

**CHEROKEE RIDGE ESTATES METROPOLITAN DISTRICT
ANNUAL REPORT
TO
DOUGLAS COUNTY, COLORADO
FISCAL YEAR ENDING DECEMBER 31, 2021**

Pursuant to the Cherokee Ridge Estates Metropolitan District Service Plan (the “**District**”), the District is required to provide an annual report to Douglas County by April 15, for the fiscal year ending December 31, 2021. 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, 2021, the District makes the following report:

A. List of Board of Directors.

<u>Name</u>	<u>Position</u>	<u>Term Expiration</u>
John Cowan	President	May 2023
Garrett Silva	Secretary	May 2022
Bernd Sokolowski	Treasurer	May 2022
Sandy Ward	Assistant Secretary	May 2022
Eduardo San	Assistant Secretary	May 2023

B. Boundary changes made or proposed.

There were no boundary changes made or proposed to the District during 2021.

C. Intergovernmental Agreements entered into or proposed.

There were no IGAs entered into or proposed in 2021.

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

In September 2021, the Board adopted a video surveillance camera policy. This policy allows the District to make limited use of video surveillance systems to record activities in and around the entry and exit of the front portico. The primary purpose of the video surveillance system is to allow after-the-fact investigation of crimes committed against property, residences, guests, or employees. The system will not be staffed or monitored on a live, continuous, or real-time basis. The system is installed primarily for the purpose of deterring criminal activity and has not been installed as a means of preventing criminal activity or ensuring the safety of residences, guests, or employees.

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 2022 budget, which is attached as **Exhibit A**.

G. A summary of any litigation involving the District.

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

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

The District has no current plans for public improvements for 2022.

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 2021 of \$4,245,080.

K. Information on all debt transactions during the year.

There were no debt transactions during the 2021 year.

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

There are 43 residential lots, of which 35 contain completed or partially completed homes. The current population of the District is approximately 105.

EXHIBIT A
(2022 Budget)

CHEROKEE RIDGE ESTATES 2022 GENERAL FUND BUDGET

Income	2022 Budget	2021 Budget	2021 YTD Actuals	2020 YE Actuals
Beginning Balance	63000	48000		0
Water Use Fees	37000	27000	38366	35569
Property Taxes	127352	111328	110899	109860
Specific Ownership Taxes	10188	8906	8136	8626
Interest	2000	2000	167	1728
Late Fees	0	0	90	
Late Interest	0	0	280	
Gate Controls	100	0	210	400
HOA contributions	5500	0	2195	
Other	100	1000	429	1157
Income Total	\$245,240	\$198,234	\$160,772	\$157,340

Expenses Management				
Management Fees	13000	13000	9014	12396
Accounting/Audit	1000	1500	850	4449
County Treasurer Fees	1800	1800	1671	1649
Legal	21000	21000	14112	20332
Insurance	6000	5500	-37	10285
SDA Membership	400	0	371	
Other	0	0	0	1175
Management Total	\$43,200	\$42,800	\$25,981	\$50,286

Landscape Maintenance				
Improvements	1000	1000	125	
Mowing	1300	1250	1020	6251
Beauty Bands	3,000	2,400	1,600	800
Fertilizer/Aeration	400	500	55	
Weed Control	3,000	3,000	2,217	1,125
Tree Maintenance	2,000	5,850	1,200	600
Flowers	2,500	2,300	2,350	2,125
Flower beds/shrub maintenance	5,500	0	3,190	3,250
Irrigation Repairs	1,000	1,500	678	1,098
Pest Control	400	0	394	
Other	0	0		4,550
Landscape Total	20,100	17,800	12,829	19,799

Grounds				
Lighting	500	1,000	0	3,608
Holiday Lights	3,000	0	0	
Gate	3,000	2,000	3,005	745
Annual Road Maintenance	10,000	10,000	0	8,330
Front Entrance	0	1,500	1,645	910
Drainage	0	22,000	0	
Snow Removal	15,000	17,500	1,555	8,210
Other	0	0	0	
Grounds Total	31,500	54,000	6,205	21,803

Utilities				
IREA, Century Link, Door King	2,700	3,000	1,621	3,112
Internet	710	0	835	
Septic Inspection	4,500	4,200	0	4,200
Septic Pumping	6,500	3,800	0	0
Utilities Total	14,410	11,000	2,456	7,312

Total Expenses	109,210	125,600	47,471	99,200
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Reserves				
Transfer to Reserve Fund	87,000	27,000	38,512	
Emergency Reserve (3%)	7,357	5,947	0	
Transfer to Debt Service	5,000	10,000	10,000	
Contingency	36,673	29,687	0	
Reserve Total	136,030	72,634	48,512	0

Total Expenses & Reserve	245,240	198,234	95,983	99,200
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Net Income/Loss	0	0	64,789	58,140
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CHEROKEE RIDGE ESTATES 2022 RESERVE FUND

Income	2022 Budget	2021 Budget	2021 YTD Actuals	2020 YE Actuals
Beginning Balance	75,000	55,664		0
Water fees	37,000	27,000	38,512	18,772
Transfer From General Funds	50,000			
Interest			26	1
Other			0	0
Total Income	162,000	82,664	38,538	18,773
Expenses				
General Repairs, Paint, Stain etc.		15,000		10,115
Well Maintenance	11,000	11,000	11,000	5,220
Road Repairs	10,000	0		
Storm Drainage Repairs	0	0		
Other	0	0	0	4,460
Total Expenses	21,000	26,000	11,000	19,795
Year End Reserves				
General Repairs, Paint, Stain etc.	10,000			
Water Fees for Well Maintenance	85,664	59,664		
Road Repairs	30,000	0		
Storm Drainage Repairs	15,000	0		
Other	0	0		
Total Year End Reserves	140,664	59,664	0	0
Net Income/Loss	336	56,664	27,538	-1,022

CHEROKEE RIDGE ESTATES 2022 DEBT SERVICE FUND

Income	2022 Total	2021 Budget	2021 YTD Actuals	2020 YE Actuals
Beginning Balance	84,000	110,000	176,274	0
Property Taxes	84,901	74,219	73,933	73,240
Specific Ownership Taxes	6,792	5,938	5,424	5,752
Vet Exemp		0	286	
Interest Income	200	200	100	80
Transfer from Gen Fund	5,000	10,000	10,000	0
Total Income	180,893	200,357	266,017	79,072
Expenses				
Bond Principle Series 2012	60,000	60,000	60,000	55,000
Bond Interest Series 2012	27,775	29,950	30,000	31,773
Paying Agent Fees	2,000	2,000	1,114	1,099
Treasurer Fees	1,000	1,000		0
Total Expenses	90,775	92,950	91,114	87,872
Required Reserves	90,000	92,950	91,114	87,872
Net Income/Loss	118	14,457	83,789	-96,672