

**CHEROKEE RIDGE ESTATES METROPOLITAN DISTRICT  
ANNUAL REPORT  
TO  
DOUGLAS COUNTY, COLORADO  
FISCAL YEAR ENDING DECEMBER 31, 2018**

Pursuant to the Cherokee Ridge Estates Metropolitan District Service Plan, the District is required to provide an annual report to Douglas County by April 15, for the fiscal year ending December 31, 2018. This annual report contains information concerning the following matters:

- A. List of Board of Directors;
- B. Boundary changes made or proposed;
- C. Intergovernmental Agreements entered into or proposed;
- D. Changes or proposed changes in the District's policies;
- E. Changes or proposed changes in the District's operations;
- F. Any changes in the financial status of the District including revenue projections or operating costs;
- G. A summary of any litigation involving the District;
- H. Proposed plans for the year immediately following the year summarized in the annual report;
- I. Status of construction of public improvements;
- J. The current assessed valuation in the District;
- K. Information on all debt transactions during the year; and
- L. Status of build-out and current district population.

For the year ending December 31, 2018, the District makes the following report:

**A. List of Board or Directors.**

<u>Name</u>	<u>Position</u>	<u>Term Expiration</u>
Michael C. Gass	President	May 2022
Doyle Dean Unruh	Secretary	May 2022
Bernd Sokolowski	Assistant Secretary	May 2022
John Cowan	Assistant Secretary	May 2020
Vacant		May 2020

**B. Boundary changes made or proposed.**

There were no boundary changes made or proposed to the District during 2018.

**C. Intergovernmental Agreements entered into or proposed.**

There were no IGAs entered into or proposed in 2018.

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

There were no changes or proposed changes in the District's policies in 2018.

**E. Changes or proposed changes in the District's operations.**

The District continues to own and maintain all common areas, including the streets.

The District continues to use the services of a District Manager to oversee the majority of District operations.

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

The current status of the financial condition is reflected in the adopted 2019 budget, which is attached as **Exhibit A**.

**G. A summary of any litigation involving the District.**

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

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

The District has no current plans for construction of public improvements for 2019.

**I. Status of the construction of public improvements.**

Same as section H.

**J. The current assessed valuation in the District.**

The District has received a certification of valuation from the Douglas County Assessor that reports a taxable assessed valuation for the District for 2018 of \$3,574,970.

**K. Information on all debt transactions during the year.**

There were no debt transactions during the 2018 year.

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

There are 43 residential lots, of which 34 contain completed or partially completed homes. The current population of the District is approximately 96.

**EXHIBIT A**  
**(2019 Budget)**

**CHEROKEE RIDGE ESTATES METROPOLITAN DISTRICT**  
**2019**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2019 budget for the Cherokee Ridge Estates Metropolitan District.

The Cherokee Ridge Estates Metropolitan District has adopted three separate funds, a General Fund to provide for general operating and maintenance expenditures and transfers to the Debt Service Fund; a Capital Fund to provide for capital expenditures; and a Debt Service Fund to provide for payments on the Series 2012 general obligation refunding 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 2019 will be property and specific ownership tax revenue and water fees. The District intends to impose a 50.000 mill levy on the property within the District in 2019, of which 30.000 mills will be dedicated to the General Fund and the balance of 20.000 mills will be allocated to the Debt Service Fund.

**Cherokee Ridge Estates Metropolitan District**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2019**

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 60,441	\$ 89,266	\$ 44,551	\$ 44,551	\$ 22,686
Revenues:					
Property taxes	98,468	105,457	99,800	105,457	107,250
Specific ownership taxes	10,787	8,435	5,308	9,289	8,579
Water fee	-	18,000	-	-	-
Miscellaneous income	139	300	-	-	-
Interest income	659	400	1,081	1,500	500
	<u>110,053</u>	<u>132,592</u>	<u>106,189</u>	<u>116,246</u>	<u>116,329</u>
Total revenues					
	<u>110,053</u>	<u>132,592</u>	<u>106,189</u>	<u>116,246</u>	<u>116,329</u>
Total funds available	<u>170,494</u>	<u>221,858</u>	<u>150,740</u>	<u>160,797</u>	<u>139,015</u>
Expenditures:					
Accounting / audit	7,113	7,000	2,699	5,500	6,000
Insurance	4,769	5,000	4,769	4,769	5,000
Legal	16,202	20,000	18,489	22,500	20,000
Miscellaneous	2,562	500	-	-	500
County treasurer fees	1,481	1,582	1,498	1,582	1,609
Utilities	2,513	5,000	1,316	4,000	5,000
Landscape maintenance	19,914	15,000	11,439	15,000	15,000
Irrigation Repairs	6,770	4,000	-	3,000	4,000
Snow removal	945	15,000	4,517	10,000	15,000
District management	7,725	8,000	3,669	8,000	8,000
Permit fees	-	1,000	-	500	1,000
Maintenance-water meters	-	2,000	-	1,000	-
Maintenance - lighting	-	1,600	218	500	1,000
Maintenance - Gate	30,271	5,000	2,263	3,000	4,000
Maintenance - Streets	-	22,000	23,434	24,000	7,500
Maintenance - Wells	-	2,000	-	1,000	-
Front entrance repairs	-	3,000	-	3,000	1,000
Annual beautification	2,405	4,000	-	3,000	4,000
Well inspections	-	1,200	-	1,200	-
Septic maintenance	3,255	3,500	2,520	3,500	3,500
Septic inspections	-	1,000	3,060	3,060	1,000
Emergency reserve (3%)	-	3,821	-	-	3,093
Transfer to Capital Projects	18	-	-	-	-
Transfer to Debt Service	20,000	20,000	20,000	20,000	15,000
Contingency	-	70,655	-	-	17,813
	<u>125,943</u>	<u>221,858</u>	<u>99,891</u>	<u>138,111</u>	<u>139,015</u>
Total expenditures					
	<u>125,943</u>	<u>221,858</u>	<u>99,891</u>	<u>138,111</u>	<u>139,015</u>
Ending fund balance	\$ 44,551	\$ -	\$ 50,849	\$ 22,686	\$ -
Assessed Valuation		<u>\$ 3,515,210</u>			<u>\$ 3,574,970</u>
Mill levy		<u>30.000</u>			<u>30.000</u>

**Cherokee Ridge Estates Metropolitan District  
Adopted Budget  
Capital Fund  
For the Year ended December 31, 2019**

	Actual <u>2017</u>	Amended Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 44,982	\$ 27,000	\$ 21,859	\$ 21,859	\$ 15,727
Revenues:					
Water Fee	21,859	25,000	23,868	23,868	25,000
Transfer from General Fund	18	-	-	-	-
Interest income	-	-	-	-	-
Total revenues	<u>21,877</u>	<u>25,000</u>	<u>23,868</u>	<u>23,868</u>	<u>25,000</u>
Total funds available	<u>66,859</u>	<u>52,000</u>	<u>45,727</u>	<u>45,727</u>	<u>40,727</u>
Expenditures:					
District Improvements	45,000	52,000	26,439	30,000	10,000
Water Maintenance	-	-	-	-	5,727
Water Reserve	-	-	-	-	25,000
Total expenditures	<u>45,000</u>	<u>52,000</u>	<u>26,439</u>	<u>30,000</u>	<u>40,727</u>
Ending fund balance	<u>\$ 21,859</u>	<u>\$ -</u>	<u>\$ 19,288</u>	<u>\$ 15,727</u>	<u>\$ -</u>

**Cherokee Ridge Estates Metropolitan District  
Adopted Budget  
Debt Service Fund  
For the Year ended December 31, 2019**

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 102,079	\$ 103,290	\$ 106,862	\$ 106,862	\$ 114,654
Revenues:					
Property taxes	65,646	70,304	66,534	70,304	71,499
Specific ownership taxes	7,191	5,624	3,539	6,193	5,720
Interest income	183	100	57	100	100
Transfer from General Fund	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>15,000</u>
Total revenues	<u>93,020</u>	<u>96,028</u>	<u>90,130</u>	<u>96,597</u>	<u>92,319</u>
Total funds available	<u>195,099</u>	<u>199,318</u>	<u>196,992</u>	<u>203,459</u>	<u>206,973</u>
Expenditures:					
Bond principal Series 2012	50,000	55,000	-	50,000	55,000
Bond interest Series 2012	37,250	35,750	17,875	35,750	33,938
Paying agent fees	-	2,000	-	2,000	2,000
Treasurer fees	<u>987</u>	<u>1,055</u>	<u>999</u>	<u>1,055</u>	<u>1,071</u>
Total expenditures	<u>88,237</u>	<u>93,805</u>	<u>18,874</u>	<u>88,805</u>	<u>92,009</u>
Ending fund balance	<u>\$ 106,862</u>	<u>\$ 105,513</u>	<u>\$ 178,118</u>	<u>\$ 114,654</u>	<u>\$ 114,964</u>
Assessed Valuation		<u>\$ 3,515,210</u>			<u>\$ 3,574,970</u>
Mill Levy		<u>20.000</u>			<u>20.000</u>
Total Mill Levy		<u>50.000</u>			<u>50.000</u>

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

**TO:** County Commissioners<sup>1</sup> of Douglas County, Colorado.

On behalf of the Cherokee Ridge Estates Metropolitan District  
(taxing entity)<sup>A</sup>

the Board of Directors  
(governing body)<sup>B</sup>

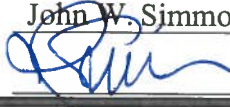
of the Cherokee Ridge Estates Metropolitan District  
(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,574,970 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: \$ 3,574,970 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** \_\_\_\_\_ for budget/fiscal year 2019.  
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

<u>PURPOSE</u> (see end notes for definitions and examples)	<u>LEVY</u> <sup>2</sup>	<u>REVENUE</u> <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>30.000</u> mills	\$ <u>107,250</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>30.000</b> mills	<b>\$ 107,250</b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>20.000</u> mills	\$ <u>71,499</u>
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>50.000</b> mills	<b>\$ 178,749</b>

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

<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: | \$1,150,000 Limited Tax General Obligation Refunding Bonds |
|    | Series:           | 2012   |
|    | Date of Issue:    | December 11, 2012  |
|    | Coupon Rate:      | 3.00% to 4.00%   |
|    | Maturity Date:    | December 1, 2030   |
|    | Levy:             | 20.000   |
|    | Revenue:          | \$71,499   |
| 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.