

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 28, 2011

Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

dlg-filing@state.co.us

Re: Dancing Willows Metropolitan District

Ladies and Gentlemen:

Enclosed is the 2011 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,



Anna M. Mercurio
Assistant to Lisa A. Johnson
District Manager

Enclosure

cc: McGeady Sisneros, P.C. – Jennifer Julka

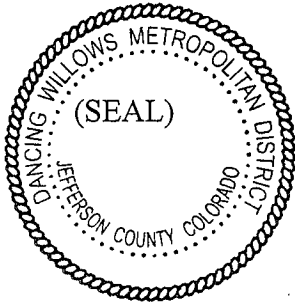
CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Dancing Willows Metropolitan District, for the budget year ending December 31, 2011 as adopted on November 17, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Dancing Willows Metropolitan District in Jefferson County, Colorado, this 17th day of November, 2010.

By: _____
Secretary



DANCING WILLOWS METROPOLITAN DISTRICT

2011 Budget Message

Introduction

The budget reflects the projected spending plan for the 2011 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's assessed valuation increased 15.6% to \$4,481,050 in 2010. 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, for collection in 2011.

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. 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

Dancing Willows Metropolitan District

Bonds Principal and Interest Maturing in the Year(s) Ending December 31,	\$3,719,519 Series 2008 A & B Limited Tax to Unlimited Tax GO Capital Appreciation Bonds			
	Principal	Accretion Interest	Interest	Total
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	46,746	13,254	234,300	294,300
2015	54,537	15,463	230,550	300,550
2016-2020	401,237	113,763	1,074,750	1,589,750
2021-2025	689,505	195,495	873,750	1,758,750
2026-2030	1,082,951	307,049	544,050	1,934,050
2031-2033	779,101	220,899	95,700	1,095,700
Total	<u>3,417,421</u>	<u>957,579</u>	<u>3,410,250</u>	<u>7,785,250</u>

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
Assessed Value, Property Tax and Mill Levy Information

	2009 Actual	2010 Adopted Budget	2011 Adopted Budget
Assessed Valuation	\$ 3,221,370	\$ 3,875,030	\$ 4,481,050
Mill Levy			
General Fund	21.000	21.000	21.000
Debt Service Fund	40.000	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	\$ 67,649	\$ 81,376	\$ 94,102
Debt Service Fund	128,855	155,001	179,242
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	<u>\$ 196,504</u>	<u>\$ 236,377</u>	<u>\$ 273,344</u>

Dancing Willows Metropolitan District

GENERAL FUND 2011 ADOPTED BUDGET with 2009 Actual, 2010 Adopted Budget and 2010 Estimated Budget

	2009 Actual	2010 Adopted Budget	2010 Estimated Budget	2011 Adopted Budget
BEGINNING FUND BALANCE	3,958	5,732	1,818	29,783
REVENUE				
Property Tax Revenue	67,648	81,376	81,376	94,102
Specific Ownership Taxes	4,769	6,510	5,734	6,587
Interest Income	271	150	150	75
Facilities Fees	7,800	10,400	31,500	-
Miscellaneous Income	2,624	2,400	2,400	-
Clubhouse Rentals	-	-	2,400	2,500
Total Revenue	83,112	100,836	123,560	103,264
Total Funds Available	87,070	106,568	125,378	133,047
EXPENDITURES				
Interest - Notes Payable	358	358	-	358
Notes Payable	-	-	-	-
Accounting	9,845	4,000	11,000	9,000
Accounting/Audit	3,800	3,800	305	7,500
Director's Fees	-	-	600	600
Election	-	5,000	1,200	-
Insurance/SDA Dues	4,248	4,500	4,031	4,500
Legal	7,296	5,000	5,000	5,000
Statutory Compliance	711	1,000	195	1,000
Management	14,272	7,500	11,000	10,000
Clubhouse Administration	-	-	-	2,000
Miscellaneous	1,165	500	1,600	500
Payroll Taxes	-	-	46	46
Treasurer's Fees	1,015	1,221	1,221	1,412
Developer Advance Reimb	15,681	-	-	-
Utilities	20,447	21,340	21,000	20,000
Grounds	-	3,525	3,500	3,500
Pool	5,315	6,400	15,000	15,000
Clubhouse	796	360	1,300	750
Snow Removal	303	2,000	4,000	2,000
Contingency	-	5,178	-	904
Maintenance Reserve	-	-	-	19,986
Transfer to Debt Service	-	32,736	14,597	25,000
Total Expenditures	85,252	104,418	95,595	129,056
Emergency Reserve	-	2,150	-	3,991
Total Expenditures Requiring Appropriation	85,252	106,568	95,595	133,047
ENDING FUND BALANCE	\$ 1,818	\$ -	\$ 29,783	\$ -

Dancing Willows Metropolitan District

DEBT SERVICE FUND 2011 ADOPTED BUDGET with 2009 Actual, 2010 Adopted Budget and 2010 Estimated Budget

	2009 Actual	2010 Adopted Budget	2010 Estimated Budget	2011 Adopted Budget
BEGINNING FUND BALANCE	9,510	3,556	3,852	44,171
REVENUE				
Property Tax Revenue	128,854	155,001	155,001	179,242
Specific Ownership Taxes	9,083	12,400	10,326	12,547
Interest Income	72	250	357	500
Miscellaneous Income	-	-	500	-
Transfer from General Fund	-	32,736	14,597	25,000
Contribution	-	-	10,000	-
Loan Proceeds	-	-	52,263	-
Total Revenue	138,009	200,387	243,044	217,289
Total Funds Available	147,519	203,943	246,896	261,460
EXPENDITURES				
Bond Principal	129,274	172,824	172,824	203,628
Bond Interest	11,726	27,176	27,176	46,372
Paying Agent Fees	733	400	400	400
Treasurer's Fees	1,934	2,325	2,325	2,689
Total Expenditures	143,667	202,725	202,725	253,089
Total Expenditures Requiring Appropriation	143,667	202,725	202,725	253,089
ENDING FUND BALANCE	\$ 3,852	\$ 1,218	\$ 44,171	\$ 8,371