

CIELO METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: (303) 987-0835
Fax: (303) 987-2032

September 26, 2019

Douglas County
Board of County Commissioners
100 Third Street
Castle Rock, Co 80104

recording@douglas.co.us

RE: Cielo Metropolitan District
2018 Annual Report

Town Officials:

Attached is the 2018 Annual Report for Cielo Metropolitan District.

Please acknowledge receipt of the information and documents by signing this letter below and returning to this office via email to rnavant@sdmsi.com.

Sincerely,



Robin Navant
Assistant to Lisa A. Johnson
District Manager

Enclosure

cc: McGeady Becher P.C. – Jenny Pino
State Auditor’s Office
Department of Local of Government

The above reference information and documents were received this ____ day of
September, 2019.

Douglas County

By: _____

CIELO METROPOLITAN DISTRICT

2018 ANNUAL REPORT

As required by Section XII of the Service Plan for Cielo Metropolitan District (the "District"), approved by Douglas County, Colorado, on September 8, 2015, the following annual report of the activities of the District from January 1, 2018 to December 31, 2018 is hereby submitted:

- I. Description of Districts - General Information
 - a. Board members, officers' titles, and terms:

Patrick L. Lyng, President, Term-May, 2020

Shawnee Williams-Treasurer, Term-May, 2020

Vacant, Term: May, 2020

Vacant, Term: May, 2022

Vacant, Term: May, 2022
 - b. Changes in board membership in past year: **Yes. On, September 11, 2018 Shawnee Williams was appointed to a vacant seat on the Board.**
 - c. Name and address for official District contact:
Cielo Metropolitan District

c/o Special District Management Services, Inc.
141 Union Boulevard Suite 150
Lakewood, Colorado 80228
Lisa Johnson, District Manager
ljohnson@sdmsi.com
 - d. Elections held in the past year and their purpose: **The May 2018 directors' election was cancelled as allowed by statute because there were not more candidates than available seats.**
- II. Boundary changes for the report year and proposed changes for the coming year. **None.**
- III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements
 - a. Contracts for operations, debt, and other contractual obligations with sub- districts or operating and taxing districts:

1. Intergovernmental Agreement between Denver Southeast Suburban Water and Sanitation District D/B/A Pinery Water and Wastewater District Acting by and through its Enterprise Fund ("Pinery"), the Parker Water and Sanitation District ("PWSD") and Cielo Metropolitan District ("Cielo"), dated December 13, 2018 ("Wastewater IGA"). The Wastewater IGA sets forth the terms under which Pinery will provide wastewater treatment services to PWSD to serve the property located within the boundaries of Cielo.

 2. The District is currently negotiating: (i) an Intergovernmental Agreement with Douglas County Public Schools regarding the Construction, Use, and Maintenance of Certain School Park Facilities; and (ii) an Intergovernmental Agreement with the Stone Creek Metropolitan District, Choke Cherry Investors, LLC and Forestar (USA) Real Estate Group, Inc. regarding Clubhouse Funding, Construction and Operations.
- b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District:
1. Operation Funding Agreement by and between District and Forestar (USA) Real Estate Group Inc., dated March 8, 2019 to be effective as of November 30, 2016 ("Operation Funding Agreement"). The Operation Funding Agreement is the Agreement under which the District and the Developer set forth the respective rights, obligations and procedures under which the Developer will advance funds for operation and maintenance costs and the District will reimburse the Developer for advances made under the terms of said Agreement.

 2. Facilities Funding and Acquisition Agreement by and between District and Forestar (USA) Real Estate Group Inc., dated March 8, 2019 to be effective as of November 30, 2016 ("Facilities Funding and Acquisition Agreement"). The Facilities Funding and Acquisition Agreement is the Agreement under which the District and the Developer set forth the respective rights, obligations and procedures under which the Developer will be reimbursed for Organization Expenses and will advance funds for Construction Related Expenses, as defined in the Facilities Funding and Acquisition

Agreement and the District will reimburse the Developer for advances made under the terms of said Agreement.

IV. Service Plan

a. List and description of services authorized in Service Plan:

- (a) Water;
- (b) Storm Sewer;
- (c) Sanitation and Wastewater Treatment;
- (d) Street Improvements;
- (e) Traffic Safety Protection;
- (f) Parks and Recreation;
- (g) Mosquito Control;
- (h) Covenant Enforcement and Design Review; and
- (i) Security Services

b. List and description of facilities authorized in Service Plan:

Water: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for potable water and irrigation water facilities and systems, including, but not limited to, water rights, water supply, treatment, storage, transmission, and distribution systems for domestic, irrigation, fire control, and other public purposes, together with all necessary and proper reservoirs, treatment facilities, wells, equipment, and appurtenances incident thereto, which may include, but shall not be limited to, transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. The District shall have the power and authority to contract with other private or governmental entities to provide any or all of the services the District is authorized or empowered to provide.

Storm Sewer: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Sanitation and Wastewater Treatment: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, assess tap or other facility fees, and provide for sanitary sewers and to transport wastewater to an appropriate wastewater treatment facility, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Street Improvements: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for arterial and collector streets and roadway improvements including, but not limited to, bridges, curbs, gutters, culverts, storm sewers and drainage facilities, detention and retention ponds, retaining walls and appurtenances, sidewalks, paving, lighting, grading, landscaping, streetscaping, placement of underground utilities, snow removal, tunnels, and other street improvements, and architectural enhancements to any or all of the above, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that following acceptance by the County, the County will own, operate and maintain the street improvements.

Traffic Safety Protection: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic control devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, including, but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, with all necessary and incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto. All traffic and safety control devices will be consistent with and in compliance with County rules and regulations.

Parks and Recreation: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for public park and public recreation centers and other recreation facilities, services, or programs including, but not limited to, grading, soil preparation, sprinkler systems, fencing, pavilions, playgrounds, playing fields, open space, bike trails, pedestrian trails, pedestrian bridges, picnic areas,

common area landscaping, streetscaping, storage buildings and facilities, weed control, paving, decorative paving, outdoor functional and decorative lighting, community events, and other services, programs and facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that the park and recreation improvements will be owned, operated, and maintained by the District.

Mosquito Control: The District shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods for elimination and control of mosquitoes.

Covenant Enforcement and Design Review: The District shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in C.R.S. § 32-1-1004(8), as amended.

Security Services: The District shall have the power and authority to provide security services within the boundaries of the District, subject to the limitations set forth in C.R.S. § 32-1-1004(7), as amended. In no way is this power and authority intended to limit or supplant the responsibility and authority of local law enforcement (i.e., the Douglas County Sheriff's Department) within the boundaries of the District.

- c. List and description of any extraterritorial services, facilities, and agreements:
None.

V. Development Progress

- a. Indicate the estimated year of build-out, as set forth in the Service Plan: **The Service Plan projects that the development would attain build-out in the year 2020, however, the Developer currently anticipates that build-out will take place in 2023.**
- b. List the services provided with the date service began compared to the date authorized by the Service Plan: **No services authorized by the Service Plan are currently being provided by the District.**

- c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented: **Not Applicable.**
- d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan: **No facilities as set forth in the Service Plan have been acquired or constructed or leased back.**
- e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any: **No facilities have been completed to date. A revised schedule is not available at this time.**
- f. List facilities currently under construction with the percentage complete and an anticipated date of completion: **No facilities are currently under construction.**
- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years: **The District has a population of zero (0) residents for the previous five (5) years. It is estimated that build-out will occur in the year 2023 and the estimated population at build-out is eight hundred fifty-eight (858) residents (based upon an estimated 2.5 persons per residence).**
- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan: **Initially, the District will include three hundred forty-three (343) residential units and zero (0) square feet of commercial space.**
- i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each: **Not Applicable.**

VI. Financial Plan and Financial Activities

- a. Provide a copy of the audit or exemption from the audit for the reporting year: **The 2018 Application for Exemption from Audit is attached hereto as Exhibit A and incorporated herein by reference.**
- b. Provide a copy of the budget, showing the reporting and previous years: **The 2019 Budget is attached hereto as Exhibit B and incorporated herein by reference.**
- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation): **Information regarding the revenues and expenditures of the District can be found in the 2018 Application for Exemption from Audit and 2019 Budget attached as Exhibits A and B to this Annual Report.**
- d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired: **None.**
- e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued: **See Exhibit C attached hereto and incorporated herein by reference.**
- f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan: **No debt has been issued as of the date of this Annual Report. The maximum authorized debt level under the Service Plan is eleven million two hundred eighty thousand dollars (\$11,280,000).**
- g. Enterprises of the District

- i. Include revenues of the enterprise, showing both direct support from the District and all other sources: **Not Applicable.**
 - ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations: **Not Applicable.**
- h. Detail contractual obligations
 - i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments: **Not applicable.**
 - ii. Report any inability of the District to pay current obligations that are due within the current budget year: **Not Applicable.**
 - iii. Describe any District financial obligations in default: **Not Applicable.**
- i. Actual and Assessed Valuation History
 - i. Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year: **The 2019 preliminary Assessed Valuation is attached hereto as Exhibit D and incorporated herein by reference. The 2016, 2017 and 2018 Assessed Valuations are attached to 2017 Annual Report. There are no prior certifications available as the District was organized in 2016.**
 - ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value. **Not Applicable.**
- j. Mill Levy History
 - i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance): **In 2018, the District certified a mill levy of 66.333 for General Operating Expenses for tax collection year 2019. In 2017, the District certified a mill levy of 66.333 mills for operations and maintenance for tax collection year 2018. In 2016, the District certified a mill levy of 60.000 mills for operations and maintenance for tax collection year 2017. The District did not certify a mill levy in 2015, for collection year 2016 (year in which the District was organized).**

- ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies: **The Service Plan estimated a total mill levy of 60.000 mills for operations and maintenance prior to the Initial Issuance, as defined in the Service Plan. The 66.333 mills assessed for operations and maintenance in 2017 and 2018 is consistent with the total amount estimated to be levied (as adjusted for gallagherization), and provides potential purchasers with information related to expected District mill levies. The 60.000 mills assessed for operations and maintenance in 2016 is consistent with the total amount estimated to be levied, and provides potential purchasers with information related to expected District mill levies.**

- k. Miscellaneous Taxes History
 - i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other): **Not Applicable.**
 - ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes: **Not Applicable.**

- l. Estimated Assessed Valuation of District at 100% Build-Out
 - i. Provide an updated estimate and compare this with the Service Plan estimate: **An updated estimate of assessed valuation at 100% build-out is not available.**

- m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.
 - i. Provide an updated estimate based on current events. Do not include refunding bonds: **Estimated amount of General Obligation Debt to be issued between the end of the current year and 100% build-out is up to \$11,280,000, however, the specific timing and amount of any issuances is unknown at this time.**

Exhibit A
(Application for Exemption from Audit)

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Cielo Metropolitan District
8390 E Crescent Parkway
Suite 300
Greenwood Village, CO 80111

For the Year Ended
12/31/18
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Gigi Pangindian
303-779-5710
Gigi.Pangindian@claconnect.com
303-779-0348

PART 1 - 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: Gigi Pangindian
TITLE: Accountant for the District
FIRM NAME (if applicable): CliftonLarsonAllen LLP
ADDRESS: 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111
PHONE: 303-779-5710
DATE PREPARED: March 15, 2019

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

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

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)



PROPRIETARY
(CASH OR BUDGETARY BASIS)



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	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 418	
2-2	Specific ownership	\$ 44	
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 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ 3,735	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22	Insurance refund	\$ 159	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 4,356	

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	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 5,343	
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	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24	County Treasurer's fee	\$ 6	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ 5,349	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) 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?
If Yes, please attach a copy of the entity's Debt Repayment Schedule. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4-2 | Is the debt repayment schedule attached? If no, MUST explain:
<div style="border: 1px solid black; padding: 2px; margin-top: 5px;">The District's debt consists of Developer advances which currently do not have scheduled payments.</div> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4-3 | Is the entity current in its debt service payments? If no, MUST explain:
<div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Not applicable - see comments in 4-2.</div> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	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	\$ 4,668	\$ 3,735	\$ -	\$ 8,403
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 4,668	\$ 3,735	\$ -	\$ 8,403

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

- | | | | |
|---------|--|-------------------------------------|-------------------------------------|
| | | Yes | No |
| 4-5 | Does the entity have any authorized, but unissued, debt? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| If yes: | How much?
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%;">\$ 146,640,000.00</div> | | |
| | Date the debt was authorized:
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%;">11/3/2015</div> | | |
| 4-6 | Does the entity intend to issue debt within the next calendar year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | How much?
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%;">\$ -</div> | | |
| 4-7 | Does the entity have debt that has been refinanced that it is still responsible for? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | What is the amount outstanding?
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%;">\$ -</div> | | |
| 4-8 | Does the entity have any lease agreements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | What is being leased?
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%; height: 15px;"></div> | | |
| | What is the original date of the lease?
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%; height: 15px;"></div> | | |
| | Number of years of lease?
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%; height: 15px;"></div> | | |
| | Is the lease subject to annual appropriation? | <input type="checkbox"/> | <input type="checkbox"/> |
| | What are the annual lease payments?
<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%;">\$ -</div> | | |

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	YEAR-END Total of ALL Checking and Savings Accounts	\$ 622	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ 622
	Investments (if investment is a mutual fund, please list underlying investments):		
	<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%; height: 15px;"></div>	\$ -	
	<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%; height: 15px;"></div>	\$ -	
5-3	<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%; height: 15px;"></div>	\$ -	
	<div style="border: 1px solid black; padding: 2px; margin-top: 5px; width: 80%; height: 15px;"></div>	\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ 622

Please answer the following questions by marking in the appropriate boxes

- | | | | | |
|-----|---|-------------------------------------|--------------------------|-------------------------------------|
| | | Yes | No | N/A |
| 5-4 | Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5-5 | Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If no, MUST use this space to provide any explanations.

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? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

The District has no capital assets.

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

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? Yes No
- 7-2 Does the entity have a volunteer firemen's pension plan? Yes No

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 \$ -

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 N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

General Fund	\$ 50,000

PART 9 - TAXPAYER'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,
<small>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.</small> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

If no, MUST explain:

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?
If yes: Date of formation: <input style="width: 450px; height: 15px;" type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10-2 Has the entity changed its name in the past or current year?
If yes: Please list the NEW name & PRIOR name: <input style="width: 600px; height: 15px;" type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10-3 Is the entity a metropolitan district?
Please indicate what services the entity provides:
Please see below. <input style="width: 600px; height: 15px;" type="text"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 10-4 Does the entity have an agreement with another government to provide services?
If yes: List the name of the other governmental entity and the services provided: <input style="width: 600px; height: 15px;" type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10-5 Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during
If yes: Date Filed: <input style="width: 450px; height: 15px;" type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10-6 Does the entity have a certified Mill Levy?
If yes: Please provide the following mills levied for the year reported (do not report \$ amounts): | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Bond Redemption mills	-
General/Other mills	66.333
Total mills	66.333

Please use this space to provide any explanations or comments:

10-3: Design, construction, acquisition, operations and maintenance of streets, water facilities, storm sewer, sanitation facilities, safety protection, parks and recreation, mosquito control, transportation, fire protection, security, and TV relay.

DocuSign Envelope ID: 70002E7E-2007-4000-742E-000075017E30

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1

If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL current governing board members below.

A MAJORITY of the governing board members must complete and sign in the column below.

Board Member 1

Print Board Member's Name
Patrick Lyng

I, Patrick Lyng, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: May 2020

Board Member 2

Print Board Member's Name
Shawnee Williams

I, Shawnee Williams, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed *Shawnee Williams*
Date: 3/22/2019
My term Expires: May 2020

Board Member 3

Print Board Member's Name
Drew Bartok

I, Drew Bartok, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: May 2020

Board Member 4

Print Board Member's Name
Michael Pietschmann

I, Michael Pietschmann, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed *Michael Pietschmann*
Date: 3/22/2019
My term Expires: May 2022

Board Member 5

Print Board Member's Name
Jonathan Wayne

I, Jonathan Wayne, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed *Jonathan Wayne*
Date: 3/22/2019
My term Expires: May 2022

Board Member 6

Print Board Member's Name

I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: _____

Board Member 7

Print Board Member's Name

I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Signed _____
Date: _____
My term Expires: _____



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CliftonLarsonAllen LLP
www.CLACConnect.com

Accountant's Compilation Report

Board of Directors
Cielo Metropolitan District
Douglas County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Cielo Metropolitan District as of and for the year ended December 31, 2018, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Cielo Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 15, 2019

Certificate Of Completion

Envelope Id: A693D2EAD5874C06A42E8690F95F1E93

Status: Completed

Subject: Please DocuSign: CMD_2018_Audit_Exemption.pdf

Client Name: Cielo Metropolitan District

Client Number: 011-044911-00

Source Envelope:

Document Pages: 8

Signatures: 3

Envelope Originator:

Certificate Pages: 5

Initials: 0

Aurora Baca

AutoNav: Enabled

220 South 6th Street

Envelope Stamping: Enabled

Suite 300

Time Zone: (UTC-06:00) Central Time (US & Canada)

Minneapolis, MN 55402

Aurora.Baca@claconnect.com

IP Address: 64.129.72.3

Record Tracking

Status: Original

Holder: Aurora Baca

Location: DocuSign

3/22/2019 3:40:31 PM

Aurora.Baca@claconnect.com

Signer Events

Jonathan Wayne

jwayne@drhorton.com

Security Level: Email, Account Authentication
(None)

Signature

DocuSigned by:
Jonathan Wayne
B2AE4A0A1F06422...

Timestamp

Sent: 3/22/2019 3:49:42 PM

Viewed: 3/22/2019 9:08:17 PM

Signed: 3/22/2019 9:08:33 PM

Signature Adoption: Pre-selected Style

Using IP Address: 104.129.200.95

Electronic Record and Signature Disclosure:

Accepted: 3/22/2019 9:08:17 PM

ID: 3f2009fd-dd67-4726-8103-f80155c70a55

Michael Pietschmann

mpietschmann@redland.com

Security Level: Email, Account Authentication
(None)

DocuSigned by:
Michael Pietschmann
B54A4FDC2F384A6...

Sent: 3/22/2019 3:49:42 PM

Viewed: 3/22/2019 4:04:08 PM

Signed: 3/22/2019 4:04:53 PM

Signature Adoption: Pre-selected Style

Using IP Address: 96.93.221.180

Electronic Record and Signature Disclosure:

Accepted: 3/22/2019 4:04:08 PM

ID: 1fb3eb71-3f71-479a-85b4-287a42615b1d

Shawnee Williams

stonecreek.acct@gmail.com

Security Level: Email, Account Authentication
(None)

DocuSigned by:
Shawnee Williams
3919692231174C2...

Sent: 3/22/2019 3:49:42 PM

Viewed: 3/22/2019 6:03:00 PM

Signed: 3/22/2019 6:03:29 PM

Signature Adoption: Pre-selected Style

Using IP Address: 97.122.203.55

Electronic Record and Signature Disclosure:

Accepted: 3/22/2019 6:03:00 PM

ID: f51ad2ce-e1e0-4a32-a50f-c08dad9fd78b

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/22/2019 3:49:42 PM
Certified Delivered	Security Checked	3/22/2019 9:08:17 PM
Signing Complete	Security Checked	3/22/2019 9:08:33 PM
Completed	Security Checked	3/22/2019 9:08:33 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

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At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

**Exhibit B
(Budget)**



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Accountant's Compilation Report

Board of Directors
Cielo Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Cielo Metropolitan District for the year ending December 31, 2019, including the estimate of comparative information for the year ended December 31, 2018, and the actual comparative information for the year ended December 31, 2017, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Cielo Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 28, 2019

CIELO METROPOLITAN DISTRICT
GENERAL FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/28/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ -	\$ (1,111)	\$ 347
REVENUES			
Property taxes	160	418	237
Specific ownership taxes	18	40	24
Developer advance	4,668	239,000	45,500
Total revenues	<u>4,846</u>	<u>239,458</u>	<u>45,761</u>
Total funds available	<u>4,846</u>	<u>238,347</u>	<u>46,108</u>
EXPENDITURES			
General and administrative			
Accounting	5,755	5,000	13,500
County Treasurer's fee	2	6	4
Dues and membership	200	300	400
District management	-	-	5,000
Insurance	-	3,000	3,000
Legal	-	25,000	23,500
Election	-	2,000	-
Contingency	-	202,694	596
Total expenditures	<u>5,957</u>	<u>238,000</u>	<u>46,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,957</u>	<u>238,000</u>	<u>46,000</u>
ENDING FUND BALANCE	<u>\$ (1,111)</u>	<u>\$ 347</u>	<u>\$ 108</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

CIELO METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/28/19

ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
----------------	-------------------	----------------

ASSESSED VALUATION

Agricultural	\$ 2,660	\$ 2,840	\$ 2,840
State assessed	-	3,000	-
Vacant land	-	460	740
Certified Assessed Value	\$ 2,660	\$ 6,300	\$ 3,580

MILL LEVY

General	60.000	66.333	66.333
Total mill levy	60.000	66.333	66.333

PROPERTY TAXES

General	\$ 160	\$ 418	\$ 237
Budgeted property taxes	\$ 160	\$ 418	\$ 237

BUDGETED PROPERTY TAXES

General	\$ 160	\$ 418	\$ 237
	\$ 160	\$ 418	\$ 237

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CIELO METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized on March 30, 2016, to provide financing for the design, acquisition, construction, installation, relocation, operation and maintenance of essential public-purpose facilities such as water, sanitation, streets, safety protection, park and recreation, mosquito control, and covenant control. The District will serve the public improvement needs of a development generally located east of Chambers Road, north of Scott Avenue, and south of Pinery Parkway in Douglas County, Colorado.

Under the Service Plan, the District will provide essential public improvements and services for a new residential community located entirely within Douglas County. The District may, with agreement by the County, engage in other activities. The property in the District is anticipated to be developed consistent with the terms, requirements and provisions of a Development Agreement.

On November 3, 2015, the electorate authorized general obligation debt in the amount of \$11,280,000. The total authorized debt limit per the Service Plan is \$11,280,000. The initial debt service mill levy will be 50 mills, with a maximum debt service mill levy of 50 mills. The initial operations and maintenance mill levy will be 60 mills which is also the maximum total mill levy for the District.

The District anticipates receiving Developer advances to help fund initial operating and administrative expenditures until other revenues are available to the District. The current construction of District improvements is expected to be financed by Developer advances until bonded debt is issued to repay the Developer.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**CIELO METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Under the Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 60 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. After September 8, 2015, the date of the approval of the Service Plan, the ratio of actual valuation to assessed valuation for residential property was 7.96% and currently the ratio is at 7.20%. Due to this ratio change, the District's mill levy was increased to 66.333 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the mill levy adopted by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 10% of the property taxes collected.

Developer advance

The District is in the development stage. As such, the District's general and administrative expenditures and certain capital expenditures will be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes collected.

General and Administrative

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants of costs of services necessary to maintain the District's administrative viability such as legal, accounting, management, insurance, meeting expense, and other administrative expenses.

**CIELO METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no debt, or operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.

I, LISA A. JOHNSON, hereby certify that I am the duly appointed Secretary of the Cielo Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2019, duly adopted at a meeting of the Board of Directors of the Cielo Metropolitan District held on November 28, 2018.



Secretary

Exhibit C
(Authorized/Unissued Debt)

Cielo Metropolitan District, Douglas County, Colorado
 Updated: September 25, 2017

Q#	O&M/TABOR	Authorized Nov. 3, 2015	Used	Authorized [year]	Used [year]	Remaining
5A	O&M – Ad Valorem Tax Increase	\$5,000,000		\$		\$5,000,000
5B	O&M – Fee Increase	\$5,000,000		\$		\$5,000,000
5C	Multiple-FY IGA Mill Levy	\$5,000,000		\$		\$5,000,000
5D	Regional IGA Mill Levy	\$11,280,000		\$		\$11,280,000
5E	TABOR Exemptions (DeBrucing)	Yes		Yes / No		Yes
Q#	Public Improvement Debt	Authorized	Used	Authorized	Used	Remaining
5F	Street	\$11,280,000	\$	\$	\$	\$11,280,000
5G	Parks and Recreation	\$11,280,000	\$	\$	\$	\$11,280,000
5H	Water	\$11,280,000	\$	\$	\$	\$11,280,000
5I	Sanitation	\$11,280,000	\$	\$	\$	\$11,280,000
5J	Transportation	\$11,280,000	\$	\$	\$	\$11,280,000
5K	Mosquito Control	\$11,280,000	\$	\$	\$	\$11,280,000
5L	Safety Protection	\$11,280,000	\$	\$	\$	\$11,280,000
5M	Fire Protection	\$11,280,000	\$	\$	\$	\$11,280,000
5N	Television Relay and Translation	\$11,280,000	\$	\$	\$	\$11,280,000
5O	Security	\$11,280,000	\$	\$	\$	\$11,280,000
	Totals	\$112,800,000	\$	\$	\$	\$112,800,000
Q#	Other	Authorized	Used	Authorized	Used	Remaining
5P	O&M Debt	\$11,280,000	\$	\$	\$	\$11,280,000
5Q	Refunding Debt	\$11,280,000	\$	\$	\$	\$11,280,000
5R	IGAs as Debt	\$11,280,000	\$	\$	\$	\$11,280,000
5S	Multiple-FY IGA	Yes				Yes
5T	Regional Improvements IGA	Yes		Yes / No		Yes
501	Organization of District	Yes				Yes
502	Term Limits	Yes				Yes
	Totals	\$33,840,000	\$	\$	\$	\$33,840,000

Service Plan Debt Limitation(s): \$11,280,000
 Remaining Debt from Service Plan Limit: \$11,280,000
 Date of Organizational Election: Nov. 3, 2015
 Date of Last Debt Election: Nov. 3, 2015
 Notes: Waived 5.5% Limit – Yes, See 11/3/15 elections

Exhibit D
(2019 Preliminary Assessed Valuation)

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4581 - Cielo Metro District

IN DOUGLAS COUNTY ON 8/23/2019

New Entity: No

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 2019 IN DOUGLAS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$3,580
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$2,199,210
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$2,199,210
5. NEW CONSTRUCTION: **	\$0
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 'TAVOR' 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 2019 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2019

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$7,581,917
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
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
<small>(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.)</small>	
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
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2019

Data Date: 8/23/2019