DANCING WILLOWS METROPOLITAN DISTRICT
REGULAR MEETING AGENDA

BOARD OF DIRECTORS	OFFICE	TERM EXPIRES
Douglas Cox	Director	May 2023
Robert Faiks	Director	May 2022
Lee Jennings	Director	May 2022
Ron Petroff	Director	May 2023
Bob Wessels	Director	May 2022

Meeting:
Date: Thursday, June 11, 2020
Time: 6:30 pm
Place: **Virtual Board Meeting**

https://zoom.us/j/95427308393
Meeting ID 954 2730 8393
phone 1 346 248 7799

1. **Call to Order**
   a. Disclosure of Potential Conflict of Interest
   b. Approve Agenda
2. **Announce Results of Election**
   a. Confirm Oath of Office Administered
   b. Welcome New Board Members
   c. Thank Departing Board Members (Bobby Thomas, Nancy Carson)
   d. Election of Officers
3. **Initial Public Comment** (Limit 3 minutes; also, brief comment will be allowed during Director's Items after Director's presentation)
4. **HOA Reports**
   a. Condominium
   b. Town Homes
   c. Patio Homes
5. **Director's Items**
   a. Committee Assignments (Sheet available for volunteers to sign up for committees)
      i. Pool: Board #1, (Deputy) Board #2? volunteer(s)
      ii. Communications: Board #1, (Deputy) Board #2? volunteer(s)
      iii. Financial: Board #1, (Deputy) Board #2? volunteer(s)
         1. 20 Year Plan
      iv. Monuments: Board #1, (Deputy) Board #2? volunteer(s)
      v. Landscape: Board #1, (Deputy) Board #2? volunteer(s)
      vi. Clubhouse: Board #1, (Deputy) Board #2? volunteer(s)
      vii. Streets/Sidewalk: Board #1, (Deputy) Board #2? volunteer(s)
         1. Parking (See Appendix A)
      viii. Snow Contract/Removal: Board #1, (Deputy) Board #2? volunteer(s)
      ix. Mgt. Contract Review: Board #1, (Deputy) Board #2? volunteer(s)

b. Discussion (continued) Concerning Opening Pool/Clubhouse in Time of COVID-19 Restrictions
c. Repair/Paint Monuments (Taft Street and Union Ave.)
    i. Taft Monument stucco is failing, Union Monuments need painting with elastomeric stucco paint (It would be prudent to do this at same time Condo HOA does their monuments)
d. Road Improvement/Concrete Repair (see appendix B: Completed Contracts & proposed Phase II Contracts "C or D")
e. Other Director's Items

6. **Manager's Items (CRS)**
    a. CRS Report
    b. Ratification of Claims
    c. Financial Statement for Approval (enclosure)
    d. Public Hearing to Amend 2019 Budget (enclosure)
    e. Review and accept 2019 Audit (enclosure)
7. **Committee Reports (Activity since March meeting)**
    a. Landscaping: Carol Swomley
    b. Fence/Monument: Lee Jennings (see above)
    c. Pool: Robert Faiks
    d. Street/Sidewalks: Lee Jennings (see above)
    e. Club House: All, see above
    f. Communications: Bob Wessels
    g. Finance: All
8. **Schedule Next Meeting**
9. **Adjourn**

<u>The next regular meeting will be held on September 10, 2020</u>

System: 6/8/2020 3:44:49 PM
User Date: 6/8/2020

Dancing Willows Metropolitan D
VENDOR CHECK REGISTER REPORT
Payables Management

User ID: pschneider

Ranges:	From:	To:		From:	To:
Check Number	02567	02583	Check Date	First	Last
Vendor ID	First	Last	Checkbook ID	First	Last
Vendor Name	First	Last			

Sorted By: Check Number

Rately

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
02567	WESSELS	Bob Wessels	4/9/2020	1STBANK-CKG	PMCHK00000184	$201.45
02568	CRS OF COLORADO	CRS of Colorado, LLC	4/9/2020	1STBANK-CKG	PMCHK00000184	$6,816.00
02569	METRO SECURITY	Metro Security, Inc.	4/9/2020	1STBANK-CKG	PMCHK00000184	$116.00
02570	PERFECT POOLS	Perfect Pools	4/9/2020	1STBANK-CKG	PMCHK00000184	$450.00
02571	JENNINGS, R EX	R. Lee Jennings	4/9/2020	1STBANK-CKG	PMCHK00000184	$120.86
02572	WILLOWBROOK W&S	Willowbrook Water & Sanitation	4/9/2020	1STBANK-CKG	PMCHK00000184	$361.93
02573	LANDON GRAY	Landon Gray	4/10/2020	1STBANK-CKG	PMCHK00000185	$585.67
02574	CRS OF COLORADO	CRS of Colorado, LLC	5/14/2020	1STBANK-CKG	PMCHK00000186	$6,476.45
02575	EVERGREEN NEWS	Evergreen Newspapers	5/14/2020	1STBANK-CKG	PMCHK00000186	$28.16
02576	KEESEN	Keesen Landscape Management, I	5/14/2020	1STBANK-CKG	PMCHK00000186	$810.00
02577	METRO SECURITY	Metro Security, Inc.	5/14/2020	1STBANK-CKG	PMCHK00000186	$58.00
02578	PERFECT POOLS	Perfect Pools	5/14/2020	1STBANK-CKG	PMCHK00000186	$1,000.00
02579	VISION GRAPHICS	Vision Graphics Inc	5/14/2020	1STBANK-CKG	PMCHK00000186	$6,144.55
02580	WILLOWBROOK W&S	Willowbrook Water & Sanitation	5/14/2020	1STBANK-CKG	PMCHK00000186	$361.93
02581	SWOMLEY, C (RE)	Carol Swomley	5/20/2020	1STBANK-CKG	PMCHK00000187	$1,705.97
02583	BROWN BROTHERS	Brown Brothers Holdings, LLC	5/29/2020	1STBANK-CKG	PMCHK00000188	$79,977.00

Total Checks: 16

Total Amount of Checks: $105,213.97

:em: 6/5/2020 12:32:56 PM
: Date: 6/5/2020

Dancing Willows Metropolitan D
VENDOR CHECK REGISTER REPORT
Payables Management

Page: 1
User ID: pschneider

ınges:	From:	To:		From:	To:
Check Number	First	Last	Check Date	6/11/2020	6/11/2020
Vendor ID	First	Last	Checkbook ID	First	Last
Vendor Name	First	Last			

›rted By: Check Number

Voided Checks

ıeck Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
2584	WESSELS	Bob Wessels	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2585	WESSELS	Bob Wessels	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2586	DOUG COX	Douglas Cox	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2587	DOUG COX	Douglas Cox	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2588	JENNINGS, R	R. Lee Jennings	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2589	JENNINGS, R	R. Lee Jennings	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2590	FAIKSROBERT	Robert Faiks	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2591	FAIKSROBERT	Robert Faiks	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2592	RON PETROFF	Ron Petroff	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2593	RON PETROFF	Ron Petroff	6/11/2020	1STBANK-CKG	PMCHK00000189	$92.35
2594	CRS OF COLORADO	CRS of Colorado, LLC	6/11/2020	1STBANK-CKG	PMCHK00000190	$7,399.45
2595	KEESEN	Keesen Landscape Management, I	6/11/2020	1STBANK-CKG	PMCHK00000190	$965.15
2596	METRO SECURITY	Metro Security, Inc.	6/11/2020	1STBANK-CKG	PMCHK00000190	$58.00
2597	FAIKSROBERT	Robert Faiks	6/11/2020	1STBANK-CKG	PMCHK00000190	$124.89
2598	WILLOWBROOK W&S	Willowbrook Water & Sanitation	6/11/2020	1STBANK-CKG	PMCHK00000190	$1,152.28

ɔtal Checks: 15

Total Amount of Checks: $10,623.27

Auto Pay		
CenturyLink	05.16.20	$43.24
Comcast	05.13.20	$163.56
Xcel	06.02.20	$1,394.87

DANCING WILLOWS METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

May 31, 2020

DANCING WILLOWS METROPOLITAN DISTRICT
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
May 31, 2020
Unaudited

	General	Debt Service	Capital	Long-term Debt	Total Memo Only
ASSETS AND OTHER DEBITS					
Current Assets					
Cash in Checking - 1st Bank	$ (61,905)	$ -	$ -	$ -	$ (61,905)
Cash in ColoTrust	616,889	217,800	157,900	-	992,589
Total Current Assets	554,984	217,800	157,900	-	930,684
Other Debits					
Amount to be provided for debt	-	-	-	3,652,165	3,652,165
TOTAL ASSETS AND OTHER DEBITS	**$ 554,984**	**$ 217,800**	**$ 157,900**	**$ 3,652,165**	**$ 4,582,849**
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts payable	$ 7,219	$ -	$ -	$ -	$ 7,219
Total Current Liabilities	7,219	-	-	-	7,219
Long Term Debt					
Bonds payable - Series 2017 Refunding	-	-	-	3,585,000	3,585,000
Accrued bond interest	-	-	-	67,165	67,165
Total Long Term Debt	-	-	-	3,652,165	3,652,165
FUND BALANCE					
Tabor emergency reserves	15,590	-	-	-	15,590
Unassigned	298,578	-	-	-	298,578
Debt service - beginning fund balance	-	209,618		-	209,618
Capital - beginning fund balance	-	-	235,877	-	235,877
Current earnings	233,597	8,182	(77,977)	-	163,802
Total Fund Balances	547,765	217,800	157,900	-	923,465
TOTAL LIABILITIES AND FUND BALANCES	**$ 554,984**	**$ 217,800**	**$ 157,900**	**$ 3,652,165**	**$ 4,582,849**

DANCING WILLOWS METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
For the Five Months Ended May 31, 2020
Unaudited

	YTD Actual	2020 Budget	Variance Positive (Negative)	Percent of Budget (42% YTD)
REVENUES				
Property taxes	$ 308,081	$ 465,189	$ (157,108)	66%
Specific ownership taxes	12,852	32,563	(19,711)	39%
Clubhouse rentals	700	4,000	(3,300)	18%
Interest	3,702	16,000	(12,298)	23%
Conservation Trust Funds	387	1,100	(713)	35%
Miscellaneous Income	380	500	(120)	76%
Total revenues	326,102	519,352	(193,250)	63%
EXPENDITURES				
General				
Audit	-	4,800	4,800	0%
County treasurer fees	4,621	6,978	2,357	66%
Directors' fees	461	2,900	2,439	16%
District management and accounting	20,835	50,000	29,165	42%
Elections	14,449	9,200	(5,249)	-
Grant Funding	-	11,500	11,500	0%
Insurance	10,013	10,700	687	94%
Legal	29	2,000	1,971	1%
Miscellaneous	887	1,000	113	89%
Payroll taxes	444	230	(214)	193%
SDA dues	537	500	(37)	107%
SDA conference attendance	-	1,000	1,000	0%
Utilities	12,155	36,000	23,845	34%
Contingency	-	10,000	10,000	0%
Emergency reserve	-	15,580	15,580	0%
Total general expenditures	64,431	162,388	97,957	40%
Operations and Maintenance				
Clubhouse maintenance	1,113	2,500	1,387	45%
Clubhouse interior painting	-	7,000	7,000	0%
Landscape contract	1,620	6,500	4,880	25%
Grounds and landscaping maintenance	1,922	8,000	6,078	24%
Trees - watering	-	2,400	2,400	0%
Irrigation repairs	-	3,000	3,000	0%
Fence and monument maintenance	-	500	500	0%
Street light repair and maintenance	-	1,000	1,000	0%
Street repairs and maintenance	-	5,500	5,500	0%
Pool chemicals and supplies	-	3,500	3,500	0%
Pool contract	1,700	6,950	5,250	24%
Pool maintenance	-	5,000	5,000	0%
Reserve study	-	10,000	10,000	0%
Snow removal	21,719	81,500	59,781	27%
Total O&M expenditures	28,074	143,350	115,276	20%
Total expenditures	92,505	305,738	213,233	30%
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	233,597	213,614	19,983	109%
OTHER FINANCING USES				
Transfer to Capital Reserve Fund	-	(150,000)	(150,000)	0%
Total other financing uses	-	(150,000)	(150,000)	0%
NET CHANGE IN FUND BALANCE	233,597	63,614	169,983	
BEGINNING FUND BALANCE	314,168	264,321	49,847	
ENDING FUND BALANCE	$ 547,765	$ 327,935	$ 219,830	

DANCING WILLOWS METROPOLITAN DISTRICT
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
For the Five Months Ended May 31, 2020
Unaudited

	YTD Actual	2020 Budget	Variance Positive (Negative)	Percent of Budget (42% YTD)
REVENUES				
Property taxes	$ 75,421	$ 113,884	$ (38,463)	66%
Specific ownership taxes	-	-	-	-
Interest	1,042	-	1,042	-
Total revenues	76,463	113,884	(37,421)	67%
EXPENDITURES				
Bond principal	-	40,000	40,000	0%
Bond interest	66,750	133,500	66,750	50%
County treasurer fees	1,131	1,708	577	66%
Paying agent fees	400	400	-	100%
Total expenditures	68,281	175,608	107,327	39%
NET CHANGE IN FUND BALANCE	8,182	(61,724)	69,906	
BEGINNING FUND BALANCE	209,618	283,731	(74,113)	
ENDING FUND BALANCE	$ 217,800	$ 222,007	$ (4,207)	

DANCING WILLOWS METROPOLITAN DISTRICT
CAPITAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
For the Five Months Ended May 31, 2020
Unaudited

	YTD Actual	2020 Budget	Variance Positive (Negative)	Percent of Budget (42% YTD)
REVENUES				
Total revenues	$ -	$ -	$ -	$ -
EXPENDITURES				
Clubhouse - furniture replacement	-	7,000	7,000	0%
Clubhouse - window coverings	-	5,000	5,000	0%
Street paving/sealing/sidewalk/gutter maintenance	77,977	120,000	42,023	65%
Total expenditures	77,977	132,000	54,023	59%
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(77,977)	(132,000)	54,023	-
OTHER FINANCING SOURCES				
Transfer from General Fund	-	150,000	(150,000)	-
Total other financing sources	-	150,000	(150,000)	-
NET CHANGE IN FUND BALANCE	(77,977)	18,000	(95,977)	
BEGINNING FUND BALANCE	235,877	157,900	77,977	
ENDING FUND BALANCE	$ 157,900	$ 175,900	$ (18,000)	

DANCING WILLOWS METROPOLITAN DISTRICT
CASH POSITION STATEMENT
For the Five Months Ended May 31, 2020
Adjusted as of June 4, 2020

Account Activity Item Description	CHECKING 1st Bank	INVESTMENT COLOTRUST* General	INVESTMENT COLOTRUST* Bond Reserve	TOTAL ALL ACCOUNTS
BEGINNING BALANCE PER BANK	$ 19,959	$ 593,197	$ 181,549	$ 794,705
YTD credits - Total deposits, wires and transfers	116,124	398,551	1,042	515,717
YTD debits - Total vouchers, wires and transfers	(118,011)	(181,750)	-	(299,761)
YTD balance	18,072	809,998	182,591	1,010,661
Less outstanding check - Brown Brother's	(79,977)	-	-	(79,977)
Adjusted balance	(61,905)	809,998	182,591	930,684
Current activity				
Transfers	100,000	(33,250)	(66,750)	-
Deposits and interest	-	49	11	60
Payables, auto pay	(43)	-	-	(43)
Adjusted balance	**38,052**	**776,797**	**115,852**	**930,701**
Less restricted cash - debt service	**-**	**-**	**(115,852)**	**(115,852)**
Adjusted unrestricted cash balance	**$ 38,052**	**$ 776,797**	**$ -**	**$ 814,849**

***Colotrust Interest rate as of 5/31/20 = .72%**

General Obligation Refunding Bonds, Series 2017:

	Principal	Interest	TOTAL
Due 06/01/2020		66,750.00	66,750.00
Due 12/01/2020	40,000.00	66,750.00	106,750.00
	40,000.00	133,500.00	173,500.00

RESOLUTION TO AMEND 2019 BUDGET
DANCING WILLOWS METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the **DANCING WILLOWS METROPOLITAN DISTRICT** appropriated funds for the fiscal year 2019 as follows:

Debt Service Fund	$ 176,320

; and

WHEREAS, the necessity has arisen for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2019; and

WHEREAS, the expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, the necessity has arisen for additional appropriations and expenditures of funds as reflected by satisfactory evidence presented to the Board of Directors at this meeting and set out in the amended budget attached hereto as **Exhibit A**; and

WHEREAS, funds are available for such expenditures from revenue funds available to the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget amendment was available for inspection by the public at a designated public office, a public hearing was held on June 11, 2020 and interested electors were given the opportunity to file or register any objections to said proposed budget amendment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the **DANCING WILLOWS METROPOLITAN DISTRICT** shall, and hereby does, amend the budget for the fiscal year 2019 for the following funds as follows:

Debt Service Fund	$ 176,476

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the Funds referenced above for the purposes stated.

Adopted this 11th day of June, 2020.

DANCING WILLOWS METROPOLITAN DISTRICT

By: _____
, President

ATTEST:

_____
, Secretary/Treasurer

EXHIBIT A

DANCING WILLOWS METROPOLITAN DISTRICT
DEBT SERVICE FUND
AMENDED 2019 BUDGET

	Budget Amounts	
	Original	**Amended**
REVENUES		
Property taxes	$ 97,139	$ 97,139
Interest	-	-
Total revenues	97,139	97,139
EXPENDITURES		
Bond principal	40,000	40,000
Bond interest	134,700	134,700
County treasurer fees	1,360	1,400
Paying agent fees	260	400
Total expenditures	176,320	176,500
NET CHANGE IN FUND BALANCE	(79,181)	(79,361)
FUND BALANCE - BEGINNING OF YEAR	283,731	287,971
FUND BALANCE - END OF YEAR	$ 204,550	$ 208,610

NOTICE TO AMEND 2019 BUDGET
DANCING WILLOWS METROPOLITAN DISTRICT

NOTICE IS HEREBY GIVEN that the Board of Directors of the Dancing Willows Metropolitan District, of the County of Jefferson, State of Colorado, will consider amending the District's 2019 budget at a regular meeting to be held on Thursday, June 11, 2020 at 6:30 p.m. The meeting will be held using Zoom meeting: https://zoom.us/j/95427308393 , Meeting ID 954 2730 8393, Telephone: +1 346 248 7799. A copy of the proposed Budget Amendment is on file at the offices of the District located at 7995 E. Prentice Ave., Ste. 103E, Greenwood Village, Colorado, and is available for public inspection. Any interested elector of Dancing Willows Metropolitan District may file any objections to the Resolution at any time prior to its adoption by the Board of Directors of the Dancing Willows Metropolitan District at the above-stated meeting. The meeting is open to the public.

BY ORDER OF THE BOARD OF DIRECTORS
OF THE DANCING WILLOWS METROPOLIAN
DISTRICT

/s/ COMMUNITY RESOURCE SERVICES OF
COLORADO, L.L.C.

Publish In: Golden Transcript

Publish On: Thursday, June 11, 2020 (One time only)

Rhonda Bilek

From: Rhonda Bilek
Sent: Wednesday, June 3, 2020 2:37 PM
To: legals@coloradocommunitymedia.com; Sheree Sandell (ssandell@coloradocommunitymedia.com)
Cc: Sue Blair; Marcos Pacheco
Subject: Dancing Willows MD - Publication for 2019 budget amendment
Attachments: Notice to Amend 2019 Budget - DWMD.pdf

Please publish in the Golden Transcript, the attached Notice for Dancing Willows Metro District. Publication date of Thursday, June 11, 2020, one time only.
E-mail confirmation and invoice to rbilek@crsofcolorado.com

Thank you,

Rhonda S. Bilek
Assistant District Manager
c/o Community Resource Services
7995 East Prentice Avenue, Suite 103E
Greenwood Village, CO 80111-2710
(303) 381-4960 –Main
(303) 381-4979 - Direct
(303) 381-4961 –Facsimile

Email: rbilek@crsofcolorado.com

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DRAFT 6/5/20

DANCING WILLOWS METROPOLITAN DISTRICT
Jefferson County, Colorado

FINANCIAL STATEMENTS
December 31, 2019

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BASIC FINANCIAL STATEMENTS

DANCING WILLOWS METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2019

	Governmental Activities
ASSETS	
Cash and investments - unrestricted	$ 349,212
Cash and investments - restricted	445,495
Receivable from county treasurer	4,246
Property taxes receivable	579,073
Prepaid bond insurance	31,321
Capital assets, not being depreciated	213,181
Capital assets, net of depreciation	3,190,112
Total assets	4,812,640
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	50,127
LIABILITIES	
Accounts payable	34,909
Payroll taxes payable	444
Accrued bond interest	3,658
Bonds payable - due within one year	40,000
Noncurrent liabilities:	
Bonds due in greater than one year	3,585,028
Total liabilities	3,664,039
DEFERRED INFLOWS OF RESOURCES	
Deferred property tax revenue	579,073
Total deferred inflows of resources	579,073
NET POSITION	
Net investment in capital assets	(225,393)
Restricted for:	
Emergencies	16,700
Debt service	205,960
Capital projects	235,877
Unrestricted	386,511
Total net position	$ 619,655

These financial statements should be read only in connection with the accompanying notes to financial statements.

DANCING WILLOWS METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contribution	Program Revenues: Capital Grants and Contribution	Net (Expense) Revenue and Change in Net Position: Governmental Activities
Primary government:					
Governmental activities:					
General government	$ 483,133	$ -	$ -	$ -	$ (483,133)
Interest and expenses on long-term debt	135,021	-	-	-	(135,021)
	$ 618,154	$ -	$ -	$ -	(618,154)
General revenues:					
Property taxes					576,251
Specific ownership taxes					49,100
Interest					19,881
Clubhouse rentals					4,475
Conservation Trust Funds					1,796
Miscellaneous					358
Total general revenues					651,861
Change in net position					33,707
Net position - beginning					585,948
Net position - ending					$ 619,655

These financial statements should be read only in connection with the accompanying notes to financial statements.

DANCING WILLOWS METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and investments - unrestricted	$ 349,212	$ -	$ -	$ 349,212
Cash and investments - restricted	-	209,618	235,877	445,495
Receivable from county treasurer	4,246	-	-	4,246
Property taxes receivable	465,189	113,884	-	579,073
Total assets	$ 818,647	$ 323,502	$ 235,877	$ 1,378,026
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 34,909	$ -	$ -	$ 34,909
Payroll taxes payable	444	-	-	444
Total liabilities	35,353	-	-	35,353
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	465,189	113,884	-	579,073
Total deferred inflows of resources	465,189	113,884	-	579,073
FUND BALANCES				
Restricted:				
Emergency reserves	16,700	-	-	16,700
Debt service	-	209,618	-	209,618
Capital projects	-	-	235,877	235,877
Unassigned	301,405	-	-	301,405
Total fund balances	318,105	209,618	235,877	763,600
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 818,647	$ 323,502	$ 235,877	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	3,403,293
The funds report bond insurance costs as expenditures at the time the costs are incurred, but the statement of net position reports these costs as deferred assets, additionally the bond refunding loss is not reported in the funds, however is reported as deferred outflows of resources on the statement of net position, both of which are amortized over the life of the bonds	
Prepaid bond insurance, net	31,321
Bond refunding loss, net	50,127
Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds	
Bonds payable	(3,545,000)
Bond premium, net	(80,028)
Accrued interest on bonds payable	(3,658)
Net position of governmental activities	$ 619,655

These financial statements should be read only in connection with the accompanying notes to financial statements.

DANCING WILLOWS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS
Year Ended December 31, 2019

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property taxes	$ 479,112	$ 97,139	$ -	$ 576,251
Specific ownership taxes	49,100	-	-	49,100
Interest	18,897	984	-	19,881
Clubhouse rentals	4,475	-	-	4,475
Conservation Trust Funds	1,796	-	-	1,796
Miscellaneous	358	-	-	358
Total revenues	553,738	98,123	-	651,861
EXPENDITURES				
General				
District management and accounting	51,156	-	-	51,156
Audit	4,600	-	-	4,600
Directors' fees	2,900	-	-	2,900
Insurance and dues	10,683	-	-	10,683
Legal	40	-	-	40
Miscellaneous	560	-	-	560
Payroll taxes	222	-	-	222
SDA conference and dues	545	-	-	545
County treasurer fees	7,274	1,376	-	8,650
Utilities	37,152	-	-	37,152
Clubhouse maintenance and repairs	15,288	-	-	15,288
Ground and landscaping	8,171	-	-	8,171
Irrigation repairs	185	-	-	185
Landscape contract	6,943	-	-	6,943
Pool contract	5,750	-	-	5,750
Pool maintenance and supplies	6,217	-	-	6,217
Snow removal	60,428	-	-	60,428
Bond principal	-	40,000	-	40,000
Bond interest	-	134,700	-	134,700
Paying agent fees	-	400	-	400
Capital				
Clubhouse furniture replacement	-	-	1,990	1,990
Concrete removal and replacement	-	-	49,115	49,115
Re-plaster hot tub	-	-	8,000	8,000
Retaining wall	-	-	4,605	4,605
Street paving / sealing	-	-	85,514	85,514
Swale design	-	-	14,899	14,899
Total expenditures	218,114	176,476	164,123	558,713
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	335,624	(78,353)	(164,123)	93,148
OTHER FINANCING SOURCES (USES)				
Transfers to / from other funds	(300,000)	-	300,000	-
Total other financing sources (uses)	(300,000)	-	300,000	-
NET CHANGE IN FUND BALANCE	35,624	(78,353)	135,877	93,148
FUND BALANCES - BEGINNING OF YEAR	282,481	287,971	100,000	670,452
FUND BALANCES - END OF YEAR	$ 318,105	$ 209,618	$ 235,877	$ 763,600

These financial statements should be read only in connection with the accompanying notes to financial statements.

DANCING WILLOWS METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2019

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balance - Total governmental funds		$ 93,148
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:		
Bond principal payments		40,000
Some expenses reported in the Statement of Activities do not require the use of financial resources and, therefore, are not reported as expenditures in governmental funds:		
Depreciation	(263,643)	
Bond premium amortization	2,964	
Debt refunding deferred loss amortization	(1,857)	
Prepaid bond insurance amortization	(1,160)	
Net change in accrued interest on bonds	132	(263,564)
Change in net position of governmental activities		$ 33,707

These financial statements should be read only in connection with the accompanying notes to financial statements.

DANCING WILLOWS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2019

	Budget Amounts Original-Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	$ 479,111	$ 479,112	$ 1
Specific ownership taxes	42,182	49,100	6,918
Interest	15,325	18,897	3,572
Clubhouse rentals	3,100	4,475	1,375
Conservation Trust Funds	1,149	1,796	647
Miscellaneous	85	358	273
Total revenues	540,952	553,738	12,786
EXPENDITURES			
Audit	4,600	4,600	-
County treasurer's fees	7,187	7,274	(87)
Directors' fees	3,000	2,900	100
District management and accounting	52,000	51,156	844
Grant funding	11,500	-	11,500
Insurance	8,700	10,683	(1,983)
Legal	2,000	40	1,960
Miscellaneous	1,500	560	940
Payroll taxes	230	222	8
SDA conference and dues	8,000	545	7,455
Utilities	35,000	37,152	(2,152)
Contingency	10,000	-	10,000
Emergency reserve Tabor 3%	16,229	-	16,229
Clubhouse maintenance and repairs	2,500	15,288	(12,788)
Fence and monument repairs	2,000	-	2,000
Grounds and landscaping	8,000	8,171	(171)
Trees - watering	1,200	-	1,200
Irrigation repairs	1,000	185	815
Landscape contract	6,172	6,943	(771)
Pool contract	6,750	5,750	1,000
Pool maintenance and supplies	9,500	6,217	3,283
Snow removal	25,000	60,428	(35,428)
Street light repair and maintenance	7,500	-	7,500
Street repairs and maintenance	5,500	-	5,500
Total expenditures	235,068	218,114	16,954
EXCESS OF REVENUES OVER EXPENDITURES	305,884	335,624	29,740
OTHER FINANCING USES			
Transfer to Capital Projects Fund	(300,000)	(300,000)	-
Total other financing uses	(300,000)	(300,000)	-
NET CHANGE IN FUND BALANCE	5,884	35,624	29,740
FUND BALANCE - BEGINNING OF YEAR	264,321	282,481	18,160
FUND BALANCE - END OF YEAR	$ 270,205	$ 318,105	$ 47,900

These financial statements should be read only in connection with the accompanying notes to financial statements.

NOTE 1 - DEFINITION OF REPORTING ENTITY

Dancing Willows Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized on January 17, 2006 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located within Jefferson County, Colorado. The District was established to finance and construct public infrastructure improvements within its boundaries.

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

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 is not financially accountable for any other District 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. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities are normally supported by taxes.

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

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets and redemption of bonds and promissory notes are recorded as a reduction in liabilities.

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. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District.

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 other funds.

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest and related expenses on the long-term general obligation debt.

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted first, then unrestricted resources as they are needed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the Local Government Budget Law of Colorado, 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.

For the year ended December 31, 2019, supplementary appropriation approved by the Districts' Board of Directors modified the appropriation from $176,320 to $176,476 in the Debt Service Fund.

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 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 30 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 inflows of resources in the year they are levied and measurable. The deferred inflows of resources related to property tax revenues are recorded as revenue in the year they are available or collected.

Bond Premium, Prepaid Bond Insurance Costs and Bond Refunding Costs

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance 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)

Issuance costs, whether or not withheld from the actual debt issuances are reported as debt service expenditures.

In the government-wide financial statements, prepaid bond insurance costs and bond refunding deferred loss from the General Obligation Refunding Bonds, Series 2017 are being amortized over the term of the bonds using the straight-line method. The bond premium is being amortized over the term of the bonds using the interest method. At December 31, 2019, the accumulated amortization of the bond insurance costs, the bond premium and the bond refunding deferred loss were $2,320, $5,928 and $3,714, respectively.

Capital Assets

Capital assets, which include property, plant and equipment and infrastructure assets (roads, bridges, pools, sidewalks and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Fund Balances – Governmental Funds

The District's governmental fund balances may consist of five classifications based on the relative strength of the spending constraints:

Nonspendable fund balance - the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance - the amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance - amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority.

Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2019 are classified in the accompanying statement of net position as follows:

Statement of net position:	
Cash and investments - unrestricted	$ 349,212
Cash and investments - restricted	445,495
Total cash and investments	$ 794,707

Cash and investments as of December 31, 2019 consist of the following:

Deposits with financial institutions	$ 19,960
Investments	774,747
Total cash and investments	$ 794,707

Cash Deposits

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 equal to 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, 2019, the District's cash deposits had a bank and carrying balance of $19,960.

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Investments

Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

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

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

The District generally limits its concentration of investments to those noted with an asterisk (*) above, 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 disclosure requirements or subject to investment custodial risk 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.

As of December 31, 2019, the District had the following investments:

Investment	Maturity	Fair Value
Colorado Local Government Liquid Asset Trust	Weighted average under 60 days	$ 774,747

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

During 2019, the District invested in the Colorado Local Government Liquid Asset Trust (Colotrust) 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 Colotrust. Colotrust operates similarly to a money market fund and each share is equal in value to $1.00. Colotrust 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 repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for ColoTrust portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for ColoTrust investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by Colotrust.

As of December 31, 2019, the District had $774,747 invested in COLOTRUST PLUS+ in the name of the District. Colotrust is rated AAAm by S&P Global Ratings.

Cash and investments of $209,618 are restricted in the Debt Service Fund for servicing the District's bond debt (Note 5). Cash and investments of $235,877 are restricted in the Capital Projects Fund for capital improvements.

Investment Valuation

Certain investments are measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District's investments are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in Colotrust at yearend for which the investment valuations were determined as follows.

Colotrust determines the NAV of the shares of each portfolio as of the close of business on each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

the portfolios. Liabilities, which include all expenses and fees of Colotrust, are accrued daily. The NAV is calculated at fair value using various inputs in determine value in accordance with

FASB guidance. It is the goal of Colotrust to maintain a NAV of $1.00 per share, however changes in interest rates may affect the fair value of the securities held by Colotrust and there can be no assurance that the NAV will not vary from $1.00 per share.

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2019 follows:

Governmental Activities:	Balance at December 31, 2018	Increases	Decreases	Balance at December 31, 2019
Capital assets, not being depreciated:				
Parks and recreation	$ 213,181	$ -	$ -	$ 213,181
Total capital assets, not being depreciated	213,181	-	-	213,181
Capital assets, being depreciated:				
Streets and street improvements	4,154,730	154,133	-	4,308,863
Clubhouse	5,940	1,990	-	7,930
Safety protection	147,281	-	-	147,281
Pool and equipment	904,136	8,000	-	912,136
Total capital assets, being depreciated	5,212,087	164,123	-	5,376,210
Less accumulated depreciation for:				
Streets and street improvements	(1,536,266)	(209,958)	-	(1,746,224)
Clubhouse	(396)	(352)	-	(748)
Safety protection	(55,230)	(7,364)	-	(62,594)
Pool and equipment	(330,563)	(45,969)	-	(376,532)
Total accumulated depreciation	(1,922,455)	(263,643)	-	(2,186,098)
Total capital assets, being depreciated, net	3,289,632	(99,520)	-	3,190,112
Governmental activities capital assets, net	$ 3,502,813	$ (99,520)	$ -	$ 3,403,293

Depreciation expense of $263,643 is included in general government expenses in the Statement of Activities.

NOTE 5 - LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2019:

	Balance at December 31, 2018	Additions	Retirements/ Adjustments	Balance at December 31, 2019	Due Within One Year
Series 2017 bonds	$ 3,585,000	-	$ 40,000	$ 3,545,000	$ 40,000
Series 2017 bonds - bond premium	82,992	-	2,964	$ 80,028	-
	$ 3,667,992	$ -	$ 42,964	$ 3,625,028	$ 40,000

A description of the long-term obligations as of December 31, 2019 is as follows:

Direct Placement Debt

General Obligation Refunding Bonds, Series 2017

On December 21, 2017, the District issued General Obligation Refunding Bonds, Series 2017 (Series 2017 Bonds) in the principal amount of $3,635,000. The Series 2017 Bonds were issued for the purpose of providing funds to (i) advance refund the District's General Obligation (Limited Tax Convertible to Unlimited Tax) Convertible Capital Appreciation Bonds, Series 2008B-1, (ii) advance refund the District's General Obligation (Limited Tax Convertible to Unlimited Tax) Convertible Capital Appreciation Bonds, Series 2008B-2, and (iii) to pay costs in connection with the issuance of the Series 2017 Bonds.

The District received a premium of $85,956 and incurred bond insurance costs of $33,641, both of which are being amortized over the life of the 2017 Series Bonds as reflected in the statement of net position and statement of activities.

The Series 2017 Bonds are secured by and payable solely from pledged revenue, which includes property taxes derived from the required mill levy net of the cost of collection, specific ownership taxes, and any other legally available moneys of the District credited to the Debt Service Fund.

The 2017 Series Bonds bear interest of 3.00% from December 1, 2018 to December 1, 2022, 4.00% from December 2, 2022 to December 1, 2037, and 3.625% from December 2, 2037 to December 1, 2046. Interest is payable semi-annually on June 1 and December 1. The payment of principal on the 2017 Series Bonds began on December 1, 2018. Those bonds maturing on and after December 1, 2028 are subject to redemption prior to maturity at the option of the District. The 2017 Series Bonds maturing on December 1, 2032, December 1, 2037 and December 1, 2046 are subject to mandatory sinking fund redemption prior to maturity, in part, by

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

lot and in such manner as determined by the paying agent. The 2017 Series Bonds mature on December 1, 2046.

Events of default under the Series 2017 Bonds include (i) failure to pay the principal or redemption premium of any Bond when due, (ii) failure to pay interest on any Bond when due, (iii) failure to meet financial or custodial agreement covenants, or (iv) the District files a petition under the federal bankruptcy laws seeking to adjust the debt represented by the Bonds.

The following is a summary of the annual long-term debt principal and interest requirements to maturity for the Series 2017 Bonds as of December 31, 2019:

Year	Principal	Interest	Total
2020	$ 40,000	$ 133,500	$ 173,500
2021	45,000	132,300	177,300
2022	55,000	130,950	185,950
2023	55,000	129,300	184,300
2024	65,000	127,100	192,100
2025-2029	410,000	592,300	1,002,300
2030-2034	585,000	496,100	1,081,100
2035-2039	795,000	363,938	1,158,938
2040-2044	1,025,000	200,282	1,225,282
2045-2046	470,000	25,737	495,737
	$ 3,545,000	$ 2,331,507	$ 5,876,507

Debt Authorization

As of December 31, 2019, the District has authorized but unissued indebtedness of $487. The District has not budgeted to issue any new debt during 2020.

NOTE 6 – FUND EQUITY

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of $16,700 is comprised of the emergency reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 9).

NOTE 7 - NET POSITION

The restricted fund balance in the Debt Service Fund in the amount of $209,618 is to be used exclusively for debt service requirements associated with the Series 2017 Bonds (see Note 5).

The restricted fund balance in the Capital Projects Fund in the amount of $235,877 is to be used exclusively for capital improvements.

The District's net position consists of two components - restricted and unrestricted.

The restricted portion of the net position include amounts that are restricted either externally by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District's restricted net position at December 31, 2019 is as follows:

	Governmental Activities
Restricted net position:	
TABOR emergency reserve (Note 9)	$ 16,700
Debt service (Note 5)	205,960
Capital projects	235,877
	$ 458,537

NOTE 8 - RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, the District may be 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 9 - 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, except Enterprise.

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.

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.

SUPPLEMENTAL INFORMATION

DANCING WILLOWS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2019

	Budget Amounts Original - Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	$ 97,139	$ 97,139	$ -
Interest	-	984	984
Total revenues	97,139	98,123	984
EXPENDITURES			
Bond principal	40,000	40,000	-
Bond interest	134,700	134,700	-
County treasurer fees	1,360	1,376	(16)
Paying agent fees	260	400	(140)
Total expenditures	176,320	176,476	(156)
NET CHANGE IN FUND BALANCE	(79,181)	(78,353)	828
FUND BALANCE - BEGINNING OF YEAR	283,731	287,971	4,240
FUND BALANCE - END OF YEAR	$ 204,550	$ 209,618	$ 5,068

DANCING WILLOWS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2019

	Budget Amounts Original - Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Total revenues	$ -	$ -	$ -
EXPENDITURES			
Clubhouse furniture replacement	-	1,990	(1,990)
Concrete removal and replacement	-	49,115	(49,115)
GOGO Park Grant	11,500	-	11,500
Re-plaster Hot Tub	18,000	8,000	10,000
Retaining wall	-	4,605	(4,605)
Street paving / sealing	135,000	85,514	49,486
Swale design	-	14,899	(14,899)
Total expenditures	164,500	164,123	377
EXCESS OF EXPENDITURES OVER REVENUES	(164,500)	(164,123)	377
OTHER FINANCING SOURCES			
Transfer from General Fund	300,000	300,000	-
Total other financing sources	300,000	300,000	-
NET CHANGE IN FUND BALANCE	135,500	135,877	377
FUND BALANCE - BEGINNING OF YEAR	42,070	100,000	57,930
FUND BALANCE - END OF YEAR	$ 177,570	$ 235,877	$ 58,307

OTHER INFORMATION

DANCING WILLOWS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2019

$3,635,000
General Obligation Refunding Bonds
Series 2017
Dated December 21, 2017
Interest Rates 3.00%, 4.00%, 3.625%
Interest payable June 1 and December 1; Principal due December 1

	Principal	Interest	Total
2020	$ 40,000	$ 133,500	$ 173,500
2021	45,000	132,300	177,300
2022	55,000	130,950	185,950
2023	55,000	129,300	184,300
2024	65,000	127,100	192,100
2025	70,000	124,500	194,500
2026	75,000	121,700	196,700
2027	80,000	118,700	198,700
2028	90,000	115,500	205,500
2029	95,000	111,900	206,900
2030	105,000	108,100	213,100
2031	110,000	103,900	213,900
2032	120,000	99,500	219,500
2033	120,000	94,700	214,700
2034	130,000	89,900	219,900
2035	140,000	84,700	224,700
2036	155,000	79,100	234,100
2037	155,000	72,900	227,900
2038	170,000	66,700	236,700
2039	175,000	60,538	235,538
2040	185,000	54,194	239,194
2041	195,000	47,488	242,488
2042	205,000	40,419	245,419
2043	215,000	32,987	247,987
2044	225,000	25,194	250,194
2045	230,000	17,037	247,037
2046	240,000	8,700	248,700
	$ 3,545,000	$ 2,331,507	$ 5,876,507

DANCING WILLOWS METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION,
MILL LEVY AND PROPERTY TAXES COLLECTED
December 31, 2019

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Total Property Taxes Levied	Total Property Taxes Collected	Percentage Collected to Levied
2007	$ 517,500	61.000	$ 31,568	$ 31,567	100.00%
2008	$2,377,100	61.000	$ 145,003	$ 145,003	100.00%
2009	$3,221,370	61.000	$ 196,504	$ 196,502	100.00%
2010	$3,875,030	61.000	$ 236,377	$ 232,132	98.20%
2011	$4,481,050	61.000	$ 273,344	$ 277,754	101.61%
2012	$4,647,228	66.000	$ 306,717	$ 306,308	99.87%
2013	$5,110,641	75.000	$ 383,298	$ 383,297	100.00%
2014	$5,984,045	75.000	$ 448,803	$ 448,804	100.00%
2015	$6,465,174	75.000	$ 484,888	$ 484,772	99.98%
2016	$7,649,907	75.000	$ 573,743	$ 577,729	100.69%
2017	$7,649,120	75.000	$ 573,684	$ 573,685	100.00%
2018	$8,218,129	75.000	$ 616,360	$ 616,361	100.00%
2019	$8,232,146	70.000	$ 576,250	$ 576,251	100.00%
Estimated for the year ending December 31, 2020	$9,651,224	60.000	$ 579,073		

NOTE:
Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the county treasurer does not permit identification of specific year of assessment.