

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

**ANNUAL REPORT FOR FISCAL YEAR 2014**

Pursuant to Section XIV of the Ravenna Metropolitan District Service Plan, approved by the Douglas County Board of County Commissioners (the "County") on April 7, 2004, as amended, the District hereby submits its annual report for fiscal year 2014 (the "Reporting Period") to the County with regard to the following matters:

A. Boundary changes of the District.

No boundary changes were made or proposed during the Reporting Period.

B. Intergovernmental Agreements entered into or proposed.

The District did not enter into any intergovernmental agreements during the Reporting Period. No intergovernmental agreements are currently proposed.

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

The District adopted a Public Records Policy regarding the inspection, retention and disposal of public records in compliance with the Colorado Open Records Act, and includes the Special District Records Retention Schedule, as created by the Colorado State Archives and adopted by the District.

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

The Douglas County Board of County Commissioners approved a "First Amendment to Service Plan for Ravenna Metropolitan District" ("First Amendment") on August 12, 2014. The purpose of this First Amendment is to grant the District with the authority and power to provide security services and covenant enforcement and design review services within the boundaries of the District as permitted pursuant to C.R.S. §§ 32-1-1004(7) and (8), respectively.

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

The District's revenue projections and operating costs for fiscal years 2014 and 2015 are set forth in the District's 2015 adopted Budget Resolution attached hereto as Exhibit A.

In addition, as reported in the District's 2012 annual report, on April 10, 2013, via Resolution, the Board of Directors for the District found and concluded that the District was unable to discharge its indebtedness as it becomes due based on short-term and long-term projected cash flow analysis, resulting in severe hardship to the District and the District's taxpayers, to the detriment of the District's creditors. As discussed in more detail in Section F, below, due to the District's financial condition, the District filed a voluntary petition in the

United States Bankruptcy Court, District of Colorado, pursuant to Chapter 9 of the United States Bankruptcy Code, seeking approval of a plan of adjustment of the District's debts. In spite of the Bankruptcy Court's dismissal of the District's petition, as further discussed in Section F, below, the District remains unable to meet its short and long-term financial obligations on a timely basis. The District is currently negotiating with the owner of its 2007 general obligation bonds and is optimistic that a plan will be agreed upon. The plan being negotiated will allow the District to meet its obligations without unduly impairing the ability of property within the District to be sold and built upon, such that the District's assessed value will increase, and the District can eventually satisfy its long-term obligations out of tax revenues, as originally intended.

F. A summary of any litigation involving the District.

On April 2, 2014, the District filed a voluntary petition pursuant to Chapter 9 of the United States Bankruptcy Code, in the United States Bankruptcy Court for the District of Colorado (Case No. 14-14207-EEB), seeking approval of a plan for the adjustment of debts of the District. Objections to the District's eligibility to file such Petition were filed by Colorado BondShares and United Water and Sanitation District. From July 28, 2014 through August 1, 2014, the Bankruptcy Court held a trial on the District's eligibility, following which, the Court ruled, on December 15, 2014, that the District is not insolvent and therefore is not eligible to seek relief pursuant to Chapter 9. The District filed a Notice of Appeal of the Bankruptcy Court's decision on December 29, 2014.

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

Proposed plans for the District for fiscal year 2015 are set forth in the District's 2015 adopted Budget Resolution attached hereto as Exhibit A.

H. Status of construction of public improvements.

All public improvements are completed.

I. The current assessed valuation of the District.

The assessed valuation of the District for taxable year 2014 is \$6,272,650.

(Remainder of Page Left Intentionally Blank)

The foregoing Annual Report and accompanying exhibit are submitted this 2<sup>nd</sup> day of MARCH, 2015.

Sincerely,

ICENOGLE | SEAVER | POGUE  
A Professional Corporation

By: Alan D. Pogue  
Alan D. Pogue, Esq.

**EXHIBIT A**

2015 Budget Resolution

CERTIFIED RECORD

OF

PROCEEDINGS RELATING TO

**RAVENNA METROPOLITAN DISTRICT**

DOUGLAS COUNTY, COLORADO

AND THE BUDGET HEARING

FOR FISCAL YEAR

2015

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 special meeting at the Sales Center at Ravenna located at 11118 Caretaker Road, Littleton, Colorado, on November 12, 2014, at 6:00 p.m.

The following members of the Board of Directors were present:

Bill Airy, President  
Dale Schossow, Vice President  
John Fredericks, Secretary/Treasurer  
Pat Vellone, Assistant Secretary  
Lee Fawcett, Assistant Secretary

Also in attendance were:

Alan Pogue; Iconogle Seaver Pogue, PC  
Chelsey Green; Pinnacle Consulting Group, Inc.  
Jim Worley; Pinnacle Consulting Group, Inc.  
Peggy Dowswell; Pinnacle Consulting Group, Inc.

The Chairman stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2015 budget. The Chairman opened the public hearing on the District's proposed 2015 budget. There being no public present to comment on the District's budget, the public hearing was closed.

Thereupon, Director Vellone 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 2015, 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 HEREBIN FOR THE RAVENNA METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2015, AND ENDING ON THE LAST DAY OF DECEMBER, 2015,

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 6, 2014, 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 12, 2014 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. 2015 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. 2015 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 2015. 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 2015.

Section 4. 2015 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 \$18, 817.95 and the amount of money necessary to balance the budget for the Debt Service Fund is \$376,359.00. That the 2014 valuation for assessment, as certified by the Douglas County Assessor, is \$6,272,650.00.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2015 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 2015.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service expense of the District during the 2015 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 2015.

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 2015 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 Commissioners<sup>1</sup> of Douglas County, Colorado.

On behalf of the Ravenna Metropolitan District  
 (taxing entity)<sup>A</sup>  
 the Board of Directors  
 (governing body)<sup>B</sup>  
 of the Ravenna Metropolitan District  
 (local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 6,147,746 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ 6,147,746 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/13/2013 for budget/fiscal year 2014  
 (not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	3.000 mills	\$ 18,443.24
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>3.000 mills</b>	<b>\$ 18,443.24</b>
3. General Obligation Bonds and Interest <sup>J</sup>	60.000 mills	\$ 368,864.76
4. Contractual Obligations <sup>K</sup>	mills	\$
5. Capital Expenditures <sup>L</sup>	mills	\$
6. Refunds/Abatements <sup>M</sup>	mills	\$
7. Other <sup>N</sup> (specify):	mills	\$
	mills	\$
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>63.000 mills</b>	<b>\$ 387,308.00</b>

Contact person: (print) Brendan Campbell Daytime phone: (970) 669-3611  
 Signed: [Signature] Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2136.

<sup>1</sup> 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.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG 57 on the County Assessor's final certification of valuation).



**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>1</sup>:**

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: \$368,864.76

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

**CONTRACTS<sup>2</sup>:**

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

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

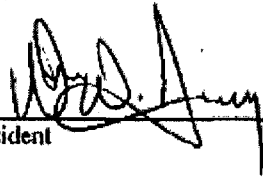
Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

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.


Section 8. Budget Certification. That the budget shall be certified by Director Dodge, Secretary of the District, and made a part of the public records of 144th Avenue Metropolitan District No. 1.

The foregoing Resolution was seconded by Director Airy.

ADOPTED AND APPROVED this 12 day of November, 2014.

  
\_\_\_\_\_  
President

ATTEST:


  
\_\_\_\_\_  
Secretary

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

I, John Fredericks, Secretary 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 Sales Center at Ravenna located at 11118 Caretaker Road, Littleton, Colorado, on November 12, 2014, at 6:00 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 2015; 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 2015 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 12 day of November, 2014.

(SEAL)

  
Secretary



Accountant's Compilation Report

BOARD OF DIRECTORS  
RAVENNA METROPOLITAN DISTRICT

I have compiled the accompanying forecasted budget of revenue, expenditures and funds balances of Ravenna Metropolitan District for the year ending December 31, 2015, including the forecasted estimate of comparative information for the year ending December 31, 2014, in accordance with attestation standards established by the American Institute of Certified Public Accountants. A Compilation is limited to presenting, in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not audited or reviewed the forecast and, accordingly, do not express an opinion or any other form of assurance about whether the accompanying budget of revenues, expenditures, and fund balances or assumptions are in accordance with attestation standards generally accepted in the United States of America. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. I have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management is responsible for the preparation and fair presentation of the forecast in accordance with attestation standards generally accepted in the United States of America, and for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the forecast.

The actual historical information for the year 2013 is presented for comparative purposes only.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

I am not independent with respect to the Ravenna Metropolitan District because I am responsible for the day to day accounting and financial management of the District.

A handwritten signature in black ink that reads "Peggy Dowswell".

Peggy Dowswell, CPA  
January 29, 2015

Loveland  
1627 E 18<sup>th</sup> Street Loveland, CO 80538  
(970)669.3611

Denver  
5300 DTC Parkway, Suite 260 Greenwood Village, CO 80111  
(303)333.4380

[www.PinnacleConsultingGroupInc.com](http://www.PinnacleConsultingGroupInc.com)

RAVENNA METROPOLITAN DISTRICT				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
2013 Actual, 2014 Amended Budget and Projected Budget,				
2015 Adopted Budget				
	Modified Accrual Budgetary Basis			
GENERAL FUND	2013	2014	2014	2015
	Audited	Amended	Projected	Adopted
Revenues	Actual	Budget	Budget	Budget
Facilities Acquisition Fees	\$593,787	\$0	\$9,698	\$0
Property Taxes	15,951	308,423	19,022	395,177
Specific Ownership Taxes	2,649	24,674	1,655	23,711
Interest & Other Income	115	0	753	15,000
RCRE Class 2 payments	0	114,000	3,405	114,000
<b>Total Revenues</b>	<b>\$612,502</b>	<b>\$447,096</b>	<b>\$34,533</b>	<b>\$547,888</b>
<b>Expenditures</b>				
Audit	\$0	\$3,000	\$3,000	\$12,000
Accounting & District Admin	2,500	0	0	0
County Treasurer's Fees	239	4,626	6,072	7,638
Election	0	3,000	614	0
Insurance & Bonds	6,926	7,000	7,311	7,677
Legal	8,000	0	0	0
Miscellaneous	1,086	2,000	2,000	1,000
Lease Payment	593,787	0	9,698	0
Transfer to Enterprise Fund	0	400,000	0	519,573
<b>Total Operating Expenditures</b>	<b>\$612,538</b>	<b>\$419,626</b>	<b>\$28,695</b>	<b>\$547,887</b>
<b>Revenues over/(under) Expend</b>	<b>(\$37)</b>	<b>\$27,470</b>	<b>\$5,838</b>	<b>\$0</b>
<b>Beginning Fund Balance</b>	<b>143</b>	<b>106</b>	<b>106</b>	<b>25,484</b>
<b>Ending Fund Balance</b>	<b>\$106</b>	<b>\$27,576</b>	<b>\$5,944</b>	<b>\$25,484</b>
<b>DEBT SERVICE FUND</b>				
	2013	2014	2014	2015
	Audited	Amended	Projected	Adopted
Revenues	Actual	Budget	Budget	Budget
Property Taxes	\$319,013	\$78,886	\$368,284	\$0
Specific Ownership Taxes	52,973	8,082	31,101	0
Interest & Other Income	0	0	16,436	0
RCRE Class 2 payments	0	0	67,247	0
<b>Total Revenues</b>	<b>\$371,986</b>	<b>\$86,968</b>	<b>\$415,821</b>	<b>\$0</b>
<b>Expenditures</b>				
County Treasurer's Fees	\$4,780	\$871	\$1,005	\$0
Bond Principal	290,000	350,087	238,143	0
Audit	3,631	0	0	0
Paying Agent Fees	1,810	2,242	972	0
Miscellaneous	282	2,100	0	0
Transfer to Enterprise Fund	0	0	112,941	0
<b>Total Debt Service Expend</b>	<b>\$300,503</b>	<b>\$355,300</b>	<b>\$353,062</b>	<b>\$0</b>
<b>Revenues over/(under) Expend</b>	<b>\$71,483</b>	<b>(\$268,332)</b>	<b>\$62,769</b>	<b>\$0</b>
<b>Beginning Fund Balance</b>	<b>208,981</b>	<b>280,464</b>	<b>280,464</b>	<b>343,224</b>
<b>Ending Fund Balance</b>	<b>\$280,464</b>	<b>\$12,132</b>	<b>\$343,224</b>	<b>\$343,224</b>
See Accompanying Accountant's Report			Page 1	

<b>RAVENNA METROPOLITAN DISTRICT</b>				
<b>STATEMENT OF REVENUES &amp; EXPENDITURES WITH BUDGETS</b>				
<b>2013 Actual, 2014 Amended Budget and Projected Budget,</b>				
<b>2015 Adopted Budget</b>				
	<b>Modified Accrual Budgetary Basis</b>			
<b>ENTERPRISE FUND</b>	<b>2013</b>	<b>2014</b>	<b>2014</b>	<b>2015</b>
	<b>Audited</b>	<b>Amended</b>	<b>Projected</b>	<b>Adopted</b>
<b>Revenues</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
Water Usage	\$37,048	\$36,045	\$36,045	\$54,760
Water Repair Fee	0	0	0	44,388
Sewer Repair Fee	0	0	0	10,676
Water Resource Fees	83,093	0	24,014	0
Sewer Taps	15,126	0	0	0
Sewer Service Fees	32,803	32,970	32,970	33,595
Water Tap Fees	3,456	573,538	500,210	150,000
One time development fees	0	125,000	0	50,000
Operation Fee	550,103	243,000	139,725	0
Golf Course/HOA Reimb	95,771	152,500	106,356	101,050
Interest & Other Income	27,003	5,000	7,000	7,000
Transfer from Debt Service Fund	0	0	112,941	0
Transfer from General Fund	0	400,000	0	519,573
<b>Total Revenues</b>	<b>\$844,403</b>	<b>\$1,568,053</b>	<b>\$959,261</b>	<b>\$971,042</b>
<b>Expenditures</b>				
Audit	\$3,500	\$4,500	\$4,016	\$0
District Mgmt & Accounting	124,815	108,000	108,000	108,500
District Mgmt & Acctg - Bankruptcy	0	0	20,000	10,000
Office and Other	2,893	1,000	5,000	5,000
Engineering	6,719	3,000	4,000	4,000
Legal	156,426	96,500	96,500	75,000
Legal - Bankruptcy	180,505	400,000	440,000	100,000
Permits and Fees	0	1,200	1,200	0
Roxborough Taps - Pass through	15,126	0	0	0
Sewer Fees RWSD	22,120	24,570	24,098	24,174
Storage	943	800	800	800
Trash	1,298	1,250	1,325	1,350
United - Water Resource Fees	82,429	0	24,014	0
Fuel - Ranger	3,016	4,000	3,600	3,750
Maintenance - Ranger	13	3,500	3,500	3,500
Water Treatment Plant	70,794	90,000	70,650	72,700
Water Tap	3,456	0	0	0
Raw Water Delivery - Onsite	76,239	90,000	71,103	71,500
Raw Water Delivery - Offsite	122,282	312,500	162,819	144,000
Distribution System	2,273	4,500	3,850	5,000
Sewer System	1,145	1,600	1,600	1,600
Storm Water System	3,263	1,600	1,600	1,600
Streets: Snow & Ice Operations	25,100	36,000	36,000	33,500
Streets: Maintenance	6,005	69,000	4,000	39,000
Streets: Lights	4,540	16,500	6,500	16,500
Repair: Water Leak	0	0	16,000	60,000
Entry-Way Feature	4,816	7,500	6,010	12,000
Grounds Maint(HOA budget)	0	87,700	0	87,700
Contingency	0	0	25,000	25,000
<b>Total Enterprise Expenditures</b>	<b>\$919,715</b>	<b>\$1,365,220</b>	<b>\$1,141,185</b>	<b>\$911,174</b>
<b>Revenues over/(under) Expend</b>	<b>(\$75,312)</b>	<b>\$202,833</b>	<b>(\$181,924)</b>	<b>\$59,868</b>
<b>Beginning Fund Balance</b>	<b>(108,048)</b>	<b>(183,359)</b>	<b>(183,359)</b>	<b>(366,283)</b>
<b>Ending Fund Balance</b>	<b>(\$183,359)</b>	<b>\$19,474</b>	<b>(\$365,283)</b>	<b>(\$305,415)</b>
<b>Components of Ending Fund Balance</b>				
Water and Sewer Repair Reserve				\$55,064
TABOR Reserve				29,131
Unreserved				(389,610)
<b>Total</b>				<b>(\$305,415)</b>

## **RAVENNA METROPOLITAN DISTRICT**

### 2015 BUDGET MESSAGE

The Ravenna Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The 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.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

In preparing the 2015 budget, the District's foremost goal was to move the District towards financial solvency. The District's financial position was greatly impacted by the economic recession. The District had an assessed value of \$13,875,900 in 2010 which plummeted to \$6,147,746 by 2013. This was a decrease of \$7,603,250 in assessed value, or a 55% decrease in property tax revenue. The financial position was negatively impacted even further by the stunted development growth in the community. The District issued bonds in 2007 and the decrease in assessed value forced the District to increase its debt service mill levy to the debt service cap of 60 mills. This did not provide sufficient property tax revenue to meet the scheduled debt service repayment obligations and left minimal property tax funds remaining for operations of the District. On April 2, 2014, the District commenced a Chapter 9 bankruptcy case to seek relief. At the time the District adopted the 2015 budget, the District Court had not made a determination regarding eligibility. Subsequently, the District received notification from the District Court that the bankruptcy was dismissed. The dismissal has been appealed. The Court's decision will necessitate a 2015 budget amendment in early 2015. The impact of this decision on 2014 has caused the District to end with negative fund balance which will be addressed in the 2015 amended budget.

#### **General Fund**

##### *Revenue*

The District's assessed value increased by \$124,904 to \$6,272,650. The District certified a mill levy of 63 mills for total property tax revenue of \$395,177. At the time the District adopted the budget, the proposed bankruptcy plan was to allow the District to use the debt service 60 mills for operations. The District also budgeted 6% of property taxes for specific ownership tax in the amount \$23,511. The Developer of the community



successfully sought bankruptcy protection which provided for past due property tax payments to be made to the District over time. The District budgeted for \$114,000 of past due property taxes to be paid which are referred to as RCRE Class 2 Payments in the budget.

#### *Expenses*

The General Fund budgeted expenditures is \$547,887 in 2015. General and administrative expenses were minimally budgeted at \$28,314. The remaining portion of the General Fund budget was a transfer of \$519,573 to the Enterprise Fund.

#### *Reserve*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2015, as defined under TABOR.

#### **Debt Service Fund**

On December 6, 2007, the District issued \$9,000,000 in General Obligation Limited Tax Bonds and Supplemental Registered "B" Coupons for the purpose of funding the design, acquisition, construction, completion, installation, relocation and/or provision of public improvements for the District, capitalizing a portion of the initial interest to accrue on the Series 2007 Obligations and paying the costs of issuing the Series 2007 Obligations. The Term Bonds mature on December 1, 2037, and bear an interest rate of 7.00%. The Supplemental "B" Interest Registered Coupons mature and accrete interest at the rate of 8.25% interest.

The District adopted zero revenues and expenditures in 2015 due to the bankruptcy status at the time the budget was adopted.

#### **Enterprise Fund**

The District has few water and sewer users. As a result, the residential user fees are less than 10% of the funding for operations. The District budgeted \$54,760 in Water Usage revenue and \$33,595 in Sewer Service Fees. The District budgeted Water Tap Fee revenues of \$150,000, One Time Development Fees of \$50,000 and reimbursements for water delivery repairs and maintenance to the Golf Course and HOA for \$101,050. The transfer from the General fund of \$519,573 accounts for 54% of the District's budgeted Enterprise revenue. The District also implemented a monthly Reserve and Repair Fee budgeted at \$44,388 in an effort to defray capital repair future needs.

#### *Reserve*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2015, as defined under TABOR. The District budgeted a Repair Reserve of \$44,388.

**CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR**

Name of Jurisdiction: 4450 - Ravenna Metro District

New Entity: No

IN DOUGLAS COUNTY ON 11/25/2014

**USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY**

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2014 IN DOUGLAS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$6,147,746
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$6,272,650
3. LESS THE DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$6,272,650
5. NEW CONSTRUCTION: **	\$52,900
6. INCREASED PRODUCTION OF PRODUCING MINES: †	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ‡	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD: ‡‡ OR † AND ‡ (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(e) C.R.S.) and (39-10-114(1)(a)(i)(B) C.R.S.):	\$21,301.00

\* This value reflects personal property exemptions (if enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

† Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

‡ Jurisdiction must apply (Form DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

**USE FOR TABOR LOCAL GROWTH CALCULATIONS ONLY**

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2014 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2014

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: †	\$60,704,879
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ‡	\$654,560
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: †	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If real and a structure is picked up as owned property for multiple years, only the most recent year's actual value can be reported as omitted property.)	\$0
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

† This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property

‡ Construction is defined as newly constructed taxable real property structures

† Includes production from new mines and increases in production of existing producing mines

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: → \$0

**NOTE: All values must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2014**

Data Date: 11/25/2014