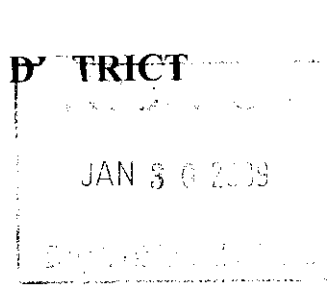


DANCING WILLOWS METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032



January 30, 2009

Division of Local Government
1313 Sherman Street, Room 520
Denver, Colorado 80203

Re: Dancing Willows Metropolitan District

Ladies and Gentlemen:

Enclosed is the 2009 Budget as certified by the Board of Directors of the Dancing Willows Metropolitan District of Jefferson County, Colorado, submitted pursuant to Section 29-1-113, C.R.S.

If there are any questions on the Budget, please contact Lisa A. Johnson, District Manager, at (303) 987-0835.

Sincerely,

Marina Wilson
Assistant to Lisa A. Johnson
District Manager

Enclosure

cc: McGeedy Sisneros, P.C. - Sharon Pellowe

DANCING WILLOWS METROPOLITAN DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2007 Actual	2008 Adopted Budget	2009 Adopted Budget
			Final AV
Assessed Valuation	\$ 517,500	\$ 2,377,100	\$ 3,221,370
Mill Levy			
General Fund	61.000	21.000	21.000
Debt Service Fund	0.000	40.000	40.000
Temporary Mill Levy Reduction	0.000	0.000	0.000
Refunds and Abatements	0.000	0.000	0.000
Total Mill Levy	<u>61.000</u>	<u>61.000</u>	<u>61.000</u>
Property Taxes			
General Fund	\$ 31,568	\$ 49,919	\$ 67,649
Debt Service Fund	-	95,084	128,855
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	<u>\$ 31,568</u>	<u>\$ 145,003</u>	<u>\$ 196,504</u>

DANCING WILLOWS METROPOLITAN DISTRICT

GENERAL FUND

2009 ADOPTED BUDGET

with 2007 Actual, 2008 Adopted Budget and 2008 Estimated

	2007 Actual	2008 Adopted Budget	2008 Est Budget	2009 Adopted Budget
BEGINNING FUND BALANCE	\$ 1,457	\$ 1,938	\$ 2,874	\$ 4,700
REVENUE				
Property Tax Revenue	31,567	49,919	49,919	67,649
Specific Ownership Taxes	2,829	-	3,994	5,412
Developer Advance	33,322	37,637	86,207	-
Interest Income	12	100	306	306
Inclusion Fee	-	-	-	-
Facilities Fees	-	-	10,800	11,200
Miscellaneous Income	-	-	600	-
Transfer from Debt Service Fd	-	52,098	-	-
Total Revenue	67,730	139,754	151,826	84,567
Total Funds Available	69,187	141,692	154,700	89,267
EXPENDITURES				
Audit	300	500	500	4,000
Director's Fees	-	-	-	-
Election	208	5,000	1,262	-
Insurance/SDA Dues	1,980	2,175	3,139	5,500
Legal	32,934	17,500	57,779	10,000
Accounting	-	-	11,874	4,000
Management	18,851	20,000	26,291	5,000
Office Supplies/Miscellaneous	716	1,200	1,749	1,000
Payroll Taxes	-	-	-	-
Treasurer's Fees	474	749	749	1,015
Developer Advance Reimb	-	-	-	-
Utilities	-	11,659	12,000	20,475
Property Management	-	16,179	7,187	5,000
Grounds	-	9,078	3,987	7,160
Pool	-	11,415	12,000	12,040
Clubhouse	-	10,900	500	1,500
Snow Removal	-	17,210	5,250	5,250
Asphalt Maintenance	-	14,000	833	-
Capital Repair Reserve	-	-	-	-
Engineering	105	-	4,900	-
Maintenance	10,745	-	-	-
Contingency	-	-	-	4,727
Transfer to Debt Service	-	-	-	-
Total Expenditures	66,313	137,565	150,000	86,667
Emergency Reserve	-	4,127	-	2,600
Total Expenditures Requiring Appropriation	66,313	141,692	150,000	89,267
ENDING FUND BALANCE	\$ 2,874	\$ -	\$ 4,700	\$ -

DANCING WILLOWS METROPOLITAN DISTRICT

**DEBT SERVICE FUND
2009 ADOPTED BUDGET**

with 2007 Actual, 2008 Adopted Budget and 2008 Estimated

	2007 Actual	2008 Adopted Budget	2008 Est Budget	2009 Adopted Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ 9,736
REVENUE				
Property Tax Revenue	-	95,084	95,084	128,855
Specific Ownership Taxes	-	3,803	7,607	10,308
Bond Proceeds	-	-	-	-
Developer Advance	-	-	-	-
Interest Income	-	-	372	521
Development Fees	-	-	-	-
Transfer from Capital Projects	-	-	-	-
Transfer from General Fund	-	-	-	-
	-	-	-	-
Total Funds Available	-	98,887	103,063	149,420
EXPENDITURES				
Bond Principal	-	-	-	129,274
Bond Interest	-	44,789	-	11,726
Bond Issuance Costs	-	-	-	-
Letter of Credit Fees	-	-	-	-
Paying Agent Fees	-	-	-	-
Treasurer's Fees	-	2,000	1,427	1,933
Developer Advance Reimb	-	-	91,900	-
Transfer to General Fund	-	52,098	-	-
	-	-	-	-
Total Expenditures	-	98,887	93,327	142,933
Total Expenditures Requiring Appropriation				
	-	98,887	93,327	142,933
ENDING FUND BALANCE	\$ -	\$ -	\$ 9,736	\$ 6,487

DANCING WILLOWS METROPOLITAN DISTRICT

CAPITAL PROJECTS FUND

2009 ADOPTED BUDGET

with 2007 Actual, 2008 Adopted Budget and 2008 Estimated

	2007 Actual	2008 Adopted Budget	2008 Est Budget	2009 Adopted Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -
REVENUE				
Bond Proceeds	-	3,720,000	3,719,513	-
Developer Advance	-	91,900	91,900	-
Developer Contribution	-	2,938,100	2,934,704	-
Total Funds Available	-	6,750,000	6,746,117	-
EXPENDITURES				
Bond Issuance Costs	-	91,900	91,900	-
Legal	-	-	-	-
Developer Advance Reimb	-	-	-	-
Capital Outlay	-	6,658,100	6,654,217	-
Water Improvements	-	-	-	-
Street Improvements	-	-	-	-
Drainage Improvements	-	-	-	-
Wastewater Improvements	-	-	-	-
Park & Rec Improvements	-	-	-	-
Utilities	-	-	-	-
Project Management	-	-	-	-
Engineering	-	-	-	-
Transfer to Debt Service	-	-	-	-
Total Expenditures	-	6,750,000	6,746,117	-
Total Expenditures Requiring Appropriation				
	-	6,750,000	6,746,117	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -

DANCING WILLOWS METROPOLITAN DISTRICT

2009 Budget Message

Introduction

The budget reflects the projected spending plan for the 2009 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.

The District continues to grow as indicated in the assessed value which increased 35.5% to \$3,221,370 in 2008. The growth was due primarily to new construction. The District's mill levy remained the same at 61.000 mills with 21.00 mills certified to the General Fund and 40.000 mills certified to the Debt Service Fund.

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.

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

General Fund is used to account for resources traditionally associated with government such as property taxes, and expenditures which 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. In addition, this fund is used to account for landscaping and general operations and maintenance expenses of the District facilities.

Debt Service Fund was created in 2008 to service the District's \$610,904, 2008 Series A General Obligation Capital Appreciation Bond and \$3,108,609, 2008 Series B General Obligation Capital Appreciation Bond. Both A and B Series Bonds bear an interest rate of 6.0%. The bonds were 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. Below is a consolidated summary of the District's long-term debt.

Summary of Debt Outstanding

Bonds Principal and Interest Maturing in the Year Ending December 31,	\$3,719,519			
	Series 2008 A & B Limited Tax to Unlimited Tax GO Capital Appreciation Bonds			
	<u>Principal</u>	<u>Accretion Interest</u>	<u>Interest</u>	<u>Total</u>
2009	129,274	11,726	-	141,000
2010	172,824	27,176	-	200,000
2011	203,628	46,372	-	250,000
2012	120,761	34,239	119,700	274,700
2013	38,955	11,045	237,450	287,450
2014-2018	311,640	88,360	1,128,000	1,528,000
2019-2023	564,849	160,151	967,350	1,692,350
2024-2028	907,653	257,347	694,050	1,859,050
2029-2033	1,269,935	360,065	263,700	1,893,700
Total	<u>3,719,519</u>	<u>996,481</u>	<u>3,410,250</u>	<u>8,126,250</u>

Capital Projects Fund has no planned project revenues or disbursements for the 2009 fiscal year.

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.

DANCING WILLOWS METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

December 15, 2008

Board of County Commissioners
Jefferson County
Attn: Louise Milburn
100 Jefferson County Parkway, Suite 4570
Golden, CO 80419
VIA E-MAIL: lmilburn@co.jefferson.co.us


Re: Dancing Willows Metropolitan District;
Certification of Mill Levies

Dear Commissioners:

Enclosed herewith is the Certification of Mill Levies for the 2009 fiscal year, as duly certified by the Board of Directors of the Dancing Willows Metropolitan District. Please sign the receipt below and return it via facsimile to 303-987-2032 or via e-mail to ksteggs@sdmsi.com.

If you have any questions, please contact me at 800-741-3254.

Sincerely,


Lisa A. Johnson
District Manager

Enclosure

cc: Division of Local Government
McGeady Sisneros, P.C. - Sharon Pellowe

The above referenced Certification of Mill Levies was received by the Board of County Commissioners of Jefferson County on this _____ day of December, 2008.

BOARD OF COUNTY COMMISSIONERS
OF JEFFERSON COUNTY

By _____

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 \$ 3,221,370 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^B)

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: \$ 3,221,370 (NET^E assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/15/2008 for budget/fiscal year 2009
 (not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	21.000 mills	\$ 67,649
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< 0.000 > mills	\$ < -0- >
SUBTOTAL FOR GENERAL OPERATING:	21.000 mills	\$ 67,649
3. General Obligation Bonds and Interest ^J	40.000 mills	\$ 128,855
4. Contractual Obligations ^K	0.000 mills	\$ -0-
5. Capital Expenditures ^L	0.000 mills	\$ -0-
6. Refunds/Abatements ^M	0.000 mills	\$ -0-
7. Other (specify): _____	0.000 mills	\$ -0-
	mills	\$
TOTAL: []	61.000 mills	\$ 196,504

Contact person: (print) Lisa A. Johnson Daytime phone: (303) 987-0835
 Signed: [Signature] Title: President

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) 866-2156.

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

4225 County Tax Entity Code

DOLA LGID/SID 65520

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:

- 1. Purpose of Issue: General Obligation Bonds
 Series: 2008A & 2008B
 Date of Issue: March 11, 2008
 Coupon Rate: 6.0%
 Maturity Date: 2033
 Levy: 40.000
 Revenue: \$128,855

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

CONTRACTS:

- 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.