CANTERBERRY CROSSING METROPOLITAN DISTRICT
Douglas County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2018

CANTERBERRY CROSSING METROPOLITAN DISTRICT
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SIMMONS & WHEELER, P.C. Certified Public Accountants
304 Inverness Way South, Suite 490, Englewood, CO 80112 (303) 689-0833

Board of Directors
Canterberry Crossing Metropolitan District
Douglas County, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Canterberry Crossing Metropolitan District, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Canterberry Crossing Metropolitan District as of December 31, 2018, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Canterberry Crossing Metropolitan District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The continuing disclosure annual financial information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Simmons & Wheeler P.C.

Englewood, CO
April 16, 2019

BASIC FINANCIAL STATEMENTS

CANTERBERRY CROSSING METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	Governmental Activities
ASSETS	
Cash and Investments	$ 193,756
Cash and Investments - Restricted	969,487
Receivable - County Treasurer	8,766
Property Taxes Receivable	867,354
Prepaid Insurance	3,078
Total Assets	2,042,441
DEFERRED OUTFLOWS OF RESOURCES	
Cost of Refunding	355,846
Total Deferred Outflows of Resources	355,846
LIABILITIES	
Accounts Payable	7,127
Accrued Interest	23,818
Noncurrent Liabilities:	
Due Within One Year	335,000
Due in More Than One Year	8,714,365
Total Liabilities	9,080,310
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	867,354
Total Deferred Inflows of Resources	867,354
NET POSITION	
Restricted for:	
Emergency Reserves	2,800
Debt Service	873,506
Conservation Trust Fund	40,395
Capital Projects	37,734
Unrestricted	(8,503,812)
Total Net Position	$ (7,549,377)

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position: Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 77,785	$ -	$ -	$ 20,808	$ (56,977)
Dedication of Assets to Other Entities	-	-	-	-	-
Interest and Related Costs on Long-Term Debt	339,354	-	-	-	(339,354)
Total Governmental Activities	$ 417,139	$ -	$ -	$ 20,808	(396,331)
GENERAL REVENUES					
Property Taxes					866,381
Specific Ownership Taxes					91,620
Interest Income					28,170
Total General Revenues					986,171
CHANGE IN NET POSITION					589,840
Net Position - Beginning of Year					(8,139,217)
NET POSITION - END OF YEAR					$ (7,549,377)

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	$ 193,756	$ -	$ -	$ 193,756
Cash and Investments - Restricted	2,800	888,558	78,129	969,487
Receivable - County Treasurer	-	8,766	-	8,766
Property Taxes Receivable	89,308	778,046	-	867,354
Prepaid Insurance	3,078	-	-	3,078
Total Assets	$ 288,942	$ 1,675,370	$ 78,129	$ 2,042,441
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 7,127	$ -	$ -	$ 7,127
Total Liabilities	7,127	-	-	7,127
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	89,308	778,046	-	867,354
Total Deferred Inflows of Resources	89,308	778,046	-	867,354
FUND BALANCES				
Nonspendable:				
Prepaid Expense	3,078	-	-	3,078
Restricted, for:				
Emergency Reserves	2,800	-	-	2,800
Debt Service	-	897,324	-	897,324
Conservation Trust Fund	-	-	40,395	40,395
Capital Projects	-	-	37,734	37,734
Unassigned	186,629	-	-	186,629
Total Fund Balances	192,507	897,324	78,129	1,167,960
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 288,942	$ 1,675,370	$ 78,129	
Amounts reported for governmental activities in the statement of net position are different because:				
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Accrued Interest Payable				(23,818)
Bonds Payable				(9,049,365)
Cost of Refunding				355,846
Net Position of Governmental Activities				$ (7,549,377)

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2018

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	$ 89,208	$ 777,173	$ -	$ 866,381
Specific Ownership Taxes	-	91,620	-	91,620
Conservation Trust Entitlement	-	-	20,808	20,808
Interest Income	3,908	22,828	1,434	28,170
Total Revenues	93,116	891,621	22,242	1,006,979
EXPENDITURES				
Current:				
Accounting	21,062	-	-	21,062
Audit	4,000	-	-	4,000
County Treasurer's Fees	1,339	11,661	-	13,000
Directors' Fees	500	-	-	500
District Management	19,953	-		19,953
Dues and Licenses	430	-	-	430
Election Expense	89	-	-	89
Insurance	3,301	-	-	3,301
Legal	10,905		-	10,905
Miscellaneous	720			720
Payroll Tax	54	-	-	54
Debt Service:	-	626,264	-	626,264
CTF Project	-	-	15,432	15,432
Total Expenditures	62,353	637,925	15,432	715,710
NET CHANGE IN FUND BALANCES	30,763	253,696	6,810	291,269
Fund Balances - Beginning of Year	161,744	643,628	71,319	876,691
FUND BALANCES - END OF YEAR	$ 192,507	$ 897,324	$ 78,129	$ 1,167,960

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018

Net Change in Fund Balances - Governmental Funds	$	291,269
Amounts reported for governmental activities in the statement of activities are different because:		
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Bond Principal Payment		325,000
Amortization of Cost of Refunding		(33,785)
Accretion of Bond Premium		6,527
Accrued Interest - Change in Liability		829
Change in Net Position of Governmental Activities	$	589,840

See accompanying Notes to Basic Financial Statements.

CANTERBERRY CROSSING METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual Amounts	Positive (Negative)
REVENUES			
Property Taxes	$ 89,207	$ 89,208	$ 1
Interest Income	1,650	3,908	2,258
Total Revenues	90,857	93,116	2,259
EXPENDITURES			
Current:			
Accounting	20,000	21,062	(1,062)
Auditing	4,200	4,000	200
County Treasurer's Fee	1,338	1,339	(1)
Directors' Fees	1,000	500	500
District Management	20,000	19,953	47
Dues and Licenses	400	430	(30)
Insurance and Bonds	3,800	3,301	499
Legal Services	14,500	10,905	3,595
Miscellaneous	2,000	720	1,280
Payroll Taxes	100	54	46
Election Expense	2,000	89	1,911
Contingency	4,962	-	4,962
Total Expenditures	74,300	62,353	11,947
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	16,557	30,763	14,206
OTHER FINANCING SOURCES (USES)			
Transfer (Out)	(11,709)	-	11,709
Total Other Financing Sources (Uses)	(11,709)	-	11,709
NET CHANGE IN FUND BALANCE	4,848	30,763	25,915
Fund Balance - Beginning of Year	163,129	161,744	(1,385)
FUND BALANCE - END OF YEAR	$ 167,977	$ 192,507	$ 24,530

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Canterberry Crossing Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for Douglas County on May 20, 1996, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Parker on March 4, 1996, as modified in 1997 and 2001 (Modified Service Plan). The District's service area is located in the Town of Parker, Colorado. The District was established to provide for construction and financing for street, safety control, water, sanitation and park and recreation facilities and improvements. Upon completion and expiration of a warranty period, the street and safety control improvements were dedicated to and are being maintained by the Town of Parker. Water and sanitation improvements were dedicated to and are being maintained by the Parker Water and Sanitation District. Other improvements were dedicated to and are being maintained by the Canterberry Crossing Master Association (HOA).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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 sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Amortization

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost of Bond Refunding

In the government-wide financial statements, the deferred cost of bond refunding is being amortized using the interest method over the life of the new bonds. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, cost of refunding, is being amortized using the interest method over the life of the bonds.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2018, are classified in the accompanying financial statements as follows:

Statement of Net Position and Balance Sheet:		
Cash and Investments	$	193,756
Cash and Investments - Restricted		969,487
Total Cash	$	1,163,243

Cash and investments as of December 31, 2018, consist of the following:

Deposits with Financial Institutions	$	29,816
Investments		1,133,427
Total Cash and Investments	$	1,163,243

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2018, the District's cash deposits had a bank balance of $29,816 and a carrying balance of $29,816.

Investments

The District's formal investment policy is to follow State statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

. Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
. General obligation and revenue bonds of U.S. local government entities
. Certain certificates of participation
. Certain securities lending agreements
. Bankers' acceptances of certain banks
. Commercial paper
. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
. Certain money market funds
. Guaranteed investment contracts
* Local government investment pools

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2018, the District had the following investments:

Investment	Maturity	Amount
CSAFE		$ 197
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	1,133,230
Total		$ 1,133,427

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAm by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at $1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAm by Standard & Poor's. CSAFE records its investments at amortized cost and the District records its investments in CSAFE at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in long-term obligations for the year ended December 31, 2018:

	Balance at December 31, 2017	Additions	Reductions	Balance at December 31, 2018	Due Within One Year
General Obligation Bonds Payable:					
2016A Bonds	$ 1,320,000	$ -	$ -	$ 1,320,000	$ -
2016B Bonds	7,940,000	-	325,000	7,615,000	335,000
Bond Premium - 2016A	120,891	-	6,527	114,364	-
Total Bonds Payable	$ 9,380,891	$ -	$ 331,527	$ 9,049,364	$ 335,000

The details of the District's long-term obligations are as follows:

$1,320,000 of General Obligation Refunding Bonds (Series 2016A) dated February 4, 2016. Series 2016A Bonds bear interest of 4.00% per annum payable, on June 1 and December 1. Mandatory principal payments are due on December 1, commencing on December 1, 2035, with final payment due on December 1, 2036. The Series 2016A Bonds are subject to optional redemption on December 1, 2025, and any date thereafter at a redemption price equal to the par amount of the Bonds plus accrued interest.

The Series 2016A Bonds are general obligations of the District, secured by a pledge of the full faith and credit of the District and payable from general ad valorem taxes which may be levied without limitation of rate and in an amount necessary to pay the bonds when due against all taxable property within the District.

$8,245,000 of General Obligation Refunding Bonds (Series 2016B) dated February 4, 2016. Series 2016B bear interest of 3.06% annum on and after the Tax-Exempt Reissuance Date and 4.70% prior to that date, payable on June 1 and December 1. Mandatory principal payments are due on December 1, with final payment due on December 1, 2034. The Series 2016B Bonds are subject to optional redemption commencing June 1, 2026 at a price equal to par plus accrued interest. Prior to June 1, 2026, the Series 2016B bonds are subject to redemption at a price equal to the par amount, plus accrued interest, plus a Prepayment Fee. The Prepayment Fee is equal to the present value of the difference between (a) the amount that would have been realized by the Owner on the prepaid amount for the remaining term of the Bonds at the then-applicable interest rate and (b) the amount that would be realized by the Owner of the 2016B Bonds by reinvesting funds for the remainder term of the Series 2016B Bonds at the (i) then-current market swap rate plus (ii) a spread of 1.10%, in effect the time of prepayment as determined by the Owner, both (a) and (b) discounted at the then-current market swap rate excluding the spread. If the present value is zero or negative, there is no Prepayment Fee.

The Series 2016 Bonds are general obligations of the District, secured by a pledge of the full faith and credit of the District and payable from general ad valorem taxes which may be levied without limitation of rate and in an amount necessary to pay the bonds when due against all taxable property within the District.

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

The District's long-term obligations will mature as follows:

For Year Ending December 31,	Principal	Interest	Total
2019	$ 335,000	$ 285,819	$ 620,819
2020	355,000	275,568	630,568
2021	365,000	264,705	629,705
2022	390,000	253,536	643,536
2023	400,000	241,602	641,602
2024-2028	2,295,000	1,012,170	3,307,170
2029-2033	2,835,000	629,211	3,464,211
2034-2036	1,960,000	152,584	2,112,584
Total	$ 8,935,000	$ 3,115,195	$ 12,050,195

At December 31, 2018, the District had no remaining authorized but unissued indebtedness for the purpose of constructing new improvements and $2,725,000 of authorized but unissued debt for the purpose of refunding bonds.

Pursuant to the Modified Service Plan, the District is subject to a limitation of $11,000,000 in outstanding debt at any given point, not including debt issued for refunding of bonds. Additionally, the Modified Service Plan limited the District's debt service mill levy to 35 mills, as adjusted for changes in methodology for determining valuation of taxable property for so long as the ratio of the District's debt to assessed valuation exceeded 50%. The Modified Service Plan provides that general obligation debt which is less than 50% of the District's assessed valuation, either on the date of issuance or at any time thereafter, the maximum debt service mill levy shall be such amount necessary to pay debt service, without limitation. Accordingly, there is no limitation on the District's debt service mill levy for the outstanding bonds.

NOTE 5 NET POSITION

The District has net position consisting of two components - restricted and unrestricted.

Restricted net position includes net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2018, as follows:

Restricted Net Position:	
Emergency Reserves	$ 2,800
Debt Service	873,506
Conservation Trust Fund	40,395
Capital Projects	37,734
Total Restricted Net Position	$ 954,435

NOTE 5 NET POSITION (CONTINUED)

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 6 AGREEMENT

Management Agreement

On May 21, 2002, the District entered into an agreement with Canterberry Crossing Metropolitan District II (CCMD II), a separate and distinct quasi-municipal corporation and political subdivision of the State of Colorado, and the HOA, whereby the HOA will manage and maintain the operation of the Community Center and pool owned by CCMD II (Management Agreement). The Management Agreement was amended on May 15, 2007, to clarify certain administrative functions and responsibilities of the HOA. The District imposes a fee on all users of the Community Center and the pool pursuant to a resolution adopted on October 15, 2002, as amended. This fee is charged to the residents via the monthly fees that they pay to the HOA. Upon the repayment of the District's general obligation debt, including any refundings thereof, and the repayment of any CCMD II Bonds, CCMD II will convey the Community Center and pool to the HOA.

On November 7, 2017, the District adopted a Resolution Ratifying Home Owner Fees Set by the Villages at Parker Master Association, Inc., dba: Canterberry Crossing Master Association and Used to Offset Certain Expenses for the Canterbeny Crossing Metropolitan District, Douglas County, Colorado, for the 2018 Calendar and Fiscal Year (2018 Resolution), pursuant to which the District ratified the HOA's imposition of homeowner recreation fees in the amount of $672 per year for 2018.

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 8 TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

At elections held on May 7, 1996 and November 5, 1996, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all ad valorem property taxes and fees of the District without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

SUPPLEMENTARY INFORMATION

CANTERBERRY CROSSING METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 777,172	$ 777,173	$ 1
Specific Ownership Tax	86,638	91,620	4,982
Interest Income	7,400	22,828	15,428
Total Revenues	871,210	891,621	20,411
EXPENDITURES			
Current:			
County Treasurer's Fee	11,658	11,661	(3)
Bond Interest - Series 2016A	52,800	52,800	-
Bond Interest - Series 2016B	242,964	242,964	-
Bond Principal - Series 2016B	325,000	325,000	-
Paying Agent Fees	5,500	5,500	-
Contingency	4,078	-	4,078
Total Expenditures	642,000	637,925	4,075
NET CHANGE IN FUND BALANCES	229,210	253,696	24,486
Fund Balance - Beginning of Year	622,432	643,628	21,196
FUND BALANCE - END OF YEAR	$ 851,642	$ 897,324	$ 45,682

CANTERBERRY CROSSING METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
CTF Proceeds	$ 18,000	$ 20,808	$ 2,808
Interest income	340	1,434	1,094
Total Revenues	18,340	22,242	3,902
EXPENDITURES			
Current:			
CTF Project	20,000	15,432	4,568
Total Expenditures	20,000	15,432	4,568
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,660)	6,810	8,470
OTHER FINANCING SOURCES (USES)			
Transfer In	11,709	-	(11,709)
Total Other Financing Sources (Uses)	11,709	-	(11,709)
NET CHANGE IN FUND BALANCE	10,049	6,810	(3,239)
Fund Balance - Beginning of Year	29,441	71,319	41,878
FUND BALANCE - END OF YEAR	$ 39,490	$ 78,129	$ 38,639

CANTERBERRY CROSSING METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2018

Bonds and Interest Maturing in the Year Ending December 31,	$1,320,000 General Obligation Refunding Bonds, Series 2016A Issued February 4, 2016 Principal Due Annually December 1 Interest at 4.00% Due June 1 and December 1			$8,245,000 General Obligation Refunding Bonds, Series 2016B Issued February 4, 2016 Principal Due Annually December 1 Interest at 3.06% Due June 1 and December 1		
	Principal [1]	Interest	Total	Principal [1]	Interest	Total
2019	$ -	$ 52,800	$ 52,800	$ 335,000	$ 233,019	$ 568,019
2020	-	52,800	52,800	355,000	222,768	577,768
2021	-	52,800	52,800	365,000	211,905	576,905
2022	-	52,800	52,800	390,000	200,736	590,736
2023	-	52,800	52,800	400,000	188,802	588,802
2024	-	52,800	52,800	425,000	176,562	601,562
2025	-	52,800	52,800	435,000	163,557	598,557
2026	-	52,800	52,800	460,000	150,246	610,246
2027	-	52,800	52,800	475,000	136,170	611,170
2028	-	52,800	52,800	500,000	121,635	621,635
2029	-	52,800	52,800	520,000	106,335	626,335
2030	-	52,800	52,800	545,000	90,423	635,423
2031	-	52,800	52,800	565,000	73,746	638,746
2032	-	52,800	52,800	595,000	56,457	651,457
2033	-	52,800	52,800	610,000	38,250	648,250
2034	-	52,800	52,800	640,000	19,584	659,584
2035	635,000	52,800	687,800	-	-	-
2036	685,000	27,400	712,400	-	-	-
Total	$ 1,320,000	$ 925,000	$ 2,245,000	$ 7,615,000	$ 2,190,195	$ 9,805,195

[1] The principal amounts shown assume mandatory sinking fund payments are made, but assume that no optional redemptions will be made prior to maturity.

CANTERBERRY CROSSING METROPOLITAN DISTRICT
SCHEDULE OF FIVE YEAR SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2018

Year Ended December 31,	Assessed Valuation for Current Year Property Tax Levy	Percent Increase (Decrease)	Mills Levied for		Total Property Taxes		Percent Collected to Levied
			General	Debt Service	Levied	Collected	
2014	$ 23,815,582	(9.50)%	4.795	26.850	$ 753,644	$ 753,655	100.00 %
2015	24,148,430	1.40	2.795	28.850	764,176	764,179	100.00
2016	29,103,440	20.52	2.795	28.850	920,978	920,982	100.00
2017	29,491,290	1.33	2.795	24.350	800,541	800,543	100.00
2018	31,916,720	8.22	2.795	24.350	866,379	866,381	100.00
Estimated for Calendar Year Ending December 31, 2019	$ 31,952,620	0.11 %	2.795	24.350	$ 867,354		

Note:
Property taxes collected in any one year include collection of delinquent property taxes levied in prior years.

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION – UNAUDITED

CANTERBERRY CROSSING METROPOLITAN DISTRICT
SELECTED DEBT RATIOS OF THE DISTRICT
(UNAUDITED)
DECEMBER 31, 2018

Direct Debt	$ 8,935,000
2018 District Assessed Valuation	$ 31,952,620
Direct Debt to Assessed Valuation	27.96 %
2017 District Estimated Statutory "Actual" Value (1)	$ 439,987,774
Direct Debt to Estimated Statutory "Actual" Value	2.03 %

(1) Statutory "actual value has been calculated using a statutory formula under which assessed valuation is calculated as 7.20% of the statutory "actual" value of residential property and 29% of the statutory "actual" value of all other classes of property (with certain specific exceptions). Statutory "actual" value is not intended to represent market value.

CANTERBERRY CROSSING METROPOLITAN DISTRICT
ANNUAL DISCLOSURE
TOTAL MILL LEVY
(UNAUDITED)
DECEMBER 31, 2018

	2018
Cherry Creek Basin Water Quality Authority	0.479
Douglas County	19.774
Douglas Country School District Re-1	36.896
Douglas County Soil Conservation District	0.000
Douglas Public Library District	4.008
Parker (Town of)	2.602
Parker Fire Protection District	0.000
South Metro Fire Rescue Protection District	9.250
Parker Water and Sanitation District	9.507
Regional Transportation District	0.000
Urban Drainage and Flood Control District	0.726
Urban Drainage and Flood Control District - South Platt	0.094
Overlapping Mill Levy	83.336
The District	27.145
Total Mill Levy	110.481

CANTERBERRY CROSSING METROPOLITAN DISTRICT
ANNUAL DISCLOSURE
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(UNAUDITED)
DECEMBER 31, 2018

	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES									
Property Taxes	$ 147,460	$ 147,369	$ 136,662	$ 115,279	$ 114,179	$ 67,477	$ 81,323	$ 82,456	$ 89,208
Interest Income	365	280	739	546	575	738	2,481	2,265	3,908
Total	147,825	147,649	137,401	115,825	114,754	68,215	83,804	84,721	93,116
EXPENDITURES									
Current:									
Accounting	14,685	14,157	13,083	12,416	11,322	15,412	22,247	27,591	21,062
Audit	3,600	3,600	3,769	3,800	3,800	3,800	3,800	3,800	4,000
Country Treasurer's Fees	2,216	2,213	2,051	1,730	1,714	1,013	1,221	1,237	1,339
Directors' Fees	800	800	700	600	800	1,100	969	500	500
District Management	17,087	23,648	17,576	21,292	16,628	27,101	16,969	19,762	19,953
Dues and Subscriptions	300	340	309	321	326	329	380	319	430
Election Expense	1,355	-	1,751	-	1,669	-	1,457	-	89
Insurance	2,271	2,269	2,773	2,849	3,003	3,003	3,252	3,551	3,301
Legal	9,363	7,261	8,691	10,587	11,963	11,797	9,221	10,297	10,905
Payroll Tax	-	-	54	46	61	84	107	38	54
Repayment of Developer Prepaid Facility Fees	65,120	-	-	-	56,240	-	-	-	-
Miscellaneous	232	-	761	373	502	390	1,019	1,272	720
Total	117,029	54,288	51,518	54,014	108,028	64,029	60,642	68,367	62,353
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	30,796	93,361	85,883	61,811	6,726	4,186	23,162	16,354	30,763
OTHER FINANCING SOURCES (USES)									
Transfer In (Out)	(18,401)	(50,000)	(11,613)	-	-	-	(275,000)	-	-
Total	(18,401)	(50,000)	(11,613)	-	-	-	(275,000)	-	-
NET CHANGE IN FUND BALANCE	12,395	43,361	74,270	61,811	6,726	4,186	(251,838)	16,354	30,763
Fund Balance - Beginning of Year	194,479	206,874	250,235	324,505	386,316	393,042	397,228	145,390	161,744
FUND BALANCE - END OF YEAR	$ 206,874	$ 250,235	$ 324,505	$ 386,316	$ 393,042	$ 397,228	$ 145,390	$ 161,744	$ 192,507

CANTERBERRY CROSSING METROPOLITAN DISTRICT
ANNUAL DISCLOSURE
GENERAL FUND BUDGET SUMMARY AND COMPARISON
(UNAUDITED)
DECEMBER 31, 2018

	2017 Budget (Final)	2017 Actual (Unaudited)	2018 Budget (Final)	2018 Actual (Unaudited)
REVENUES				
Property Taxes	$ 82,428	$ 82,456	$ 89,207	$ 89,208
Interest Income	1,850	2,265	1,650	3,908
Total	84,278	84,721	90,857	93,116
EXPENDITURES				
Current:				
Accounting	18,000	27,591	20,000	21,062
Audit	4,200	3,800	4,200	4,000
Country Treasurer's Fees	1,236	1,237	1,338	1,339
Directors' Fees	1,000	500	1,000	500
District Management	20,000	19,762	20,000	19,953
Dues and Subscriptions	400	319	400	430
Election Expense	-	-	2,000	89
Insurance	3,500	3,551	3,800	3,301
Legal	14,500	10,297	14,500	10,905
Payroll Tax	100	38	100	54
Repayment of Developer Prepaid Facility Fees	-	-	-	-
Miscellaneous	2,000	1,272	2,000	720
Webpage	-	-	-	-
Contingency	5,064	-	4,962	-
Total	70,000	68,367	74,300	62,353
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	14,278	16,354	16,557	30,763
OTHER FINANCING SOURCES (USES)				
Transfer In (Out)	-	-	(11,709)	-
Total	-	-	(11,709)	-
NET CHANGE IN FUND BALANCE	14,278	16,354	4,848	30,763
Fund Balance - Beginning of Year	137,384	145,390	163,129	161,744
FUND BALANCE - END OF YEAR	$ 151,662	$ 161,744	$ 167,977	$ 192,507