



**ICENOGLE SEAVER POGUE**

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April 28, 2017

Office of the State Auditor  
1525 Sherman Street, 7<sup>th</sup> Floor  
Denver, Colorado 80203

Douglas County Clerk and Recorder  
P.O. Box 1360  
Castle Rock, Colorado 80104

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203  
*(Via E-Portal)*

Douglas County Attorney's Office  
100 3<sup>rd</sup> Street  
Castle Rock, Colorado 80104

**Re: Annual Report for Ravenna Metropolitan District**

To Whom It May Concern:

Pursuant to Section XIV of the Service Plan enclosed please find the 2016 Annual Report for Ravenna Metropolitan District.

Please contact our office with any questions regarding the Annual Report.

Sincerely,

ICENOGLE SEAVER POGUE  
A Professional Corporation

A handwritten signature in blue ink that reads "Stacie L. Pacheco".

Stacie L. Pacheco  
Paralegal

Enclosure

*Stacie L. Pacheco* | *SPacheco@isp-law.com* | *Direct 303.867.3000*

4725 S. Monaco St., Suite 360 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | [www.isp-law.com](http://www.isp-law.com)

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

**ANNUAL REPORT FOR FISCAL YEAR 2016**

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 2016 (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 to the District's boundaries during the Reporting Period.

B. Intergovernmental Agreements entered into or proposed.

The District entered into the "Agreement for Treated Water Emergency Interconnection" with Roxborough Water and Sanitation District ("RWSD"), dated as of May 18, 2016, to provide for connections between the District's and RWSD's water treatment and distribution systems so that RWSD can assist the District in providing water services during an emergency.

As part of the District's Restructure discussed in Section D below, the District is negotiating: (1) an agreement with RWSD regarding the inclusion of the District's real property into the boundaries of RWSD, and (2) a new water service agreement between the District and the Town of Castle Rock.

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

No changes were made or proposed in the District's policies during the Reporting Period.

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

As the County is aware, the District's recent financial difficulties led the District to seek relief pursuant to Chapter 9 of the U.S. Bankruptcy Code. Following dismissal of the District's Chapter 9 case, the District began negotiating a debt restructuring plan with its bondholder (the "Restructure"). To implement the Restructure, the District submitted to the County the Second Amendment to Service Plan for Ravenna Metropolitan District ("Second Amendment"), which provides for increases to the District's debt service mill levy and debt authorization and was approved by the Douglas County Board of County Commissioners ("BOCC") on March 22, 2016. Following BOCC approval of the Second Amendment, at the District election held May 3, 2016, the District's eligible electors authorized the District to incur up to \$8,000,000 in debt for water improvements and \$30,000,000 for purposes of refunding District obligations. The District's eligible electors also approved a mill levy of 70 mills for debt repayment.

After the May 2016 election, the District and its bondholder determined that an increase in the District's debt capacity from \$30,000,000 to \$40,000,000 would expedite the Restructure, allowing the District to meet its obligations without unduly impairing additional development within the District. Accordingly, the District submitted a Third Amendment to Ravenna Metropolitan District Service Plan in January 2017 to increase the District's debt limit to \$40,000,000, which was approved by the BOCC on February 14, 2017.

As part of the Restructure, the District has been negotiating with RWSD to provide water service to the real property within the District (the "Property"), in lieu of the District receiving its water from with United Water and Sanitation District, subject to the inclusion of the District's property into the boundaries of RWSD and the satisfaction of certain other conditions. On November 8, 2016, the eligible electors of the District approved a ballot question concerning the inclusion of the Property into the boundaries of RWSD, subject to the satisfaction of certain conditions set forth in the ballot question. The District has obtained from the District Court of Douglas County, Colorado, an Order for Inclusion ("Order") of the Property into the boundaries of RWSD. The Order will be recorded to effectuate the inclusion upon closing of the District's Restructure, which is anticipated to occur in May 2017.

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 2016 and 2017 are set forth in the District's 2017 adopted Budget Resolution attached hereto as Exhibit A.

In addition, as reported in the District's annual reports for the preceding years, on April 10, 2013, via Resolution, the Board of Directors for the District 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.

However, following inclusion of the Property into the boundaries of RWSD and the implementation of the Restructure as described in Section D above, the District anticipates that operating expenses will decrease and assessed value will increase, thereby permitting the District to 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. The appeal was assigned to the Tenth Circuit Bankruptcy Appellate Panel. The briefing schedule was stayed by the Tenth Circuit mediation office to allow the parties to informally mediate the dispute. On December 21, 2016, the parties filed a Stipulation to Dismiss the Appeal, and the Court filed an order dismissing the appeal on the same date.

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

Proposed plans for the District for fiscal year 2017 are to implement the provisions of the Restructure as set forth in the Second Amendment and the Third Amendment. In connection with the inclusion of the Property into the boundaries of RWSD, the District will provide for construction of the necessary infrastructure to permit RWSD to take over the provision of treated water service to the Property, which will permit the District to decommission its water treatment plant, further efforts to regionalize water service and improve the overall water quality for the District's residents and property owners.

H. Status of construction of public improvements.

With the exception of the infrastructure required to permit RWSD to take over treated water services within the District, as described in Section G, all public improvements are completed.

I. The current assessed valuation of the District.

The assessed valuation of the District for taxable year 2016 is \$8,121,280.

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The foregoing Annual Report and accompanying exhibit are submitted this 28<sup>th</sup> day of April,  
2017.

Sincerely,  
ICENOGLE SEAVER POGUE  
A Professional Corporation

By: Deborah A. Early  
Deborah A. Early, Legal Counsel

**EXHIBIT A**

2017 Budget Resolution

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**RAVENNA METROPOLITAN DISTRICT**  
DOUGLAS COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
2017

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, 11118 Caretaker Road, Littleton, CO on December 13, 2016, at 6:30 p.m.

The following members of the Board of Directors were present:

- John Fredericks, President
- Bill Airy, Secretary/Treasurer
- Pat Vellone, Assistant Secretary

Also in attendance were:

- Alan Pogue; Icenogle Seaver Pogue, PC
- Kim Seter; Seter and Vander Wall, PC
- Rachel Provolt; Pinnacle Consulting Group, Inc.
- Jim Worley; Pinnacle Consulting Group, Inc.
- Peggy Dowswell; Pinnacle Consulting Group, Inc.
- Irene McCaffrey; 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 2017 budget. The Chairman opened the public hearing on the District's proposed 2017 budget. There being no public present to comment on the District's budget, the public hearing was closed.

Thereupon, Director Airy 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 2017, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL, DEBT SERVICE AND WATER AND SEWER ENTERPRISE FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE RAVENNA METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2017, AND ENDING ON THE LAST DAY OF DECEMBER, 2017,

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 October 20, 2016, 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 October 25, 2016 and Continued on December 13, 2016 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. 2017 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. 2017 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 2017. 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 2017.

Section 4. 2017 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 \$81,212.80 and the amount of money necessary to balance the budget for the Debt Service Fund is \$487,276.80. That the 2016 valuation for assessment, as certified by the Douglas County Assessor, is \$8,121,280.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2017 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2017.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service expense of the District during the 2017 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 2017.

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 2017 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

**[The remainder of the page left intentionally blank.]**

**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 \$ 8,121,280 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: \$ 8,121,280 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/14/2016 for budget/fiscal year 2017  
(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>   | 10.000 mills        | \$ 81,212.80         |
| 2. <Minus> Temporary General Property Tax Credit/<br>Temporary Mill Levy Rate Reduction <sup>I</sup> | < > mills           | \$ < >               |
| <b>SUBTOTAL FOR GENERAL OPERATING:</b>   | <b>10.000 mills</b> | <b>\$ 81,212.80</b>  |
| 3. General Obligation Bonds and Interest <sup>J</sup>  | 60.000 mills        | \$ 487,276.80        |
| 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>70.000 mills</b> | <b>\$ 568,489.60</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) 866-2156.

<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 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<sup>J</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:          | \$487,276.80   |

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

**CONTRACTS<sup>K</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:             | _____ |

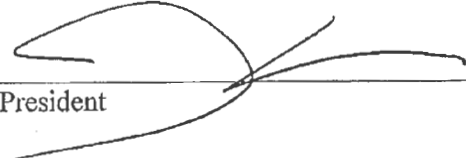
Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

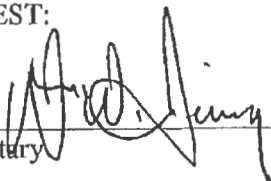
Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

The foregoing Resolution was seconded by Director Fredricks.

**[The remainder of the page left intentionally blank.]**

ADOPTED AND APPROVED this 13th day of December, 2016.

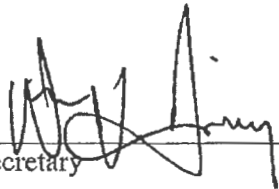
  
\_\_\_\_\_  
President

ATTEST:  
  
\_\_\_\_\_  
Secretary

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

I, Bill Airy, Secretary to the Board of Directors of the Ravenna Metropolitan District, Douglas County, Colorado, do hereby certify that the foregoing pages numbered 1 to 9, 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, 11118 Caretaker Road, Littleton, CO, on December 13, 2016, at 6:30 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2017; 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 2017 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 13th day of December, 2016.

  
Secretary



Accountant's Report

BOARD OF DIRECTORS  
RAVENNA METROPOLITAN DISTRICT

I have prepared the accompanying forecasted budget of revenue, expenditures and funds balances of Ravenna Metropolitan District for the year ending December 31, 2017, including the forecasted estimate of comparative information for the year ending December 31, 2016. I have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America.

The actual historical information for the year 2015 is presented for comparative purposes only.

Substantially all of the disclosures required by accounting principles generally accepted in the United States of America have been omitted. 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.

A handwritten signature in black ink, appearing to read "BC", is written over a horizontal line.

Brendan Campbell, CPA  
January 13, 2017



| RAVENNA METROPOLITAN DISTRICT                            |                 |                  |                 | 13-Jan-17        |
|--|-----------------|------------------|-----------------|------------------|
| STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS        |                 |                  |                 |                  |
| 2015 Actual and 2016 Adopted Budget and Projected Actual |                 |                  |                 |                  |
| 2017 Adopted Budget                                      |                 |                  |                 |                  |
| Modified Accrual Budgetary Basis                         |                 |                  |                 |                  |
| GENERAL FUND   | 2015            | 2016             | 2016            | 2017             |
|  | Audited         | Adopted          | Projected       | Adopted          |
| Revenues   | Actual          | Budget           | Budget          | Budget           |
| Property Taxes   | \$18,817        | \$23,260         | \$23,260        | \$81,213         |
| Specific Ownership Taxes                                 | 1,809           | 1,861            | 1,861           | 6,497            |
| Interest & Other Income                                  | 862             | 500              | 3,170           | 1,143            |
| RCREI Class 2 payments                                   | 2,971           | 2,143            | 2,750           | 2,857            |
| <b>Total Revenues</b>                                    | <b>\$24,459</b> | <b>\$27,764</b>  | <b>\$31,041</b> | <b>\$91,710</b>  |
| <b>Expenditures</b>                                      |                 |                  |                 |                  |
| Audit  | \$7,433         | \$7,500          | \$7,528         | \$7,753          |
| Accounting & Financial Management                        | 0               | 0                | 0               | 12,285           |
| District Management & Administration                     | 0               | 0                | 0               | 5,700            |
| Legal  | 0               | 0                | 0               | 36,000           |
| County Treasurer's Fees                                  | 339             | 381              | 404             | 1,218            |
| Election   | 0               | 5,000            | 5,000           | 0                |
| Insurance & Bonds  | 7,844           | 9,021            | 10,279          | 10,795           |
| Miscellaneous  | 427             | 1,000            | 1,000           | 0                |
| Contingency  | 0               | 0                | 0               | 25,000           |
| <b>Total Operating Expenditures</b>                      | <b>\$16,043</b> | <b>\$22,902</b>  | <b>\$24,210</b> | <b>\$98,751</b>  |
| <b>Other Sources/(Uses) of Funds:</b>                    |                 |                  |                 |                  |
| Facilities Acquisition Fees                              | \$61,382        | \$148,118        | \$36,016        | \$119,541        |
| Lease Payment  | (61,382)        | (148,118)        | (36,016)        | (119,541)        |
| <b>Net Other Sources/(Uses) of Funds</b>                 | <b>\$0</b>      | <b>\$0</b>       | <b>\$0</b>      | <b>\$0</b>       |
| <b>Revenues over/(under) Expenditures</b>                | <b>\$8,416</b>  | <b>\$4,862</b>   | <b>\$6,831</b>  | <b>(\$7,041)</b> |
| <b>Beginning Fund Balance</b>                            | <b>13,799</b>   | <b>17,604</b>    | <b>22,215</b>   | <b>29,045</b>    |
| <b>Ending Fund Balance</b>                               | <b>\$22,215</b> | <b>\$22,466</b>  | <b>\$29,045</b> | <b>\$22,004</b>  |
| <b>Total General Fund Appropriations</b>                 | <b>\$77,426</b> | <b>\$171,019</b> | <b>\$60,226</b> | <b>\$218,292</b> |

|  |                    |                   |                   |                  |
|--|--------------------|-------------------|-------------------|------------------|
| RAVENNA METROPOLITAN DISTRICT                            |                    |                   |                   | 13-Jan-17        |
| STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS        |                    |                   |                   |                  |
| 2015 Actual and 2016 Amended Budget and Projected Actual |                    |                   |                   |                  |
| 2017 Adopted Budget                                      |                    |                   |                   |                  |
| Modified Accrual Budgetary Basis                         |                    |                   |                   |                  |
| <b>DEBT SERVICE FUND</b>                                 | <b>2015</b>        | <b>2016</b>       | <b>2016</b>       | <b>2017</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>    |
| Property Taxes   | \$376,350          | \$465,200         | \$465,200         | \$487,277        |
| Specific Ownership Taxes                                 | 36,186             | 42,000            | 42,000            | 38,982           |
| One Time Facility Fees                                   | 75,000             | 100,000           | 100,000           | 0                |
| RCREI Class 2 payments                                   | 59,412             | 55,824            | 55,824            | 57,143           |
| Interest & Other Income                                  | 17,037             | 26,200            | 26,200            | 22,857           |
| Transfer From Enterprise Fund                            | 5,000              | 0                 | 0                 | 0                |
| <b>Total Revenues</b>                                    | <b>\$568,985</b>   | <b>\$689,224</b>  | <b>\$689,224</b>  | <b>\$606,259</b> |
| <b>Expenditures</b>                                      |                    |                   |                   |                  |
| County Treasurer's Fees                                  | \$6,784            | \$8,073           | \$8,073           | \$7,310          |
| Debt Repayment   | 1,000,000          | 722,870           | 722,870           | 598,149          |
| Paying Agent Fees  | 854                | 800               | 800               | 800              |
| <b>Total Debt Service Expenditures</b>                   | <b>\$1,007,639</b> | <b>\$731,743</b>  | <b>\$731,743</b>  | <b>\$606,259</b> |
| <b>Revenues over/(under) Expenditures</b>                | <b>(\$438,654)</b> | <b>(\$42,519)</b> | <b>(\$42,519)</b> | <b>\$0</b>       |
| <b>Beginning Fund Balance</b>                            | <b>481,173</b>     | <b>42,518</b>     | <b>42,518</b>     | <b>0</b>         |
| <b>Ending Fund Balance</b>                               | <b>\$42,518</b>    | <b>\$0</b>        | <b>\$0</b>        | <b>\$0</b>       |

| RAVENNA METROPOLITAN DISTRICT                            |                  |                    |                    | 13-Jan-17        |
|--|------------------|--------------------|--------------------|------------------|
| STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS        |                  |                    |                    |                  |
| 2015 Actual and 2016 Amended Budget and Projected Actual |                  |                    |                    |                  |
| 2017 Adopted Budget                                      |                  |                    |                    |                  |
| Modified Accrual Budgetary Basis                         |                  |                    |                    |                  |
| ENTERPRISE FUND  | 2015             | 2016               | 2016               | 2017             |
|  | Audited          | Amended            | Projected          | Adopted          |
| Revenues   | Actual           | Budget             | Budget             | Budget           |
| Water Usage  | \$45,095         | \$50,964           | \$50,964           | \$11,975         |
| Water Repair Fee   | 26,654           | 29,208             | 29,208             | 0                |
| Sewer Service Fees                                       | 40,492           | 57,246             | 57,246             | 20,873           |
| Sewer Repair Fee   | 10,725           | 19,824             | 19,824             | 0                |
| Water Tap Fees   | 426,365          | 569,512            | 569,512            | 165,260          |
| Operation Fee  | 306,970          | 15,644             | 19,065             | 5,020            |
| Golf Course/HOA Reimb                                    | 131,085          | 105,754            | 105,754            | 27,840           |
| Interest & Other Income                                  | 1,531            | 1,964              | 1,964              | 0                |
| <b>Total Revenues</b>                                    | <b>\$988,917</b> | <b>\$850,116</b>   | <b>\$853,537</b>   | <b>\$230,967</b> |
| <b>Expenditures</b>                                      |                  |                    |                    |                  |
| Financial Management & Accounting                        | \$73,147         | \$87,368           | \$87,368           | \$30,635         |
| District Management                                      | 78,051           | 73,677             | 73,677             | 26,700           |
| Office and Other   | 4,969            | 5,000              | 5,000              | 1,250            |
| Engineering  | 0                | 4,000              | 4,000              | 0                |
| Legal  | 73,786           | 95,000             | 60,000             | 31,700           |
| Legal - Bankruptcy                                       | 8,502            | 0                  | 0                  | 0                |
| Inclusion/Bond Reissuance                                | 0                | 100,000            | 170,000            | 50,000           |
| Sewer Fees RWSD  | 22,105           | 41,760             | 41,760             | 10,440           |
| Storage  | 952              | 800                | 800                | 0                |
| Trash  | 1,474            | 2,390              | 2,390              | 0                |
| Fuel - Ranger  | 2,129            | 3,750              | 3,750              | 0                |
| Maintenance - Ranger                                     | 11,686           | 3,500              | 3,500              | 0                |
| Water Treatment Plant                                    | 106,042          | 89,610             | 89,610             | 22,270           |
| Raw Water Delivery - Onsite                              | 73,133           | 81,265             | 81,265             | 20,316           |
| Raw Water Delivery - Offsite                             | 71,905           | 142,716            | 142,716            | 35,679           |
| Distribution System                                      | 5,379            | 5,094              | 5,094              | 1,274            |
| Sewer System   | 2,550            | 19,002             | 19,002             | 4,751            |
| Storm Water System                                       | 1,650            | 1,949              | 1,949              | 0                |
| Streets: Snow & Ice Operations                           | 16,239           | 33,751             | 33,751             | 0                |
| Streets: Maintenance                                     | 10,454           | 46,181             | 46,181             | 0                |
| Streets: Lights  | 10,124           | 10,934             | 10,934             | 0                |
| Entry-Way Feature  | 12,417           | 11,650             | 11,650             | 0                |
| Contingency  | 0                | 25,000             | 14,111             | 0                |
| Transfer to Debt Service Fund                            | 5,000            | 0                  | 0                  | 0                |
| <b>Total Enterprise Expenditures</b>                     | <b>\$591,695</b> | <b>\$884,398</b>   | <b>\$908,509</b>   | <b>\$235,015</b> |
| <b>Other Sources/(Uses) of Funds:</b>                    |                  |                    |                    |                  |
| Sewer Tap Fees   | \$354,060        | \$605,000          | \$605,000          | \$0              |
| Roxborough Taps - Pass through                           | (354,360)        | (605,000)          | (605,000)          | 0                |
| Water Resource Fees                                      | 46,226           | 60,689             | 60,689             | 15,627           |
| United - Water Resource Fees                             | (46,226)         | (60,689)           | (60,689)           | (15,627)         |
| Meter Package Fees                                       | 10,832           | 38,569             | 38,569             | 0                |
| Meter Packages   | (3,640)          | (34,913)           | (34,913)           | 0                |
| <b>Net Other Sources/(Uses) of Funds</b>                 | <b>\$6,892</b>   | <b>\$3,656</b>     | <b>\$3,656</b>     | <b>\$0</b>       |
| <b>Revenues over/(under) Expenditures</b>                | <b>\$404,113</b> | <b>(\$30,626)</b>  | <b>(\$51,316)</b>  | <b>(\$4,047)</b> |
| <b>Beginning Fund Balance</b>                            | <b>(348,750)</b> | <b>55,364</b>      | <b>55,364</b>      | <b>4,047</b>     |
| <b>Ending Fund Balance</b>                               | <b>\$55,364</b>  | <b>\$24,737</b>    | <b>\$4,047</b>     | <b>\$0</b>       |
| <b>Total Enterprise Fund Appropriations</b>              | <b>\$995,921</b> | <b>\$1,585,000</b> | <b>\$1,609,111</b> | <b>\$250,642</b> |



|  |                |                |                  |                    |
|--|----------------|----------------|------------------|--------------------|
| RAVENNA METROPOLITAN DISTRICT                                |                |                |                  | 13-Jan-17          |
| <b>STATEMENT OF REVENUES &amp; EXPENDITURES WITH BUDGETS</b> |                |                |                  |                    |
| 2015 Actual and 2016 Adopted Budget and Projected Actual     |                |                |                  |                    |
| 2017 Adopted Budget  |                |                |                  |                    |
| Modified Accrual Budgetary Basis                             |                |                |                  |                    |
| <b>CAPITAL FUND</b>  | <b>2015</b>    | <b>2016</b>    | <b>2016</b>      | <b>2017</b>        |
|  | <b>Audited</b> | <b>Adopted</b> | <b>Projected</b> | <b>Adopted</b>     |
| <b>Revenues</b>  | <b>Actual</b>  | <b>Budget</b>  | <b>Budget</b>    | <b>Budget</b>      |
| Other Revenues   | \$0            | \$0            | \$0              | \$0                |
| <b>Total Revenues</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>       | <b>\$0</b>         |
| <b>Expenditures</b>  |                |                |                  |                    |
| Connection Infrastructure & Engineering                      | \$0            | \$0            | \$0              | \$1,648,000        |
| Inclusion Fee  | 0              | 0              | 0                | 800,000            |
| Other Water Infrastructure                                   | 0              | 0              | 0                | 2,352,000          |
| <b>Total Capital Expenditures</b>                            | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>       | <b>\$4,800,000</b> |
| <b>Other Sources/(Uses) of Funds:</b>                        |                |                |                  |                    |
| Loan Proceeds  | \$0            | \$0            | \$0              | \$39,105,516       |
| Prepaid Water Taps   | 0              | 0              | 0                | 800,000            |
| Tap Fee Revenue Escrow                                       | 0              | 0              | 0                | 420,000            |
| Debt Refunding   | 0              | 0              | 0                | (33,961,295)       |
| Cost of Issuance   | 0              | 0              | 0                | (1,564,220)        |
| <b>Net Other Sources/(Uses) of Funds</b>                     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>       | <b>\$4,800,000</b> |
| <b>Revenues over/(under) Expenditures</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>       | <b>\$0</b>         |
| <b>Beginning Fund Balance</b>                                | <b>0</b>       | <b>0</b>       | <b>0</b>         | <b>0</b>           |
| <b>Ending Fund Balance</b>                                   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>       | <b>\$0</b>         |

# RAVENNA METROPOLITAN DISTRICT

## 2016 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 2017, it is expected that Water Enterprise operations will be transferred to Roxborough Water and Sanitation District and the Ravenna HOA will assume responsibilities for facilities maintenance. In preparing the 2017 budget, the District's goals were to attain financial solvency and to provide services as desired to the property owners and residents of the District in the most efficient manner possible.

### **General Fund**

The District's assessed value increased \$367,940, or 5%, to \$8,121,280. The District certified a mill levy of 10 mills for total property tax revenue of \$81,213. Total budgeted revenues, in the amount of \$211,251, are primarily comprised of outstanding Facilities Acquisition Fees in the amount of \$119,541. Facilities Acquisition Fees are paid directly to the District's water provider in Lease Payment Fees that are a majority of the General Fund expenses for 2017. General and administrative expenses are budgeted at \$218,292.

### *Reserve*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2017, 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 is actively seeking to refinance current debts.

The District certified 60 mills for property tax revenue of \$487,277 and anticipates total revenues in the amount of \$606,259. Total Debt Service Fund expenditures of \$606,259 are primarily related to debt repayment.

### **Enterprise Fund**

#### *Revenue*

The District has budgeted to receive service revenues for the first quarter of 2017. Residential user fees comprise 20% of the funding for operations including: \$11,975 in Water Usage revenue, \$15,627 in Water Resource Fees, and \$20,873 in Sewer Service Fees. The District budgeted Water Tap Fee revenues of \$165,260 and reimbursements for water delivery repairs and maintenance for the Golf Course and HOA for \$27,840. Total revenues of \$246,594 are anticipated for the Enterprise Fund.

#### *Expenses*

Enterprise expenditures are budgeted at \$250,642. As of January 1, 2017 the Ravenna HOA will assume costs for facilities maintenance and enterprise operations will transfer to Roxborough Water and Sanitation after the first quarter of 2017.

### **Capital Fund**

The District plans on refinancing current debt. Bond proceeds of \$4,800,000 expected from the refinance will afford necessary capital costs of \$4,800,000 for connection to Roxborough Water and Sanitation District infrastructure.

## CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4450 - Ravenna Metro District

New Entity: No

IN DOUGLAS COUNTY ON 11/21/2016

### 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 2016 IN DOUGLAS COUNTY, COLORADO

|   |             |
|---|-------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:  | \$7,753,340 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *   | \$8,121,280 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY:   | \$0         |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:   | \$8,121,280 |
| 5. NEW CONSTRUCTION: **   | \$306,350   |
| 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 LAND (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)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):            | \$0.00      |

\* 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 (Forms 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 2016 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2016

|  |              |
|--|--------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @           | \$64,273,247 |
| ADDITIONS TO TAXABLE REAL PROPERTY:                                    |              |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †               | \$3,848,685  |
| 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: | \$0          |

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

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 levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2016

Data Date: 11/21/2016