

CHERRY CREEK SOUTH METROPOLITAN DISTRICT NOS. 2-3
2014 ANNUAL REPORT
To
THE TOWN OF PARKER

Pursuant to the Amended and Restated Service Plan for Cherry Creek South Metropolitan District Nos. 2-3 (each a "District" and collectively, the "Districts"), and in accordance with §32-1-207(3)(c), C.R.S., the Districts are required to submit an annual report with the Town Clerk not later than September 1st of each calendar year, which annual report shall reflect activity and financial events of the Districts through the preceding December 31 (the "report year").

(1). A narrative summary of the progress of the Districts in implementing the Service Plan for the report year;

The Districts continue to make progress in the implementation of their service plan.

(2). Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the Districts for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year;

District No. 2 is in the process of preparing the audited financial statements for 2014, once complete the audit will be sent separately.

District No. 3 filed an audit exemption application for 2014.

See attached **Exhibit A**.

(3). Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the Districts in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year;

See attached copies of the Districts' 2014 Budgets as **Exhibit B**

(4). Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the Districts in the report year, the total assessed valuation of all

taxable properties within the Districts as of January 1 of the report year and the current mill levy of the Districts pledged to debt retirement in the report year; and

See attached copies of the Districts' 2014 Budgets as **Exhibit B**

Assessed Valuation of all taxable property within the Districts for the report year, as certified by the Douglas County Assessor:

Cherry Creek South MD No. 2	\$3,897,080
Cherry Creek South MD No. 3	\$350

(5). The Districts' budget for the calendar year in which the annual report is submitted;

See attached copies of the Districts' 2015 Budgets as **Exhibit C**

(6). A summary of the residential and commercial development in the Districts for the report year;

There was no commercial development in the Districts in 2014.
There were two residential duplex structures built with a total of four units in 2014 in District No. 2.

(7). A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;

The Districts did not impose any fees charges or assessments in 2014.

(8). Certification of the Board that no action, event or condition enumerated in Town Code section 10.11.060 has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan allows such event has been approved by Town Council; and

No action, event or condition enumerated in Town Code section 10.11.060 has occurred in 2014.

(9). The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board;

DISTRICT BOARD MEMBERS

Jerry Richmond, President 7200 S. Alton Way, Suite C-400 Centennial CO 80112 303-267-6195	Joe Knopinski, Vice President 7200 S. Alton Way, Suite C-400 Centennial CO 80112 303-267-6195
Kurtis Williams, Secretary/Treasurer 7200 S. Alton Way, Suite C-400 Centennial CO 80112 303-267-6195	Kurt Wolter, Assistant Secretary 7200 S. Alton Way, Suite C-400 Centennial CO 80112 303-267-6195

GENERAL COUNSEL:

Kristen D. Bear, Esq.
White Bear Ankele Tanaka & Waldron
Attorneys at Law
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122
303.858.1800

REGULAR MEETINGS:

The 1st Wednesday of the each month at 11:00 a.m., at 7200 S. Alton Way,
Suite C-400, Centennial CO 80112

EXHIBIT A
2014 AUDIT EXEMPTION APPLICATION
DISTRICT NO. 3

APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS

Name of Government:	Cherry Creek South Metropolitan District No.3	For the Year Ended December 31, 2014 or fiscal year ended:
Address:	c/o Spencer Fane Britt & Browns, LLP 1700 Lincoln Street, Suite 3800 Denver, CO 80203	
Contact Person:	Matt Dalton	
Telephone:	303-839-3800	
Email:	mdalton@spencerfane.com	
Fax:	303-839-3838	

Return to: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203
Fax: 303-866-4062
Email: OSA.LG@state.co.us
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE
ABOVE INSTRUCTIONS
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

Instructions:

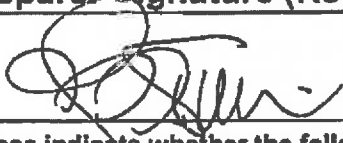
1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within 3 months after the end of the year.
For years ended December 31, the form must be received by the Office of the State Auditor by March 31.
3. The form must be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
 - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
 - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The preparer must sign the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

Name:	John W. Simmons, CPA
Title:	District Accountant
Firm Name (if applicable):	Simmons & Wheeler, P.C.
Address:	8005 S. Chester Street, Suite 150 Centennial, CO 80112
Telephone Number:	303-689-0833
Date Prepared:	1/27/2015

Preparer Signature (Required): The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	Governmental	Proprietary
	x	

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	(Omit cents)
2-1	Taxes: Property	\$ -
2-2	Specific ownership	\$ -
2-3	Sales and use	\$ -
2-4	Other (specify):	\$ -
2-5	Licenses and permits	\$ -
2-6	Intergovernmental: Grants	\$ -
2-7	Conservation Trust Funds (Lottery)	\$ -
2-8	Highway Users Tax Funds (HUTF)	\$ -
2-9	Other (specify):	\$ -
2-10	Charges for services	\$ -
2-11	Fines and forfeits	\$ -
2-12	Special assessments	\$ -
2-13	Investment income	\$ -
2-14	Charges for utility services	\$ -
2-15	Debt proceeds (should agree with line 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3)	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Donations	\$ -
2-21	Other (specify):	\$ -
2-22		\$ -
2-23		\$ -
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE all sources	\$ -

PART 3 - EXPENDITURES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	(Omit cents)
3-1	Administrative	\$ -
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ -
3-5	Employee benefits	\$ -
3-6	Insurance	\$ -
3-7	Accounting and legal fees	\$ -
3-8	Repair and maintenance	\$ -
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with Part 6)	\$ -
3-17	Debt service principal (should agree with Part 4)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify):	\$ -
3-23		\$ -
3-24		\$ -
3-25	(add lines 3-1 through 3-24) TOTAL EXPENDITURES all categories	\$ -

Note: If Total Revenue (Line 2-24) or Total Expenditures (Line 3-25) are greater than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - Long Form".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.						Yes	No
4-1	Does the entity have outstanding debt?						X
	Is the debt repayment schedule attached? If no, please explain:						n/a
4-2	Is the entity current in its debt service payments? If no, please explain:						n/a
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)			Outstanding at end of prior year	Issued during year	Retired during year	Outstanding at year-end
	General obligation bonds			\$ -	\$ -	\$ -	\$ -
	Revenue bonds			\$ -	\$ -	\$ -	\$ -
	Notes/Loans			\$ -	\$ -	\$ -	\$ -
	Leases			\$ -	\$ -	\$ -	\$ -
	Developer Advances			\$ -	\$ -	\$ -	\$ -
	Other (specify):			\$ -	\$ -	\$ -	\$ -
	Total:			\$ -	\$ -	\$ -	\$ -
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-4	Does the entity have any authorized, but unissued, debt?					X	
If yes:	How much?	\$ 260,000,000.00					
	Date the debt was authorized:	11/6/2004					
4-5	Does the entity intend to issue debt within the next calendar year?						X
If yes:	How much?	\$ -					
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-6	Does the entity have debt that has been refinanced that it is still responsible for?						X
If yes:	What is the amount outstanding?	\$ -					
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-7	Does the entity have any lease agreements?						X
If yes:	What is being leased?						
	What is the original date of the lease?						
	Number of years of lease?						
	Is the lease subject to annual appropriation?						
	What are the annual lease payments?	\$ -					
4-8	Please use this space to provide any explanations or comments:						

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.			Amount	Total
5-1	Checking accounts		\$ 20	
5-2	Savings accounts		\$ -	
5-3	Certificates of deposit		\$ -	
	Total Cash Deposits			\$ 20
	Investments (if investment is a mutual fund, please list underlying investments):			
5-4			\$ -	
5-5			\$ -	
5-6			\$ -	
5-7			\$ -	
	Total Investments			\$ -
	Total Cash and Investments			\$ 20
Please answer the following question by marking in the appropriate box			Yes	No
5-8	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, please explain:		X	
5-9	Please use this space to provide any explanations or comments:			

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.		Yes	No	
6-1	Does the entity have capital assets?		X	
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, please explain:		n/a	
	Complete the following table:			
		Balance - beginning of the year	Additions	Deletions
	Land	\$ -	\$ -	\$ -
	Buildings	\$ -	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -	\$ -
	Other (explain):	\$ -	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	
6-2	Please use this space to provide any explanations or comments:			

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
7-1	Does the entity have an "old hire" firemen's pension plan?		X
7-2	Does the entity have a volunteer firemen's pension plan?		X
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax (property, SO, sales, etc.):	\$ -	
	State contribution amount:	\$ -	
	Other (gifts, donations, etc.):	\$ -	
	Total:	\$ -	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	
7-3	Please use this space to provide any explanations or comments:		

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
8-1	Did the entity file a budget with the Department of Local Affairs for the current year? If no, please	X	
8-2	Did the entity pass an appropriations resolution? In no, please explain:	X	
If yes:	Please indicate the amount appropriated for each fund for the year:		
	Fund Name	Budgeted Expenditures	
	Capital Project Fund	\$ 3,000,000	
	General Fund	\$ -	
8-3	Please use this space to provide any explanations or comments:		

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	X	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.			
9-2	Please use this space to provide any explanations or comments:		

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides: Water, sewer, parks & recreation and streets.		
10-5	Does the entity have an agreement with another government to provide services?		X
If yes:	List the name of the other governmental entity and the services provided:		
10-6	Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

PART 11 - GOVERNING BODY APPROVAL

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1604, C.R.S., which states that a governmental agency with revenue and expenditures of \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column
Board Member 1	Print Board Members Name	I <u>Kurt Wolter</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>Kurt Wolter</u> Date: <u>1/28/15</u> My term Expires: <u>5/2018</u>
	Kurt Wolter	
Board Member 2	Print Board Members Name	I <u>Kim Jensen</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>Kim Jensen</u> Date: <u>1-28-15</u> My term Expires: <u>5/2016</u>
	Kim Jensen	
Board Member 3	Print Board Members Name	I <u>Greg McIlvain</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>Greg McIlvain</u> Date: <u>1/28/15</u> My term Expires: <u>5/2016</u>
	Greg McIlvain	
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
	Ann Sullivan Wolter	
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

EXHIBIT B
2014 BUDGETS

**RESOLUTION
TO ADOPT 2014 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2014 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2, TOWN OF PARKER, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2014, AND ENDING ON THE LAST DAY OF DECEMBER, 2014,

WHEREAS, the Board of Directors of the Cherry Creek South Metropolitan District No. 2 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 or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 16, 2013, 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 or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$32,613; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$58,704; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-; and

WHEREAS, the 2013 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$2,609,065; and

WHEREAS, at an election held on June 4, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2, TOWN OF PARKER, DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. 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 Cherry Creek South Metropolitan District No. 2 for calendar year 2014.

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

Section 3. 2014 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2014 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2014 budget year, there is hereby levied a tax of 12.500 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2013.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2013.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2014 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 22.500 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2013.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2014 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2013.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2014 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2013.

F. Levy for Refunds/Abatements. That for the purposes of recouplement of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2013.

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. That the Secretary of the District is hereby authorized and directed to certify by December 15, 2013, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2013, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

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.

ADOPTED this 16th day of October, 2013.

CHERRY CREEK SOUTH
METROPOLITAN DISTRICT NO. 2



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2014

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2014 budget and budget message for CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2, Town of Parker, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 16, 2013. If there are any questions on the budget, please contact:

John Simmons
Simmons & Wheeler, P.C.
8005 S. Chester Street, Suite 150
Centennial, CO 80112
Telephone number: (303) 689-0833

I, Kurt Wolter, President of Cherry Creek South Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2014 budget.

By: _____

Kurt Wolter

CHERRY CREEK SOUTH METROPOLITAN DISTRICT #2
2014
BUDGET MESSAGE

Attached please find a copy of the adopted 2014 budget for the Cherry Creek South Metropolitan District #2.

The Cherry Creek South Metropolitan District #2 has adopted two separate funds, a General Fund to provide for general operating expenditures; and a Debt Service Fund to provide for payments on the proposed General Obligation Bonds.

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 source of revenue for the District in 2014 will be property tax revenue. The District intends to impose a 35.000 mill levy on the property within the District in 2014, of which 12.500 mills will be dedicated to the General Fund and the balance of 22.500 mills will be allocated to the Debt Service Fund.

Cherry Creek South Metropolitan District #2
Adopted Budget
General Fund
For the Year ended December 31, 2014

	Actual 2012	Adopted Budget 2013	Actual 7/31/2013	Estimate 2013	Adopted Budget 2014
Beginning fund balance	\$ 33,232	\$ (15,508)	\$ (31,899)	\$ (31,899)	\$ (4,218)
Revenues:					
Property taxes	78,115	83,510	80,118	83,510	32,813
Ownership taxes	5,984	6,681	3,971	7,900	2,609
Interest income	194	-	(108)	-	-
Total revenues	<u>84,293</u>	<u>90,191</u>	<u>83,979</u>	<u>91,410</u>	<u>35,222</u>
Total funds available	<u>117,525</u>	<u>74,683</u>	<u>52,080</u>	<u>59,511</u>	<u>31,004</u>
Expenditures:					
Legal	131,431	15,000	6,917	8,500	10,000
Legal litigation		30,000	38,467	40,000	-
Accounting and audit	3,992	6,000	2,023	3,000	4,000
Insurance	7,075	4,500	4,826	4,826	4,500
District management	4,445	-	-	-	-
Election expense		-	-	-	-
Director fees		-	75	150	-
Miscellaneous / IGA	1,307	6,000	4,068	6,000	6,000
Treasurer's fees	1,174	1,253	1,306	1,253	489
Contingency		10,047	-	-	5,265
Emergency reserve		1,883	-	-	750
Total expenditures	<u>149,424</u>	<u>74,683</u>	<u>57,682</u>	<u>83,729</u>	<u>31,004</u>
Ending fund balance	<u>\$ (31,899)</u>	<u>\$ -</u>	<u>\$ (5,602)</u>	<u>\$ (4,218)</u>	<u>\$ -</u>
Assessed value (000's)	<u>\$ 2,231,350</u>	<u>\$ 2,386,000</u>			<u>\$ 2,809,065</u>
Mill levy	<u>35.000</u>	<u>35.000</u>			<u>12.500</u>

Cherry Creek South Metropolitan District #2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2014

	Actual 2012	Adopted Budget 2013	Actual 7/31/2013	Estimate 2013	Adopted Budget 2014
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	58,704
Ownership taxes	-	-	-	-	5,870
Interest income	-	-	-	-	-
Total revenues	-	-	-	-	64,574
Total funds available	-	-	-	-	64,574
Expenditures:					
Legal	-	-	-	-	-
Bond interest	-	-	-	-	81,693
Bond principal	-	-	-	-	-
Treasurer's fees	-	-	-	-	881
Trustee fees	-	-	-	-	2,000
Total expenditures	-	-	-	-	84,574
Ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Assessed value (DOO's)	\$ 2,231,350	\$ 2,388,000			\$ 2,809,065
Mill levy	-	-			22.500
Total levy		35.000			35.000
Bonds Outstanding (Principal End of Year)		\$ -			\$ -

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Cherry Creek South Metropolitan District No. 2
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Cherry Creek South Metropolitan District No. 2
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,609,065 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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: \$ 2,609,065 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/15/2013 for budget/fiscal year 2014
(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	12.500 mills	\$ 32,613
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	12.500 mills	\$ 32,613
3. General Obligation Bonds and Interest ^J	22.500 mills	\$ 58,704
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]	35.000 mills	\$ 91,317

Contact person: (print) John W Simmons Daytime phone: (303) 689-0833
Signed:  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) 866-2156.

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).

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^J:

- | | | |
|----|-------------------|----------------------------|
| 1. | Purpose of Issue: | Proposed \$1,850,000 issue |
| | Series: | 2014 |
| | Date of Issue: | Proposed issue |
| | Coupon Rate: | Proposed issue |
| | Maturity Date: | Proposed issue |
| | Levy: | 22.500 |
| | Revenue: | \$58,704 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 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.

**RESOLUTION
TO ADOPT 2014 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2014 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3, TOWN OF PARKER, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2014, AND ENDING ON THE LAST DAY OF DECEMBER, 2014,

WHEREAS, the Board of Directors of the Cherry Creek South Metropolitan District No. 3 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 or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 16, 2013, 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 or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$-0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-; and

WHEREAS, the 2013 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$350; and

WHEREAS, at an election held on November 2, 2004, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3, TOWN OF PARKER, DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. 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 Cherry Creek South Metropolitan District No. 3 for calendar year 2014.

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

Section 3. 2014 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2014 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2014 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2013.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2013.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2014 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2013.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2014 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2013.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2014 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2013.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2013.

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. That the Secretary of the District is hereby authorized and directed to certify by December 15, 2013, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2013, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

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.

ADOPTED this 16th day of October, 2013.

CHERRY CREEK SOUTH
METROPOLITAN DISTRICT NO. 3



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2014

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2014 budget and budget message for CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3, Town of Parker, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 16, 2013. If there are any questions on the budget, please contact:

John Simmons
Simmons & Wheeler, P.C.
8005 S. Chester Street, Suite 150
Centennial, CO 80112
Telephone number: (303) 689-0833

I, Kurt Wolter, President of Cherry Creek South Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2014 budget.

By: 

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT #3
2014
BUDGET MESSAGE**

Attached please find a copy of the adopted 2014 budget for the Cherry Creek South Metropolitan District #3.

The Cherry Creek South Metropolitan District #3 has adopted one fund, a Capital Projects Fund to provide for the estimated infrastructure costs that are built by the District from developer advances.

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 source of revenue for the District in 2014 will be developer advances. The District will not impose a mill levy on property within the District for 2014.

Cherry Creek South Metropolitan District #3
Adopted Budget
Capital Project Fund
For the Year ended December 31, 2014

	<u>Actual</u> <u>2012</u>	<u>Adopted</u> <u>Budget</u> <u>2013</u>	<u>Actual</u> <u>7/31/2013</u>	<u>Estimate</u> <u>2013</u>	<u>Adopted</u> <u>Budget</u> <u>2014</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Reimbursements	-	-	-	-	-
Transfer from District #2	-	-	-	-	-
Developer advances	-	3,000,000	-	-	3,000,000
Interest income	-	-	-	-	-
Total revenues	-	<u>3,000,000</u>	-	-	<u>3,000,000</u>
Total funds available	-	<u>3,000,000</u>	-	-	<u>3,000,000</u>
Expenditures:					
Construction	-	3,000,000	-	-	3,000,000
Project management	-	-	-	-	-
Total expenditures	-	<u>3,000,000</u>	-	-	<u>3,000,000</u>
Ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Cherry Creek South Metropolitan District No. 3
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Cherry Creek South Metropolitan District No. 3
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 350 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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: \$ 350 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/15/2013 for budget/fiscal year 2014
(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	0.000 mills	\$ 0
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	mills	\$
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]	0.000 mills	\$ 0

Contact person: (print) John W. Simmons Daytime phone: (303) 689-0833
Signed:  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) 866-2156.

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).

EXHIBIT C
2015 BUDGETS

**RESOLUTION
TO ADOPT 2015 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2015 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2, TOWN OF PARKER, 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 Cherry Creek South Metropolitan District No. 2 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 or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 19, 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 or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$48,714; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$87,684; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-; and

WHEREAS, the 2014 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$3,897,080; and

WHEREAS, at an election held on June 4, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2 OF TOWN OF PARKER, DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. 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 Cherry Creek South Metropolitan District No. 2 for calendar year 2015.

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

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2015 as follows:

A. Levy for General Operating and Other Expenses. 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 12.500 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2014.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2014.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2015 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 22.500 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2014.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2015 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2014.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2015 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2014.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2014.

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. That the Secretary of the District is hereby authorized and directed to certify by December 15, 2014, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2014, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

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.

ADOPTED this 19 day of November, 2014.

CHERRY CREEK SOUTH
METROPOLITAN DISTRICT NO. 2



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 27, 2015

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2015 budget and budget message for the CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 2 in the Town of Parker, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 19, 2014. If there are any questions on the budget, please contact:

John Simmons
Simmons & Wheeler, P.C.
8005 S. Chester Street, Suite 150
Centennial, CO 80112
Telephone number: (303) 689-0833

I, Kurt Wolter, President of the Cherry Creek South Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2015 budget.

By: _____



**ATTACH COPY OF THE ADOPTED BUDGET
ATTACH COPY OF THE CERTIFICATION OF TAX LEVIES**

CHERRY CREEK SOUTH METROPOLITAN DISTRICT #2
2015
BUDGET MESSAGE

Attached please find a copy of the adopted 2015 budget for the Cherry Creek South Metropolitan District #2.

The Cherry Creek South Metropolitan District #2 has adopted two separate funds, a General Fund to provide for general operating expenditures; and a Debt Service Fund to provide for payments on the outstanding General Obligation Bonds.

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 source of revenues for the District in 2015 will be property tax revenue. The District intends to impose a 35.000 mill levy on the property within the District in 2015, of which 12.500 mills will be dedicated to the General Fund and the balance of 22.500 mills will be allocated to the Debt Service Fund.

Cherry Creek South Metropolitan District #2
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	\$ (31,899)	\$ (4,218)	\$ (43,528)	\$ (43,528)	\$ (28,599)
Revenues:					
Property taxes	80,085	32,613	32,521	32,613	48,714
Ownership taxes	7,003	2,609	1,416	2,809	3,897
Interest income	(110)	-	2	4	-
Total revenues	86,978	35,222	33,939	35,226	52,611
Total funds available	55,079	31,004	(9,589)	(8,302)	26,012
Expenditures:					
Legal	20,359	10,000	3,129	6,300	10,000
Legal litigation	59,169	-	2,391	2,391	-
Accounting and audit	3,903	4,000	2,021	4,050	4,000
Insurance	5,725	4,500	5,067	5,067	4,500
District management	3,999	-	-	-	-
Election expense	-	-	-	-	-
Director fees	75	-	-	-	-
Miscellaneous / IGA	4,070	6,000	-	-	6,000
Treasurer's fees	1,307	489	488	488	731
Contingency	-	5,265	-	-	24
Emergency reserve	-	750	-	-	757
Total expenditures	98,607	31,004	13,096	18,297	26,012
Ending fund balance	\$ (43,528)	\$ -	\$ (22,685)	\$ (28,599)	\$ -
Assessed value (000's)	\$ 2,386,000	\$ 2,609,065			\$ 3,897,080
Mill levy	35.000	12.500			12.500

Cherry Creek South Metropolitan District #2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2015

	<u>Actual 2013</u>	<u>Adopted Budget 2014</u>	<u>Actual 6/30/2014</u>	<u>Estimate 2014</u>	<u>Adopted Budget 2015</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	58,704	58,538	58,704	87,684
Ownership taxes	-	5,870	2,548	5,870	8,768
Interest income	-	-	5	10	-
Total revenues	<u>-</u>	<u>64,574</u>	<u>61,092</u>	<u>64,584</u>	<u>96,452</u>
Total funds available	<u>-</u>	<u>64,574</u>	<u>61,092</u>	<u>64,584</u>	<u>96,452</u>
Expenditures:					
Legal	-	-	-	-	-
Bond Cost of Issuance	-	-	15,365	15,365	-
Bond interest	-	61,693	-	48,338	83,137
Bond principal	-	-	-	-	-
Treasurer's fees	-	881	878	881	1,315
Trustee fees	-	2,000	-	-	2,000
Total expenditures	<u>-</u>	<u>64,574</u>	<u>16,243</u>	<u>64,584</u>	<u>96,452</u>
Ending fund balance	\$ -	\$ -	\$ 44,849	\$ -	\$ -
Assessed value (000's)	<u>\$ 2,388,000</u>	<u>\$ 2,809,065</u>			<u>\$ 3,897,080</u>
Mill levy	<u>-</u>	<u>22.500</u>			<u>22.500</u>
Total levy	<u>35.000</u>	<u>35.000</u>			<u>35.000</u>
Bonds Outstanding (Principal End of Year)	<u>\$ -</u>	<u>\$ -</u>			<u>\$ -</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Cherry Creek South Metropolitan District No. 2
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Cherry Creek South Metropolitan District No. 2
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,897,080 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)

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: \$ 3,897,080 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: _____ for budget/fiscal year 2015
(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	12.500 mills	\$ 48,714
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	12.500 mills	\$ 48,714
3. General Obligation Bonds and Interest ^J	22.500 mills	\$ 87,684
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]	35.000 mills	\$ 136,398

Contact person: _____ Daytime phone: (303) 689-0833
(print) John W. Simmons
Signed:  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) 866-2156.

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).

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:	<u>\$1,850,000 General Obligation Limited Tax Bonds</u>
	Series:	<u>2014</u>
	Date of Issue:	<u>January 3, 2014</u>
	Coupon Rate:	<u>Step coupon 4.00% to 6.00%</u>
	Maturity Date:	<u>December 15, 2043</u>
	Levy:	<u>22.500</u>
	Revenue:	<u>\$87,684</u>

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 separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**RESOLUTION
TO ADOPT 2015 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2015 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3, TOWN OF PARKER, 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 Cherry Creek South Metropolitan District No. 3 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 or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 19, 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 or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$-0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-; and

WHEREAS, the 2014 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$350; and

WHEREAS, at an election held on November 2, 2004, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3 OF TOWN OF PARKER, DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. 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 Cherry Creek South Metropolitan District No. 3 for calendar year 2015.

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

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2015 as follows:

A. Levy for General Operating and Other Expenses. 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 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2014.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2014.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2015 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2014.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2015 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2014.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2015 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2014.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2014.

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. That the Secretary of the District is hereby authorized and directed to certify by December 15, 2014, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2014, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

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.

ADOPTED this 19 day of November, 2014.

CHERRY CREEK SOUTH
METROPOLITAN DISTRICT NO. 3



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 21, 2015
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2015 budget and budget message for the CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 3 in the Town of Parker, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 19, 2014. If there are any questions on the budget, please contact:

John Simmons
Simmons & Wheeler, P.C.
8005 S. Chester Street, Suite 150
Centennial, CO 80112
Telephone number: (303) 689-0833

I, Kurt Wolter, President of the Cherry Creek South Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2015 budget.

By: _____



**ATTACH COPY OF THE ADOPTED BUDGET
ATTACH COPY OF THE CERTIFICATION OF TAX LEVIES**

CHERRY CREEK SOUTH METROPOLITAN DISTRICT #3
2015
BUDGET MESSAGE

Attached please find a copy of the adopted 2015 budget for the Cherry Creek South Metropolitan District #3.

The Cherry Creek South Metropolitan District #3 has adopted one fund, a Capital Project Fund to provide for the estimated infrastructure costs that are built by the District from developer advances.

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 source of revenues for the District in 2015 will be developer advances. The District will not impose a mill levy on property within the District for 2015.

**Cherry Creek South Metropolitan District #3
 Adopted Budget
 Capital Project 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	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Reimbursements	-	-	-	-	-
Transfer from District #2	-	-	-	-	-
Developer advances	-	3,000,000	-	-	3,000,000
Interest income	-	-	-	-	-
Total revenues	-	3,000,000	-	-	3,000,000
Total funds available	-	3,000,000	-	-	3,000,000
Expenditures:					
Construction	-	3,000,000	-	-	3,000,000
Project management	-	-	-	-	-
Total expenditures	-	3,000,000	-	-	3,000,000
Ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Cherry Creek South Metropolitan District No. 3 (taxing entity)^A

the Board of Directors (governing body)^B

of the Cherry Creek South Metropolitan District No. 3 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 350 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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: \$ 350 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: (not later than Dec. 15) (dd/mm/yyyy) for budget/fiscal year 2015 (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY², and REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Total row shows 0.000 mills and \$ 0 revenue.

Contact person: (print) John W. Simmons Daytime phone: (303) 689-0833
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) 866-2156.

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).

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: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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 separately report all bond and contractual obligations per 32-1-1603, C.R.S.