

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAY THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DANCING WILLOWS METROPOLITAIN DISTRICT, JEFFERSON COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board of Directors (the "Board") of the Dancing Willows Metropolitan District (the "District") has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2020; and

WHEREAS, the proposed 2021 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on Thursday, November 19, 2020 in the Golden Transcript, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 6:30 PM on Monday, November 30, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

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

Section 1. Summary of 2021 Revenues and 2021 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2021, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021.

Section 3. 2021 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$447,442, and that the 2020 valuation for assessment, as certified by the Jefferson County Assessor, is \$9,663,992. That for the purposes of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 46.300 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2020.

Section 4. 2021 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$180,717 and that the 2021 valuation for assessment, as certified by the Jefferson County Assessor, is \$9,663,992. That for the purposes of meeting all debt retirement expenses of the District during the 2021 budget year, there is hereby levied a tax of 18.700 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2020.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant or manager for the District is hereby authorized and directed to certify to the Jefferson County Board of County Commissioners, no later than December 15, 2020, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

Section 6. 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.

Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Wessels.

RESOLUTION APPROVED AND ADOPTED ON DECEMBER 10, 2020.

DANCING WILLOWS METROPOLITAIN DISTRICT

By: Robert J. Fuchs
President

ATTEST:

Ann J. Papp
Secretary

STATE OF COLORADO
COUNTY OF JEFFERSON
DANCING WILLOWS METROPOLITAIN DISTRICT

I, Ron Petroff, hereby certify that I am a director and the duly elected and qualified Secretary of DANCING WILLOWS METROPOLITAIN DISTRICT (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 6:30 PM on Thursday, December 10, 2020, via Zoom due to the Covid-19 pandemic, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2021; 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.

Subscribed and sworn to this 10 day of December, 2020.

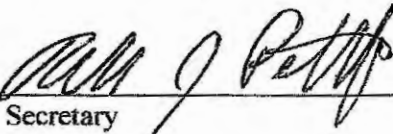

Secretary

EXHIBIT A
2020 BUDGET DOCUMENT & BUDGET MESSAGE FOR
DANCING WILLOWS METROPOLITAIN DISTRICT

DANCING WILLOWS METROPOLITAN DISTRICT
GENERAL FUND
2021 ADOPTED BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2019 Actual	2020 Estimated	2021 Adopted
REVENUES			
Property taxes	\$ 479,112	\$ 465,189	\$ 447,442
Specific ownership taxes	49,100	39,000	40,000
Interest	18,897	5,273	5,500
Clubhouse rentals	4,475	900	1,000
Conservation trust funds	1,796	1,205	1,500
State of CO - CVRF	-	12,245	-
Miscellaneous	358	1,644	1,500
Total revenues	553,738	525,456	496,942
EXPENDITURES			
<u>General</u>			
Audit	4,600	7,633	4,800
County treasurer fees	7,274	6,978	6,712
Directors' fees	2,900	2,900	3,000
District management and accounting	51,156	50,627	42,000
Elections	-	14,574	-
Insurance and dues	10,683	10,053	11,700
Legal	40	507	2,000
Miscellaneous	560	2,000	2,000
Payroll taxes	222	559	230
SDA dues	545	537	550
SDA conference attendance	-	-	1,000
Contingency	-	-	10,000
Emergency reserve	-	-	14,623
Total general expenditures	77,980	96,368	98,615
<u>Operations and Maintenance</u>			
Utilities (moved from General)	37,152	33,500	36,000
Clubhouse maintenance - general	15,288	3,000	3,000
Landscape contract	6,943	6,500	7,500
Grounds and landscaping maintenance	8,171	8,000	9,000
Irrigation repairs	185	800	3,000
Fence and monument repairs	-	12,100	-
Street repair and maintenance <1000	-	-	1,000
Pool chemicals and supplies	-	-	2,500
Pool contract	5,750	6,950	8,500
Pool maintenance	6,217	2,300	3,000
Pool monitor salaries	-	11,483	-
Snow removal and Tree watering	60,428	30,619	89,500
Total O&M expenditures	140,134	115,252	163,000
TOTAL EXPENDITURES	218,114	211,620	261,615

**DANCING WILLOWS METROPOLITAN DISTRICT
GENERAL FUND
2021 ADOPTED BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2019 Actual</u>	<u>2020 Estimated</u>	<u>2021 Adopted</u>
EXCESS OF REVENUES OVER EXPENDITURES	335,624	313,836	235,327
OTHER FINANCING USES			
Transfer to Capital Projects Fund	(300,000)	(200,000)	(449,947)
Total other financing uses	<u>(300,000)</u>	<u>(200,000)</u>	<u>(449,947)</u>
NET CHANGE IN FUND BALANCE	35,624	113,836	(214,620)
BEGINNING FUND BALANCE	<u>282,481</u>	<u>282,481</u>	<u>396,317</u>
ENDING FUND BALANCE	<u><u>\$ 318,105</u></u>	<u><u>\$ 396,317</u></u>	<u><u>\$ 181,697</u></u>

DANCING WILLOWS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2021 ADOPTED BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	<u>2019 Actual</u>	<u>2020 Estimated</u>	<u>2021 Adopted</u>
REVENUES			
Property taxes	\$ 97,139	\$ 113,884	\$ 180,717
Interest	984	1,524	2,000
Total revenues	<u>98,123</u>	<u>115,408</u>	<u>182,717</u>
EXPENDITURES			
Bond principal	40,000	40,000	45,000
Bond interest	134,700	133,500	132,300
County treasurer fees	1,376	1,731	2,711
Paying agent fees	400	400	400
Total expenditures	<u>176,476</u>	<u>175,631</u>	<u>180,411</u>
NET CHANGE IN FUND BALANCE	(78,353)	(60,223)	2,306
BEGINNING FUND BALANCE	<u>287,971</u>	<u>209,618</u>	<u>149,395</u>
ENDING FUND BALANCE	<u><u>\$ 209,618</u></u>	<u><u>\$ 149,395</u></u>	<u><u>\$ 151,701</u></u>

DANCING WILLOWS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2021 ADOPTED BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2019 Actual	2020 Estimated	2021 Adopted
REVENUES			
Total revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Clubhouse furniture replacement	1,990	-	7,000
Refrigerator	-	-	2,000
Street paving/sealing/sidewalk/gutter maintenance	85,514	123,926	142,048
Concrete removal and replacement	49,115	-	21,855
Portable audio system	-	-	1,000
Re-plaster hot tub	8,000	-	-
Retaining wall	4,605	-	-
Swale design	14,899	-	-
Unidentified	-	-	50,000
Total expenditures	<u>164,123</u>	<u>123,926</u>	<u>223,903</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(164,123)</u>	<u>(123,926)</u>	<u>(223,903)</u>
OTHER FINANCING SOURCES			
Transfer from General Fund	300,000	200,000	449,947 (1)
Total other financing sources	<u>300,000</u>	<u>200,000</u>	<u>449,947</u>
NET CHANGE IN FUND BALANCE	135,877	76,074	226,044
BEGINNING FUND BALANCE	<u>100,000</u>	<u>235,877</u>	<u>311,951</u>
ENDING FUND BALANCE	<u>\$ 235,877</u>	<u>\$ 311,951</u>	<u>\$ 537,995</u>

(1) Funding determined pursuant to a 20-yr plan.
2021 contribution is \$174,947 for current year
plus \$275,000 top up or \$449,947

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

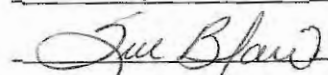
Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 9,663,992 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

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: 12/12/2020 for budget/fiscal year 2021
(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	58.200 mills	\$ 562,444
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< 11.900 > mills	\$ - 115,002 >
SUBTOTAL FOR GENERAL OPERATING:	46.300 mills	\$ 447,442
3. General Obligation Bonds and Interest ^J	18.700 mills	\$ 180,717
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]	65.000 mills	\$ 628,159

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

Signed:  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>18.700</u>
	Revenue:	<u>\$180,717</u>

2.	Purpose of Issue:	_____
	Series:	_____
	Date of Issue:	_____
	Coupon Rate:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

CONTRACTS^K:

3.	Purpose of Contract:	_____
	Title:	_____
	Date:	_____
	Principal Amount:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

4.	Purpose of Contract:	_____
	Title:	_____
	Date:	_____
	Principal Amount:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

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

Notes:

DANCING WILLOWS METROPOLITAN DISTRICT

2021 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 2021 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 2021, the District certified a mill levy of 46.300 for the General Fund generating \$447,442 in tax revenue, and certified 18.700 mills for the Debt Service Fund generating \$180,707 in tax revenue, for collection in 2021. Total assessed revenue is \$9,663,992.

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.