

RESOLUTION NO. 2015 - 11 - 03
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VISTA RIDGE METROPOLITAN DISTRICT
TO ADOPT THE 2016 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Vista Ridge Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2016 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2015, 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, a public hearing was held on November 12, 2015, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

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

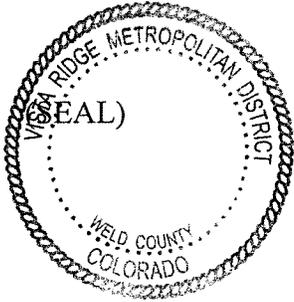
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vista Ridge Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Vista Ridge Metropolitan District for the 2016 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 12th day of November, 2015.



[Handwritten Signature]

Secretary

EXHIBIT A
(Budget)

VISTA RIDGE METROPOLITAN DISTRICT

2016 Budget Message

Introduction

The 2016 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2016 fiscal year based on available revenues. This budget provides for the annual debt service on the District's general obligation debt as well as the general operation of the District, capital improvements, and conservation trust activity.

The District's 2015 assessed value increased 19.15% to \$61,072,610. The District's mill levy remains at 57.827 mills for taxes to be collected in the 2016 fiscal year with 15.000 mills certified to the General Fund and 42.827 mills certified to the Debt Service Fund. The maximum debt service mill levy is 35.000 mills, adjusted for changes in the residential assessment ratio, which for 2016 adjusts the debt service mill levy to 42.827.

The District was organized in January 2001 with its boundaries completely within the Town of Erie, Colorado. The District was formed to provide construction, installation, financing and operation of public improvements, including parks and recreational facilities and services, water and sanitary sewer services, street, and other improvements.

Budgetary Basis of Accounting

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

The **General Fund** is used to account for resources traditionally associated with government such as property taxes, specific ownership taxes and expenditures which include District administration, legal services, operation and maintenance of the non-potable water system, landscape maintenance, and other expenses related to statutory operations of a local government. The primary source of revenue is from property taxes and specific ownership taxes. The District also receives irrigation water revenue from the Town of Erie, Colorado National Golf Club and a homeowners' association.

The **Debt Service Fund** is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. The primary source of revenue comes from property taxes and specific ownership taxes. The District has a Senior Series 2006A General Obligation Refunding Bonds and Subordinate Series 2006B General Obligation Refunding Bonds, which are paid from property taxes. Per the Trust Indenture, non-property taxes may be used to repay these issues if property tax revenue is not sufficient.

The District also issued subordinate revenue bonds, Series 2006C, Series 2006D, Series 2008C and Series 2008D, each of which is paid from non-property tax sources, including specific ownership taxes and collections of system development fees. However, the first \$1,000,000 of "Additional System Development Fees" are payable to a non-interest bearing note.

The Series 2006D and parity Series 2008D Bonds are subject to a Reimbursement Agreement which calls for the District's board to annually certify a General Fund mill levy for repayment of the annual debt service. For 2015, the board certified a mill levy of 4.877 mills or approximately \$250,000 for repayment in fiscal year 2015 towards the Series 2006D and 2008D Bonds.

The District has a \$500,000 Series 2006A reserve fund and is required to maintain a cash balance of \$800,000 in the Non-property Tax Account until certain debt ratios are achieved. However in 2011, due to cash flow constraints related to a diminishing assessed valuation the District was not able to process full payments on the 2006B bonds. So in accordance with the waterfall of funds, the District utilized the \$800,000 cash in the Non-property tax account in 2011 and again in 2012 to make debt service payments in accordance with the Trust Indenture for the 2006A and 2006B bonds.

In 2012, the 2006B bondholders and the District worked together to reach a restructuring agreement in which the interest rate will be 0% for five years with no principal payments due. After five years, the interest rate will increase to 9.5% and principal payments will resume at that time.

Below is a summary of the District's outstanding long-term debt.

Summary of Outstanding Debt

Vista Ridge Metropolitan District

Bonds Principal and Interest Maturing in the Year Ending December 31,	Totals		
	Principal	Interest	Total
2016	4,309,543	3,558,900	7,868,443
2017	715,000	1,548,569	2,263,569
2018	745,000	1,988,850	2,733,850
2019	780,000	1,957,188	2,737,188
2020	815,000	1,918,188	2,733,188
2021-2025	4,890,000	8,921,690	13,811,690
2026-2030	6,700,000	7,457,765	14,157,765
2031-2035	9,085,000	5,409,165	14,494,165
2036-2040	12,495,000	2,385,245	14,880,245
Total	<u>40,534,543</u>	<u>35,145,560</u>	<u>75,680,103</u>

(a) Includes unpaid principal from prior years on both Series 2006C and 2008C.

Series 2006A Limited Tax General Obligation Improvement and Refunding Bonds
 Amended Series 2006B Limited Tax General Obligation Subordinate Refunding Bonds
 Series 2006C Subordinate Non-Ad Valorem Tax Revenue Bonds
 Series 2006D Subordinate Non-Ad Valorem Tax Revenue Bonds
 Series 2008C Subordinate Non-Ad Valorem Tax Revenue Bonds
 Series 2008D Subordinate Non-Ad Valorem Tax Revenue Bonds

The **Capital Repair and Replacement Fund** is used for repair and replacement of capital items.

The **Conservation Trust Fund** is used to account for disbursements of allocated state lottery revenue from the Colorado Department of Local Affairs, based on the District's census. The funds are restricted until such time as the District incurs expenditures for allowable public improvements, including acquisition, development or maintenance of public areas.

Emergency Reserve

As required under Article X, Section 20 of the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.

VISTA RIDGE METROPOLITAN DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2014		2015		2016
	Actual		Adopted Budget		Adopted Budget
Assessed Valuation	\$ 50,219,898	\$	51,256,220	\$	61,072,610
Mill Levy					
General Fund	15.000		15.000		15.000
Debt Service Fund	42.827		42.827		42.827
Temporary Mill Levy Reduction	-		-		-
Refunds and Abatements	-		-		-
Total Mill Levy	<u>57.827</u>		<u>57.827</u>		<u>57.827</u>
Property Taxes					
General Fund	\$ 753,298	\$	768,843	\$	916,089
Debt Service Fund	2,150,768		2,195,150		2,615,557
Temporary Mill Levy Reduction	-		-		-
Refunds and Abatements	-		-		-
Actual/Budgeted Property Taxes	<u>\$ 2,904,066</u>	<u>\$</u>	<u>2,963,993</u>	<u>\$</u>	<u>3,531,646</u>

VISTA RIDGE METROPOLITAN DISTRICT

GENERAL FUND
 2016 Adopted Budget
 with 2014 Actual, 2015 Adopted Budget, and 2015 Estimated Budget

	2014 Actual	2015 Adopted Budget	2015 Estimated Budget	2016 Adopted Budget
BEGINNING FUND BALANCE	\$ 317,231	\$ 250,688	\$ 389,278	\$ 429,089
REVENUE				
Property Taxes	754,007	768,843	768,843	916,089
Interest	643	750	900	750
Other Income	2,748	-	3,200	-
Reimb. from Golf Course	78,841	84,000	122,165	89,700
Reimb. from Town of Erie	21,141	16,000	17,000	16,000
Reimb. from Other Entities	1,886	1,500	1,500	1,500
Total Revenue	859,266	871,093	913,608	1,024,039
Total Funds Available	1,176,497	1,121,781	1,302,886	1,453,128
EXPENDITURES				
Accounting	16,418	20,000	19,533	20,300
Audit Fees	7,614	8,500	8,500	8,500
Election Costs	730	-	-	21,100
Insurance and Bonds	17,844	19,259	18,249	20,600
Landscape Maintenance	141,040	152,970	150,000	158,106
Landscape Maintenance-UP	6,066	7,000	6,000	7,000
Legal-McGeady Sisneros	7,633	18,000	8,000	18,000
Statutory Compliance	263	-	-	-
Management	25,921	35,000	33,857	35,525
Project Management	-	-	-	-
Engineering	-	1,000	1,000	1,000
Eng. - Maintenance Map	-	500	500	500
Non-Potable Water Mgmt Fee	24,604	26,500	26,500	26,500
County Treasurer's Fee	11,329	11,533	11,534	13,741
Miscellaneous	4,223	5,000	5,000	5,000
Field Supervision	14,643	20,000	17,000	20,000
Snow Removal	14,915	30,000	30,000	30,000
Fence Repair & Replace	24,798	40,000	35,000	40,000
Tree & Shrub Replacement	42,018	35,000	35,000	35,000
Trails	-	-	-	8,000
Monuments	-	-	-	20,000
Utilities - Town of Erie	9,830	11,330	13,000	14,000
Utilities-UNCC	1,095	1,000	1,224	1,500
Utilities-Locate Services	3,179	6,000	5,371	6,000
Monument Lighting	6,222	12,300	11,537	12,300
Pump Station	9,360	20,000	15,432	19,800

VISTA RIDGE METROPOLITAN DISTRICT

GENERAL FUND
 2016 Adopted Budget
 with 2014 Actual, 2015 Adopted Budget, and 2015 Estimated Budget

	2014 Actual	2015 Adopted Budget	2015 Estimated Budget	2016 Adopted Budget
Pump Station-United Power	26,023	40,000	25,151	40,000
Water Quality	10,603	12,000	13,500	20,266
Water Lease	28,238	91,000	33,909	91,000
Water Rights (Eng & Legal)	7,610	15,000	8,000	10,000
Contingency	-	5,000	-	5,000
Total Expenditures	462,218	643,892	532,797	708,738
Emergency Reserve	-	26,133	16,000	21,300
Transfer to Debt Service	250,000	200,000	250,000	214,692
Transfer to Capital Rep and Reserve	75,000	75,000	75,000	75,000
Total Expenditures Requiring Appropriation	787,218	945,025	873,797	1,019,730
ENDING FUND BALANCE	\$ 389,278	\$ 176,756	\$ 429,089	\$ 433,398

VISTA RIDGE METROPOLITAN DISTRICT

DEBT SERVICE FUND
2016 Adopted Budget

with 2014 Actual, 2015 Adopted Budget, 2015 Amended Budget, and 2015 Estimated Budget

	2014 Actual	2015 Adopted Budget	2015 Amended Budget	2015 Estimated Budget	2016 Adopted Budget
BEGINNING FUND BALANCE	\$ 701,721	\$ 753,054	\$ 803,325	\$ 803,325	\$ 949,870
REVENUE					
Property Taxes	2,152,791	2,195,150	2,195,150	2,195,150	2,615,557
Specific Ownership Taxes	244,735	208,539	218,983	218,983	209,245
Sys. Dev. Fees	52,209	75,000	244,642	244,642	75,000
Interest	4,955	3,000	3,000	4,151	-
Other Income	-	-	33,619	33,619	-
Transfer from Other Funds	250,000	200,000	250,000	250,000	214,692
Total Revenue	2,704,689	2,681,689	2,945,394	2,946,545	3,114,494
Total Funds Available	3,406,411	3,434,743	3,748,719	3,749,870	4,064,364
EXPENDITURES					
2006A Bonds Principal	630,000	660,000	660,000	660,000	690,000
2006B Bonds Principal	-	-	-	-	-
2006C Bonds Principal	-	-	-	-	-
2006D Bonds Principal	140,957	114,934	142,791	142,791	130,260
2008D Bonds Principal	46,652	37,098	64,512	64,512	63,755
2006A Bonds Interest	1,634,931	1,603,431	1,603,431	1,603,431	1,577,031
2006B Bonds Interest	-	-	-	-	-
2006C Bonds Interest	-	-	-	-	-
2006D Bonds Interest	41,401	30,952	27,305	27,305	13,026
2008C Bonds Interest	-	-	-	-	-
2008D Bonds Interest	20,990	17,016	15,392	15,392	7,651
Developer Reimbursement	52,209	75,000	244,642	244,642	75,000
Paying Agent Fees	3,600	5,000	5,000	5,000	5,000
Dissemination Agent Fees	-	-	-	-	-
County Treasurer's Fee	32,346	32,927	32,927	32,933	39,233
Contingency	-	4,000	4,000	3,994	4,000
Total Expenditures	2,603,086	2,580,358	2,800,000	2,800,000	2,604,956
Total Expenditures Requiring Appropriation					
	2,603,086	2,580,358	2,800,000	2,800,000	2,604,956
Non-Property Tax Account	303,325	354,385	448,719	449,870	959,408
2006A Reserve	500,000	500,000	500,000	500,000	500,000
Undesignated	-	-	-	-	-
ENDING FUND BALANCE	\$ 803,325	\$ 854,385	\$ 948,719	\$ 949,870	\$ 1,459,408

VISTA RIDGE METROPOLITAN DISTRICT
CAPITAL REPAIR AND REPLACEMENT FUND
2016 Adopted Budget
with 2014 Actual, 2015 Adopted Budget, and 2015 Estimated Budget

	2014 Actual	2015 Adopted Budget	2015 Estimated Budget	2016 Adopted Budget
BEGINNING FUND BALANCE	\$ 450,726	\$ 300,500	\$ 523,516	\$ 409,316
REVENUE				
Interest income	538	500	800	500
Transfer From Other Funds	75,000	75,000	75,000	75,000
Total Revenue	75,538	75,500	75,800	75,500
Total Funds Available	526,264	376,000	599,316	484,816
EXPENDITURES				
Pump Station Refurbishment	2,748	150,000	190,000	-
Total Expenditures	2,748	150,000	190,000	-
Total Expenditures Requiring Appropriation	2,748	150,000	190,000	-
ENDING FUND BALANCE	\$ 523,516	\$ 226,000	\$ 409,316	\$ 484,816

VISTA RIDGE METROPOLITAN DISTRICT

CONSERVATION TRUST FUND

2016 Adopted Budget

with 2014 Actual, 2015 Adopted Budget, and 2015 Estimated Budget

	2014 Actual	2015 Adopted Budget	2015 Estimated Budget	2016 Adopted Budget
BEGINNING FUND BALANCE	\$ 86,191	\$ 110,291	\$ 110,718	\$ 135,013
REVENUE				
Interest	113	50	155	100
Conservation Trust Revenue	24,414	15,200	24,140	24,000
Total Revenue	24,527	15,250	24,295	24,100
Total Funds Available	110,718	125,541	135,013	159,113
EXPENDITURES				
Cons. Trust Proj.	-	-	-	-
Total Expenditures	-	-	-	-
Total Expenditures Requiring Appropriation	-	-	-	-
ENDING FUND BALANCE	\$ 110,718	\$ 125,541	\$ 135,013	\$ 159,113

I, LISA A. JOHNSON hereby certify that I am the duly appointed Secretary of the Vista Ridge Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2016, duly adopted at a meeting of the Board of Directors of the Vista Ridge Metropolitan District held on November 12, 2015.

By: 

RESOLUTION NO. 2015 - 11 - 04
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VISTA RIDGE METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Vista Ridge Metropolitan District ("District") has adopted the 2016 annual budget in accordance with the Local Government Budget Law on November 12, 2015; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2016 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

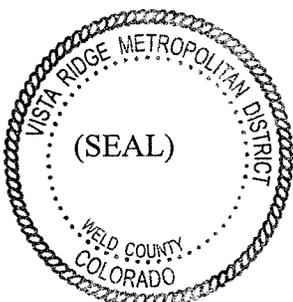
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vista Ridge Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2016 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2016 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Weld County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 12th day of November, 2015.





Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Vista Ridge Metropolitan District,
(taxing entity)^A

the Board of Directors,
(governing body)^B

of the Vista Ridge Metropolitan District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 61,072,610 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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: \$ 61,072,610 (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: 12/15/2015 for budget/fiscal year 2016.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

<u>PURPOSE</u> (see end notes for definitions and examples)	<u>LEVY</u> ²	<u>REVENUE</u> ²
1. General Operating Expenses ^H	<u>15.000</u> mills	\$ <u>916,089</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u> </u> > mills	\$ < <u> </u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>15.000</u> mills	\$ <u>916,089</u>
3. General Obligation Bonds and Interest ^J	<u>42.827</u> mills	\$ <u>2,615,557</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>57.827</u> mills	\$ <u>3,531,646</u>

Contact person: (print) Lisa Johnson Daytime phone: (303) 987-0835
Signed: *Duena Mortimer* 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, CO 80203. Questions? Call DLG at (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).

(d)

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, 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: | \$35,000,000 Limited Tax General Obligation Improvement and Refunding Bonds |
| | Series: | 2006A |
| | Date of Issue: | August 23, 2006 |
| | Coupon Rate: | 3.750% - 5.125% |
| | Maturity Date: | December 1, 2040 |
| | Levy: | 42.827 |
| | Revenue: | \$2,615,557 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

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