

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**DANCING WILLOWS METROPOLITAN DISTRICT**  
JEFFERSON COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
**2016**

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 regular meeting at the Dancing Willows Club House, 11893 West Long Circle, Littleton, CO 80127, on December 10, 2015, at 6:30 p.m.

The following members of the Board of Directors were present:

Susan Root	President
Nancy Carson	Treasurer
William Anderson	Secretary
Robert Faiks	Director

Absent was Director Thomas whose absence was excused.

Also in attendance were:

Sue Blair; CRS of Colorado, LLC

The Chairman stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2016 budget at today's meeting. The Chairman opened the public hearing on the District's proposed 2015 budget. Public comment was received by the Board and the public hearing was closed.

At the regular Board meeting held on December 10, 2015 at 6:30 p.m. at the Dancing Willows Club House, 11893 West Long Circle, Littleton, CO, Director Anderson moved that the Board adopt the following resolution adopting the District's 2016 budget, certifying mill levies and appropriating 2016 expenditures:

## RESOLUTION 2016-07

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2016 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, 2016, AND ENDING ON THE LAST DAY OF DECEMBER, 2016,

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, 2015; 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 November 26, 2015 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 December 10, 2015 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 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 METROPOLITAN DISTRICT OF JEFFERSON COUNTY, COLORADO:

Section 1. 2016 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto as Exhibit A are accepted and approved.

Section 2. 2016 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto as Exhibit A are accepted and approved.

Section 3. Adoption of Budget for 2016. 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 2016.

Section 4. 2016 Levy of General Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget for the General Fund for operating

expenses is \$ 267,747 and the amount of money necessary to balance the budget for the Debt Service Fund for debt services expenses is \$305,996. That the 2016 valuation for assessment, as certified by the Jefferson County Assessor, is \$ 7,649,907.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2016 budget year, there is hereby levied a tax of 35.000 mills, upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2016.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service expense of the District during the 2016 budget year, there is hereby levied a tax of 40.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2016.

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 immediately certify to the County Commissioners the mill levies for the District hereinabove determined and set. That said certification shall be in substantially the following form:

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 CARSON.

ADOPTED AND APPROVED this 10th day of December, 2015.

Susan D. Root  
Susan Root, President

ATTEST:

W. Q. Anderson  
William Anderson, Secretary

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of JEFFERSON, Colorado.

On behalf of the DANCING WILLOWS METROPOLITAN DISTRICT,  
(taxing entity)<sup>A</sup>

the BOARD OF DIRECTORS,  
(governing body)<sup>B</sup>

of the DANCING WILLOWS METROPOLITAN DISTRICT,  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 7,649,907 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ 7,649,907

**Submitted:** 12/5/2015 for budget/fiscal year 2016.  
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>G</sup>	35.000 mills	\$ 267,747
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>H</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	35.000 mills	\$ 267,747
3. General Obligation Bonds and Interest <sup>I</sup>	40.000 mills	\$ 305,996
4. Contractual Obligations <sup>J</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>K</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>L</sup>	_____ mills	\$ _____
7. Other <sup>M</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	75.000 mills	\$ 573,743

Contact person: (print) Sue Blair Daytime phone: 303-381-4960  
Signed: *Sue Blair* Title: District Manager

Send one completed copy of this form to the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203 when the local government's adopted budget is submitted to DLG. Questions? Call DLG at (303) 866-2156.

<sup>1</sup> 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.  
<sup>2</sup> 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).

DANCING WILLOWS METROPOLITAN DISTRICT  
**CERTIFICATION OF TAX LEVIES, continued**

**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<sup>I</sup>:**

- |    |                   |                                 |
|----|-------------------|---------------------------------|
| 1. | Purpose of Issue: | Funding of Capital Improvements |
|    | Series:           | 2008B-1                         |
|    | Date of Issue:    | January 13, 2012                |
|    | Coupon Rate:      | Variable                        |
|    | Maturity Date:    | 2039                            |
|    | Levy:             | 40.000                          |
|    | Revenue:          | \$305,996                       |
|    |                   |                                 |
| 2. | Purpose of Issue: | Funding of Capital Improvements |
|    | Series:           | 2008B-2                         |
|    | Date of Issue:    | January 13, 2012                |
|    | Coupon Rate:      | Variable                        |
|    | Maturity Date:    | 2041                            |
|    | Levy:             | Included in Above               |
|    | Revenue:          | Included in Above               |

**CONTRACTS<sup>J</sup>:**

- |    |                      |  |
|----|----------------------|--|
| 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.

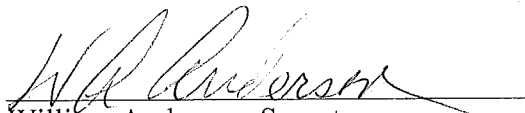
STATE OF COLORADO )  
 )  
COUNTY OF JEFFERSON )ss.  
 )  
DANCING WILLOWS )  
METROPOLITAN DISTRICT )

I, William Anderson, Secretary to the Board of Directors of the DANCING WILLOWS METROPOLITAN DISTRICT, Jefferson County, Colorado, do hereby certify that the foregoing pages constitute 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 held at The Dancing Willows Club House, 11893 West Long Circle, Littleton, Colorado, December 10, 2015 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 2016; 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 2016 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 10th day of December, 2015.

(SEAL)



  
William Anderson, Secretary

# DANCING WILLOWS METROPOLITAN DISTRICT

## 2016 Budget Message

### Introduction

The budget reflects the projected spending plan for the 2016 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 18.32% to \$7,649,907 in 2015 for the 2016 budget year. The District's mill levy remains at 75.000 mills with 35.000 mills certified to the General Fund and 40.000 mills certified to the Debt Service Fund, for collection in 2016.

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. 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.

**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. In 2011 the Bonds were restructured and below is a consolidated summary of the combined restricted debt service schedule. The Debt Service Fund's primary source of revenue to repay the bonds comes from property taxes and specific ownership taxes.

**Summary of Debt Outstanding**

Maturing in the Year(s) Ending December 31,	Total 2008 Bonds Combined 2008 B-1 and B-2		
	Principal	Interest	Total
2013	45,000	153,920	198,920
2014	85,000	152,435	237,435
2015	110,000	149,630	259,630
2016	120,000	146,000	266,000
2017	120,000	142,040	262,040
2018-2022	385,000	976,818	1,361,818
2023-2027	430,000	1,015,200	1,445,200
2028-2032	700,000	829,700	1,529,700
2033-2037	1,065,000	537,450	1,602,450
2038-2041	930,000	126,800	1,056,800
Total	<u>3,990,000</u>	<u>4,229,993</u>	<u>8,219,993</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  
GENERAL FUND  
ADOPTED 2016 BUDGET**

	2015 Budget	11.30.15 YTD Actual	2015 Estimate	2016 Adopted Budget
<b>REVENUE</b>				
Property Tax	\$ 226,281	\$ 226,227	\$ 226,227	\$ 267,747
Specific Ownership Tax	14,933	15,723	16,000	16,000
Clubhouse Rentals	3,800	4,850	6,200	6,000
Interest Income	354	1,123	1,150	600
Miscellaneous Income	-	9,404	9,404	-
Total Revenue	<u>245,368</u>	<u>257,327</u>	<u>258,981</u>	<u>290,347</u>
<b>EXPENDITURES</b>				
District Management and Accounting	35,000	37,228	40,000	35,000
Audit	6,000	8,192	8,192	7,650
Directors' Fees	2,400	4,200	4,200	3,000
Elections	-	-	-	6,000
Insurance	7,000	7,203	7,203	7,563
Legal	5,000	2,132	3,000	5,000
Miscellaneous	-	1,252	1,252	1,000
Payroll Taxes	192	321	325	230
SDA Dues and Conference	7,000	3,530	3,530	5,000
Treasurers' Fees	3,394	3,398	3,398	4,016
Utilities	50,000	33,266	34,000	35,000
Contingency	5,000	-	-	10,000
Emergency Reserve	7,361	-	-	8,710
<u>Operations and Maintenance</u>				
Clubhouse Maintenance	4,700	4,521	4,600	15,000
Grounds and Landscaping	13,000	18,902	18,902	13,000
Irrigation System - Bowles	-	-	-	10,000
Pool Maintenance and Supplies	10,500	13,221	13,221	11,600
Snow Removal	12,000	8,930	12,000	13,500
Parking Maintenance	-	5,191	5,200	1,000
Reserve Study	3,500	3,500	3,500	-
Contribution to Capital Reserve Account	48,000	-	15,682	65,000
Total Expenditures	<u>220,047</u>	<u>154,987</u>	<u>178,205</u>	<u>257,269</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>				
	<u>25,321</u>	<u>102,340</u>	<u>80,776</u>	<u>33,078</u>
<b>OTHER FINANCING USES</b>				
Transfer to Debt Service Fund	-	50,000	50,000	-
Transfer to Capital Fund	27,426	15,682	27,426	-
Total Other Financing Uses	<u>27,426</u>	<u>65,682</u>	<u>77,426</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>				
	(2,105)	36,658	3,350	33,078
<b>FUND BALANCE - BEGINNING - Audit</b>				
	56,394	56,394	56,394	59,744
<b>FUND BALANCE - ENDING</b>				
	<u>\$ 54,289</u>	<u>\$ 93,052</u>	<u>\$ 59,744</u>	<u>\$ 92,822</u>

**DANCING WILLOWS METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
ADOPTED 2016 BUDGET**

	<b>2015 Budget</b>	<b>11.30.15 YTD Actual</b>	<b>2015 Estimate</b>	<b>2016 Adopted Budget</b>
<b>REVENUE</b>				
Contribution from General Fund	\$ 48,000	\$ -	\$ 10,000	\$ 65,000
Total revenue	<u>48,000</u>	<u>-</u>	<u>10,000</u>	<u>65,000</u>
<b>EXPENDITURES</b>				
Streets/Sidewalks/Gutters	12,500	14,881	12,000	45,000
Engineering Design - Concrete Swale/Drainage				5,000
Clubhouse - Reserve Contingency	-	-	-	3,000
Landscaping Arborist - Reserve Contingency	-	-	-	10,000
Pool - Reserve Contingency	-	-	-	2,000
Repair Monument - includes Landscaping	45,000	15,682	45,000	-
Total Expenditures	<u>57,500</u>	<u>30,563</u>	<u>57,000</u>	<u>65,000</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>				
	<u>(9,500)</u>	<u>(30,563)</u>	<u>(47,000)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer from General Fund	27,426	15,682	27,426	-
Total other financing sources (uses)	<u>27,426</u>	<u>15,682</u>	<u>27,426</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	17,926	(14,881)	(19,574)	-
<b>FUND BALANCE - BEGINNING</b>	<u>19,574</u>	<u>19,574</u>	<u>19,574</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 37,500</u>	<u>\$ 4,693</u>	<u>\$ -</u>	<u>\$ -</u>

**DANCING WILLOWS METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
ADOPTED 2016 BUDGET**

	<b>2015 Budget</b>	<b>11.30.15 YTD Actual</b>	<b>2015 Estimate</b>	<b>2016 Adopted Budget</b>
<b>REVENUE</b>				
Property Tax	\$ 258,607	\$ 258,545	\$ 258,607	\$ 305,996
Transfer In From General Fund		50,000	50,000	-
Specific Ownership Tax	17,067	17,967	25,600	25,600
Interest income	78	54	80	80
Total revenue	<u>275,752</u>	<u>326,566</u>	<u>334,287</u>	<u>331,676</u>
<b>EXPENDITURES</b>				
<u>Debt Service</u>				
Bond principal	110,000	110,000	110,000	120,000
Bond interest	149,630	149,630	149,630	146,000
Interest - Notes Payable		8,000	8,000	6,000
Principal - Notes Payable		75,000	75,000	21,201
Paying Agent Fees	600	300	600	600
Treasurer's Fees	3,879	3,883	3,883	4,590
Total Expenditures	<u>264,109</u>	<u>346,813</u>	<u>347,113</u>	<u>298,391</u>
<b>NET CHANGE IN FUND BALANCE</b>	11,643	(20,247)	(12,826)	33,285
<b>FUND BALANCE - BEGINNING - Audit</b>	<u>21,517</u>	<u>21,921</u>	<u>21,921</u>	<u>9,095</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 33,160</u>	<u>\$ 1,674</u>	<u>\$ 9,095</u>	<u>\$ 42,380</u>