

**BELLA MESA METROPOLITAN DISTRICT
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**


YEAR ENDED DECEMBER 31, 2023

**BELLA MESA METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR’S REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	22
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	23
OTHER INFORMATION	
SCHEDULES OF DEBT SERVICE REQUIREMENTS TO MATURITY	25
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	26



1221 W. Mineral Avenue, Suite 202
Littleton, CO 80120

 303-734-4800

 303-795-3356

 www.HaynieCPAs.com

To the Board of Directors
Bella Mesa Metropolitan District

Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of Bella Mesa Metropolitan District (the District), as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major funds of Bella Mesa Metropolitan District, as of December 31, 2023, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bella Mesa Metropolitan District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bella Mesa Metropolitan District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bella Mesa Metropolitan District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bella Mesa Metropolitan District's ability to continue as a going concern for a reasonable period of time.
- Are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

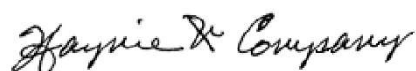
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bella Mesa Metropolitan District's basic financial statements. The supplementary information section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Littleton, Colorado

July 17, 2023

BASIC FINANCIAL STATEMENTS

**BELLA MESA METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 121,347
Cash and Investments - Restricted	2,558,398
Prepaid Expenses	445
Receivable from County Treasurer	2,315
Escrow - Town of Castle Rock	1,886,287
Property Tax Receivable	563,282
Capital Assets:	
Capital Assets, Not Being Depreciated	11,795,167
Total Assets	16,927,241
LIABILITIES	
Accounts Payable	35,542
Noncurrent Liabilities:	
Due in More Than One Year	20,144,426
Total Liabilities	20,179,968
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	563,282
Total Deferred Inflows of Resources	563,282
NET POSITION	
Net Investment in Capital Assets	(564,217)
Restricted for:	
Emergency Reserve	3,400
Debt Service	839,222
Unrestricted	(4,094,414)
Total Net Position	\$ (3,816,009)

See accompanying Notes to Basic Financial Statements.

**BELLA MESA METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

		Program Revenues			Net Revenues (Expenses) and Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Changes in Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 136,948	\$ -	\$ -	\$ (136,948)	
Interest and Related Costs on Long-Term Debt	1,293,123	-	-	(1,293,123)	
Total Governmental Activities	\$ 1,430,071	\$ -	\$ -	(1,430,071)	
 GENERAL REVENUES					
Property Taxes				385,726	
Specific Ownership Taxes				35,792	
Interest Income				220,968	
Total General Revenues and Transfers				642,486	
CHANGES IN NET POSITION				(787,585)	
Net Position - Beginning of Year				(3,028,424)	
NET POSITION - END OF YEAR				\$ (3,816,009)	

See accompanying Notes to Basic Financial Statements.

**BELLA MESA METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 121,347	\$ -	\$ -	\$ 121,347
Cash and Investments - Restricted	3,400	2,412,315	142,683	2,558,398
Receivable from County Treasurer	612	1,703	-	2,315
Prepaid Expenses	445	-	-	445
Escrow - Town of Castle Rock	-	-	1,886,287	1,886,287
Property Tax Receivable	97,973	465,309	-	563,282
Total Assets	\$ 223,777	\$ 2,879,327	\$ 2,028,970	\$ 5,132,074
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 4,403	\$ -	\$ 31,139	\$ 35,542
Total Liabilities	4,403	-	31,139	35,542
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	97,973	465,309	-	563,282
Total Deferred Inflows of Resources	97,973	465,309	-	563,282
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	445	-	-	445
Restricted for:				
Emergency Reserves	3,400	-	-	3,400
Debt Service	-	2,414,018	-	2,414,018
Capital Projects	-	-	1,997,831	1,997,831
Assigned to:				
Subsequent Year's Expenditures	32,209	-	-	32,209
Unassigned	85,347	-	-	85,347
Total Fund Balances	121,401	2,414,018	1,997,831	4,533,250
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 223,777	\$ 2,879,327	\$ 2,028,970	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				11,795,167
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Bonds Payable				(19,993,768)
Developer Advance Payable				(150,000)
Developer Advance Payable - Accrued Interest				(658)
Net Position of Governmental Activities				\$ (3,816,009)

See accompanying Notes to Basic Financial Statements.

**BELLA MESA METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 101,957	\$ 283,769	\$ -	\$ 385,726
Specific Ownership Taxes	9,461	26,331	-	35,792
Interest Income	1,909	110,525	108,534	220,968
Total Revenues	<u>113,327</u>	<u>420,625</u>	<u>108,534</u>	<u>642,486</u>
EXPENDITURES				
Current:				
Accounting	26,417	-	-	26,417
Auditing	6,100	-	-	6,100
County Treasurer's Fee	1,530	4,258	-	5,788
District Management	42,000	-	139,458	181,458
Dues	398	-	-	398
Election	5,813	-	-	5,813
Insurance	5,680	-	-	5,680
Legal	47,816	-	1,194	49,010
Debt Service:				
Paying Agent Fees	-	4,000	-	4,000
Capital Projects:				
Streets	-	-	519,854	519,854
Engineering	-	-	167,144	167,144
Total Expenditures	<u>135,754</u>	<u>8,258</u>	<u>827,650</u>	<u>971,662</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(22,427)	412,367	(719,116)	(329,176)
OTHER FINANCING SOURCES (USES)				
Developer Advance	-	-	150,000	150,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>
NET CHANGE IN FUND BALANCES	(22,427)	412,367	(569,116)	(179,176)
Fund Balances - Beginning of Year	<u>143,828</u>	<u>2,001,651</u>	<u>2,566,947</u>	<u>4,712,426</u>
FUND BALANCES - END OF YEAR	<u>\$ 121,401</u>	<u>\$ 2,414,018</u>	<u>\$ 1,997,831</u>	<u>\$ 4,533,250</u>

See accompanying Notes to Basic Financial Statements.

**BELLA MESA METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ (179,176)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital Outlay 826,456

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Developer Advance (150,000)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable Developer Advance - Change in Liability (658)
Bond Principal Accretion (Interest Expense) (1,284,207)

Changes in Net Position of Governmental Activities \$ (787,585)

**BELLA MESA METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 102,021	\$ 101,957	\$ (64)
Specific Ownership Taxes	9,182	9,461	279
Interest Income	19,000	1,909	(17,091)
Total Revenues	<u>130,203</u>	<u>113,327</u>	<u>(16,876)</u>
EXPENDITURES			
Accounting	25,000	26,417	(1,417)
Auditing	6,000	6,100	(100)
Contingency	5,970	-	5,970
County Treasurer's Fee	1,530	1,530	-
Drainage System Maintenance	35,000	-	35,000
District Management	45,000	42,000	3,000
Dues	500	398	102
Election	13,000	5,813	7,187
Insurance	4,000	5,680	(1,680)
Legal	18,000	47,816	(29,816)
Website	1,000	-	1,000
Total Expenditures	<u>155,000</u>	<u>135,754</u>	<u>19,246</u>
NET CHANGE IN FUND BALANCE	(24,797)	(22,427)	2,370
Fund Balance - Beginning of Year	<u>142,715</u>	<u>143,828</u>	<u>1,113</u>
FUND BALANCE - END OF YEAR	<u>\$ 117,918</u>	<u>\$ 121,401</u>	<u>\$ 3,483</u>

See accompanying Notes to Basic Financial Statements.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 DEFINITION OF REPORTING ENTITY

The Bella Mesa Metropolitan District (the District) was organized by order and decree of the District Court for Douglas County, Colorado, on November 16, 2004, under the name of Vistas at Rock Canyon Metropolitan District. On August 29, 2016, the District's name was changed to Bella Mesa Metropolitan District. The District is a quasi-municipal corporation and political subdivision of the state of Colorado and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado, entirely within the Town of Castle Rock (Town). The District was established to provide financing for construction of certain street improvements, traffic and safety control, a potable and nonpotable water supply system, sanitary sewer system, parks and recreation, public transportation, television relay and translation, and mosquito and pest control.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than program revenues. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of 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. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

The effect of interfund activity has been eliminated from the government-wide financial statements.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to assess the property tax obligation of the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or if in equal installments at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balances for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 121,347
Cash and Investments - Restricted	2,558,398
Total Cash and Investments	<u>\$ 2,679,745</u>

Cash and investments as of December 31, 2023, consist of the following:

Deposits with Financial Institutions	\$ 212,322
Investments	2,467,423
Total Cash and Investments	<u>\$ 2,679,745</u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

On December 31, 2023, the District's cash deposits had a bank balance and a carrying balance of \$212,322.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 2,467,423
		<u>\$ 2,467,423</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor’s. COLOTRUST EDGE is rated AAAs/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2023, follows:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 10,968,711	\$ 826,456	\$ -	\$ 11,795,167
Total Capital Assets, Not Being Depreciated	<u>10,968,711</u>	<u>826,456</u>	<u>-</u>	<u>11,795,167</u>
 Governmental Activities				
Capital Assets, Net	<u>\$ 10,968,711</u>	<u>\$ 826,456</u>	<u>\$ -</u>	<u>\$ 11,795,167</u>

It is the District’s intention to dedicate any water rights and all water, sanitary sewer, storm sewer, street, safety, and certain park and recreation improvements to the Town upon completion of construction, installation, and applicable warranty periods. At the Town’s discretion, the District may continue to own and maintain improvements associated with common area landscaping, open space, lift station, and control and safety protection services in certain areas.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District’s long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Bonds Payable:					
General Obligation Bonds					
Series 2020	\$ 18,709,561	\$ 1,284,207	\$ -	\$ 19,993,768	\$ -
Subtotal Bonds Payable	18,709,561	1,284,207	-	19,993,768	-
Other Debts:					
Developer Advance - Capital	-	150,000	-	150,000	-
Accrued Interest on:					
Developer Advance - Capital	-	658	-	658	-
Subtotal Other Debts	-	150,658	-	150,658	-
 Total Long-Term Obligations	 \$ 18,709,561	 \$ 1,434,865	 \$ -	 \$ 20,144,426	 \$ -

The details of the District’s long-term obligations are as follows:

Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2020A⁽³⁾

On May 27, 2020, the District issued capital appreciation bonds, convertible to current interest bonds on the Current Interest Conversion Date of December 1, 2025. Prior to the Current Interest Conversion Date, the Bonds shall pay no current interest, and shall accrete in value at an accretion rate of 6.75% compounding semi-annually on each June 1 and December 1, commencing on June 1, 2020, from their date of issuance.

On the Current Interest Conversion Date, the Bonds shall cease to be capital appreciation bonds and automatically convert to current interest bonds, at which time the Bonds shall bear interest at the rate of 6.75%, payable semiannually on June 1 and December 1 of each year, commencing June 1, 2026. Annual principal payments are due on December 1 of each year beginning December 1, 2029. The Bonds mature on December 1, 2049.

The Bonds are subject to redemption prior to maturity, at the option of the District, on June 1, 2025, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of 3% declining 1% per year for the next two years and no redemption premium thereafter.

On and after the Current Interest Conversion Date, (a) to the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and will continue to bear interest at the rate then borne by the Bonds; and (b) to the extent interest on any Bond is not paid when due, such unpaid interest shall compound semiannually on each June 1 and December 1 at the rate borne by the Bonds. The total repayment obligation of the District for the Bonds cannot exceed the limitations of the Election and the amount permitted by law.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2020A₍₃₎, (Continued)

In the event that any amount of principal of or interest on the Bonds remains unpaid on December 1, 2059, the Bonds will be deemed discharged.

The Bonds are secured by Pledged Revenue which means: (a) all Property Tax Revenues; (b) all Specific Ownership Tax Revenues; (c) all Capital Fees, if any; and (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund. The Bonds are future secured by the Reserve Fund which was funded from the proceeds of the Bonds in the amount of the Reserve Requirement equal to \$1,574,796. Amounts on deposit in the Reserve Fund on the final maturity date shall be applied to the payment of the Bonds on such date. The amount on deposit in the Reserve Fund at December 31, 2023, was \$1,595,785. The excess amount will be transferred to the Bond Fund in 2024.

The District is required to impose a Required Mill Levy upon all taxable property of the District each year in an amount that generates Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Bonds when due and to replenish the Reserve Fund to the amount of the Reserve Requirement, but not in excess of 50 mills (subject to adjustment for changes in the method of calculating assessed valuation after August 24, 2004). As of December 31, 2022, the Required Mill Levy was 56.783, which was certified on property within the District, to be collected beginning in 2023.

For so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount of \$1,574,739, the Required Mill Levy is to equal 50 mills (subject to adjustment), or such lesser amount that will generate Property Tax Revenues (a) sufficient to pay the principal of, premium if any, and interest on the Bonds when due, to replenish the Reserve Fund to the Reserve Requirement and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (b) which, when combined with moneys then on deposit in the Bond Fund, the Surplus Fund and the Reserve Fund, will pay the Bonds in full in the year such levy is collected.

The occurrence of any one or more of the following events shall constitute an Event of Default pertaining to the Bonds: (1) failure or refusal to impose the Required Mill Levy or apply the Pledged Revenue as required, (2) default in the performance or observance of any of the other covenants, agreements, or conditions stipulated by the Indenture of Trust, and (3) filing a petition under federal bankruptcy or other bankruptcy law. Due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an Event of Default. Upon the occurrence and continuance of an Event of Default, the Trustee shall have various rights and remedies which may be pursued, such as receivership, suit for judgment, or mandamus or other suit. Acceleration of the Bonds is not an available remedy for an Event of Default.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2020A₍₃₎ (Continued)

The District's Series 2020₍₃₎ long-term obligations will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	1,532,587	1,532,587
2027	-	1,532,588	1,532,588
2028	-	1,532,587	1,532,587
2029-2033	820,000	7,591,388	8,411,388
2034-2038	2,710,000	7,081,762	9,791,762
2039-2043	5,435,000	5,828,288	11,263,288
2044-2048	9,635,000	3,471,187	13,106,187
2049	4,105,000	277,088	4,382,088
Total	<u>\$ 22,705,000</u>	<u>\$ 28,847,475</u>	<u>\$ 51,552,475</u>

Debt Authorization

On November 2, 2004, a majority of the qualified electors of the District who voted in the election authorized the issuance of indebtedness for the purpose of providing certain improvements and facilities and the imposition of taxes for payment of such indebtedness.

As of December 31, 2023, the District has remaining authorized but unissued indebtedness as follows:

	Amount Authorized on November 2, 2004	Amount Used Series 2020 Bonds	Authorized But Unused
Streets	\$ 16,467,000	\$ 14,054,395	\$ 2,412,605
Traffic and Safety	315,800	-	315,800
Water	6,385,800	3,451,160	2,934,640
Sewer	12,566,000	4,109,605	8,456,395
Park and Recreation	3,960,000	1,089,840	2,870,160
Transportation	260,000	-	260,000
TV Relay and Translation	260,000	-	260,000
Mosquito Control	260,000	-	260,000
Debt Refunding	40,474,600	-	40,474,600
Total	<u>\$ 80,949,200</u>	<u>\$ 22,705,000</u>	<u>\$ 58,244,200</u>

In the future, the District may issue a portion or all the remaining authorized but unissued debt for purposes of providing public improvements to support developments as it occurs within the District's service area; however, as of the date of this audit, the amount and timing of any future debt issuances are not determinable.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of bonds that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2023, the District had net investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 1,404,752
Unspent Bond Proceeds	224,648
Bonds Outstanding	(2,193,618)
Net Investment in Capital Assets	\$ (564,217)

The restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2023, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 3,400
Debt Service	839,222
Total Restricted Net Position	\$ 842,622

The District has a deficit in unrestricted net position as of December 31, 2023. This deficit amount is due mainly to the payment of cost of issuance and bond interest that were funded with bond proceeds.

NOTE 7 AGREEMENTS

Richmond Public Improvements Agreement

On December 28, 2018, the District entered into the Advance and Reimbursement and Facilities Acquisition Agreement with Richmond American Homes of Colorado, Inc., (the Builder) and Fourth Investment USA, LLC (the Developer), pursuant to which the District has agreed to reimburse the Developer for costs of Facilities constructed by the Builder or the Developer and may accept certain public improvements that are not conveyed to the Town or other appropriate governmental entity.

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 AGREEMENTS (CONTINUED)

Town IGA

On August 24, 2004, the District entered in a master intergovernmental agreement with the Town (Town IGA). The Town IGA provides that the District has the authority to construct and finance public improvements to serve the residents and taxpayers of the District. All public improvements shall be constructed in accordance with the Town's standards and procedures. Unless otherwise provided, the District is to convey all public improvements to the Town for operation and maintenance.

District Management Agreement

On October 31, 2017, the District entered into a management services agreement with Colorado Land Management LLC, a Colorado limited liability company (CLM) to provide ongoing management, consulting, administrative, and property management services in conjunction with the business, operational affairs, and continuing obligations of the District. During 2023, CLM was paid \$181,457 under this agreement.

Master Escrow Agreement

On November 7, 2023, the District, entered a master escrow agreement with the Town of Castle Rock (the "Town"), and TP National, LLC (the "Escrow Agent"). The District and the Town appoint the Escrow Agent and the Escrow Agent accepts such appointment. The Escrow Agent will establish an account for the purpose of holding the Escrow Funds. The funds deposited into the Escrow account shall be used for purposes of (i) paying for the costs incurred by the District for the construction of the Roundabout, (as defined in the Master Escrow Agreement) or reimbursing the District for Project Costs (as defined in the Indenture) and (ii) satisfying the Surety Requirements (as defined in the Master Escrow Agreement) for construction of the Roundabout by the District consistent with the Subdivision Improvement Agreements. Initially, the Escrow account shall have a balance of \$1,886,287.49, which is the amount equal to the sum of the Performance Surety and the Warranty Surety (as further defined in the Master Escrow Agreement) (the "Minimum Surety Balance").

Advance and Reimbursement Agreement

On November 28, 2023, the District entered into an advance and reimbursement agreement with Fourth Investment USA, LLC ("Developer"). This agreement establishes the terms and conditions (a) upon which Developer may advance funds to the District for District Eligible Costs (as defined in the Advance and Reimbursement Agreement), and (b) upon which the District may make reimbursement to Developer for such advances (the "Advance and Reimbursement Agreement"). The Developer agreed to advance funds or expend funds on behalf of the District for District Eligible Costs in one or more installments, provided that in no event shall the total amount that the Developer shall be obligated to advance to the District or expend on behalf of the District exceed \$732,000.00 (the "Maximum Advance Amount").

With respect to any Advances (as defined in the Advance and Reimbursement Agreement) accepted in accordance with the Agreement, such Advances shall bear simple interest at a rate of eight percent (8%) per annum from the date such costs are incurred by the Developer, provided, however, that no interest shall begin to accrue on any Advance made

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 AGREEMENTS (CONTINUED)

Advance and Reimbursement Agreement (Continued)

to the District prior to the date on which an order declaring the District organized was recorded in the real property records of Douglas County, which date was November 18, 2004, and the interest shall stop accruing under the Agreement on the date of payment of such amount in full.

NOTE 8 RELATED PARTIES

One or more of the current members of the Board of Directors serve as consultants to, members of, or managers of CLM and/or Fourth Investment USA, LLC, or have other business or professional relationships to CLM and/or Fourth Investment USA, LLC, and as such, may have conflicts of interest in dealing with the District.

NOTE 9 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments

**BELLA MESA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

In 2023, the District over-collected general operating property taxes resulting in the certification of TABOR refund in 2024.

NOTE 11 SUBSEQUENT EVENTS

The District anticipates issuing Limited Tax General Obligation Convertible Capital Appreciation Refunding and Improvement Bonds, Series 2024A ("the Senior Bonds") and Subordinate Limited Tax General Obligation Bonds, Series 2024B ("the Subordinate Bonds," and together with the Senior Bonds, the "Bonds") in 2024, in the estimated amounts of \$25,676,438 for the Senior Bonds, and \$4,318,000 for the Subordinate Bonds.

Proceeds from the sale of the Bonds will be used for the purposes of (i) financing or reimbursing a portion of the costs of acquiring, constructing, and/or installing certain public improvements within the District, (ii) refunding the Limited Tax General Obligation Convertible Capital Appreciation Refunding and Improvement Bonds, Series 2020A₍₃₎, (iii) funding the Senior Reserve Fund; and (iv) paying costs incurred in connection of the issuance of the Bonds.

SUPPLEMENTARY INFORMATION

**BELLA MESA METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 283,946	\$ 283,769	\$ (177)
Specific Ownership Taxes	25,555	26,331	776
Interest Income	32,000	110,525	78,525
Total Revenues	<u>341,501</u>	<u>420,625</u>	<u>79,124</u>
EXPENDITURES			
County Treasurer's Fee	4,259	4,258	1
Paying Agent Fees	4,000	4,000	-
Contingency	1,741	-	1,741
Total Expenditures	<u>10,000</u>	<u>8,258</u>	<u>1,742</u>
NET CHANGE IN FUND BALANCE	331,501	412,367	80,866
Fund Balance - Beginning of Year	<u>1,988,530</u>	<u>2,001,651</u>	<u>13,121</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,320,031</u></u>	<u><u>\$ 2,414,018</u></u>	<u><u>\$ 93,987</u></u>

**BELLA MESA METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ 143,000	\$ 108,534	\$ (34,466)
Total Revenues	<u>143,000</u>	<u>108,534</u>	<u>(34,466)</u>
EXPENDITURES			
District Management	53,000	139,458	(86,458)
Engineering	75,000	167,144	(92,144)
Legal	5,442	1,194	4,248
Parks And Recreation	400,000	-	400,000
Sewer	350,000	-	350,000
Streets	700,000	519,854	180,146
Storm Drainage	85,000	-	85,000
Water	390,000	-	390,000
Total Expenditures	<u>2,058,442</u>	<u>827,650</u>	<u>1,230,792</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,915,442)	(719,116)	1,196,326
OTHER FINANCING SOURCES (USES)			
Developer Advance	-	150,000	150,000
Total Other Financing Sources	<u>-</u>	<u>150,000</u>	<u>150,000</u>
NET CHANGE IN FUND BALANCE	(1,915,442)	(569,116)	1,346,326
Fund Balance - Beginning of Year	<u>1,915,442</u>	<u>2,566,947</u>	<u>651,505</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,997,831</u>	<u>\$ 1,997,831</u>

OTHER INFORMATION

**BELLA MESA METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023**

\$15,747,961 Limited Tax General Obligation
Convertible Capital Appreciation Bonds, Series 2020(3)
Interest Rate of 6.75%
Interest Payable June 1 and December 1
Beginning June 1, 2026
Principal Due December 1
Beginning December 1, 2029

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	1,532,587	1,532,587
2027	-	1,532,588	1,532,588
2028	-	1,532,587	1,532,587
2029	35,000	1,532,588	1,567,588
2030	130,000	1,530,225	1,660,225
2031	140,000	1,521,450	1,661,450
2032	250,000	1,512,000	1,762,000
2033	265,000	1,495,125	1,760,125
2034	390,000	1,477,237	1,867,237
2035	415,000	1,450,913	1,865,913
2036	555,000	1,422,900	1,977,900
2037	595,000	1,385,437	1,980,437
2038	755,000	1,345,275	2,100,275
2039	805,000	1,294,313	2,099,313
2040	985,000	1,239,975	2,224,975
2041	1,050,000	1,173,487	2,223,487
2042	1,255,000	1,102,613	2,357,613
2043	1,340,000	1,017,900	2,357,900
2044	1,570,000	927,450	2,497,450
2045	1,680,000	821,475	2,501,475
2046	1,940,000	708,075	2,648,075
2047	2,075,000	577,125	2,652,125
2048	2,370,000	437,062	2,807,062
2049	4,105,000	277,088	4,382,088
Total	<u>\$ 22,705,000</u>	<u>\$ 28,847,475</u>	<u>\$ 51,552,475</u>

**BELLA MESA METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Mills Levied	Total Property Taxes		Percent Collected to Levied
		General Fund	Debt Service Fund		Levied	Collected	
2019	\$ 2,610,030	20.000	0.000	20.000	\$ 52,201	\$ 52,201	100.00 %
2020	1,840,700	20.000	0.000	20.000	36,814	36,814	100.00
2021	2,500,850	20.000	55.664	75.664	189,224	189,225	100.00
2022	4,164,150	20.000	55.664	75.664	315,076	315,077	100.00
2023	5,000,540	20.402	56.783	77.185	385,967	385,726	99.94
Estimated for the Year Ending December 31,							
2024	\$ 7,252,430	13.509	64.159	77.668	\$ 563,282		

NOTE:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.