

**CHEROKEE RIDGE ESTATES METROPOLITAN DISTRICT  
ANNUAL REPORT  
TO  
DOUGLAS COUNTY, COLORADO  
FISCAL YEAR ENDING DECEMBER 31, 2014**

Pursuant to the Cherokee Ridge Estates Metropolitan District Service Plan, the District is required to provide an annual report to Douglas County by April 15, 2015, for the fiscal year ending December 31, 2014. This annual report contains information concerning the following matters:

- A. List of Board of Directors;
- B. Boundary changes made or proposed;
- C. Intergovernmental Agreements entered into or proposed;
- D. Changes or proposed changes in the District's policies;
- E. Changes or proposed changes in the District's operations;
- F. Any changes in the financial status of the District including revenue projections or operating costs;
- G. A summary of any litigation involving the District;
- H. Proposed plans for the year immediately following the year summarized in the annual report;
- I. Status of construction of public improvements;
- J. The current assessed valuation in the District;
- K. Information on all debt transactions during the year; and
- L. Status of build-out and current district population.

For the year ending December 31, 2014, the District makes the following report:

**A. List of Board or Directors.**

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Term Expiration</u></b>
Michael C. Gass	President	May 2018
Laura DalPiaz	Treasurer	May 2016
James Reitz	Secretary	May 2018
Doyle Dean Unruh	Assistant Secretary	May 2018
Pat Schurott	Assistant Secretary	May 2016

**B. Boundary changes made or proposed.**

There were no boundary changes made or proposed to the District during 2014.

**C. Intergovernmental Agreements entered into or proposed.**

There were no intergovernmental agreements with other governmental bodies made or proposed in 2014.

**D. Changes or proposed changes in the District's policies.**

In 2014, the Board discussed the imposition of water fees and penalties for 2015 related to water use and conservation.

**E. Changes or proposed changes in the District's operations.**

The District continues to own and maintain all common areas, including the streets.

The District continues to use the services of a District Manager to oversee the majority of District operations.

**F. Any changes in the financial status of the District including revenue projections or operating costs.**

The current status of the financial condition is reflected in the adopted 2015 budget, which is attached as **Exhibit A**.

The District may receive additional revenue from water use fees and penalties in 2015.

**G. A summary of any litigation involving the District.**

We are not aware of any current or anticipated litigation against the District.

**H. Proposed plans for the year immediately following the year summarized in the annual report.**

The District has no current plans for construction of public improvements for 2015.

**I. Status of the construction of public improvements.**

Same as section H.

**J. The current assessed valuation in the District.**

The District has received a certification of valuation from the Douglas County Assessor that reports a taxable assessed valuation for the District for 2014 of \$2,757,390. The District certified a mill levy of 50.000 mills to be assessed against property within the District, for collection in 2015.

**K. Information on all debt transactions during the year.**

There were no debt transactions during the 2014 year.

**L. Status of build-out and current district population.**

There are 44 residential lots, of which 29 contain completed or partially completed homes. The current population of the District is approximately 70.

**CHEROKEE RIDGE ESTATES METROPOLITAN DISTRICT**  
**2015**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2015 budget for the Cherokee Ridge Estates Metropolitan District.

The Cherokee Ridge Estates Metropolitan District has adopted three separate funds, a General Fund to provide for general operating and maintenance expenditures and transfers to the Debt Service Fund; a Debt Service Fund to provide for payments on the Series 2012 general obligation refunding bonds; and a Capital Fund to provide for the estimated infrastructure costs that are to be built by the District.

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

The primary sources of revenues for the District in 2015 will be property and specific ownership taxes. The District intends to impose a 50.000 mill levy on property within the District for 2015, of which 30.000 mills will be dedicated to the General Fund and the balance of 20.000 mills will be allocated to the Debt Service Fund.

**Cherokee Ridge Estates Metropolitan District**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2015**

	Actual 2013	Adopted Budget 2014	Actual 6/30/2014	Estimate 2014	Adopted Budget 2015
Beginning fund balance	\$ 102,162	\$ 91,917	\$ 109,184	\$ 109,184	\$ 73,319
Revenues:					
Property taxes	119,366	81,455	76,342	81,400	82,722
Specific ownership taxes	10,101	5,702	3,536	7,200	6,618
Water fee					-
Miscellaneous income	479	-	141	141	-
Interest income	851	250	74	100	100
Total revenues	<u>130,797</u>	<u>87,407</u>	<u>80,093</u>	<u>88,841</u>	<u>89,440</u>
Total funds available	<u>232,959</u>	<u>179,324</u>	<u>189,277</u>	<u>198,025</u>	<u>162,759</u>
Expenditures:					
Accounting / audit	9,559	5,500	2,262	5,200	5,500
Insurance	3,629	4,000	3,785	3,785	4,000
Legal	20,321	20,000	9,921	20,000	20,000
Service Plan Amendment					11,000
Miscellaneous	48	2,000	-	-	-
Directors' fees	-	-	-	-	-
Election expense	-	-	-	-	-
Office expense	-	500	-	-	-
County treasurer fees	1,799	1,222	1,144	1,221	1,241
Legal - Water Rights	-	-	2,214	3,000	-
Utilities	2,701	5,000	1,412	4,000	5,000
Landscape maintenance	26,461	30,000	2,410	15,000	25,000
Snow removal	5,040	15,000	1,477	5,000	10,000
District management	9,730	12,000	4,874	10,000	8,000
Permit fees	-	1,000	-	-	1,000
Maintenance	-	-	-	-	-
Maintenance - lighting	3,536	1,600	2,223	4,500	1,600
Maintenance - waterfall	-	1,000	-	1,000	-
Maintenance - Gate	8,497	5,000	1,290	6,500	5,000
Maintenance - Streets	5,550	10,000	-	1,000	10,000
Maintenance - Wells	1,904	10,000	-	1,000	-
Maintenance - Entrance	-	1,000	-	1,000	-
Lighting / light fixture upgrades	-	-	-	-	-
Front entrance repairs	-	-	-	-	-
Annual beautification	-	4,000	2,800	2,800	4,000
Well inspections	-	1,200	-	1,200	1,200
Septic maintenance	-	5,000	1,820	7,500	5,000
Septic inspections	-	1,000	-	1,000	1,000
Emergency reserve (3%)	-	4,081	-	-	3,556
Transfer to Capital Projects	25,000	-	-	-	-
Transfer to Debt Service	-	30,000	30,000	30,000	30,000
Contingency	-	9,221	-	-	10,662
Total expenditures	<u>123,775</u>	<u>179,324</u>	<u>67,632</u>	<u>124,706</u>	<u>162,759</u>
Ending fund balance	<u>\$ 109,184</u>	<u>\$ -</u>	<u>\$ 121,645</u>	<u>\$ 73,319</u>	<u>\$ -</u>
Assessed Valuation	<u>\$ 4,015,400</u>	<u>\$ 2,715,151</u>			<u>\$ 2,757,390</u>
Mill levy	<u>30.000</u>	<u>30.000</u>			<u>30.000</u>

**Cherokee Ridge Estates Metropolitan District**  
**Adopted Budget**  
**Capital Fund**  
**For the Year ended December 31, 2015**

	Actual <u>2013</u>	Adopted Budget <u>2014</u>	Actual <u>6/30/2014</u>	Estimate <u>2014</u>	Adopted Budget <u>2015</u>
Beginning fund balance	\$ 36,597	\$ 51,597	\$ 61,597	\$ 61,597	\$ 61,597
Revenues:					
Miscellaneous		-	-	-	-
Transfer from General Fund	25,000	-	-	-	-
Interest income	-	-	-	-	-
	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues					
	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>61,597</u>	<u>51,597</u>	<u>61,597</u>	<u>61,597</u>	<u>61,597</u>
Expenditures:					
Legal	-	-	-	-	-
Accounting	-	-	-	-	-
Engineering	-	-	-	-	-
District / Landscape improvements	-	51,597	-	-	61,597
Transfer to debt service	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>51,597</u>	<u>-</u>	<u>-</u>	<u>61,597</u>
Ending fund balance	<u>\$ 61,597</u>	<u>\$ -</u>	<u>\$ 61,597</u>	<u>\$ 61,597</u>	<u>\$ -</u>

**Cherokee Ridge Estates Metropolitan District**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2015**

	Actual <u>2013</u>	Adopted Budget <u>2014</u>	Actual <u>6/30/2014</u>	Estimate <u>2014</u>	Adopted Budget <u>2015</u>
Beginning fund balance	\$ 93,996	\$ 98,613	\$ 98,102	\$ 98,102	\$ 97,940
Revenues:					
Property taxes	79,577	54,303	50,895	54,303	55,148
Specific ownership taxes	6,734	4,344	2,357	4,800	4,412
Refunding Bonds	-		-	-	
Interest income	380	100	(50)	-	-
Transfer from General Fund	-	30,000	30,000	30,000	30,000
	<u>86,691</u>	<u>88,747</u>	<u>83,202</u>	<u>89,103</u>	<u>89,560</u>
Total revenues					
	<u>86,691</u>	<u>88,747</u>	<u>83,202</u>	<u>89,103</u>	<u>89,560</u>
Total funds available	<u>180,687</u>	<u>187,360</u>	<u>181,304</u>	<u>187,205</u>	<u>187,500</u>
Expenditures:					
Bond principal Series 2005	-	-	-	-	-
Bond interest Series 2005	-	-	-	-	-
Bond principal Series 2012	40,000	45,000	-	45,000	50,000
Bond interest Series 2012	40,636	41,450	20,725	41,450	40,100
Transfer to escrow - Series 2005	-		-	-	-
Issuance costs	-		-	-	-
Paying agent fees	750	2,000	-	2,000	2,000
Treasurer fees	1,199	815	763	815	827
	<u>82,585</u>	<u>89,265</u>	<u>21,488</u>	<u>89,265</u>	<u>92,927</u>
Total expenditures					
	<u>82,585</u>	<u>89,265</u>	<u>21,488</u>	<u>89,265</u>	<u>92,927</u>
Ending fund balance	<u>\$ 98,102</u>	<u>\$ 98,095</u>	<u>\$ 159,816</u>	<u>\$ 97,940</u>	<u>\$ 94,573</u>
Assessed Valuation	<u>\$ 4,015,400</u>	<u>\$ 2,715,151</u>			<u>\$ 2,757,390</u>
Mill Levy	<u>20.000</u>	<u>20.000</u>			<u>20.000</u>
Total Mill Levy	<u>50.000</u>	<u>50.000</u>			<u>50.000</u>