

**CUCHARS RANCH METROPOLITAN DISTRICT  
2023 ANNUAL REPORT**

Pursuant to the Service Plan and Section 32-1-207(3)(c), C.R.S., for Cuchares Ranch Metropolitan District (the “**District**”), the District is required to provide an annual report to El Paso County with regard to the following matters:

For the year ending December 31, 2023, the District makes the following report:

**Service Plan Requirements**

**EL PASO COUNTY SPECIAL DISTRICTS ANNUAL REPORT AND DISCLOSURE  
FORM**

1.	Name of District:	Cuchares Ranch Metropolitan District
2.	Report for Calendar Year:	2023
3.	Contact Information:	Jennifer Gruber Tanaka, Esq. c/o White Bear Ankele Tanaka & Waldron 2154 East Commons Avenue, Suite 2000 Centennial, Colorado 80122 <a href="mailto:jtanaka@wbapc.com">jtanaka@wbapc.com</a> (This District does not maintain an office within its boundaries.)
4.	Meeting Information:	The District will hold regular meetings on July 22, 2024 and November 4, 2024, at 3:00 p.m. by telephone, electronic, or other means not including physical presence. Regular and special meeting notices are posted on <a href="http://www.colorado.gov/cucharesranchmd">www.colorado.gov/cucharesranchmd</a> and, if unable to post on the website, at the southeast corner of Winter Sun Drive and Sand Myrtle Drive at least twenty-four hours in advance of the meeting.
5.	Type of District/Unique Representational Issues (if any):	Cuchares Ranch Metropolitan District is a single conventional Title 32 special district. All property owners within the boundaries of this District who are otherwise eligible as electors within the State of Colorado have the opportunity to fully participate in future elections of the District and are eligible to run for Director positions when these positions

	become open.
6. Authorized Purposes of the District:	The Service Plan authorizes all allowable purposes for a Title 32 special district. However, the District does not offer drainage services because this is under the purview of El Paso County. Additionally, the District does not offer public road or street services, which are also under the purview of El Paso County. In September 2015, the District's Service Plan was amended and restated in its entirety with the Amended Service Plan which limits the District to financing purposes only. The District is not permitted to provide public services absent a modification of its service plan.
7. Active Purposes of the District:	The primary active purpose of the District is to provide the financing of water and sewer, fire protection, parks, street lights, trash collections, and flood control services and facilities. Services for the properties within the District are provided through a service agreement with the Colorado Centre Metropolitan District. The District does not own any facilities or provide any services.
8. Current Certified Mill Levies:	For budget year 2024:
Debt Service	21.041mills
Operational	3.278 mills
Other	0 mills
Total	24.319 mills
9. Sample Calculation of Current Mill Levy for a Residential and Commercial Property (as applicable):	<p>Assumptions:</p> <p>\$300,000 is the total actual value of a typical single family home as determined by El Paso County.</p> <p>Aggregate total mill levy is projected to remain at 24.319 mills. The mill levy can be increased in accordance with the Amended and Restated Service Plan.</p> <p>Sample Metropolitan District Mill Levy Calculation</p>

	<p>for a Residential Property:</p> <p><math>\\$300,000 \times .06765 = \\$20,295</math> (2023 Assessed Value)</p> <p><math>\\$20,295 \times .024319 \text{ mills} = \\$493.55</math> per year in sample taxes owed solely to this Special District if the District imposes its projected debt service mill levy.</p> <p>There are no commercial properties within the District.</p>
<p>10. Maximum Authorized Mill Levy Caps</p> <p>(Note: these are maximum allowable mill levies which could be certified in the future unless there was a change in state statutes or Board of County Commissioners approvals):</p> <p>a. Debt Service</p> <p>b. Operational</p> <p>c. Other</p> <p>d. Total</p>	<p>a. 45.000 mills, as adjusted pursuant to the Amended and Restated Service Plan</p> <p>b. 10.000 mills</p> <p>c. Not Applicable</p> <p>d. 45.000 mills, as adjusted pursuant to the Amended and Restated Service Plan</p>
<p>11. Sample Calculation of Mill Levy Cap for a Residential and Commercial Property (as applicable):</p>	<p>Assumptions:</p> <p><math>\\$300,000</math> is the total actual value of a typical single family home as determined by El Paso County.</p> <p>Sample Metropolitan District Maximum Mill Levy Calculation for a Residential Property:</p> <p><math>\\$300,000 \times .06765 = \\$20,295</math> (2023 Assessed Value)</p> <p><math>\\$20,295 \times .024319 \text{ mills} = \\$493.55</math> per year in sample taxes</p> <p>There are no commercial properties within the District.</p>
<p>12. Current Outstanding Debt of the Districts(as of the end of year of this report):</p>	<p>\$5,390,000</p>

13.	Total voter-authorized debt of the Districts(including current debt):	\$36,000,000
14.	Debt proposed to be issued, reissued or otherwise obligated in the coming year:	None.
15.	Major facilities/ infrastructure improvements initiated or completed in the prior year:	None.
16.	Summary of major property exclusion or inclusion activities in the past year:	There were no inclusions or exclusions of property in 2023.
17.	Intergovernmental Agreements entered into or terminated with other governmental entities:	The District neither entered into nor terminated any Intergovernmental Agreements in 2023.
18.	Access information to obtain a copy of rules and regulations adopted by the board:	The Board has not adopted any rules and regulations.
19.	A summary of litigation involving public improvements owned by the District:	None.
20.	A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county:	No public improvements were conveyed or dedicated to the County in 2023.
21.	The final assessed valuation of the District as of December 31 of the reporting year:	\$11,560,310
22.	A copy of the current year's budget:	A copy of the 2024 budget is attached hereto as Attachment 1.
23.	A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29:	A copy of the 2022 Audit is attached hereto as Attachment 2.
24.	Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district:	The District is not aware of any uncured defaults.

25. Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period:	The District is not aware of any inability to pay obligations as they come due.

**C.R.S. § 32-1-207(3) Statutory Requirements**

**1. Boundary changes made.**

There were no inclusions or exclusions of property in 2023.

**2. Intergovernmental Agreements entered into or terminated with other governmental entities.**

The District neither entered into nor terminated any Intergovernmental Agreements in 2023.

**3. Access information to obtain a copy of rules and regulations adopted by the board.**

The Board has not adopted any rules and regulations.

**4. A summary of litigation involving public improvements owned by the District.**

To our actual knowledge, based on review of the court records in El Paso County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2023.

**5. The status of the construction of public improvements by the District.**

No public improvements were conveyed or dedicated to the County in 2023.

**6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the County.**

No public improvements were conveyed or dedicated to the County in 2023.

**7. The final assessed valuation of the District as of December 31<sup>st</sup> of the reporting year.**

The District's final assessed valuation for 2023 was \$11,560,310.

**8. A copy of the current year's budget.**

A copy of the 2024 Budget is attached hereto as **Exhibit A**

- 9. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

The 2023 Audit has not been completed. A supplement to this report will be filed once complete.

- 10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

The District is not aware of any uncured defaults.

- 11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

The District is not aware of any inability to pay obligations as they come due.

## **Attachment 1**

2024 Budget



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086

FAX: 720.348.2920

### **Accountant's Compilation Report**

Board of Directors  
Cuchares Ranch Metropolitan District  
El Paso County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Cuchares Ranch Metropolitan District (District), for the year ending December 31, 2024, including the estimate of comparative information for the year ending December 31, 2023, and the actual comparative information for the year ending December 31, 2022, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. 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 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 actual comparative information for the year ending December 31, 2022 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2022. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2022, whose report was dated June 22, 2023.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (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 Cuchares Ranch Metropolitan District.

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
January 7, 2024



**CUCHARS RANCH METROPOLITAN DISTRICT**  
**PROPERTY TAX SUMMARY INFORMATION**  
For the Years Ended and Ending December 31,

	<b>ACTUAL 2022</b>	<b>ADOPTED BUDGET 2023</b>	<b>ADOPTED BUDGET 2024</b>
<b>ASSESSED VALUATION</b>			
El Paso County			
Certified Assessed Value	<u>\$ 9,797,780</u>	<u>\$ 9,533,620</u>	<u>\$ 11,560,310</u>
<b>MILL LEVY</b>			
General - Operations	3.792	3.935	3.278
Debt Service - Refunding Loan Series 2021	<u>24.180</u>	<u>25.304</u>	<u>21.041</u>
Total mill levy	<u>27.972</u>	<u>29.239</u>	<u>24.319</u>
<b>PROPERTY TAXES</b>			
General Fund	\$ 37,153	\$ 37,515	\$ 37,895
Debt Service Fund:			
Debt Service - Refunding Loan Series 2021	<u>236,910</u>	<u>241,239</u>	<u>243,240</u>
Levied property taxes	<u>274,063</u>	<u>278,754</u>	<u>281,135</u>
Adjustments to actual/rounding	-	-	-
Actual or budgeted property taxes	<u>\$ 274,063</u>	<u>\$ 278,754</u>	<u>\$ 281,135</u>
<b>PROPERTY TAXES BY FUND</b>			
General Fund	\$ 37,153	\$ 37,515	\$ 37,895
Debt Service	<u>236,910</u>	<u>241,239</u>	<u>243,240</u>
	<u>\$ 274,063</u>	<u>\$ 278,754</u>	<u>\$ 281,135</u>

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

**CUCHARS RANCH METROPOLITAN DISTRICT  
GENERAL FUND  
2024 BUDGET AS ADOPTED  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2022</b>	<b>ESTIMATED 2023</b>	<b>ADOPTED BUDGET 2024</b>
<b>BEGINNING FUND BALANCE</b>	\$ 83,400	\$ 95,503	\$ 98,472
<b>REVENUE</b>			
Property tax	37,153	37,515	37,895
Specific ownership tax	3,863	3,882	3,411
Net investment income	19	11	10
Total revenue	<u>41,035</u>	<u>41,408</u>	<u>41,316</u>
Total funds available	<u>124,435</u>	<u>136,911</u>	<u>139,788</u>
<b>EXPENDITURES</b>			
General Government			
Legal	14,195	22,515	27,000
Accounting	3,871	4,741	5,500
Audit	4,200	4,200	5,000
Insurance and bonds	2,577	2,374	2,700
Election	2,995	3,614	-
Bank service charges	120	120	120
Dues and subscriptions	416	561	600
Treasurer's fees	558	314	568
Contingency	-	-	20,000
Total expenditures	<u>28,932</u>	<u>38,439</u>	<u>61,488</u>
Total expenditures requiring appropriation	<u>28,932</u>	<u>38,439</u>	<u>61,488</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 95,503</u>	<u>\$ 98,472</u>	<u>\$ 78,300</u>
<b>EMERGENCY RESERVE</b>	<u>\$ 1,231</u>	<u>\$ 1,243</u>	<u>\$ 1,240</u>

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

**CUCHARS RANCH METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2024 BUDGET AS ADOPTED  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2022</b>	<b>ESTIMATED 2023</b>	<b>ADOPTED BUDGET 2024</b>
<b>BEGINNING FUND BALANCE</b>	\$ 118,293	\$ 121,347	\$ 129,683
<b>REVENUE</b>			
Property tax	236,910	241,239	243,240
Specific ownership taxes	24,633	24,959	21,892
Interest income	1,759	4,758	400
Total revenue	<u>263,302</u>	<u>270,956</u>	<u>265,532</u>
Total funds available	<u>381,595</u>	<u>392,303</u>	<u>395,215</u>
<b>EXPENDITURES</b>			
Treasurer's fees	3,555	3,619	3,649
Paying agent fees	-	-	1,000
Bond/loan principal	90,000	95,000	100,000
Bond/loan interest	166,693	164,001	161,161
Contingency	-	-	10,000
Total expenditures	<u>260,248</u>	<u>262,620</u>	<u>275,810</u>
Total expenditures requiring appropriation	<u>260,248</u>	<u>262,620</u>	<u>275,810</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 121,347</u>	<u>\$ 129,683</u>	<u>\$ 119,405</u>
<b>REQUIRED RESERVE</b>	<u>\$ 87,400</u>	<u>\$ 87,400</u>	<u>\$ 87,400</u>

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

**CUCHARS RANCH METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2024 annual budget. Actual results may differ from the prospective results contained in the budget.

**SERVICES PROVIDED**

The Cuchares Ranch Metropolitan District (the "District"), was organized in El Paso County to provide financing for the construction, operation and maintenance of public infrastructure improvements within the District's boundaries. Since organization, all District services have been provided by the Colorado Centre Metropolitan District pursuant to an inclusion agreement recorded 10/21/2010 (Reception No. 210105509, El Paso County, Colorado).

The District prepares its budget on the modified accrual basis of accounting.

**REVENUE**

*Property Tax*

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation of \$11,560,310. The calculation of the taxes levied is displayed on page 2 of the budget at the adopted total mill levy of 24.319 mills. The total mill levy is comprised of the Required Mill Levy for the Taxable (Converting to Tax-Exempt) Refunding Loan, Series 2021 of 21.041 mills and the Operations Mill Levy of 3.278 in the General Fund. The calculation of the property tax revenue is on page 2.

*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 9% of the property taxes collected.

*Investment Income*

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.

**EXPENDITURES**

*Administrative Expenditures*

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

**CUCHARS RANCH METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**DEBT AND LEASES**

During 2021, the District entered into a \$5,835,000 Taxable (Converting to Tax-Exempt) Refunding Loan, Series 2021. The loan proceeds were used to advance refund and defease the outstanding General Obligation Limited Tax Refunding and Improvement Bonds Series 2016A and outstanding Subordinate General Obligation Limited Tax Bonds Series 2016B.

The Schedule of Debt Service Requirements for the \$5,835,000 Taxable (Converting to Tax-Exempt) Refunding Loan, Series 2021 included on page 7 was obtained from the amortization schedules prepared for the loan issuance and assumes the loan will convert from taxable to tax-exempt as anticipated in the loan documents.

The District has no leases.

**RESERVES**

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2024, as defined under TABOR.

This information is an integral part of the accompanying budget.

**CUCHARS RANCH METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS**

**\$5,835,000**

**Taxable (Converting to Tax-Exempt)**

**Refunding Loan, Series 2021**

**Bearing Interest at 3.78% Taxable Through**

**9/17/2021, 2.99% Tax Exempt to 12/1/2035,**

**4.00% Thereafter Until Maturity**

<b>Year ended December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 100,000	\$ 161,161	\$ 261,161
2025	105,000	158,171	263,171
2026	115,000	155,032	270,032
2027	115,000	151,593	266,593
2028	125,000	148,154	273,154
2029	130,000	144,417	274,417
2030	140,000	140,530	280,530
2031	145,000	136,344	281,344
2032	155,000	132,009	287,009
2033	160,000	127,374	287,374
2034	170,000	122,590	292,590
2035	175,000	117,507	292,507
2036	145,000	150,200	295,200
2037	155,000	144,400	299,400
2038	165,000	138,200	303,200
2039	175,000	131,600	306,600
2040	185,000	124,600	309,600
2041	195,000	117,200	312,200
2042	210,000	109,400	319,400
2043	215,000	101,000	316,000
2044	230,000	92,400	322,400
2045	240,000	83,200	323,200
2046	260,000	73,600	333,600
2047	270,000	63,200	333,200
2048	285,000	52,400	337,400
2049	295,000	41,000	336,000
2050	315,000	29,200	344,200
2051	415,000	16,600	431,600
	<u>\$ 5,390,000</u>	<u>\$ 3,163,082</u>	<u>\$ 8,553,082</u>

This information is an integral part of the accompanying forecasted budget.