

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
TRAILMARK METROPOLITAN DISTRICT
JEFFERSON COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2010

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 12, 2009, at 6:30 p.m.

The following members of the Board of Directors were present:

Timothy Strunk
Sherman Steed
Robert Chavez
Karen Millspaugh

Absent was Director Parsons whose absence was excused.

Also in attendance were:

Joel Meggers and 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 2010 budget. The Chairman opened the public hearing on the District's proposed 2010 budget. Public comment was received by the Board and the public hearing was closed.

At the regular Board meeting held on November 17, 2009, at 6:30 p.m. at the TrailMark Learning Center, 9743 South Carr Way, Littleton, CO, Director Chavez moved that the Board adopt the following resolution adopting the District's 2010 budget, certifying mill levies and appropriating 2010 expenditures:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2010 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, 2010, AND ENDING ON THE LAST DAY OF DECEMBER, 2010,

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, 2009; 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 October 22, 2009 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 12, 2009 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. 2010 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. 2010 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 2010. 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 2010.

Section 4. 2010 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 \$307,195, and the amount of money necessary to balance the budget for the Debt

Service Fund for debt services expenses is \$780,786. That the 2009 valuation for assessment, as certified by the Jefferson County Assessor, is \$25,599,550.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2010 budget year, there is hereby levied a tax of 19.501 mills, less a temporary mill levy reduction of 7.501 mills, for a General Fund mill levy of 12.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2010.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service expense of the District during the 2010 budget year, there is hereby levied a tax of 30.500 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2010.

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 \$ 25,599,550

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)

25,599,550

Submitted:

12/12/2009

for budget/fiscal year

2010

(not later than Dec. 15)

(dd/mm/yyyy)

(yyyy)

PURPOSE (see end notes for definitions and examples)

LEVY²

REVENUE²

1. General Operating Expenses^H

19.501

mills

\$ 499,217

2. <Minus> Temporary General Property Tax
Credit/ Temporary Mill Levy Rate Reduction^I

<

7.501

>

mills

\$ <192,022>

SUBTOTAL FOR GENERAL OPERATING:

12.000

mills

\$ 307,195

3. General Obligation Bonds and Interest^J

30.500

mills

\$ 780,786

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]

42.500

mills

\$ 1,087,981

Contact person:

(print)

Joel Meggers

Daytime

phone:

(303) 381-4960

Signed:

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

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: 30.500
 Revenue: \$780,786
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.

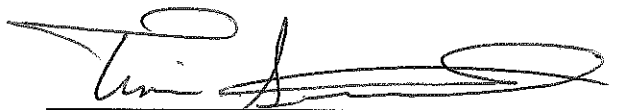
Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

The foregoing Resolution was seconded by Director STEED, WITH DIRECTOR

ADOPTED AND APPROVED this 12th day of November, 2009.

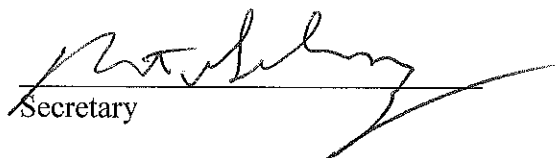
17

MILLSPAUGH
VOTING AGAINST
THE MOTION.



President

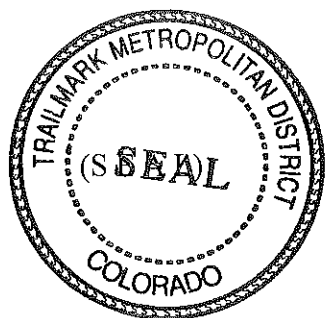
ATTEST:



Secretary

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

I, Robert Chavez, Secretary to the Board of Directors of the TRAILMARK METROPOLITAN DISTRICT, Jefferson County, Colorado, do hereby certify that the foregoing pages numbered 1 to 8, inclusive, 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 12, 2009 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 2010; 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 2010 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 12th day of November, 2009.




Secretary

**TRAILMARK METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET VS. ACTUAL - CASH BASIS (NON-GAAP)
2010 BUDGET**

	Current Period	10 Months Ended Oct. 31, 2009 YTD Actual	2009 Budget	Variance Over(Under)	Percent of Budget (83% YTD)	Estimated 2009	Adopted 2010 Budget
REVENUE:							
Property Tax	\$ 1,498	\$ 473,669	\$ 478,068	\$ (4,399)	99%	\$ 473,669	\$ 307,196
Specific Ownership Tax	7,789	65,117	110,000	(44,883)	59%	78,140	65,000
HOA Cost Sharing	-	-	14,755	(14,755)	0%	14,755	14,755
Interest Income	395	3,618	10,000	(6,382)	36%	5,000	5,000
Miscellaneous Income	-	1,174	-	1,174	0%	1,200	1,200
Total Revenue	9,682	543,578	612,823	(69,245)	89%	572,764	393,151
EXPENDITURES							
District Management and Accounting	2,000	24,775	45,000	(20,225)	55%	35,000	30,000
District Management - SDMS	-	10,639	-	10,639	0%	10,639	-
Audit	-	4,600	5,000	(400)	92%	4,600	5,000
Director's Fees	462	3,786	4,000	(214)	95%	5,786	5,000
Election (Board)	-	-	150	(150)	0%	-	6,000
Insurance/SDA Dues	-	2,757	6,000	(3,243)	46%	2,757	3,000
Legal	790	12,618	10,000	2,618	126%	15,000	10,000
Legal - Water Rights	-	295	3,000	(2,705)	10%	295	3,000
Legal Publications	-	225	200	25	113%	225	250
Miscellaneous Expense	620	3,396	-	3,396	0%	3,500	3,500
Office Supplies	-	780	2,000	(1,220)	39%	1,000	2,000
Payroll Taxes	-	-	305	(305)	0%	500	500
County Treasurer's Fees	23	7,109	7,171	(62)	99%	7,109	6,900
Utilities	35	1,214	3,500	(2,286)	35%	1,500	1,500
Ground Maintenance - HOA	-	3,406	16,690	(13,284)	20%	3,406	5,000
Maintenance - Centennial Water	-	-	3,300	(3,300)	0%	-	3,300
Project Management - Stormwater System					0%	-	5,000
Maintenance - Stormwater System	3,880	29,763	16,500	13,263	180%	39,763	10,000
Fence Painting & Repair	-	30,702	28,000	2,702	110%	30,702	28,000
Water Quality Monitoring	-	475	5,500	(5,025)	9%	475	1,000
Improvements - Reservoirs and Ponds	-	1,220	13,000	(11,780)	9%	1,220	10,000
Contingency for Capital Improvements	-	-	600,000	(600,000)	0%	-	-
Transfer to Capital Projects Fund	-	-	150,000	(150,000)	0%	125,000	90,000
Transfer to Debt Fund	-	-	-	-	0%	-	-
Emergency Reserve	-	-	23,679	(23,679)	0%	-	4,019
Total Expenditures	7,810	137,760	942,995	(805,235)	15%	288,477	232,969
EXCESS REVENUE OVER(UNDER)							
EXPENDITURES	1,872	405,818				284,287	160,182
Beginning Fund Balance / O&M Reserve (Cash B:		553,251				553,251	837,538
Ending Fund Balance / O&M Reserve		\$ 959,069				\$ 837,538	\$ 997,721

TRAILMARK METROPOLITAN DISTRICT
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET VS. ACTUAL - CASH BASIS (NON-GAAP)
2010 BUDGET

10 Months Ended Oct. 31, 2009								
Current Period	YTD Actual	2009 Budget	Variance Over(Under)	Percent of Budget (83% YTD)	Estimated 2009	Adopted 2010 Budget		
REVENUE:								
Property Tax Revenue	\$ 2,251	\$ 711,916	\$ 718,077	\$ (6,161)	99%	\$ 711,916	\$ 780,789	
Transfer from General Fund	-	-	-	-	-	-	-	
Interest Income	181	887	7,000	(6,113)	13%	1,000	1,000	
Total Revenue	2,432	712,803	725,077	(12,274)	98%	712,916	781,789	
EXPENDITURES								
Bond Principal	-	-	575,000	(575,000)	0%	575,000	515,454	
Bond Interest	-	84,883	169,766	(84,883)	50%	169,766	269,404	
Paying Agent Fees	-	500	1,000	(500)	50%	1,000	1,000	
County Treasurer's Fees	35	10,679	10,771	(92)	99%	10,679	11,000	
	-	-	-	-	-	-	-	
Total Expenditures	35	96,062	756,537	(660,475)	13%	756,445	796,858	
EXCESS REVENUE OVER(UNDER)								
EXPENDITURES	2,397	616,741			(43,529)		(15,069)	
Beginning Fund Balance (Cash Basis)		80,300			80,300		36,771	
Ending Fund Balance	\$	<u>697,041</u>			\$ 36,771	\$	21,702	

**TRAILMARK METROPOLITAN DISTRICT
CAPITAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET VS. ACTUAL - CASH BASIS (NON-GAAP)
2010 BUDGET**

10 Months Ended							
Current Period	Oct. 31, 2009		Amended 2009 Budget	Variance Over(Under)	Percent of Budget (83% YTD)	Estimated 2009	Adopted 2010 Budget
	YTD	Actual					
REVENUE:							
Transfer from General Fund							
\$	-	\$	\$ 136,000	\$ (136,000)	0%	\$ 125,000	\$ 90,000
Total Revenue							
EXPENDITURES							
Community Center/Pool Project Phase I							
-		19,919	20,000	(81)	100%	19,919	-
-		800	1,000	(200)	80%	800	-
-		7,324	8,000	(676)	92%	7,324	-
-		2,997	6,000	(3,003)	50%	2,997	-
-		-	-	-	0%	-	-
sub-total							
-		31,040	35,000	(3,960)	89%	31,040	-
Community Center/Pool Project Phase II							
-		8,235	14,000	(5,765)	59%	14,000	10,000
-		-	-	-	0%	-	-
-		2,500	2,500	-	100%	2,500	-
-	7,204	10,773	20,000	(9,227)	54%	20,000	-
-	1,948	3,755	13,500	(9,745)	28%	10,000	15,000
-	986	10,123	15,000	(4,877)	67%	15,000	10,000
-		2,423	50,000	(47,577)	5%	25,000	50,000
-		-	3,000	(3,000)	0%	3,000	-
-		289	-	289	0%	300	300
sub-total							
10,138		38,098	118,000	(79,902)	32%	89,800	85,300
Total Expenditures							
10,138		69,138	153,000	(83,862)	45%	120,840	85,300
EXCESS REVENUE OVER(UNDER)							
(10,138)		(69,138)				4,160	4,700
EXPENDITURES							
Beginning Fund Balance (Cash Basis)							
		-				-	4,160
Ending Fund Balance							
\$		(69,138)				\$ 4,160	\$ 8,860

TRAILMARK METROPOLITAN DISTRICT

2010 Budget Message

Introduction

The budget reflects the projected spending plan for the 2010 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 2009 assessed value is \$25,599,550. The District's mill levy decreased 4.245 mills in 2010 to 42.500 mills. The General Fund certified 12.000 mills to be collected in 2010. The Debt Service Fund certified 30.500 mills for taxes to be collected in the 2010 fiscal year.

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.

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 and interest income. Below is a consolidated summary of the District's General Obligation long-term debt.

Summary of General Obligation Debt Outstanding

Bonds Principal and Interest	\$8,334,977		
Maturing in the Year	Series 2003 GO Refunding Bonds		
<u>Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	476,562	269,404	745,966
2011	444,215	301,751	745,966
2012	595,000	155,966	750,966
2013	610,000	138,116	748,116
2014 – 2018	<u>3,360,000</u>	<u>373,458</u>	<u>3,733,458</u>
Total	<u>5,985,777</u>	<u>1,238,695</u>	<u>6,724,472</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.