

**RAVENNA METROPOLITAN DISTRICT
COUNTY OF DOUGLAS, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2011

Pursuant to the Service Plan for the Ravenna Metropolitan District (the "District"), the District is required to provide an annual report to Douglas County (the "County") with regard to the following matters:

- a. Boundary changes made or proposed;
- b. Intergovernmental Agreements entered into or proposed;
- c. Changes or proposed changes in the District's policies;
- d. Changes or proposed changes in the District's operations;
- e. Any changes in the financial status of the District including revenue projections or operating costs;
- f. A summary of any litigation and notices of claim involving the District;
- g. Proposed plans for the year immediately following the year summarized in the annual report;
- h. Status of construction of public improvements; and
- i. The current assessed valuation in the District.

For the year ending December 31, 2011, the District makes the following report:

- a. Boundary changes of the District.

No boundary changes were made or proposed during the reporting period.

- b. Intergovernmental Agreements entered into or proposed.

No new IGAs.

- c. Changes or proposed changes in the District's policies.

Please see item e below.

- d. Changes or proposed changes in the District's operations.

The district hired new General Legal Counsel, Alan Pogue of Icenogle Seaver Pogue, PC.

- e. Any changes in the financial status of the District including revenue projections or operating costs.

The district is researching its options to pursue bankruptcy and the potential benefits. The district will also start charging the Golf Club for its entire water usage in 2012. In the past the Golf Club has only paid a portion of its usage. A copy of the District's 2012 budget is attached hereto as **Exhibit A**.

- f. A summary of any litigation and notices of claim involving the District.

We are not aware of any litigation, pending or threatened, against the District.

- g. Proposed plans for the year immediately following the year summarized in the annual report.

The district may pursue a forbearance agreement regarding its General Obligation Bonds to use some of the property tax pledged to the bonds for operations and maintenance costs in 2012.

- h. Status of construction of public improvements.

The construction of public improvements is anticipated to occur as described in the Service Plan.

- i. The current assessed valuation in the District.

The current assessed valuation of the District is \$10,033,230.

EXHIBIT A

2012 Budget

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
RAVENNA METROPOLITAN DISTRICT
DOUGLAS COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2012

STATE OF COLORADO)
)
COUNTY OF DOUGLAS)ss.
)
RAVENNA METRO-)
POLITAN DISTRICT)

The Board of Directors of the Ravenna Metropolitan District, Douglas County, Colorado, held a regular meeting at the Golf Club at Ravenna located at 8250 Palladio, Littleton, Colorado, on November 14, 2011, at 5:30 p.m.

The following members of the Board of Directors were present:

Daniel Hudick
William Maul
Kevin Collins

Absent was Director Hurlbut, whose absence was excused.

Also in attendance were:

Joel Meggers, Manager; Community Resource Services of Colorado, LLC
Jack Ruland; High Plains Management
Dianne D. Miller, Esq.

The Chairman stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2012 budget. The Chairman opened the public hearing on the District's proposed 2012 budget. There being no public present to comment on the District's budget, the public hearing was closed. Final adoption of the budget was tabled to the December 12, 2011 special meeting, held at 5:00 p.m., at 8250 Palladio, Littleton, Colorado.

The following members of the Board of Directors were present:

Daniel Hudick
Glenn Jacks
William Maul
Kevin Collins
Rodney Hurlbut

Also in attendance were:

Joel Meggers, Manager, Community Resource Services of Colorado, LLC
Jack Ruhland, High Plains Management
Alan D. Pogue, Esq.

Thereupon, Director Jacks introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, CERTIFYING MILL LEVIES FOR COLLECTION IN 2012, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL, DEBT SERVICE AND WATER AND SEWER ENTERPRISE FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE RAVENNA METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2012, AND ENDING ON THE LAST DAY OF DECEMBER, 2012,

WHEREAS, the Board of Directors of the Ravenna Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published on November 10, 2011, in The Douglas County News-Press, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 14, 2011 and interested electors 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 so that the budget remains in balance, as required by law,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RAVENNA METROPOLITAN DISTRICT OF DOUGLAS COUNTY, COLORADO:

Section 1. 2012 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2012 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2012. That the budget as submitted and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Ravenna Metropolitan District for calendar year 2012.

Section 4. 2012 Levy of General Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget for the General Fund for operating expenses is \$30,100 and the amount of money necessary to balance the budget for the Debt Service Fund is \$601,994. That the 2011 valuation for assessment, as certified by the Douglas County Assessor, is \$632,094.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2012 budget year, there is hereby levied a tax of 3.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2012.

B. Levy for Debt Service Fund. The for the purposes of meeting all general expense of the District during the 2012 budget year, there is hereby levied a tax of 60.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2012.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. The District's manager is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the 2012 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of DOUGLAS COUNTY, Colorado.

On behalf of the RAVENNA METROPOLITAN DISTRICT

the BOARD OF DIRECTORS

of the RAVENNA METROPOLITAN DISTRICT

(taxing entity)^A

(governing body)^B

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 10,033,230 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^R)

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: \$ 10,033,230 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2011 for budget/fiscal year 2012
(not later than Dec. 15) (dd/mm/yyyy) (YYYY)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	3.000 mills	\$ 30,100
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	3.000 mills	\$ 30,100
3. General Obligation Bonds and Interest ^J	60.000 mills	\$ 601,994
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]	63.000 mills	\$ 632,094

The District certifies that this mill levy certification is in compliance with all Colorado statutory and constitutional requirements and limitations.

Contact person: Joel Meggers Daytime phone: (303) 381-4960
 Signed: [Signature] Title: District Manager

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).

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RAVENNA METROPOLITAN DISTRICT
 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:

BONDS¹:

1. Purpose of Issue: Funding Capital Improvements/Developer Reimbursement
 Series: 2007
 Date of Issue: December 6, 2007
 Coupon Rate: 7.0%
 Maturity Date: December 1, 2037
 Levy: 60.000
 Revenue: \$601,994

2. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

CONTRACTS²:

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

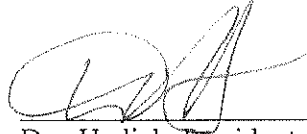
4. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

Use multiple copies of this page as necessary to report all bond and contractual obligations.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

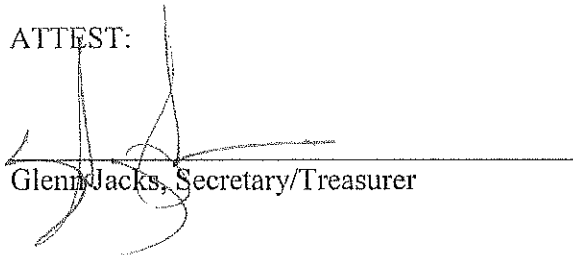
The foregoing Resolution was seconded by Director Maul.

ADOPTED AND APPROVED this 12th day of December, 2011.



Dan Hudick, President

ATTEST:



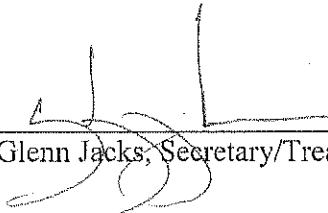
Glenn Jacks, Secretary/Treasurer

STATE OF COLORADO)
)
COUNTY OF DOUGLAS)ss.
)
RAVENNA)
METROPOLITAN)
DISTRICT)

I, Glenn Jacks, Secretary/Treasurer to the Board of Directors of the Ravenna Metropolitan District, Douglas County, Colorado, do hereby certify that the foregoing pages numbered 1 to 8, inclusive, constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a meeting of the Board held at the Golf Club at Ravenna located at 8250 Palladio, Littleton, Colorado, on *December 12.*, 2011, at 5:30 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2012; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2012 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this *12th* day of *December*, 2011.





Glenn Jacks, Secretary/Treasurer

**RAVENNA METROPOLITAN DISTRICT
2012 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Ravenna Metropolitan District was organized on May 18, 2004, and is wholly located within Douglas County, Colorado. Through its Service Plan, the District is authorized to finance improvements including roadway improvements, emergency access roads, street landscaping, street lighting, monumentation, signage, safety controls, landscaping, water, sanitary sewer, stormwater, television relay, mosquito control and park and recreation improvements and facilities.

Property Tax Revenues/Developer Advances

The primary source of funds for 2012 is property tax revenue. The District has adopted a 3.000 mill levy in the General Fund and a 60.000 mill levy in the Debt Service Fund.

Administrative Expenses

Administrative expenses are primarily for legal, management, and accounting services, operations and maintenance, and insurance expenses.

Accounting Method

The District prepares its budget on the modified accrual basis of accounting.

**RAVENNA METROPOLITAN DISTRICT
GENERAL FUND
ADOPTED 2012 BUDGET**

	<u>2010 Actual</u>	<u>2011 Estimate</u>	<u>Adopted 2012 Budget</u>
<u>REVENUE</u>			
Property Tax (3.000 Mills in 2012)	\$ 616,114	\$ 72,000	\$ 30,100
Specific Ownership Tax	29,937	14,750	1,814
Facilities Acquisition Fees	-	-	-
Miscellaneous Income	78	-	-
Interest Income	23,986	2,469	-
Total Revenue	<u>\$ 670,115</u>	<u>\$ 89,219</u>	<u>\$ 31,914</u>
<u>EXPENDITURES</u>			
Management, Accounting & Customer Billing	\$ 45,577	\$ 42,500	\$ 32,500
Audit	3,537	3,541	3,750
Dues and Subscriptions	611	1,000	1,000
Insurance	6,787	6,288	7,000
Legal	39,179	50,000	50,000
County Treasurer's Fees	8,526	1,078	432
Miscellaneous	331	-	-
Lease Payment - United	-	-	-
Total Expenditures	<u>\$ 104,548</u>	<u>\$ 104,407</u>	<u>\$ 94,682</u>
REVENUES OVER(UNDER) EXPENDITURES	<u>\$ 565,567</u>	<u>\$ (15,188)</u>	<u>\$ (62,768)</u>
<u>OTHER FINANCING SOURCES</u>			
Transfer from Other Funds	\$ -	\$ -	\$ -
Total Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>OTHER FINANCING USES</u>			
Transfer to Other Funds	\$ 326,910	\$ 165,000	\$ -
Total Other Financing Uses	<u>\$ 326,910</u>	<u>\$ 165,000</u>	<u>\$ -</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING	<u>\$ 238,657</u>	<u>\$ (180,188)</u>	<u>\$ (62,768)</u>
BEGINNING FUND BALANCE	<u>\$ 5,000</u>	<u>\$ 243,657</u>	<u>\$ 63,469</u>
ENDING FUND BALANCE	<u><u>\$ 243,657</u></u>	<u><u>\$ 63,469</u></u>	<u><u>\$ 701</u></u>

**RAVENNA METROPOLITAN DISTRICT
DEBT SERVICE FUND
ADOPTED 2012 BUDGET**

	2010 Actual	2011 Estimated	Adopted 2012 Budget
<u>REVENUE</u>			
G O Bonds - Property Tax (60.000 mills in 2012)	\$ 560,103	\$ 804,750	\$ 601,994
Specific Ownership Tax	27,215	35,250	36,272
Interest Income	21,520	28,396	1,000
Facility Fees	5,000	-	-
Total Revenue	\$ 613,838	\$ 868,396	\$ 639,266
<u>EXPENDITURES</u>			
G O Bond	\$ 760,000	\$ 841,542	\$ 640,808
Paying Agent Fees	15	2,000	2,000
Management, Accounting & Customer Billing	-	15,000	-
Audit	-	2,000	-
Legal	-	20,000	-
County Treasurer's fees	7,752	12,503	8,636
Total Expenditures	\$ 767,767	\$ 893,045	\$ 651,444
REVENUES OVER(UNDER) EXPENDITURES	\$ (153,929)	\$ (24,649)	\$ (12,178)
<u>OTHER FINANCING SOURCES</u>			
Developer Advance	\$ -	\$ -	\$ -
Transfer from Other Funds	-	-	-
Total Other Financing Sources	\$ -	\$ -	\$ -
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ (153,929)	\$ (24,649)	\$ (12,178)
BEGINNING FUND BALANCE	\$ 239,989	\$ 86,060	\$ 61,411
ENDING FUND BALANCE	\$ 86,060	\$ 61,411	\$ 49,233

RAVENNA METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
ADOPTED 2012 BUDGET

	2010 Actual	2011 Estimated	Adopted 2012 Budget
REVENUE			
Interest Income	\$ -	\$ -	\$ -
Miscellaneous Income	-	-	-
Total Revenue	\$ -	\$ -	\$ -
EXPENDITURES			
Capital Outlay	\$ -	-	\$ -
Total Expenditures	\$ -	\$ -	\$ -
REVENUES OVER(UNDER) EXPENDITURES	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES(USES)			
Developer Advance	\$ (1,724,521)	\$ -	\$ -
Transfer from(to) Other Funds	(212,265)	(128,000)	-
Total Other Financing Sources (Uses)	\$ (1,936,786)	\$ (128,000)	\$ -
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING	\$ (1,936,786)	\$ (128,000)	\$ -
BEGINNING FUND BALANCE	\$ 2,065,235	\$ 128,449	\$ 449
ENDING FUND BALANCE	\$ 128,449	\$ 449	\$ 449

RAVENNA METROPOLITAN DISTRICT
WATER AND SEWER ENTERPRISE FUND
ADOPTED 2012 BUDGET

	2010 <u>Actual</u>	2011 <u>Estimate</u>	Adopted 2012 <u>Budget</u>
REVENUE			
Operations Fee	36,343	12,275	486,000
Water Usage	20,597	31,000	30,000
Late Fees - Utility Billing	11,390	8,500	2,000
Power Reimbursement	-	53,765	-
Water/Sewer Inspection Fees	115	165	100
Utility Refund	-	52,989	5,000
Forebearance Revenue	-	100,000	-
Miscellaneous Income	760	-	-
Passthroughs			
Facilities Acquisition Fees	-	76,045	498,150
Water Meter Packages	515	515	-
Water Taps	-	-	-
Water Resource Fees	100,350	140,000	20,000
Sewer Service Fees	33,346	30,000	30,000
Sewer - Tap Fees	27,558	16,736	-
Sewer - Connection Permit	300	300	-
Total Revenue	\$ 231,274	\$ 522,290	\$ 1,071,250
EXPENDITURES			
General			
Management, Accounting & Customer Billing	\$ 48,566	\$ 27,500	\$ 32,500
Audit	3,537	1,542	3,750
Legal	39,197	30,000	50,000
Onsite Management	75,232	-	-
Engineering	60,013	2,787	2,000
Permits and Fees	925	1,200	1,200
Fuel	1,030	-	-
Storage	1,132	2,000	2,000
Phone and Communications	3,182	-	-
Trash Pickup	-	1,000	1,000
Vehicle Maintenance - Ranger	-	9,000	1,000
Vehicle Fuel - Ranger	-	3,000	2,500
Water Treatment Plant	-	114,345	100,000
Raw Water Delivery - Onsite	-	98,000	34,000
Raw Water Delivery - Offsite	-	167,500	76,500
Distribution System	-	3,600	4,500
Sewer System	-	2,500	3,500
Streets: Snow and Ice Operations	-	22,000	42,500
Streets: Maintenance	-	21,000	27,000
Streets: Lights	-	5,200	5,200
Storm Water System	-	2,100	7,600
Entry-Way Feature	-	5,700	6,500
Maintenance	22,343	-	-
Power - Street Lighting	3,446	-	-
Vehicles and Equipment	22,102	-	-
Water Plant Operations	249,058	-	-
United Water Reimbursement	62,729	32,729	-
Miscellaneous	954	13,007	-
Passthroughs			
Lease Payment	-	76,045	498,150
IGA United - Water resource fees/water taps	99,609	140,000	20,000
Sewer fees/permits/taps to Roxborough	67,967	42,036	25,000
Meter Sets Fees to National Meter	1,062	531	-
Total Expenditures	\$ 762,084	\$ 824,322	\$ 946,400
REVENUES OVER(UNDER) EXPENDITURES	\$ (530,810)	\$ (302,032)	\$ 124,850
OTHER FINANCING SOURCES			
Transfer from Other Funds	\$ 539,175	\$ 293,000	\$ -
Total Other Financing Sources	\$ 539,175	\$ 293,000	\$ -
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	\$ 8,365	\$ (9,032)	\$ 124,850
BEGINNING FUND BALANCE	\$ 690	\$ 9,055	\$ 23
ENDING FUND BALANCE	\$ 9,055	\$ 23	\$ 124,873