

**DANCING WILLOWS METROPOLITAN DISTRICT
REGULAR MEETING AGENDA**

<u>BOARD OF DIRECTORS</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Robert Faiks	President	May 2022
Douglas Cox	Vice President	May 2023
Ron Petroff	Secretary	May 2023
Bob Wessels	Treasurer	May 2022
Lee Jennings	Director	May 2022

PLEASE NOTE DATE AND TIME

DATE: Thursday, June 10, 2021
TIME: 6:30 p.m.
PLACE: Dancing Willows Club House
11893 West Long Circle
Littleton, CO 80127

1) ADMINISTRATIVE ITEMS:

- a. Call to Order
 - b. Present Disclosures of Potential Conflicts of Interest
 - c. Approval or Amendment to the Agenda
 - d. Review and Approve the Minutes of the March 11, 2021 (enclosure)
-

2) PUBLIC COMMENT: (3-minute time limit per speaker)

3) FINANCIAL ITEMS:

- a. Review and Consider Approval of the 2020 Audit (enclosure)
 - b. Ratification/Approval of Payment of Claims (enclosure)
 - c. Approve Financial Statements and Cash Position (enclosure)
-

4) HOA REPORTS:

- a. Patio Homes
 - b. Townhomes
 - c. Condominiums
-

5) **MANAGER'S REPORT:**

- a. 2021 SDA Annual Conference
-

6) **COMMITTEE REPORTS:**

- a. Communications Committee
 - b. Landscaping Committee
 - c. Street Committee
 - d. Clubhouse Committee
 - e. Financial Committee
 - f. Monuments Committee
 - g. Snow Contract/Removal Committee
-

7) **OTHER:**

8) **DIRECTOR'S ITEMS:**

9) **ADJOURNMENT:**

The next regular meeting is scheduled for Thursday, September 9, 2021

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF DANCING WILLOWS METROPOLITAN DISTRICT HELD THURSDAY, MARCH 11, 2021

A telephonic/digital Regular meeting of the Board of Directors of the Dancing Willows Metropolitan District was held on March 11, 2021, at 6:30 PM

ATTENDANCE

The regular meeting of the Board of Directors of the Dancing Willows Metropolitan District was called and held, as shown, in accordance with Colorado law. The following Directors were present:

In attendance were Directors:

Robert Faiks, President
Doug Cox, Vice President
Ron Petroff, Secretary
Bob Wessels, Treasurer
Lee Jennings, Director

Other participants identified in attendance:

Marcos Pacheco, CRS of Colorado
Brian Parrish
Gloria & Jon Steinmetz
Nancy Carson
Brian Parrish
Kay Jackson
Linda Stearns
Halie Holland
Chuck Danford
Linda Davis
David McCollough
Linda Pocsik

CALL TO ORDER DISCLOSURE OF CONFLICTS OF INTEREST

The meeting was called to order by Director Faiks at 6:34 PM. There were no potential conflicts of interest that were disclosed.

AGENDA APPROVAL

Director Jennings moved that the Board approve the agenda as presented. Upon second by Director Petroff vote was taken, and motion carried unanimously.

MINUTES

The Board reviewed the minutes of the December 10, 2020 meeting. Per discussion the minutes were amended to reflect paragraph three of the Adoption of 2021 Budget to be changed to read as "The motion did not carry as Directors Wessels, Jennings, and Petroff voted no". Director Wessels moved to approve the minutes as amended. Upon second by Director Cox, a vote was taken, and the motion carried unanimously.

RECORD OF PROCEEDINGS

PUBLIC COMMENT

Sheryl – Asked what procedures will be implemented for the expected snow accumulation for this weekend. The Board indicated that this would be discussed later in the meeting.

HOA REPORTS

Patio Homes: No report.

Townhomes: No report.

Condos: No Report.

MANAGEMENT

2021 Annual Administrative Resolution: Mr. Pacheco presented the draft 2021 Annual Administrative Resolution to the Board for consideration. Director Wessels requested that in paragraph 17, the verbiage be revised to remove 'subsequent years' from the end of the sentence. After discussion and questions, the board agreed to move forward. Director Jennings moved that the Board adopt the 2021 Annual Administrative Resolution as amended. Upon second by Director Petroff, vote was taken, and motion carried unanimously.

FINANCIAL

Approval of Claims: The Board reviewed the claims to be ratified represented by check nos. 2682 – 2693. Director Petroff moved that the Board ratify the claims as presented. Upon second by Director Cox, vote was taken, and motion carried unanimously.

The Board reviewed the current claims for approval represented by check nos. 2694 – 2698 with the auto-payments of Century Link and Excel Energy. Director Jennings moved that the Board approve as presented. Upon second by Director Petroff, vote was taken, and motion carried unanimously.

Financial Statements and Cash Position: Mr. Pacheco reviewed the financial statements and cash position with the Board. Questions regarding the scheduled transfer of funds from the general fund to the capital fund were asked by Director Wessels. After discussion, Director Wessels moved that the budgeted amount be transferred now, rather than waiting until the fourth quarter of 2021. Upon second by Director Petroff, vote was taken, and the motion carried unanimously.

Director Petroff then moved that the Board accept the financial statements and cash position as presented. Upon second by Director Wessels, vote was taken, and motion carried.

COMMITTEE REPORTS

Communications: Director Wessels reported that the pricing structure has changed for creating a Survey Monkey surveys. A survey question with an answer of yes/no is free, however, other types of questions carry a charge. A survey would be a cost to the District so other ideas were discussed. Any concerns for now should be relayed by calling or emailing a District Board member. DW United will be going out soon and it will provide three contact names for each of the HOA's regarding the snow procedures. Ms. Wessels

RECORD OF PROCEEDINGS

highlighted a story being composed about an Eagle Scout that is building birdhouses in the park. Ms. Wessels has reached out to Foothills Park and Rec. regarding the loss of cottonwood trees and plans to inform the Board of potential uses for these lost trees rather than cutting them down.

Landscape: Director Jennings reported 5 trees have been removed as they were dead; the stumps have not been ground out yet. There were 2 trees on Bowles and 3 by the clubhouse. You will notice utilities have been marked and some trees have been marked as well. The budgeted work for these areas will take place when the weather permits. There are also two volunteer days scheduled to help with the landscaping in the District. Information will be mentioned in DW United and will encourage participation.

Streets: Director Jennings reported on the street work that was budgeted. He informed the Board there is additional work needed to be done on the North Gould Loop and Long Circle that was not budgeted. Referring to the Browns Brother Asphalt Site Map REV 1, Director Jennings is asking to skip the repair areas noted in pink, but repair areas noted in red. This would increase the expense allotted by the budget. There are concrete areas unsafe in addition to failed concrete areas. Director Jennings moved to approve the presented bids from Brown Brothers, increasing the expenditure for concrete and asphalt by \$27,870. The funds would come from the 'unidentified project' line. There was then extensive discussion amongst the Board and the community. Director Wessels added that the HOA's are wanting to possibly coordinate work with the District if the opportunity arises in a cost-saving effort. Upon second by Director Petroff, vote was taken, and motion, unanimously.

Director Jennings asked CRS to reach out to homeowners regarding replacement of their driveway at their own cost, if they choose to perform the work, per the resolution in place for this purpose.

Clubhouse: Director Cox reported that COVID restrictions are changing. The clubhouse has been closed but due to the changing restrictions a recent request of the facility in April will be permitted if the renters follow guidelines. Some maintenance has been performed. The gas fireplace has been cleaned and serviced along with the with furnaces. Both are in good shape and fully functional. A cleaning company has been out to quote a deep clean of the facility. Director Faiks requested moved to open the clubhouse on April 1st, based on restriction guidelines posted at that time. Upon second by Director Petroff, vote was taken, and motion carried unanimously.

RECORD OF PROCEEDINGS

Pool: Director Faiks reported no new information, except requested that Landon at Perfect Pools be contacted to check the pool furnace. He would like to open the pool on Memorial Day Weekend. Director Faiks moved that the Board approve the plan to open the pool on Memorial Day weekend, upon second by Director Wessels, vote was taken, and motion carried unanimously.

Financial: Director Wessels stated that the Committee has a general monthly meeting to go over actuals and thanks Ms. Weiss at CRS for timely data.

Monument: Director Jennings reported that the work has been completed and inspected. Everything looks good at this time.

Snow: Director Jennings reported on the anticipation of heavy snowfall with the upcoming storm. Directors Jennings and Petroff will be making the decision on when and how the snow removal will happen. Sheryl asked if Keesen could provide a timeline of when they will be onsite. There was extensive discussion surrounding the topic and the Board answered all questions they were able to. Snow removal for the District is a constant work in progress and the Board took all comments in an effort to help Keesen better service the community.

OTHER ITEMS

Director Faiks noted that there could be a potential Special meeting or Work Session on May 13 that would be utilized to answer questions from the community before the Summer time.

DIRECTOR'S ITEMS

2021 Pool Operations: Discussed in the committee reports.

Clubhouse Operations: Discussion in the committee reports.

ADJOURNMENT

Director Petroff moved that the meeting be adjourned at 8:36 p.m., upon second by Director Cox, a vote was taken, and the motion carried unanimously.

Respectfully submitted,

Secretary for the Meeting

**DRAFT AUDIT
SUBJECT TO FINAL LEGAL AND
AUDITOR REVIEW**

**DANCING WILLOWS METROPOLITAN DISTRICT
Jefferson County, Colorado**

**FINANCIAL STATEMENTS
December 31, 2020**

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BASIC FINANCIAL STATEMENTS

DANCING WILLOWS METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and investments - unrestricted	\$ 435,887
Cash and investments - restricted	461,017
Receivable from county treasurer	3,849
Property taxes receivable	628,159
Prepaid bond insurance	30,161
Capital assets, not being depreciated	213,181
Capital assets, net of depreciation	3,040,823
Total assets	<u>4,824,285</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	48,271
Total deferred outflows of resources	<u>48,271</u>
LIABILITIES	
Accounts payable	6,458
Payroll taxes payable	2,758
Accrued bond interest	10,874
Bonds payable - due within one year	45,000
Noncurrent liabilities:	
Bonds due in greater than one year	3,537,064
Total liabilities	<u>3,602,154</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred property tax revenue	628,159
Total deferred inflows of resources	<u>628,159</u>
NET POSITION	
Net investment in capital assets	(338,934)
Restricted for:	
Emergencies	15,900
Debt service	138,192
Capital projects	311,951
Unrestricted	515,134
Total net position	<u>\$ 642,243</u>

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, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contribution	Capital Grants and Contribution	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 480,863	\$ -	\$ -	\$ -	\$ (480,863)
Interest and expenses on long-term debt	141,168	-	-	-	(141,168)
	<u>\$ 622,031</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(622,031)</u>
General revenues:					
Property taxes					578,705
Specific ownership taxes					43,279
Interest					6,417
Clubhouse rentals					700
Conservation Trust Funds					1,629
Miscellaneous					13,889
Total general revenues					<u>644,619</u>
Change in net position					22,588
Net position - beginning					619,655
Net position - ending					<u>\$ 642,243</u>

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, 2020**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and investments - unrestricted	\$ 435,887	\$ -	\$ -	\$ 435,887
Cash and investments - restricted	-	149,066	311,951	461,017
Receivable from county treasurer	3,849	-	-	3,849
Property taxes receivable	447,442	180,717	-	628,159
Prepaid expenditures	11,208	-	-	11,208
Total assets	\$ 898,386	\$ 329,783	\$ 311,951	\$ 1,540,120
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 6,458	\$ -	\$ -	\$ 6,458
Payroll taxes payable	2,758	-	-	2,758
Total liabilities	9,216	-	-	9,216
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	447,442	180,717	-	628,159
Total deferred inflows of resources	447,442	180,717	-	628,159
FUND BALANCES				
Nonspendable:				
Prepaid expenditures	11,208	-	-	11,208
Restricted:				
Emergency reserves	15,900	-	-	15,900
Debt service	-	149,066	-	149,066
Capital projects	-	-	311,951	311,951
Unassigned	414,620	-	-	414,620
Total fund balances	441,728	149,066	311,951	902,745
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 898,386	\$ 329,783	\$ 311,951	

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	3,254,004
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	30,161
Bond refunding loss, net	48,271
Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds	
Bonds payable	(3,505,000)
Bond premium, net	(77,064)
Accrued interest on bonds payable	(10,874)
Net position of governmental activities	\$ 642,243

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 CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 464,894	\$ 113,811	\$ -	\$ 578,705
Specific ownership taxes	43,279	-	-	43,279
Interest	5,173	1,244	-	6,417
Clubhouse rentals	700	-	-	700
Conservation Trust Funds	1,629	-	-	1,629
Miscellaneous	13,889	-	-	13,889
Total revenues	<u>529,564</u>	<u>115,055</u>	<u>-</u>	<u>644,619</u>
EXPENDITURES				
<u>General</u>				
District management and accounting	50,631	-	-	50,631
Audit	7,633	-	-	7,633
Directors' fees	3,400	-	-	3,400
Elections	14,573	-	-	14,573
Insurance and dues	9,516	-	-	9,516
Legal	651	-	-	651
Miscellaneous	1,790	-	-	1,790
Payroll taxes	1,235	-	-	1,235
SDA conference and dues	537	-	-	537
County treasurer fees	6,975	1,707	-	8,682
Utilities	36,290	-	-	36,290
Clubhouse maintenance and repairs	3,222	-	-	3,222
Fence and monument repairs	12,033	-	-	12,033
Ground and landscaping	4,977	-	-	4,977
Irrigation repairs	710	-	-	710
Landscape contract	6,480	-	-	6,480
Pool contract	6,950	-	-	6,950
Pool maintenance and supplies	3,874	-	-	3,874
Salaries - pool monitors	12,746	-	-	12,746
Snow removal	21,718	-	-	21,718
Bond principal	-	40,000	-	40,000
Bond interest	-	133,500	-	133,500
Paying agent fees	-	400	-	400
<u>Capital</u>				
Concrete removal and replacement	-	-	123,926	123,926
Total expenditures	<u>205,941</u>	<u>175,607</u>	<u>123,926</u>	<u>505,474</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	323,623	(60,552)	(123,926)	139,145
OTHER FINANCING SOURCES (USES)				
Transfers to / from other funds	(200,000)	-	200,000	-
Total other financing sources (uses)	<u>(200,000)</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	123,623	(60,552)	76,074	139,145
FUND BALANCES - BEGINNING OF YEAR	318,105	209,618	235,877	763,600
FUND BALANCES - END OF YEAR	<u>\$ 441,728</u>	<u>\$ 149,066</u>	<u>\$ 311,951</u>	<u>\$ 902,745</u>

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, 2020**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balance - Total governmental funds	\$ 139,145
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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
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Governmental funds report capital outlays as expenditures.

In the Statement of Activities capital outlay is not reported as an expenditure. This amount represents net capital outlay for the current period:

Capital outlay	123,926
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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	(273,215)	
Bond premium amortization	2,964	
Debt refunding deferred loss amortization	(1,856)	
Prepaid bond insurance amortization	(1,160)	
Net change in accrued interest on bonds	(7,216)	
	(280,483)	(280,483)

Change in net position of governmental activities	\$ 22,588
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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, 2020

	<u>Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original-Final</u>		
REVENUES			
Property taxes	\$ 465,189	\$ 464,894	\$ (295)
Specific ownership taxes	32,563	43,279	10,716
Interest	16,000	5,173	(10,827)
Clubhouse rentals	4,000	700	(3,300)
Conservation trust funds	1,100	1,629	529
Miscellaneous	500	13,889	13,389
Total revenues	<u>519,352</u>	<u>529,564</u>	<u>10,212</u>
EXPENDITURES			
Audit	4,800	7,633	(2,833)
County treasurer fees	6,978	6,975	3
Directors' fees	2,900	3,400	(500)
District management and accounting	50,000	50,631	(631)
Elections	9,200	14,573	(5,373)
Grant funding	11,500	-	11,500
Insurance	10,700	9,516	1,184
Legal	2,000	651	1,349
Miscellaneous	1,000	1,790	(790)
Payroll taxes	230	1,235	(1,005)
SDA conference and dues	1,500	537	963
Utilities	36,000	36,290	(290)
Contingency	10,000	-	10,000
Emergency reserve Tabor 3%	15,580	-	15,580
Clubhouse maintenance and repairs	9,500	3,222	6,278
Fence and monument maintenance and repairs	500	12,033	(11,533)
Grounds and landscaping	8,000	4,977	3,023
Trees - watering	2,400	-	2,400
Irrigation repairs	3,000	710	2,290
Landscape contract	6,500	6,480	20
Pool contract	6,950	6,950	-
Pool maintenance and supplies	8,500	3,874	4,626
Reserve study	10,000	-	10,000
Salaries - pool monitors	-	12,746	(12,746)
Snow removal	81,500	21,718	59,782
Street light repair and maintenance	1,000	-	1,000
Street repairs and maintenance	5,500	-	5,500
Total expenditures	<u>305,738</u>	<u>205,941</u>	<u>99,797</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>213,614</u>	<u>323,623</u>	<u>110,009</u>
OTHER FINANCING USES			
Transfer to Capital Projects Fund	(150,000)	(200,000)	(50,000)
Total other financing uses	<u>(150,000)</u>	<u>(200,000)</u>	<u>(50,000.00)</u>
NET CHANGE IN FUND BALANCE	63,614	123,623	60,009
FUND BALANCE - BEGINNING OF YEAR	<u>317,847</u>	<u>318,105</u>	<u>258</u>
FUND BALANCE - END OF YEAR	<u>\$ 381,461</u>	<u>\$ 441,728</u>	<u>\$ 60,267</u>

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

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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.

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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.

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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.

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.

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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, 2020, the accumulated amortization of the bond insurance costs, the bond premium and the bond refunding deferred loss were \$3,480, \$8,892 and \$5,570, 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.

**DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

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, 2020 are classified in the accompanying statement of net position as follows:

Statement of net position:

Cash and investments - unrestricted	\$ 435,887
Cash and investments - restricted	<u>461,017</u>
Total cash and investments	<u><u>\$ 896,904</u></u>

Cash and investments as of December 31, 2020 consist of the following:

Deposits with financial institutions	\$ 39,641
Investments	<u>857,263</u>
Total cash and investments	<u><u>\$ 896,904</u></u>

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, 2020, the District's cash deposits had a bank balance of \$40,068 and a carrying balance of \$39,641.

**DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

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, 2020, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
Colorado Local Government Liquid Asset Trust	Weighted average under 60 days	<u>\$ 857,263</u>

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

During 2020, the District invested in the Colorado Local Government Liquid Asset Trust (Colostrust) 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 Colostrust. Colostrust operates similarly to a money market fund and each share is equal in value to \$1.00. Colostrust 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 Colostrust.

As of December 31, 2020, the District had \$857,263 invested in COLOTRUST PLUS+ in the name of the District. Colostrust is rated AAAM by S&P Global Ratings.

Cash and investments of \$149,066 are restricted in the Debt Service Fund for servicing the District's bond debt (Note 5). Cash and investments of \$311,951 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 Colostrust at yearend for which the investment valuations were determined as follows.

Colostrust 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

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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 to 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, 2020 follows:

Governmental Activities:	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020
Capital assets, not being depreciated:				
Parks and recreation	\$ 213,181	\$ -	\$ -	\$ 213,181
Total capital assets, not being depreciated	<u>213,181</u>	<u>-</u>	<u>-</u>	<u>213,181</u>
Capital assets, being depreciated:				
Streets and street improvements	4,308,863	123,926	-	4,432,789
Clubhouse	7,930	-	-	7,930
Safety protection	147,281	-	-	147,281
Pool and equipment	912,136	-	-	912,136
Total capital assets, being depreciated	<u>5,376,210</u>	<u>123,926</u>	<u>-</u>	<u>5,500,136</u>
Less accumulated depreciation for:				
Streets and street improvements	(1,746,224)	(218,541)	-	(1,964,765)
Clubhouse	(748)	(960)	-	(1,708)
Safety protection	(62,594)	(7,364)	-	(69,958)
Pool and equipment	(376,532)	(46,350)	-	(422,882)
Total accumulated depreciation	<u>(2,186,098)</u>	<u>(273,215)</u>	<u>-</u>	<u>(2,459,313)</u>
Total capital assets, being depreciated, net	<u>3,190,112</u>	<u>(149,289)</u>	<u>-</u>	<u>3,040,823</u>
Governmental activities capital assets, net	<u>\$ 3,403,293</u>	<u>\$ (149,289)</u>	<u>\$ -</u>	<u>\$ 3,254,004</u>

Depreciation expense of \$273,215 is included in general government expenses in the Statement of Activities.

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 5 - LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2020:

	Balance at December 31, 2019	Additions	Retirements/ Adjustments	Balance at December 31, 2020	Due Within One Year
Series 2017 bonds	\$ 3,545,000	-	\$ 40,000	\$ 3,505,000	\$ 45,000
Series 2017 bonds - bond premium	80,028	-	2,964	77,064	-
	<u>\$ 3,625,028</u>	<u>\$ -</u>	<u>\$ 42,964</u>	<u>\$ 3,582,064</u>	<u>\$ 45,000</u>

A description of the long-term obligations as of December 31, 2020 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 lot and in such manner as determined by the paying agent. The 2017 Series Bonds mature on December 1, 2046.

**DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

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, 2020:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2026-2030	445,000	575,900	1,020,900
2031-2035	620,000	472,700	1,092,700
2036-2040	840,000	333,432	1,173,432
2041-2045	1,070,000	163,125	1,233,125
2046	240,000	8,700	248,700
	<u>\$ 3,505,000</u>	<u>\$ 2,198,007</u>	<u>\$ 5,703,007</u>

Debt Authorization

As of December 31, 2020, the District has authorized but unissued indebtedness of \$487. The District has not budgeted to issue any new debt during 2021.

NOTE 6 – FUND EQUITY

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of \$15,900 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).

**DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

NOTE 7 - NET POSITION

The restricted fund balance in the Debt Service Fund in the amount of \$149,066 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 \$311,951 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, 2020 is as follows:

	Governmental Activities
Restricted net position:	
TABOR emergency reserve (Note 9)	\$ 15,900
Debt service (Note 5)	138,192
Capital projects	311,951
	\$ 466,043

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.

DANCING WILLOWS METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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.

This information is an integral part of the accompanying financial statements.

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, 2020

	<u>Budget Amounts</u> <u>Original - Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES			
Property taxes	\$ 113,884	\$ 113,811	\$ (73)
Interest	-	1,244	1,244
Total revenues	<u>113,884</u>	<u>115,055</u>	<u>1,171</u>
EXPENDITURES			
Bond principal	40,000	40,000	-
Bond interest	133,500	133,500	-
County treasurer fees	1,708	1,707	1
Paying agent fees	400	400	-
Total expenditures	<u>175,608</u>	<u>175,607</u>	<u>1</u>
NET CHANGE IN FUND BALANCE	(61,724)	(60,552)	1,172
FUND BALANCE - BEGINNING OF YEAR	<u>209,618</u>	<u>209,618</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 147,894</u>	<u>\$ 149,066</u>	<u>\$ 1,172</u>

DANCING WILLOWS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2020

	<u>Budget Amounts</u> <u>Original - Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES			
Total revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Clubhouse furniture replacement	7,000	-	7,000
Clubhouse window coverings	5,000	-	5,000
Concrete removal and replacement	-	123,926	(123,926)
Street paving/sealing/sidewalk/gutters	120,000	-	120,000
Total expenditures	<u>132,000</u>	<u>123,926</u>	<u>8,074</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(132,000)</u>	<u>(123,926)</u>	<u>8,074</u>
OTHER FINANCING SOURCES			
Transfer from General Fund	100,000	200,000	100,000
Total other financing sources	<u>100,000</u>	<u>200,000</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCE	(32,000)	76,074	108,074
FUND BALANCE - BEGINNING OF YEAR	<u>235,877</u>	<u>235,877</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 203,877</u>	<u>\$ 311,951</u>	<u>\$ 108,074</u>

OTHER INFORMATION

**DANCING WILLOWS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2020**

\$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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
	<u>\$ 3,505,000</u>	<u>\$ 2,198,007</u>	<u>\$ 5,703,007</u>

**DANCING WILLOWS METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION,
MILL LEVY AND PROPERTY TAXES COLLECTED
December 31, 2020**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Total Property Taxes		Percentage Collected to Levied
			Levied	Collected	
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%
2020	\$ 9,651,224	60.000	\$ 579,073	\$ 578,705	99.94%
Estimated for the year ending December 31, 2021	\$ 9,663,992	65.000	\$ 628,159		

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.

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	3/12/2021
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Check Number

To Be Ratified

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
02699	ANGEL TOUCH	Angel Touch Commercial Cleanin	4/8/2021	1STBANK-CKG	PMCHK00000209	\$563.00
02700	WESSELS	Bob Wessels	4/8/2021	1STBANK-CKG	PMCHK00000209	\$15.65
02701	CRS OF COLORADO	CRS of Colorado, LLC	4/8/2021	1STBANK-CKG	PMCHK00000209	\$3,669.45
02702	KEESEN	Keesen Landscape Management, I	4/8/2021	1STBANK-CKG	PMCHK00000209	\$540.00
02703	METRO SECURITY	Metro Security, Inc.	4/8/2021	1STBANK-CKG	PMCHK00000209	\$58.00
02704	PARADISE	Paradise Heating and Cooling,	4/8/2021	1STBANK-CKG	PMCHK00000209	\$158.00
02705	PERFECT POOLS	Perfect Pools	4/8/2021	1STBANK-CKG	PMCHK00000209	\$1,500.00
02706	SAVATREE	SavATree	4/8/2021	1STBANK-CKG	PMCHK00000209	\$1,760.00
02707	WILLOWBROOK W&S	Willowbrook Water & Sanitation	4/8/2021	1STBANK-CKG	PMCHK00000209	\$362.38
02708	BRIAN JOHN PARR	Brian John Parrish	5/5/2021	1STBANK-CKG	PMCHK00000210	\$500.00
02709	DENNIS SWINDLER	Dennis Swindler	5/5/2021	1STBANK-CKG	PMCHK00000210	\$650.00
02710	KATHLEEN SOBAS	Kathleen Sobas	5/5/2021	1STBANK-CKG	PMCHK00000210	\$650.00
02711	LLOYD EITZEN	Lloyd Eitzen	5/5/2021	1STBANK-CKG	PMCHK00000210	\$650.00
02712	MARY ANN CIECIO	Mary Ann Ciecior	5/5/2021	1STBANK-CKG	PMCHK00000210	\$650.00
02713	VICKI DIANE SHI	Vicki Diane Shively	5/5/2021	1STBANK-CKG	PMCHK00000210	\$650.00
02714	WESSELS	Bob Wessels	5/13/2021	1STBANK-CKG	PMCHK00000211	\$92.35
02715	DOUG COX	Douglas Cox	5/13/2021	1STBANK-CKG	PMCHK00000211	\$92.35
02716	JENNINGS, R	R. Lee Jennings	5/13/2021	1STBANK-CKG	PMCHK00000211	\$92.35
02717	FAIKSROBERT	Robert Faiks	5/13/2021	1STBANK-CKG	PMCHK00000211	\$92.35
02718	RON PETROFF	Ron Petroff	5/13/2021	1STBANK-CKG	PMCHK00000211	\$92.35
02719	WESSELS	Bob Wessels	5/13/2021	1STBANK-CKG	PMCHK00000212	\$15.65
02720	SWOMLEY, C (RE)	Carol Swomley	5/13/2021	1STBANK-CKG	PMCHK00000212	\$960.80
02721	CRS OF COLORADO	CRS of Colorado, LLC	5/13/2021	1STBANK-CKG	PMCHK00000212	\$3,618.66
02722	JARED'S NURSERY	Jared's Nursery Gift & Garden	5/13/2021	1STBANK-CKG	PMCHK00000212	\$3,634.00
02723	KEESEN	Keesen Landscape Management, I	5/13/2021	1STBANK-CKG	PMCHK00000212	\$31,510.00
02724	SAVATREE	SavATree	5/13/2021	1STBANK-CKG	PMCHK00000212	\$1,050.00
02725	WILLOWBROOK W&S	Willowbrook Water & Sanitation	5/13/2021	1STBANK-CKG	PMCHK00000212	\$362.38
Total Checks: 27						Total Amount of Checks: \$53,989.72

Checks 02726 - 02730 were voided

Dancing Willows Metropolitan D
 VENDOR CHECK REGISTER REPORT
 Payables Management

Ranges:	From:	To:	From:	To:
Check Number	02726	02743	Check Date	First
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
02731	SWOMLEY, C (RE)	Carol Swomley	6/8/2021	1STBANK-CKG	PMCHK00000214	\$1,041.75
02732	CRS OF COLORADO	CRS of Colorado, LLC	6/8/2021	1STBANK-CKG	PMCHK00000214	\$3,508.92
02733	JUDY JENNINGS	Judy Jennings	6/8/2021	1STBANK-CKG	PMCHK00000214	\$136.32
02734	KEESEN	Keesen Landscape Management, I	6/8/2021	1STBANK-CKG	PMCHK00000214	\$8,965.00
02735	METRO SECURITY	Metro Security, Inc.	6/8/2021	1STBANK-CKG	PMCHK00000214	\$58.00
02736	PERFECT POOLS	Perfect Pools	6/8/2021	1STBANK-CKG	PMCHK00000214	\$3,845.00
02737	WERN AIR	Wern Air	6/8/2021	1STBANK-CKG	PMCHK00000214	\$335.00
02738	WILLOWBROOK W&S	Willowbrook Water & Sanitation	6/8/2021	1STBANK-CKG	PMCHK00000214	\$890.06
02739	WESSELS	Bob Wessels	6/8/2021	1STBANK-CKG	PMCHK00000215	\$108.00
02740	DOUG COX	Douglas Cox	6/8/2021	1STBANK-CKG	PMCHK00000215	\$219.26
02741	JENNINGS, R	R. Lee Jennings	6/8/2021	1STBANK-CKG	PMCHK00000215	\$92.35
02742	FAIKSROBERT	Robert Faiks	6/8/2021	1STBANK-CKG	PMCHK00000215	\$647.43
02743	RON PETROFF	Ron Petroff	6/8/2021	1STBANK-CKG	PMCHK00000215	\$92.35

Total Checks: 13

Total Amount of Checks: \$19,939.44

AUTO PAY

Century Link 05.16.21 \$53.21

Xcel Energy 06.02.21 \$1,736.13

DANCING WILLOWS METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

May 31, 2021

DANCING WILLOWS METROPOLITAN DISTRICT
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
May 31, 2021
Unaudited

	<u>General</u>	<u>Debt Service</u>	<u>Capital</u>	<u>Long-term Debt</u>	<u>Total Memo Only</u>
<u>ASSETS AND OTHER DEBITS</u>					
Current Assets					
Cash in checking - 1st Bank	\$ 14,199	\$ -	\$ -	\$ -	\$ 14,199
Cash in ColoTrust	182,541	193,769	765,899	-	1,142,209
Total Current Assets	<u>196,740</u>	<u>193,769</u>	<u>765,899</u>	<u>-</u>	<u>1,156,408</u>
Other Debits					
Amount to be provided for debt	-	-	-	3,570,606	3,570,606
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 196,740</u>	<u>\$ 193,769</u>	<u>\$ 765,899</u>	<u>\$ 3,570,606</u>	<u>\$ 4,727,014</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Current Liabilities					
Accounts payable	\$ 17,979	\$ -	\$ -	\$ -	\$ 17,979
Deposits - concrete work	-	-	5,933	-	5,933
Total Current Liabilities	<u>17,979</u>	<u>-</u>	<u>5,933</u>	<u>-</u>	<u>23,912</u>
Long Term Debt					
Bonds payable - Series 2017 Refunding	-	-	-	3,505,000	3,505,000
Accrued bond interest	-	-	-	65,606	65,606
Total Long Term Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,570,606</u>	<u>3,570,606</u>
FUND BALANCES					
Tabor emergency reserves	14,910	-	-	-	14,910
Unassigned	426,818	-	-	-	426,818
Debt service - beginning fund balance	-	149,066	-	-	149,066
Capital - beginning fund balance	-	-	311,951	-	311,951
Current net change (deficit)	<u>(262,967)</u>	<u>44,703</u>	<u>448,015</u>	<u>-</u>	<u>229,751</u>
Total Fund Balances	<u>178,761</u>	<u>193,769</u>	<u>759,966</u>	<u>-</u>	<u>1,132,496</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 196,740</u>	<u>\$ 193,769</u>	<u>\$ 765,899</u>	<u>\$ 3,570,606</u>	<u>\$ 4,727,014</u>

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, 2021
Unaudited

	<u>YTD</u> <u>Actual</u>	<u>2021</u> <u>Budget</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	<u>Percent</u> <u>of Budget</u> <u>(42% YTD)</u>
REVENUES				
Property taxes	\$ 279,475	\$ 447,442	\$ (167,967)	62%
Specific ownership taxes	15,815	40,000	(24,185)	40%
Clubhouse rentals	-	5,500	(5,500)	0%
Interest	154	1,000	(846)	15%
Conservation Trust Funds	444	1,500	(1,056)	30%
Miscellaneous income	-	1,500	(1,500)	0%
Total revenues	<u>295,888</u>	<u>496,942</u>	<u>(201,054)</u>	<u>60%</u>
EXPENDITURES				
<u>General</u>				
Audit	-	4,800	4,800	0%
County treasurer fees	4,192	6,712	2,520	62%
Directors' fees	462	3,000	2,538	15%
District management and accounting	17,500	42,000	24,500	42%
Insurance	11,208	11,700	492	96%
Legal	-	2,000	2,000	0%
Postage, printing and copies	345	-	(345)	-
Miscellaneous - bank charges and Zoom	269	2,000	1,731	13%
Payroll taxes	-	230	230	0%
SDA dues	542	550	8	99%
SDA conference attendance	-	1,000	1,000	0%
Contingency	-	10,000	10,000	0%
Emergency reserve	-	14,623	14,623	0%
Total general expenditures	<u>34,518</u>	<u>98,615</u>	<u>64,097</u>	<u>35%</u>
<u>Operations and Maintenance</u>				
Utilities	8,033	36,000	27,967	22%
Clubhouse maintenance	2,026	3,000	974	68%
Landscape contract	1,620	7,500	5,880	22%
Grounds and landscaping maintenance	8,447	9,000	553	94%
Irrigation repairs	-	3,000	3,000	0%
Street repairs and maintenance	-	1,000	1,000	0%
Pool chemicals, supplies and equipment	845	2,500	1,655	34%
Pool contract	3,000	8,500	5,500	35%
Pool maintenance	890	3,000	2,110	30%
Snow removal and tree watering	49,529	89,500	39,971	55%
Total O&M expenditures	<u>74,390</u>	<u>163,000</u>	<u>88,610</u>	<u>46%</u>
Total expenditures	<u>108,908</u>	<u>261,615</u>	<u>152,707</u>	<u>42%</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	<u>186,980</u>	<u>235,327</u>	<u>(48,347)</u>	<u>79%</u>
OTHER FINANCING USES				
Transfer to Capital Reserve Fund	(449,947)	(449,947)	-	100%
Total other financing uses	<u>(449,947)</u>	<u>(449,947)</u>	<u>-</u>	<u>100%</u>
NET CHANGE IN FUND BALANCE	(262,967)	(214,620)	(48,347)	
BEGINNING FUND BALANCE	<u>441,728</u>	<u>396,317</u>	<u>45,411</u>	
ENDING FUND BALANCE	<u>\$ 178,761</u>	<u>\$ 181,697</u>	<u>\$ (2,936)</u>	

**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, 2021
Unaudited**

	YTD Actual	2021 Budget	Variance Positive (Negative)	Percent of Budget (42% YTD)
REVENUES				
Property taxes	\$ 112,877	\$ 180,717	\$ (67,840)	62%
Interest	69	2,000	(1,931)	3%
Total revenues	<u>112,946</u>	<u>182,717</u>	<u>(69,771)</u>	<u>62%</u>
EXPENDITURES				
Bond principal	-	45,000	45,000	0%
Bond interest	66,150	132,300	66,150	50%
County treasurer fees	1,693	2,711	1,018	62%
Paying agent fees	400	400	-	100%
Total expenditures	<u>68,243</u>	<u>180,411</u>	<u>112,168</u>	<u>38%</u>
NET CHANGE IN FUND BALANCE	44,703	2,306	42,397	
BEGINNING FUND BALANCE	<u>149,066</u>	<u>149,395</u>	<u>(329)</u>	
ENDING FUND BALANCE	<u>\$ 193,769</u>	<u>\$ 151,701</u>	<u>\$ 42,068</u>	

**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, 2021
Unaudited**

	YTD Actual	2021 Budget	Variance Positive (Negative)	Percent of Budget (42% YTD)
REVENUES				
Interest	\$ 58	\$ -	\$ 58	-
Total revenues	<u>58</u>	<u>-</u>	<u>58</u>	<u>-</u>
EXPENDITURES				
Clubhouse - furniture replacement	1,990	7,000	5,010	28%
Refrigerator	-	2,000	2,000	0%
Street paving/sealing/sidewalk/gutter maintenance	-	142,048	142,048	0%
Concrete removal and replacement	-	21,855	21,855	0%
Portable audio system	-	1,000	1,000	0%
Unidentified	-	50,000	50,000	0%
Total expenditures	<u>1,990</u>	<u>223,903</u>	<u>221,913</u>	<u>1%</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(1,932)</u>	<u>(223,903)</u>	<u>(221,971)</u>	<u>1%</u>
OTHER FINANCING SOURCES				
Transfer from General Fund	449,947	449,947	-	100%
Total other financing sources	<u>449,947</u>	<u>449,947</u>	<u>-</u>	<u>100%</u>
NET CHANGE IN FUND BALANCE	448,015	226,044	(221,971)	
BEGINNING FUND BALANCE	<u>311,951</u>	<u>311,951</u>	<u>-</u>	
ENDING FUND BALANCE	<u>\$ 759,966</u>	<u>\$ 537,995</u>	<u>\$ (221,971)</u>	

**DANCING WILLOWS METROPOLITAN DISTRICT
CASH POSITION STATEMENT
Year to Date (YTD) as of May 31, 2021
Adjusted as of June 4, 2021**

Account Activity Item Description	CHECKING 1st Bank	INVESTMENT			TOTAL ALL ACCOUNTS
		COLOTRUST*			
		General	Capital	Bond Reserve	
BEGINNING BALANCE PER BANK	\$ 40,068	\$ 847,999	\$ -	\$ 9,264	\$ 897,331
YTD credits - Total deposits, wires and transfers	65,444	406,346	769,643	224,672	1,466,105
YTD debits - Total vouchers, wires and transfers	(87,494)	(1,049,565)		(66,150)	(1,203,209)
YTD balance	18,018	204,780	769,643	167,786	1,160,227
Less outstanding checks	(3,819)	-	-	-	(3,819)
Adjusted balance - agrees to financial statements	14,199	204,780	769,643	167,786	1,156,408
Current activity					
Transfer	25,000	(25,000)	-	-	-
Transfer	-	(25,980)	-	25,980	-
Transfer	-	3,745	(3,745)	-	-
Deposits - property tax and interest	-	1	1	3	5
Payables	(17,979)	-	-	-	(17,979)
Adjusted balance	21,220	157,546	765,899	193,769	1,138,434
Less cash allocated for capital	-	-	(765,899)	-	(765,899)
Less restricted cash - debt service	-	-	-	(193,769)	(193,769)
Adjusted unrestricted cash balance	\$ 21,220	\$ 157,546	\$ -	\$ -	\$ 178,766

*Colostrust Average Monthly Yield = .0574%

General Obligation Refunding Bonds, Series 2017:

	Principal	Interest	TOTAL	
Due 06/01/2021	\$ -	\$ 66,150	\$ 66,150	Paid
Due 12/01/2021	45,000	66,150	111,150	
	<u>\$ 45,000</u>	<u>\$ 132,300</u>	<u>\$ 177,300</u>	