DANCING WILLOWS METROPOLITAN DISTRICT
ANNUAL ADMINISTRATIVE RESOLUTION
(2017)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

At the regular meeting of the Board of Directors of Dancing Willows Metropolitan District, Jefferson County, Colorado, held at 6:30 p.m. on Thursday, December 8, 2016, at the Dancing Willows Clubhouse, 11893 West Long Circle, Littleton, Colorado.

Present were the following members of the Board:

Susan Root, President
Bobby Thomas, Vice President
Robert Faiks, Treasurer, Assistant Secretary
Nancy Carson

Absent was Director William Anderson, Secretary, absence excused.

Also present were:

Angie Kelly, Community Resource Services of Colorado, LLC

Greg Root, Kay Jackson, Bob Carson, Jo Wessels, Carol Swomley, Renee Faiks, Chet Miller, Ken Kaul, Clinton Flynn, Brita and Jim McCall, Richard Molenaar, Carolyn Endecott, Dennis Fulham, Bob McCarrick, and Bill Clore

When the following proceedings, were had and done, to wit:

It was moved by Director Faiks to adopt the following Resolution:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DANCING WILLOWS METROPOLITAN DISTRICT CONCERNING ANNUAL ADMINISTRATIVE MATTERS (2017)

WHEREAS, Dancing Willows Metropolitan District (the "District") was organized as a special district pursuant to an Order of the District Court in and for the County of Jefferson, Colorado (the "County"); and

WHEREAS, the Board of Directors of the District (the "Board") has a duty to perform certain obligations on a recurring basis in order to assure the efficient operation of the District; and

WHEREAS, § 32-1-306, C.R.S., requires the District to file a current, accurate map of its boundaries with the Division of Local Government (the "Division"), the County Assessor and County Clerk and Recorder on or before January 1 of each year; and

WHEREAS, § 32-1-104(2), C.R.S., requires that the District, on or before January 15, file a copy of the notice required pursuant to § 32-1-809(1), C.R.S., with the County Board of County Commissioners (the "Board of County Commissioners"), the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of the municipality in which the District is located, if applicable, and the Division, post the notice as required and make a copy of the notice available for public inspection at the District's business office; and

WHEREAS, in accordance with § 32-1-809(1), C.R.S., not more than sixty (60) days prior to and not later than January 15 of each year, the District shall provide notice to the District's eligible electors in the manner set forth in § 32-1-809(2), C.R.S.; and

WHEREAS, pursuant to § 32-1-104.8(1), C.R.S., the District is required to record a public disclosure document and map of the boundaries of the District with the County Clerk and Recorder, such public disclosure document shall contain certain information pertaining to the District as further described in § 32-1-104.8(1), C.R.S., and, pursuant to § 32-1-104.8(2), C.R.S., such public disclosure document and map shall be recorded with the County Clerk and Recorder and such public disclosure document(s) and map(s) shall be recorded with the County Clerk and Recorder at the same time of any decree or order confirming the inclusion of any real property into the boundaries of the District is recorded pursuant to § 32-1-105, C.R.S.; and

WHEREAS, the Local Government Budget Law of Colorado, §§ 29-1-101 to 29-1-115, C.R.S., requires the Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets and to file copies of the budgets and amendments thereto with the Division; and

WHEREAS, § 39-5-128, C.R.S., requires the District to certify its mill levy with the Board of County Commissioners on or before December 15; and

WHEREAS, § 29-1-205, C.R.S., requires the District to prepare an informational listing of all contracts in effect with other political subdivisions and submit said list to the Division

within thirty (30) days after receiving a written request; and within ten (10) days after execution of a contract establishing a separate governmental entity pursuant to § 29-1-204, C.R.S., or an amendment or modification thereof, the District must file a copy of such contract, amendment or modification with the Division, pursuant to § 29-1-204, C.R.S.; and

WHEREAS, in accordance with the Public Securities Information Reporting Act, §§ 11-58-101, *et seq.*, C.R.S., issuers of non-rated public securities must file an annual report with the Department of Local Affairs within sixty (60) days of the close of the fiscal year; and

WHEREAS, in accordance with §§ 29-1-603 and 29-1-606, C.R.S., an annual audit of the financial statements for each fiscal year shall be prepared and submitted to the Board before June 30 and filed with the State Auditor by July 31; and

WHEREAS, pursuant to § 29-1-604(1), C.R.S., any local government where neither revenues nor expenditures exceed One Hundred Thousand Dollars ($100,000) in any fiscal year commencing on or after January 1, 1998, may, with the approval of the State Auditor, be exempt from the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604(2)(b), C.R.S., any local government where revenues or expenditures for any fiscal year commencing on or after January 1, 2015, are least One Hundred Thousand Dollars ($100,000) but not more than Seven Hundred and Fifty Thousand Dollars ($750,000), may, with the approval of the State Auditor, be exempt from the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-606(7), C.R.S., if the District has authorized but unissued general obligation debt as of the end of the fiscal year, the District shall submit its audit report or a copy of its application for exemption from audit to the governing body of the municipality in which the District is located, if applicable; and

WHEREAS, the Unclaimed Property Act, §§ 38-13-101, *et seq.*, C.R.S., requires that political subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer; and

WHEREAS, §§ 32-1-101, *et seq.*, C.R.S., requires the District to publish certain legal notices in a newspaper of general circulation in the District; and

WHEREAS, the Directors may receive compensation for their services subject to the limitations imposed by §§ 32-1-902(3)(a)(I) & (II), C.R.S.; and

WHEREAS, pursuant to § 32-1-902(1), C.R.S., the Board shall elect officers of the District; and

WHEREAS, the Directors are governed by § 32-1-902(3)(b), C.R.S., which requires a Director to disqualify himself or herself from voting on an issue in which s/he has a conflict of interest, unless the Director has properly disclosed such conflict in compliance with law and files

said conflict disclosure statements at least seventy-two (72) hours prior to any regular or special meeting of the District; and

WHEREAS, § 24-6-402(2)(c), C.R.S., specifies the duty of the Board to designate a posting place for notices of meetings which are not otherwise posted under Title 32, C.R.S., as regular or special meetings; and

WHEREAS, § 32-1-903, C.R.S., requires that the Board shall meet regularly at a time and in a place to be designated by the Board, provides that special meetings may be held as often as the needs of the District require, upon notice to each director, and requires that all regular and special meetings notices be posted in at least three (3) public places within the boundaries of the District and in the County Clerk and Recorder's Office at least seventy-two (72) hours prior to said meeting; and

WHEREAS, elections may be held pursuant to the Colorado Local Government Election Code, §§ 1-13.5-101, *et seq.*, C.R.S., Special District Act, §§ 32-1-101, *et seq.*, C.R.S., and the Uniform Election Code of 1992, §§ 1-1-101, *et seq.*, C.R.S., for the purpose of: (1) electing members of the Board; (2) presenting certain ballot issues to the eligible electors of the District as required by Article X Section 20 of the Colorado Constitution; and (3) presenting certain ballot issues and questions to the eligible electors of the District; and

WHEREAS, § 1-5-102, C.R.S., specifies that the Board shall designate polling places for nonpartisan elections, other than coordinated elections, no later than twenty-five (25) days prior to an election; and

WHEREAS, § 1-11-103(3) and § 32-1-1101.5, C.R.S., require the District to notify the Division of the results of any elections held by the District within thirty (30) days after the election and to certify results of any election to incur general obligation indebtedness via certified mail to the Board of County Commissioners of each county in which the District is located or to the governing body of the municipality within forty-five (45) days after the election; and

WHEREAS, §§ 32-1-1604, C.R.S., requires the Board to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring said indebtedness; and

WHEREAS, in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S., the Board of County Commissioners or the governing body of the municipality may require the District to file an application for quinquennial finding of reasonable diligence; and

WHEREAS, pursuant to § 32-1-207(3)(c), C.R.S., the District, if requested, may be required to file an annual report with the Board of County Commissioners or the governing body of the municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S.; and

WHEREAS, in accordance with the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., the Board is given authority to obtain insurance; and

WHEREAS, in accordance with the Workers' Compensation Act of Colorado, §§ 8-40-101 – 8-47-101, *et seq.*, C.R.S., the District is required to carry workers' compensation coverage for its employees, but the Board members may opt out of such coverage by the methods prescribed in the Workers' Compensation Act of Colorado.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DANCING WILLOWS METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board directs legal counsel and the District's manager to keep accurate maps on file with the Division, County Assessor and County Clerk and Recorder and shall submit any changes to the maps on or before January 1.

2. The Board directs the District's manager to file a copy of the notice otherwise required by § 32-1-809(1), C.R.S., with the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of the municipality in which the District is located, if applicable, and the Division on or before January 15. The Board hereby names the District's manager, as the contact person for the District. The contact person is authorized, under § 24-10-109(3)(b), C.R.S., to accept notices of claims against the District, and, if any such claim is received must promptly notify the President of the Board and the attorney for the District of such receipt.

3. In accordance with § 32-1-809(1), C.R.S., the Board hereby directs the District's manager, not more than sixty (60) days prior to and not later than January 15 of each year, to provide notice to the District's eligible electors in the manner set forth in § 32-1-809(2), C.R.S.

4. Pursuant to § 32-1-104.8(1), C.R.S., the Board hereby directs the District's legal counsel to prepare and record any amended public disclosure document(s) and map(s) with the County Clerk and Recorder pursuant to § 32-1-105, C.R.S., should any property be included into the boundaries of the District.

5. The Board directs the District's accountant to submit a proposed budget to the Board by October 15, to prepare a final budget, including any amendments thereto, if necessary, and directs the District's manager to schedule a public hearing on the proposed budget, to prepare all budget resolutions and to file the certified copy of the adopted budget with budget message, and all resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy with the Division on or before January 30.

6. The Board directs the District's manager to certify the mill levy with the Board of County Commissioners on or before December 15.

7. The Board directs the District's manager to provide the Division a current list of all contracts in effect with other political subdivisions within thirty (30) days after receiving a written request, pursuant to § 29-1-205, C.R.S. Within ten (10) days after execution of a contract establishing a separate governmental entity pursuant to § 29-1-204, C.R.S., or an amendment or modification thereof, the Board directs legal counsel to file a copy of such contract, amendment or modification with the Division, pursuant to§ 29-1-204, C.R.S.

8. The Board directs the District's manager to prepare and file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year.

9. The Board directs the District's auditor to prepare an audit of the financial statements and submit such draft audit to the Board before June 30; further, the Board directs that the auditor file the final audit with the State Auditor by July 31. In the event that the timetable will not be met, the District's auditor and District's accountant are directed to request extensions of time to file the audit as needed. If the District is eligible for an audit exemption under applicable law, then the Board directs that the District's accountant apply for and obtain an audit exemption from the State Auditor on or before March 31.

10. The Board directs the District's accountant and auditor, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, as follows: (1) if the District is eligible for an audit exemption pursuant to §§ 29-1-604(1) or (2), C.R.S., then, pursuant to § 29-1-606(7), C.R.S., the District's accountant shall submit a copy of the District's application for exemption to the Board of County Commissioners or the governing body of the municipality, and (2) if the District is required to submit an annual audit pursuant to §§ 29-1-601, *et seq.*, C.R.S., then, pursuant to § 29-1-606(7), C.R.S., the District's auditor shall submit its audit report to the Board of County Commissioners or the governing body of the municipality.

11. The Board directs the District's manager to prepare the Unclaimed Property Act report and submit the same to the State Treasurer.

12. The Board designates the Golden Transcript as a newspaper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in accordance with applicable statutes in the Golden Transcript.

13. Pursuant to § 32-1-901, C.R.S., the District determines that each present and future member of the Board shall have in the District files, with annual confirmation thereof by the District's custodian of public records, a complete and executed Certificate of Appointment (if such Board member is appointed), current Oath of Office and applicable Surety Bond, and that copies of each be submitted

to the Division of Local Government and the District Court as necessary and as may be requested.

14. The Board of Directors of the District determines that each director shall receive compensation for services as directors, at the maximum rate allowed by law, in accordance with 32-1-902(3)(a)(I) & (II), C.R.S. The Board recognizes that the Internal Revenue Service has determined that directors of special districts are considered employees of the district and as such will pay federal employment taxes on the compensation they receive for services performed as a director. The Board, therefore, directs the District's accountant to withhold federal employment taxes from the amount that the directors receive in compensation and to furnish each director with an annual IRS W-2 form.

15. The Board hereby elects the following officers for the District:

President:	Susan Root
Vice President/Asst. Secretary:	Bobby Thomas
Secretary:	William Anderson
Treasurer:	Robert Faiks
Director:	Nancy Carson

16. The District hereby determines that each present and future member of the Board shall complete conflict disclosure forms and directs legal counsel to file the conflict disclosure forms with the Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board.

17. The Board designates the Dancing Willows Clubhouse at 11893 West Long Circle, Littleton, Colorado, located within the District, as the District's posting place for notices of meetings which were not otherwise posted under §§ 32-1-101, *et seq.*, C.R.S.

18. The Board determines to hold regular meetings quarterly starting in March on the second Thursday of the month at 6:30 p.m. at the Dancing Willows Clubhouse, 11893 West Long Circle, Littleton, Colorado, along with any other location selected by the Board in conformance with § 32-1-903(1), C.R.S. In addition, regular and special meeting notices shall be posted at three (3) separate locations within the boundaries of the District and in the County Clerk and Recorder's Office at least seventy-two (72) hours prior to said meeting. Meeting notices are posted at the following locations, all within the boundaries of the District:

    1. 11893 West Long Circle, Littleton (Clubhouse)
    2. Corner of West Ida/Long Circle (Sign Post)
    3. Corner of S Vivian Way/West Ida Place (Sign Post)

    Legal counsel shall revise the notices when the Board intends to make a final determination to issue or refund general obligation indebtedness, to consolidate

the District, to dissolve the District, to file a plan for adjustment of debt under federal bankruptcy law, or to enter into a private contract with a director, or not to make a scheduled bond payment.

19. Sue Blair of Community Resource Services of Colorado, LLC, is hereby appointed as the "Designated Election Official" of the Board for any elections to be held during 2017 and any subsequent year. The Board hereby grants all powers and authority for the proper conduct of the election to the Designated Election Official, including, but not limited to, appointing election judges, appointing a canvass board and cancellation, if applicable, of the election.

20. The Board deems it expedient for the convenience of the electors that it shall establish a polling place for all regular and special elections of the District. There shall be one (1) polling place for the elections. This polling place shall be used for any regular or special elections to be held in 2017, and in each fiscal year thereafter until such polling place is changed by duly adopted resolution of the Board. Such polling place shall be located at the offices of Community Resource Services of Colorado, LLC, 7995 East Prentice Avenue, Suite 103E, Greenwood Village, Colorado 80111. All voters for the District shall vote at the designated polling place. Handicapped and nonresident voters shall vote at the same polling place. A map showing the District's boundaries is on file at the offices of the District's manager, Community Resource Services of Colorado, LLC, 7995 East Prentice Avenue, Suite 103E, Greenwood Village, Colorado 80111, and is available for examination by all interested persons.

21. In accordance with § 1-11-103(3) and § 32-1-1101.5, C.R.S., the District directs legal counsel and the Designated Election Official to notify the Division of the results of any elections held by the District within thirty (30) days after the election and to certify results of any election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality within forty-five (45) days after the election.

22. In accordance with § 32-1-1604, C.R.S., the Board directs legal counsel to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness.

23. The Board directs the District's manager to prepare and file with the governing body of the municipality in which the District is located, if requested, the quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

24. The Board directs the District's manager to prepare and file, if requested, the special district annual report.

25. The Board directs the District's Manager, Accountant and Legal Counsel, to provide continuing disclosure service if and as applicable to the bonds and other financial obligations of the District.

26. Pursuant to the provisions of the Colorado Public Deposit Protection Act, § 11-10.5-101, *et seq.*, C.R.S., the Board appoints the District Treasurer as the official custodian of public deposits.

27. The Board directs the District's manager to obtain proposals for insurance to insure the District against all or any part of the District's liability for injury; to insure the Directors acting within the scope of employment by the Board against all or any part of such liability for an injury; to insure against the expense of defending a claim for injury against the District or its Board. The Board will annually review all insurance policies in effect.

28. In accordance with § 8-40-202(1)(a)(I)(B), C.R.S., the Board hereby waives workers' compensation coverage for individual Board members by opting that the individual Board members not be deemed employees as that term is defined in the Workers' Compensation Act of Colorado, and directs the District's manager to file a statement with the Division of Workers' Compensation in the Department of Labor and Employment for the State of Colorado at least forty-five (45) days before the start of the policy year in order to effect such waiver of coverage.

Whereupon, the motion was seconded by Director Thomas, and upon vote, unanimously carried.

ADOPTED AND APPROVED this 8th day of December, 2016.

DANCING WILLOWS
METROPOLITAN DISTRICT

Susan D Rool
President

ATTEST:

Bobby Thomas
Secretary

CERTIFICATION

I, Bobby Thomas, Secretary of the Board of Directors of Dancing Willows Metropolitan District, do hereby certify that the annexed and foregoing resolution is a true copy from the records of the proceedings of the Board of said District on file with Community Resource Services of Colorado, LLC, manager to the District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District this 8th day of December, 2016.

Bobby Thomas

Secretary