

**CARRIAGE HILLS METROPOLITAN DISTRICT
TOWN OF FREDERICK, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2023

Pursuant to §32-1-207(3)(c) and the Service Plan for Carriage Hills Metropolitan District (the “District”), the District is required to provide an annual report to the Town of Frederick, Colorado (the “Town”) with regard to the following matters:

§32-1-207(3) Statutory Requirements

1. Boundary changes made.

No boundary changes were made during the reporting year.

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

No Intergovernmental Agreements were entered into or terminated during the reporting year.

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

A copy the Rules and Regulations may be obtained by contacting the District’s Manager at nik@ccgcolorado.com.

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

On July 30, 2019, Babcock Land Corp., a Colorado Corporation filed a Complaint and Jury Demand against the District regarding reimbursement of costs for installation and construction of public improvements.

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

No capital expenditures were incurred by the District in 2023 and none are currently proposed to be undertaken in the five (5) years following the report year.

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

Streets and utilities were constructed in Filing 1 Phase 2 of the District. No improvements were conveyed during the reporting year.

7. The final assessed valuation of the District as of December 31st of the reporting year.

\$7,944,640

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

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

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 Exemption Application is attached hereto as **Exhibit A**.

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

No notice of any uncured defaults occurred during the reporting year.

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.

There is not an inability for the District to pay its obligations as they come due during the report year.

Service Plan Requirements:

a. A narrative summary of the progress of the District in implementing its service plan for the report year;

The District continues to operate in accordance with the terms of its Service Plan, including providing its authorized services.

b. Except when an exemption from audit has been granted pursuant to the Local Government Audit Law of Colorado, the audited financial statements of the District for the report year, including a statement of financial condition (i.e. balance sheet) as of December 31st of the report year and the statement of operations (i.e. revenues and expenditures) for the report year;

A copy of the District's approved 2023 audit extension is attached as **Exhibit A**.

c. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year;

No capital expenditures were incurred by the District in 2023 and none are currently proposed to be undertaken in the five (5) years following the report year.

d. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year;

No new District indebtedness or long-term obligations were issued in the report year.

The total assessed valuation of all taxable properties within the District for 2023, as certified by the Weld County Assessor's Office, was \$7,944,640. The District levied 45.732 mills for Debt Service in the report year, 6.614 mills were levied for general operating expenses, and 3 mills were certified for the contractual obligations pursuant to an intergovernmental agreement with the Town.

e. The District's budget for the calendar year in which the annual report is submitted;

A copy of the District's 2024 budget is attached as **Exhibit B**.

f. A summary of residential and commercial development in the District for the report year;

There was no residential or commercial development in the District in the report year.

g. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;

On June 21, 2018, the District's Board of Directors adopted a Resolution Concerning the Imposition of Operations Fee and Capital Facilities Fee (Adoption of New Fee Schedule). A copy of the Resolution is attached hereto as **Exhibit C**.

h. Certification of the Board of Directors of the District that no action, event or condition enumerated in Section 14.4 of the Code has occurred in the report year;

The Board of Directors of the District hereby certifies that no action, event or condition enumerated in Section 14.4 of the Land Use Code occurred in the report year.

i. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board of Directors of the District.

Members of the Board:

Jesse Hansel, President
2619 Canton Court Suite A
Fort Collins, Colorado 80525
PH: 970-484-0101

Dana Crego, Treasurer
2619 Canton Court Suite A
Fort Collins, Colorado 80525
PH: 970-484-0101

Matthew Hickman, Secretary
2619 Canton Court Suite A
Fort Collins, Colorado 80525
PH: 970-484-0101

Cara Weant, Assistant Secretary
2619 Canton Court Suite A
Fort Collins, Colorado 80525
PH: 970-484-0101

District Manager:
Nikolas Wagner

Centennial Consulting Group
2619 Canton Court, Suite A
Fort Collins, CO 80525

General Counsel:

Blair M. Dickhoner, Esq.
WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122

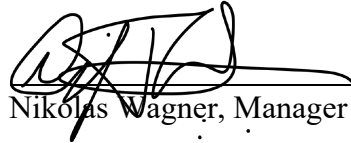
Regular Meetings of the Board of Directors:

February 22, April 25, July 25, and November 20
Via Videoconference

The District hereby certifies that the information provided herein is true and accurate and, as of the date hereof, the District is in full compliance with the District's Service Plan.

Respectfully submitted this 30th day of October, 2024.

CARRIAGE HILLS METROPOLITAN
DISTRICT



Nikolas Wagner, Manager for the District

EXHIBIT A
2023 AUDIT EXTENSION



The extension is only valid if an audit is being filed. If an exemption is received the extension will be VOID.

OFFICE OF THE STATE AUDITOR • LOCAL GOVERNMENT AUDIT DIVISION
KERRI L. HUNTER, CPA, CFE • STATE AUDITOR

Request for Extension of Time to File Audit for Year End *December 31, 2023* ONLY

Requests may be submitted via internet portal: <https://apps.leg.co.gov/osa/lg>.

Government Name:	<u>Carriage Hills Metropolitan District</u>
Name of Contact:	<u>Gavin Spaur</u>
Address:	<u>2619 Canton Ct. Ste A</u>
City/Zip Code	<u>Fort Collins, CO 80525</u>
Phone Number:	<u>970-484-0101</u>
E-mail	<u>Gavin.s@ccgcolorado.com</u>
Fiscal Year Ending (mm/dd/yyyy):	<u>12/31/2023</u>
Amount of Time Requested (in days): (Not to exceed 60 calendar days)	<u>60 days Audit Due: September 30, 2024</u>

Comments (optional): _____

I understand that if the audit is not submitted within the approved extension of time, the government named in the extension request will be considered in default without further notice, and the State Auditor shall take further action as prescribed by Section 29-1-606(5)(b), C.R.S.

Must be signed by a member of the governing board.


Signature	<u> <small>Jesse Hansel (Jul 25, 2024 11:25 MDT)</small></u>
Printed Name:	<u>Jesse J Hansel</u>
Title:	<u>President</u>
Date:	<u>7/25/2024</u>

EXHIBIT B
2024 BUDGET

Carriage Hills Draft Budget

Accounting Basis: Modified Accrual

General Fund

	2022 Actual	2023 Budget	Estimated Actual and Amended Budget	2024 Budget
Beginning Fund Balance	149,212	157,422	150,895	150,895
Income				
Fines	325	-	950	-
Interest Revenue	68	-	1,676	-
Royalties	2,529	2,500	1,200	1,000
Design Review Fees	50	-	100	100
Property Taxes	51,507	52,031	52,031	52,546
Specific Ownership Taxes	3,049	3,122	2,250	3,153
Tax Related Interest	43	-	35	-
Other Income	-	20,000	20,000	-
Insurance Proceeds	-	-	-	-
Total Income	57,571	77,653	78,242	56,799
Expense				
Management & Accounting Services	6,500	7,272	7,272	8,760
Design Review Fees	50	-	100	100
Legal	15,980	20,000	20,000	20,000
Litigation	309	-	1,042	-
Audit/Tax Prep	7,750	7,500	8,500	8,500
Election	1,487	5,000	355	-
Insurance	4,367	4,585	4,381	4,600
Engineers	18,101	5,000	15,000	15,000
Treasurers Fees	775	780	781	788
Office	149	150	-	150
SDA Dues	320	336	311	327
Contingency	100	5,000	5,000	1,000
Insurance Claims Expenses	-	-	263	-
Transfer Out - to Special Fund	-	5,852	5,852	5,800
Total Expenses	55,888	61,475	68,857	65,025
Excess Revenues (Expenses)	1,683	16,178	9,385	(8,226)
Ending Fund Balance	150,895	173,600	160,280	142,669

Special Fund				
	2022	2023	2023 Estimated Actual and Amended Budget	2024 Budget
	Actual	Budget	Budget	
Beginning Fund Balance	208,376	208,373	205,413	205,413
Income				
District Operating Fees	89,460	89,460	89,460	89,460
Design Review	-	-	-	-
Late Fees	1,905	-	150	-
Interest Charges	578	-	354	-
Legal Fees Reimbursement	-	-	-	-
Other Revenue	-	-	-	-
Interest Revenue	3,613	-	10,144	-
Transfer in - from Operating	-	5,852	-	5,800
Total Income	95,556	95,312	100,108	95,260
Expense				
General & Administrative				
Management & Accounting	25,945	29,088	29,088	30,000
Legal	50	2,500	2,500	2,500
Engineers	9,586	-	4,329	5,000
Bank Fees	-	50	-	-
Bad Debt Expense	68	-	55	-
Office	508	1,000	1,000	1,000
Total G&A	36,157	32,638	36,972	38,500
Utilities				
Electric	726	750	554	750
Water	2,853	7,500	9,203	9,500
Trash	690	1,000	700	700
Total Utilities	4,269	9,250	10,457	10,950
Landscape				
Landscape - Contract	27,244	29,424	39,331	42,477
Landscape - Repairs	3,619	-	1,000	-
Landscape - Projects	-	-	4,000	-
Fuel Surcharge	-	-	245	-
Snow Removal	6,280	8,000	8,000	8,000
Mowing	4,224	3,000	3,000	1,500
Weed Mitigation	3,785	4,000	4,000	1,000
Pest Control	-	500	-	250
Sprinkler Repairs	7,282	5,000	8,500	8,500
Irrigation System Repairs	4,231	-	-	1,000
Trees	1,428	3,500	10,350	1,516
Total Landscape	58,093	53,424	78,426	64,243
Total Expenses	98,519	95,312	125,855	113,693
Excess Revenues (Expenses)	(2,963)	-	(25,747)	(18,433)
Ending Fund Balance	205,413	208,373	179,666	186,980

Debt Service Fund

	2022 Actual	2023 Budget	2023 Estimated Actual and Amended Budget	2024 Budget
Beginning Fund Balance	456,641	456,639	462,993	459,000
Income				
Interest Revenue	9,659	-	27,764	-
Property Tax	307,159	295,457	295,457	363,324
Property Tax - Contractual	20,431	19,915	19,915	23,834
Specific Ownership Tax	18,181	17,727	12,764	21,799
Specific Ownership Tax - Contractual	1,209	1,195	860	1,430
Tax Related Interest	274	-	215	-
Transfer In	-	-	-	-
Total Income	356,913	334,294	356,975	410,387
Expense				
General & Administrative				
Legal	-	-	2,000	-
Treasurers Fees	4,623	4,432	4,432	5,450
Treasurers Fees - Contractual	308	299	299	358
Paying Agent Fees	6,000	6,000	6,000	6,000
Tax Payment - Contractual	21,333	20,811	20,476	24,906
Total G&A	32,264	31,542	33,207	36,714
Interest				
Principal	-	-	-	55,000
Interest - 2018A	272,800	272,800	272,800	272,800
Interest - 2018B	45,497	52,571	54,961	45,873
Total Interest	318,297	325,371	327,761	373,673
Total Expenses	350,561	356,913	360,968	410,387
Excess Revenues (Expenses)	6,352	(22,619)	(3,993)	-
Ending Fund Balance	462,993	434,020	459,000	459,000

EXHIBIT C
SECOND AMENDED AND RESTATED FEE RESOLUTION

After Recording, Return to:
WHITE BEAR ANKELE TANAKA & WALDRON
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122

**SECOND AMENDMENT TO THE
SECOND AMENDED AND RESTATED RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
CARRIAGE HILLS METROPOLITAN DISTRICT**

**CONCERNING THE IMPOSITION OF OPERATIONS FEE AND CAPITAL
FACILITIES FEE**

(Adoption of New Fee Schedule)

WHEREAS, Carriage Hills Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “**Board**”) shall have the management, controls and supervision of all the business and affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the District is authorized to fix, impose and, from time to time to increase or decrease, fees, rates, tolls, charges and penalties for services of facilities provided by the District which, until such fees, rates, tolls, charges and penalties are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, on October 22, 2015, the Board adopted the Second Amended and Restated Resolution of the Board of Directors of the Carriage Hills Metropolitan District Concerning the Imposition of Operations Fee and Capital Facilities Fee, which was recorded in the real property records of the Weld County Clerk and Recorder’s Office on July 18, 2016 at Reception No. 4219855 (the “**2015 Fee Resolution**”); and

WHEREAS, on February 13, 2018 the Board adopted the Amendment to the Second Amended and Restated Resolution of the Board of Directors of the Carriage Hills Metropolitan District Concerning the Imposition of Operations Fee and Capital Facilities Fee, which was recorded in the real property records of Weld County Clerk and Recorder’s Office on May 1, 2018 at Reception No. 4394921 (Adoption of New Fee Schedule) (the “**Amendment to 2015 Fee Resolution**”); and

WHEREAS, the Board has determined that modification of the schedule of fees in the Amendment to 2015 Fee Resolution is necessary and in the best interests of the District, present and future property owners within the District and the properties served by the District.

NOW, THEREFORE, be it resolved by the Board as follows:

1. AMENDMENT. The schedule of fees set forth in Exhibit A of the Amendment to 2015 Fee Resolution is hereby repealed and replaced in its entirety by the schedule of fees set forth in **Exhibit 1** to this Resolution, which is attached hereto and incorporated herein by this reference.

2. PRIOR PROVISIONS EFFECTIVE. Except as specifically amended hereby, all the terms and provisions of the 2015 Fee Resolution and shall remain in full force and effect.

3. PRIOR FEES. Any fees, rates, tolls, penalties or charges due under the schedule of fees in Exhibit A to the 2015 Resolution and Amendment to 2015 Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby.

4. EFFECTIVE DATE. This Resolution shall become effective July 1, 2018.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow].

ADOPTED this 21st day of June, 2018.

CARRIAGE HILLS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado



Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law

General Counsel to the District

Signature page to Amended Resolution Concerning the Imposition of Operations Fee and Capital Facilities Fee – Adoption of New Fee Schedule

EXHIBIT 1

CARRIAGE HILLS METROPOLITAN DISTRICT

Schedule of Fees

Effective July 1, 2018

Schedule of Fees		
Fee Type	Classifications	Rate
Operations Fee	Residential Unit	\$105/quarter
The Due Date for each Operations Fee is the 1 st day of each quarter (January 1 st , April 1 st , July 1 st and October 1 st) . The Operations Fee for each Lot shall commence upon the initial transfer of a Lot to a builder.		
Capital Facilities Fee*	Single Family Residence	\$2,625 / Residential Unit
	Type I Town Home or Patio Home	75% of Single Family Residence Rate
	Type II Town Home or Patio Home	50% of Single Family Residence Rate
	Apartment or Other Multi-Family Residential Dwelling Unit Not Otherwise Enumerated	25% of Single Family Residence Rate
*As of March 1, 2018. Amount to increase by 5% on January 1, 2019, rounded to the nearest twenty-five dollars (\$25.00), and increased by 5%, compounded, on each January 1 thereafter until no Residential Units remain to be constructed within the District.		
The Due Date for each Capital Facilities Fee is: 1) the date of Transfer to an End User; or 2) when a Residential Unit is occupied for residential use, whichever shall first occur.		

PAYMENTS:

Payment for each fee shall be made payable to the Carriage Hills Metropolitan District and sent to the follow address for receipt by the Due Date:

Centennial Consulting Group
2619 Canton Court, Suite A
Fort Collins, Colorado 80525