

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
DANCING WILLOWS METROPOLITAN DISTRICT
JEFFERSON COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2020

STATE OF COLORADO)
)
COUNTY OF JEFFERSON)ss.
)
DANCING WILLOWS)
METROPOLITAN DISTRICT)

The Board of Directors of the Dancing Willows Metropolitan District, Jefferson County, Colorado, held a special meeting at the Dancing Willows Clubhouse, 11893 West Long Circle, Littleton, Colorado, on Thursday, October 3, 2019, at 6:30 p.m.

Present were the following members of the Board:

Bobby Thomas, President
Robert Faiks, Vice President
R. Lee Jennings, Secretary
Nancy Carson, Treasurer
Bob Wessels, Director

Also present were:

Sue Blair and Marcos Pacheco; Community Resource Services of Colorado, LLC

Ms. Blair stated that proper publication was made to allow the Board to conduct a public hearing to adopt the District's 2020 budget. The Chairman opened the public hearing on the District's proposed 2020 budget. Public comment was given, after which the public hearing was closed.

The Board conducted a special meeting on Wednesday, December 4, 2019 at 6:30 p.m. at 11893 West Long Circle, Littleton, Colorado, and at said meeting, the Board considered adoption of its 2020 Budget.

Thereupon, Director Thomas introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2020 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DANCING WILLOWS METROPOLITAN DISTRICT, JEFFERSON COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2020, AND ENDING ON THE LAST DAY OF DECEMBER, 2020,

WHEREAS, the Board of Directors of the Dancing Willows Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body no later than October 15, 2019; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published on September 26, 2019 in a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 3, 2019 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves of fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$465,189; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest from property tax revenue is \$113,884; and

WHEREAS, the 2019 valuation for assessment for the District as certified by the County Assessor for Jefferson County is \$9,651,224; and

WHEREAS, at an election held on November 1, 2005, the District eliminated mill levy limitations and the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DANCING WILLOWS METROPOLITAN DISTRICT, JEFFERSON COUNTY, COLORADO:

Section 1. 2020 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2020 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2020. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted by the Board of Directors as the true and accurate budget of the Dancing Willows Metropolitan District for calendar year 2020.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2020 as follows:

A. Levy for General Operating Fund Expenses. That for the purposes of meeting all general operating expense of the District during the 2020 budget year, there is hereby levied a tax of 58.200 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2020 minus a temporary reduction of 10.000 mills for a net mill levy of 48.200 mills in the General Fund.

C. Levy for Debt Service Fund (General Obligation Bonds and Interest). That for the purposes of meeting all debt retirement expenses of the District during the 2020 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 11.800 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2020.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

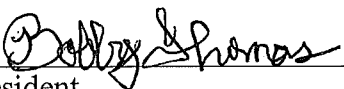
Section 6. Certification. The District's manager is hereby authorized and directed to certify by December 15, 2019, to the Board of County Commissioners of Jefferson County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Jefferson County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2019, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

The foregoing Resolution was seconded by Director Jennings.

ADOPTED AND APPROVED this 4th day of December, 2019.

DANCING WILLOWS
METROPOLITAN DISTRICT



President

ATTEST:



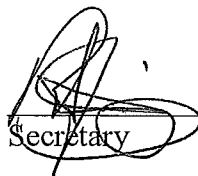
Secretary

STATE OF COLORADO)
)
COUNTY OF JEFFERSON)ss.
)
DANCING WILLOWS)
METROPOLITAN DISTRICT)

I, R. Lee Jennings, Secretary of the Board of Directors of the Dancing Willows Metropolitan District, Jefferson County, Colorado, do hereby certify that the foregoing pages numbered 1 to 6, inclusive, constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a special meeting of the Board held at the Dancing Willows Clubhouse, 11893 West Long Circle, Littleton, Colorado on December 4, 2019, at 6:30 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2020; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2020 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 4th day of December, 2019.

(S E A L)


Secretary

DANCING WILLOWS METROPOLITAN DISTRICT
GENERAL FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Adopted</u>
REVENUES			
Property taxes	\$ 287,635	\$ 479,113	\$ 465,189
Specific ownership taxes	27,595	49,099	32,563
Interest	13,515	18,897	16,000
Clubhouse rentals	3,825	4,475	4,000
Conservation trust funds	1,577	1,795	1,100
Miscellaneous	24,903	678	500
Total revenues	359,050	554,057	519,352
EXPENDITURES			
<u>General</u>			
Audit	18,255	4,600	4,800
County treasurer fees	4,318	7,275	6,978
Directors' fees	2,900	2,900	2,900
District management and accounting	35,029	52,000	50,000
Elections	16,410	-	9,200
Grant funding	-	-	11,500
Insurance and dues	8,859	10,683	10,700
Legal	432	500	2,000
Miscellaneous	1,515	560	1,000
Payroll taxes	222	230	230
SDA dues	-	486	500
SDA conference attendance	-	1,000	1,000
Utilities	35,313	35,636	36,000
Contingency	-	-	10,000
Emergency reserve	-	-	15,581
Total general expenditures	123,253	115,870	162,388
<u>Operations and Maintenance</u>			
Clubhouse maintenance - general	2,574	15,127	2,500
Clubhouse - interior painting	-	-	7,000
Landscape contract	-	6,943	6,500
Grounds and landscaping maintenance	9,956	8,145	8,000
Trees - watering	-	-	2,400
Irrigation repairs	1,201	185	3,000
Fence and monument repairs	3,670	26	500
Street light repair and maintenance	-	-	1,000
Street repairs and maintenance	12,503	-	5,500
Pool chemicals and supplies	-	2,473	3,500
Pool contract	-	5,750	6,950
Pool maintenance	14,237	3,744	5,000
Reserve study	-	-	10,000
Roof repair	25,711	-	-
Snow removal	9,567	60,428	81,500
Total O&M expenditures	79,419	102,821	143,350

**DANCING WILLOWS METROPOLITAN DISTRICT
GENERAL FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Adopted</u>
TOTAL EXPENDITURES	<u>202,672</u>	<u>218,691</u>	<u>305,738</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>156,378</u>	<u>335,366</u>	<u>213,614</u>
OTHER FINANCING USES			
Transfer to Capital Projects Fund	<u>(100,000)</u>	<u>(300,000)</u>	<u>(150,000)</u>
Total other financing uses	<u>(100,000)</u>	<u>(300,000)</u>	<u>(150,000)</u>
NET CHANGE IN FUND BALANCE	<u>56,378</u>	<u>35,366</u>	<u>63,614</u>
BEGINNING FUND BALANCE	<u>226,103</u>	<u>282,481</u>	<u>317,847</u>
ENDING FUND BALANCE	<u><u>\$ 282,481</u></u>	<u><u>\$ 317,847</u></u>	<u><u>\$ 381,461</u></u>

**DANCING WILLOWS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Adopted</u>
REVENUES			
Property taxes	\$ 328,726	\$ 97,139	\$ 113,884
Specific ownership taxes	29,485	-	-
Interest	258	984	-
Total revenues	<u>358,469</u>	<u>98,123</u>	<u>113,884</u>
EXPENDITURES			
Bond principal	50,000	40,000	40,000
Bond interest	128,633	134,700	133,500
County treasurer fees	4,935	1,376	1,708
Paying agent fees	125	400	400
Total expenditures	<u>183,693</u>	<u>176,476</u>	<u>175,608</u>
NET CHANGE IN FUND BALANCE	174,776	(78,353)	(61,724)
BEGINNING FUND BALANCE	<u>113,195</u>	<u>287,971</u>	<u>209,618</u>
ENDING FUND BALANCE	<u><u>\$ 287,971</u></u>	<u><u>\$ 209,618</u></u>	<u><u>\$ 147,894</u></u>

**DANCING WILLOWS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Adopted</u>
REVENUES			
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES			
Clubhouse - furniture replacement	-	1,990	7,000
Clubhouse - window coverings	-	-	5,000
Concrete removal and replacement	-	49,115	-
Re-plaster hot tub	-	8,000	-
Retaining wall	-	4,605	-
Swale design	-	14,899	-
Street paving/sealing/sidewalk/gutter maintenance	-	85,514	120,000
Total expenditures	<u>-</u>	<u>164,123</u>	<u>132,000</u>
OTHER FINANCING SOURCES			
Transfer from General Fund	100,000	300,000	100,000
Total other financing sources	<u>100,000</u>	<u>300,000</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCE	100,000	135,877	(32,000)
BEGINNING FUND BALANCE	<u>-</u>	<u>100,000</u>	<u>235,877</u>
ENDING FUND BALANCE	<u>\$ 100,000</u>	<u>\$ 235,877</u>	<u>\$ 203,877</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of JEFFERSON COUNTY, Colorado.

On behalf of the DANCING WILLOWS METROPOLITAN DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the DANCING WILLOWS METROPOLITAN DISTRICT
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 9,651,224 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATIN OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/10/19 for budget/fiscal year 2020
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>58.200</u> mills	\$ <u>561,701</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u>10.000</u> > mills	\$ < 96,512 >
SUBTOTAL FOR GENERAL OPERATING:	48.200 mills	\$ 465,189
3. General Obligation Bonds and Interest ^J	<u>11.800</u> mills	\$ <u>113,884</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	60.000 mills	\$ 579,073

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4960

Signed: *Sue Blair* Title: District Manager

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued
DANCING WILLOWS METROPOLITAN DISTRICT

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1.	Purpose of Issue:	<u>General Obligation Refunding Bonds</u>
	Series:	<u>2017</u>
	Date of Issue:	<u>December 13, 2017</u>
	Coupon Rate:	<u>3% to 4%</u>
	Maturity Date:	<u>December 1, 2046</u>
	Levy:	<u>11.800</u>
	Revenue:	<u>\$113,884</u>

2.	Purpose of Issue:	<u>_____</u>
	Series:	<u>_____</u>
	Date of Issue:	<u>_____</u>
	Coupon Rate:	<u>_____</u>
	Maturity Date:	<u>_____</u>
	Levy:	<u>_____</u>
	Revenue:	<u>_____</u>

CONTRACTS^K:

3.	Purpose of Contract:	<u>_____</u>
	Title:	<u>_____</u>
	Date:	<u>_____</u>
	Principal Amount:	<u>_____</u>
	Maturity Date:	<u>_____</u>
	Levy:	<u>_____</u>
	Revenue:	<u>_____</u>

4.	Purpose of Contract:	<u>_____</u>
	Title:	<u>_____</u>
	Date:	<u>_____</u>
	Principal Amount:	<u>_____</u>
	Maturity Date:	<u>_____</u>
	Levy:	<u>_____</u>
	Revenue:	<u>_____</u>

Use multiple copies of this page as necessary to report all bond and contractual obligations.

Notes:

DANCING WILLOWS METROPOLITAN DISTRICT

2020 Budget Message

Introduction

The District was formed in 2006 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements including streets, public safety, and parks and recreation.

The budget reflects the projected spending plan for the 2020 fiscal year based on available revenues. This budget provides for the annual debt service on the District's General Obligation Debt as well as the general operation of the District and debt service.

For tax year 2020, the District certified a mill levy of 465,8.200 for the General Fund generating \$465,189 in tax revenue, and certified 11.800 mills for the Debt Service Fund generating \$113,884 in tax revenue, for collection in 2019. Total assessed revenue is \$9,651,224.

Budgetary Basis of Accounting

The District uses Funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

The General Fund is used to account for resources traditionally associated with government such as property taxes. Expenditures include district administration, legal services, and other expenses related to statutory operations of a local government. The primary source of revenue for the General Fund comes from property taxes, specific ownership taxes and facilities fees. This fund is used to account for landscaping and general operations and maintenance expenses of the District facilities.

The Debt Service Fund was created in 2008 to service the District's bonds, issued to provide financing for street improvements, parks and recreation projects, and traffic and safety improvements. The Debt Service Fund's primary source of revenue to repay the bonds comes from property taxes and specific ownership taxes.

Emergency Reserve

As required under Article X, Section 20 of the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.