



SCHILLING & COMPANY, INC.

Certified Public Accountants

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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,

	ACTUAL 2022	ADOPTED BUDGET 2023	ADOPTED BUDGET 2024
ASSESSED VALUATION			
El Paso County			
Certified Assessed Value	<u>\$ 9,797,780</u>	<u>\$ 9,533,620</u>	<u>\$ 11,560,310</u>
MILL LEVY			
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>
PROPERTY TAXES			
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>
PROPERTY TAXES BY FUND			
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,**

	<u>ACTUAL 2022</u>	<u>ESTIMATED 2023</u>	<u>ADOPTED BUDGET 2024</u>
BEGINNING FUND BALANCE	\$ 83,400	\$ 95,503	\$ 98,472
REVENUE			
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>
EXPENDITURES			
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>
ENDING FUND BALANCE	<u>\$ 95,503</u>	<u>\$ 98,472</u>	<u>\$ 78,300</u>
EMERGENCY RESERVE	<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,**

	ACTUAL 2022	ESTIMATED 2023	ADOPTED BUDGET 2024
BEGINNING FUND BALANCE	\$ 118,293	\$ 121,347	\$ 129,683
REVENUE			
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>
EXPENDITURES			
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>
ENDING FUND BALANCE	<u>\$ 121,347</u>	<u>\$ 129,683</u>	<u>\$ 119,405</u>
REQUIRED RESERVE	<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.

**CUCHARES 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

Year ended December 31,	Principal	Interest	Total
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.