685,940		3,685,940				3,568,540	Final Values From County
# of Lots Sold	-	-		-				-	All dev fees paid for curr platted lots
Development Fee Per Lot Sale	26,000	26,000		26,000				26,000	
<b>REVENUES</b>									
Prop Taxes- Montrose	40,433	40,200	-	40,200	32,561	40,200	(7,639)	40,237	Amounts Levied
Prop Taxes- Montrose- Prior Year	332	-	-	-	-	-	-	-	
Prop Taxes- Ouray	94,898	149,962	(53,382)	96,580	65,424	149,962	(84,538)	145,347	Amounts Levied
Prop Taxes- Ouray- Prior Year	-	-	-	-	-	-	-	-	
Less Taxes Not Sold at Tax Lien Sale	-	-	-	-	-	-	-	(22,962)	Assume R006699 Not sold at tax sale
Specific Ownership- Montrose	6,649	4,824	804	5,628	3,927	3,216	711	5,633	14% of Pty Taxes
Specific Ownership- Ouray	12,198	13,497	2,999	16,496	11,098	8,998	2,100	15,988	11% of Pty Taxes
Development Fees	-	-	-	-	-	-	-	-	Lot Sales X Dev Fee Amt
Interest Income	3,466	15,000	(14,000)	1,000	841	2,500	(1,659)	15,000	Budget high to avoid budget overage
<b>TOTAL REVENUES</b>	<b>157,977</b>	<b>223,483</b>	<b>(63,579)</b>	<b>159,904</b>	<b>113,851</b>	<b>204,876</b>	<b>(91,026)</b>	<b>199,243</b>	
<b>EXPENSES</b>									
Treasurer's Fees Montrose	843	804	-	804	661	804	143	805	2% of taxes
Treasurer's Fees Ouray	2,880	4,499	1,601	2,897	2,003	4,499	2,496	4,360	3% of taxes
Series 2010A Sr. Bonds-Principal-Current	-	-	-	-	-	-	-	-	No Funds Available
Series 2010A Sr. Bonds-Interest-Current	414,800	414,800	-	414,800	207,400	207,400	-	414,800	\$5.185M @ 8% Due
Series 2010A Sr. Bonds-Principal-Delinquent	-	-	-	-	-	-	-	-	
Series 2010A Sr. Bonds-Interest-Delinquent	-	-	-	-	-	-	-	-	
Less Shortfall In Funds Available	(257,318)	(203,899)	81,083	(284,982)	(108,325)	(59,928)	48,397	(203,195)	Funds not available to make pmts
Wire Fees	-	-	-	-	-	-	-	-	
Paying Agent Fees	-	-	-	-	-	-	-	-	
Series 2010B Sub Bonds- Principal	-	-	-	-	-	-	-	-	
Series 2010B Sub Bonds- Interest	-	-	-	-	-	-	-	-	
Contingency	-	10,000	10,000	-	-	-	-	14,000	To avoid budget overage
<b>TOTAL EXPENDITURES</b>	<b>161,204</b>	<b>226,203</b>	<b>92,684</b>	<b>133,519</b>	<b>101,739</b>	<b>152,775</b>	<b>51,036</b>	<b>230,770</b>	
<b>REVENUE OVER (UNDER) EXPEND.</b>	<b>(3,227)</b>	<b>(2,720)</b>	<b>29,105</b>	<b>26,385</b>	<b>12,112</b>	<b>52,101</b>	<b>(39,989)</b>	<b>(31,527)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>									
Bond Proceeds- 2010A	-	-	-	-	-	-	-	-	
Bond Proceeds- 2010B	-	-	-	-	-	-	-	-	
Bond Cost of Issuance	-	-	-	-	-	-	-	-	
Inter-District Contributions	-	-	-	-	-	-	-	-	
Xfer of Net Bond Proceeds to No. 1	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
FUND BALANCE - BEGINNING	8,370	2,720	2,422	5,142	5,142	2,720	2,422	31,527	
<b>FUND BALANCE - ENDING</b>	<b>5,142</b>	<b>-</b>	<b>31,527</b>	<b>31,527</b>	<b>17,254</b>	<b>54,822</b>	<b>(37,568)</b>	<b>-</b>	

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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 Commissioners<sup>1</sup> of Montrose County, Colorado.

On behalf of the Cornerstone Metropolitan District No. 2  
(taxing entity)<sup>A</sup>

the Board of Directors  
(governing body)<sup>B</sup>

of the Cornerstone Metropolitan District No. 2  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 987,890

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ 987,890  
(NET<sup>G</sup> 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:** 12/7/2020 for budget/fiscal year 2021  
(not later than Dec 15) (mm/dd/yyyy) (yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
1. General Operating Expenses <sup>H</sup>	<u>0.000</u> mills	\$ -
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	<u>(0.000)</u> mills	\$ -
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>(0.000)</u> mills</b>	<b><u>\$ -</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>40.730</u> mills	\$ 40,236.76
4. Contractual Obligations <sup>K</sup>	<u>69.270</u> mills	\$ 68,431.14
5. Capital Expenditures <sup>L</sup>	<u>0.000</u> mills	\$ -
6. Refunds/Abatements <sup>M</sup>	<u>0.000</u> mills	\$ -
7. Other <sup>N</sup> (specify): _____	<u>0.000</u> mills	\$ -
	<u>0.000</u> mills	\$ -
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b><u>110.000</u> mills</b>	<b><u>\$ 108,667.90</u></b>

Contact person: Eric Weaver Daytime phone: (970) 926-6060 x6  
(print) \_\_\_\_\_  
Signed: *Eric Weaver* 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.

<sup>1</sup> 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.

<sup>2</sup> 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<sup>J</sup>:**

- |    |                   |   |
|----|-------------------|---|
| 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>40.730</u>   |
|    | Revenue:          | <u>\$40,236.76</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<sup>K</sup>:**

- |    |                      |  |
|----|----------------------|--|
| 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>69.270</u>  |
|    | Revenue:             | <u>\$68,431.14</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 Commissioners<sup>1</sup> of Ouray County, Colorado.

On behalf of the Cornerstone Metropolitan District No. 2  
(taxing entity)<sup>A</sup>

the Board of Directors  
(governing body)<sup>B</sup>

of the Cornerstone Metropolitan District No. 2  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 3,568,540

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ 3,568,540  
(NET<sup>G</sup> 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:** 12/7/2020 for budget/fiscal year 2021  
(not later than Dec 15) (mm/dd/yyyy) (yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
1. General Operating Expenses <sup>H</sup>	<u>0.000</u> mills	\$ -
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	<u>(0.000)</u> mills	\$ -
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>(0.000)</u> mills</b>	<b><u>\$ -</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>40.730</u> mills	\$ 145,346.63
4. Contractual Obligations <sup>K</sup>	<u>69.270</u> mills	\$ 247,192.77
5. Capital Expenditures <sup>L</sup>	<u>0.000</u> mills	\$ -
6. Refunds/Abatements <sup>M</sup>	<u>0.000</u> mills	\$ -
7. Other <sup>N</sup> (specify): _____	<u>0.000</u> mills	\$ -
	<u>0.000</u> mills	\$ -
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b><u>110.000</u> mills</b>	<b><u>\$ 392,539.40</u></b>

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.

<sup>1</sup> 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.

<sup>2</sup> 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<sup>J</sup>:**

- |    |                   |   |
|----|-------------------|---|
| 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>40.730</u>   |
|    | Revenue:          | <u>\$145,346.63</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<sup>K</sup>:**

- |    |                      |  |
|----|----------------------|--|
| 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>69.270</u>  |
|    | Revenue:             | <u>\$247,192.77</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.