

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
TRAILMARK METROPOLITAN DISTRICT
JEFFERSON COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2014

STATE OF COLORADO)
)
COUNTY OF JEFFERSON)ss.
)
TRAILMARK)
METROPOLITAN DISTRICT)

The Board of Directors of the TRAILMARK METROPOLITAN DISTRICT, Jefferson County, Colorado, held a special meeting at the TrailMark Learning Center, 9743 South Carr Way, Littleton, Colorado, on November 14, 2013, at 6:30 p.m.

The following members of the Board of Directors were present:

Michael R. Rogers
Catherine LaClair
Curtis Fankhouser
Lori Tolle
Richard Handley

Also in attendance were:

Cathy Noon; CRS of Colorado, LLC
Community Members

The Chairman stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2014 budget. The Chairman opened the public hearing on the District's proposed 2014 budget. Public comment was received by the Board and the public hearing was closed.

At the special Board meeting held on November 14, 2013 at 6:30 p.m. at the TrailMark Learning Center, 9743 South Carr Way, Littleton, CO, Director Handley moved that the Board adopt the following resolution adopting the District's 2014 budget, certifying mill levies and appropriating 2014 expenditures:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2014 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 TRAILMARK METROPOLITAN DISTRICT, JEFFERSON COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2014, AND ENDING ON THE LAST DAY OF DECEMBER, 2014,

WHEREAS, the Board of Directors of the TRAILMARK METROPOLITAN DISTRICT has authorized its consultants to prepare and submit a proposed budget to said governing body no later than October 15, 2013; 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 7, 2013 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 November 14, 2013 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 TRAILMARK METROPOLITAN DISTRICT OF JEFFERSON COUNTY, COLORADO:

Section 1. 2014 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. 2014 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 2014. 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 TRAILMARK METROPOLITAN DISTRICT for calendar year 2014.

Section 4. 2014 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 \$234,262, and the amount of money necessary to balance the budget for the Debt

Service Fund for debt services expenses is \$762,279. That the 2013 valuation for assessment, as certified by the Jefferson County Assessor, is \$24,076,400.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2014 budget year, there is hereby levied a tax of 19.501 mills, less a temporary mill levy reduction of 9.5010 mills, for a General Fund mill levy of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2014.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service expense of the District during the 2014 budget year, there is hereby levied a tax of 20.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2014.

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:

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of JEFFERSON COUNTY, Colorado.

On behalf of the TrailMark Metropolitan District,
 (taxing entity)^A
 the Board of Directors,
 (governing body)^B
 of the TrailMark Metropolitan District,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 24,076,400 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: \$ 24,076,400 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/9/2013 for budget/fiscal year 2014.
 (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	19.501 mills	\$ 469,514
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< 9.501 > mills	\$ <228,750>
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$ 240,764
3. General Obligation Bonds and Interest ^J	20.000 mills	\$ 481,528
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]	30.000 mills	\$ 722,292

Contact person: (print) Sue Blair Daytime phone: (303) 381-4977
 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.

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
TrailMark 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: Limited Tax General Obligation Refunding Bonds
Series: 2003
Date of Issue: June 25, 2003
Coupon Rate: 2% - 3.750%
Maturity Date: December 1, 2018
Levy: 20.000
Revenue: \$481,528

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: _____

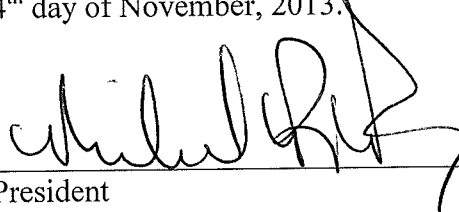
4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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

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.

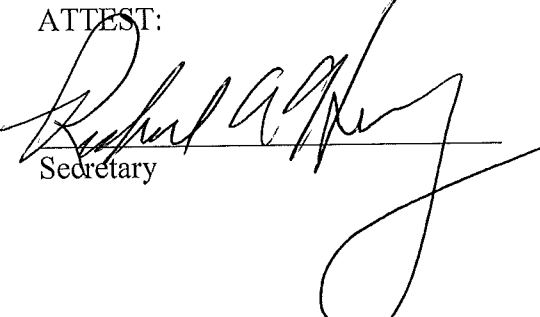
The foregoing Resolution was seconded by Director LaClair.

ADOPTED AND APPROVED this 14th day of November, 2013.



President

ATTEST:



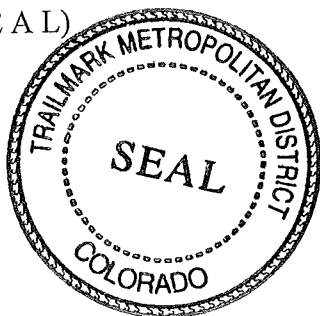
Secretary

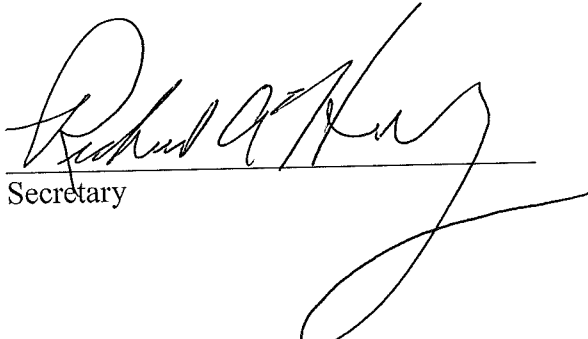
STATE OF COLORADO)
)
COUNTY OF JEFFERSON)ss.
)
TRAILMARK)
METROPOLITAN DISTRICT)

I, Richard A. Handley, Secretary to the Board of Directors of the TRAILMARK 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 TrailMark Learning Center, 9743 South Carr Way, Littleton, Colorado, on November 14, 2013 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 2014; 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 2014 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 14th day of November, 2013.

(SEAL)




Secretary

**TRAILMARK METROPOLITAN DISTRICT
GENERAL FUND
ADOPTED 2014 BUDGET**

	2012 Actual	2013 Estimated	Adopted 2014 Budget
REVENUE:			
Property Tax (10 Mills \$24,077,395 AV - 2014)	\$ 247,144	\$ 247,998	\$ 240,774
Specific Ownership Tax	61,106	56,425	56,425
HOA Cost Sharing	1,437	19,000	18,000
Interest Income	3,223	2,000	2,500
Miscellaneous Income	1,217	1,300	500
Total Revenue	314,127	326,723	318,199
EXPENDITURES			
Management and Accting (6 Brd Mtgs)	25,002	25,200	26,200
District Management - Special Services	4,630	5,000	5,000
Audit	7,521	6,500	7,500
Director's Fees	3,500	5,000	5,000
Engineering (Water Case)	6,555	2,500	-
Election	1,780	-	10,000
Insurance/SDA Dues	3,622	3,000	4,000
Legal	3,095	10,000	10,000
Legal - Water Rights	9,162	5,000	5,000
Legal Publications	21	250	250
Miscellaneous Expense	3,404	3,500	3,500
Payroll Taxes	271	380	500
County Treasurer's Fees	3,710	3,720	3,612
Utilities	1,430	1,700	1,700
Ground Maintenance - HOA	8,495	10,000	10,000
Ground Maintenance - General	2,656	1,500	1,500
Fence Painting & Repair - annual filing	11,034	37,000	36,000
Fence Painting & Repair - incidentals	766	7,000	7,000
Stormwater System			
- General Maintenance	35,779	40,000	50,000
- Maintenance - Centennial Water	1,196	1,000	1,400
- Water Quality Monitoring	-	1,500	1,500
- Improvements	8,963	10,000	10,000
- Miscellaneous	66	300	100
Asset Replacement Reserve *	-	25,000	25,000
Emergency Reserve	-	-	9,500
Total Expenditures	142,658	205,050	234,262
EXCESS REVENUE OVER(UNDER) EXPENDITURES	171,469	121,673	83,937
OTHER FINANCING SOURCES (USES)			
Transfers from (to) Other Funds	(143,465)	(135,979)	(281,043)
Total Other Financing Sources	(143,465)	(135,979)	(281,043)
NET CHANGE IN FUNDS AVAILABLE	28,004	(14,306)	(197,106)
Beginning Fund Balance		1,034,769	1,020,463
Ending Fund Balance		\$ 1,020,463	\$ 823,357

TRAILMARK METROPOLITAN DISTRICT
DEBT SERVICE FUND
ADOPTED 2014 BUDGET

	2012 Actual	2013 Estimated	Adopted 2014 Budget
REVENUE:			
Property Tax *	\$ 617,860	\$ 619,995	\$ 481,548
Interest Income	942	300	300
Total Revenue	<u>618,802</u>	<u>620,295</u>	<u>481,848</u>
EXPENDITURES			
Bond Principal	595,000	610,000	635,000
Bond Interest	155,966	138,116	119,054
Paying Agent Fees	500	1,000	1,000
County Treasurer's Fees	9,274	9,299	7,225
Total Expenditures	<u>760,740</u>	<u>758,415</u>	<u>762,279</u>
EXCESS REVENUE OVER(UNDER) EXPENDITURES	(141,938)	(138,120)	(280,431)
OTHER FINANCING SOURCES (USES)			
Transfers from (to) Other Funds	143,465	135,979	281,043
Total Other Financing Sources	<u>143,465</u>	<u>135,979</u>	<u>281,043</u>
NET CHANGE IN FUNDS AVAILABLE	1,527	(2,141)	612
Beginning Fund Balance		<u>2,938</u>	<u>797</u>
Ending Funds Balance		<u>\$ 797</u>	<u>\$ 1,409</u>

**TRAILMARK METROPOLITAN DISTRICT
CAPITAL ASSET REPLACEMENT RESERVE
ADOPTED 2014 BUDGET**

	2012 Actual	2013 Estimated	Adopted 2014 Budget
REVENUE:			
Asset Replacement Reserve	\$ -	\$ 25,000	\$ 25,000
Total Revenue	<u>-</u>	<u>25,000</u>	<u>25,000</u>
EXPENDITURES			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS REVENUE OVER(UNDER) EXPENDITURES	-	25,000	25,000
OTHER FINANCING SOURCES (USES)			
Transfers from (to) Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUNDS AVAILABLE	-	25,000	25,000
Beginning Fund Balance		<u>175,000</u>	<u>200,000</u>
Ending Fund Balance		<u>\$ 200,000</u>	<u>\$ 225,000</u>

TRAILMARK METROPOLITAN DISTRICT

2014 Budget Message

Introduction

The budget reflects the projected spending plan for the 2014 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 capital project revenue and expenditures.

The District's 2013 assessed value is \$24,076,400. The District certified a net of 10.000 mills in its General Fund after taking into account a temporary mill levy reduction of 9.501 mills. Further, the District certified 20.000 mills in its Debt Service Fund, for total mill levy of 30.000 mills certified for collection in 2014.

The District was formed in 1994 for the purpose of providing design, financing, acquisition, and construction of certain infrastructure improvements including water, streets, sanitary sewer, and traffic and safety controls. When appropriate, these improvements have been dedicated to Jefferson County, South Suburban Park and Recreation District, City of Littleton or other entities as appropriate for the use and benefit of the District taxpayers and service users.

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, specific ownership tax and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government. The primary source of revenue comes from property taxes, specific ownership taxes, and interest income.

TrailMark Metropolitan District
Page Two

Debt Service Fund is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. The primary source of revenue for the Debt Service Fund comes from property 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.

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a taxing entity is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the local government is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The local government is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the local government and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the local government when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the local government if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the local government when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* Gross Assessed Value found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57.

^H **General Operating Expenses (DLG 70 Page 1 Line 1)**—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I **Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)**—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity's* levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not necessary for other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J **General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)**—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K **Contractual Obligation (DLG 70 Page 1 Line 4)**—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L **Capital Expenditures (DLG 70 Page 1 Line 5)**—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M **Refunds/Abatements (DLG 70 Page 1 Line 6)**—The county assessor reports on the Certification of Valuation (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: If the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity's* total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N **Other (DLG 70 Page 1 Line 7)**—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.