

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
TRAILMARK METROPOLITAN DISTRICT
JEFFERSON COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2011

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

The Board of Directors of the TRAILMARK METROPOLITAN DISTRICT, Jefferson County, Colorado, held a regular meeting at the TrailMark Learning Center, 9743 South Carr Way, Littleton, Colorado, on November 16, 2010, at 6:30 p.m.

The following members of the Board of Directors were present:

Michael R. Rogers
Catherine LaClair
Sherman Steed
Richard Handley
Jack Parsons

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 2011 budget. The Chairman opened the public hearing on the District's proposed 2011 budget. Public comment was received by the Board and the public hearing was closed.

At the special Board meeting held on December 14, 2010, at 6:30 p.m. at the TrailMark Learning Center, 9743 South Carr Way, Littleton, CO, Director Steed moved that the Board adopt the following resolution adopting the District's 2011 budget, certifying mill levies and appropriating 2011 expenditures:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2011 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, 2011, AND ENDING ON THE LAST DAY OF DECEMBER, 2011,

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, 2010; 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 11, 2010 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 16, 2010 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. 2011 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. 2011 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 2011. 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 2011.

Section 4. 2011 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 \$258,320, and the amount of money necessary to balance the budget for the Debt

Service Fund for debt services expenses is \$645,801. That the 2010 valuation for assessment, as certified by the Jefferson County Assessor, is \$25,832,040.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2011 budget year, there is hereby levied a tax of 19.501mills, less a temporary mill levy reduction of 9.501 mills, for a General Fund mill levy of 10 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2011.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service expense of the District during the 2011 budget year, there is hereby levied a tax of 25 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2011.

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 \$ 25,832,040
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 \$ 25,832,040
calculated using the NET AV. The taxing entity's total (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
property tax revenue will be derived from the mill levy
multiplied against the NET assessed valuation of:

Submitted: 12/13/2010 for budget/fiscal year 2011.
(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	<u>19.501</u> mills	\$ <u>503,750</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u>9.501</u> > mills	\$ < <u>245,430</u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>10.000</u> mills	\$ <u>258,320</u>
3. General Obligation Bonds and Interest ^J	<u>25.000</u> mills	\$ <u>645,801</u>
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]	<u>35.000</u> mills	\$ <u>904,121</u>

Contact person: _____ Daytime
(print) Joel Meggers 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
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: | 25.000 |
| | Revenue: | \$645,801 |
| | | |
| 2. | Purpose of Issue: | |
| | Series: | |
| | Date of Issue: | |
| | Coupon Rate: | |
| | Maturity Date: | |
| | Levy: | |
| | Revenue: | |

CONTRACTS^K:

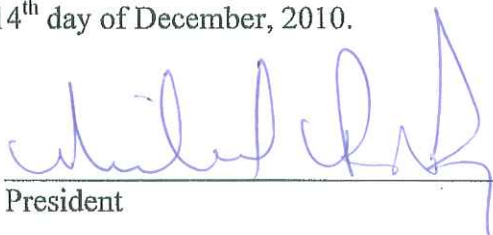
- | | | |
|----|----------------------|--|
| 3. | Purpose of Contract: | |
| | Title: | |
| | Date: | |
| | Principal Amount: | |
| | Maturity Date: | |
| | Levy: | |
| | Revenue: | |
| | | |
| 4. | Purpose of Contract: | |
| | Title: | |
| | Date: | |
| | Principal Amount: | |
| | Maturity Date: | |
| | 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.

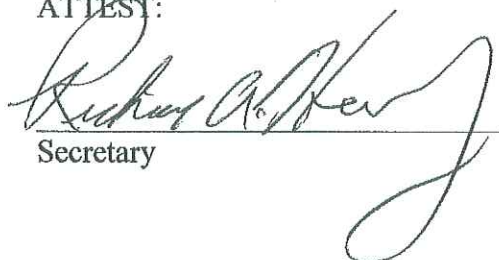
The foregoing Resolution was seconded by Director LACLAIR.

ADOPTED AND APPROVED this 14th day of December, 2010.



President

ATTEST:



Secretary

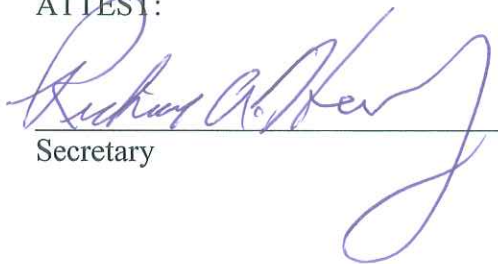
Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

The foregoing Resolution was seconded by Director LACLAIR.

ADOPTED AND APPROVED this 14th day of December, 2010.

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 numbered 1 to 9, 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 16, 2010 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 2011; 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 2011 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 December, 2010.




Secretary

**TRAILMARK METROPOLITAN DISTRICT
GENERAL FUND
ADOPTED 2011 BUDGET**

	2009 Actual	YTD Actual 11/30/2010	2010 Estimated	2010 Budget	Adopted 2011 Budget
REVENUE:					
Property Tax (10 Mills - \$25,832,040 AV)*	\$ 499,683	\$ 307,195	\$ 307,196	\$ 307,196	\$ 258,320 *
Specific Ownership Tax	85,090	67,386	68,000	65,000	53,759
HOA Cost Sharing	14,755	11,764	11,764	14,755	12,500
Interest Income	4,643	2,302	2,500	5,000	2,500
Miscellaneous Income	883	1,582	2,000	1,200	500
Total Revenue	605,054	390,229	391,460	393,151	327,579
EXPENDITURES					
District Management and Accounting	38,011	25,928	38,000	30,000	48,000
District Management - Special Services	-	17,496	20,000	-	5,000
Audit	4,600	7,974	8,000	5,000	8,000
Director's Fees	6,800	6,743	8,000	5,000	5,000
Election	-	14,717	15,000	6,000	-
Insurance/SDA Dues	2,757	2,048	2,500	3,000	3,000
Legal	13,480	13,167	15,000	10,000	15,000
Legal - Water Rights	295	3,517	4,000	3,000	10,000
Legal Publications	263	29	50	250	250
Miscellaneous Expense	1,271	4,097	4,500	3,500	3,500
Office Supplies	-	-	-	2,000	-
Payroll Taxes	-	914	1,000	500	1,000
County Treasurer's Fees	7,175	4,609	4,610	6,900	3,875
Utilities	1,379	271	500	1,500	1,000
Ground Maintenance - HOA	-	4,111	10,000	5,000	10,000
Field Supervision	-	8,777	10,000	-	5,000
Fence Painting & Repair	30,702	25,607	30,000	28,000	25,000
Stormwater System	-	-	-	-	-
Maintenance - Ponds & Drainage	7,985	-	-	-	-
- General Maintenance	44,155	12,344	13,000	10,000	35,000
- Maintenance - Centennial Water	-	-	2,000	3,300	4,000
- Project Management	-	7,673	10,000	5,000	10,000
- Water Quality Monitoring	475	-	1,000	1,000	1,000
- Improvements	-	8,909	10,000	10,000	10,000
Transfer to Capital Projects Fund	160,000	-	2,753	90,000	-
Transfer to Debt Service Fund	-	-	-	-	43,858
Emergency Reserve (Tabor 3%)	-	-	-	4,019	6,200
Total Expenditures	319,348	168,931	209,913	232,969	253,683
EXCESS REVENUE OVER(UNDER)					
EXPENDITURES	285,706	221,298	181,547		73,896
Beginning Fund Balance (Cash Basis)	552,670	838,376	838,376		1,019,923
Ending Fund Balance	\$ 838,376	\$ 1,059,674	\$ 1,019,923		\$ 1,093,819

**TRAILMARK METROPOLITAN DISTRICT
DEBT SERVICE FUND
ADOPTED 2011 BUDGET**

	2009 Actual	YTD Actual 11/30/2010	2010 Estimated	Adopted 2010 Budget	Adopted 2011 Budget	
REVENUE:						
Property Tax (25 Mills - \$25,832,040 AV)*	\$ 718,077	\$ 780,785	\$ 780,789	\$ 780,789	\$ 645,801	*
Transfer from General Fund	-	-	-	-	43,858	
Interest Income	1,051	886	-	1,000	1,000	
Total Revenue	719,128	781,671	780,789	781,789	690,659	
EXPENDITURES						
Bond Principal	575,000	590,000	590,000	515,454	590,000	
Bond Interest	169,766	155,966	155,966	269,404	155,966	
Paying Agent Fees	500	500	500	1,000	1,000	
County Treasurer's Fees	10,777	11,715	11,715	11,000	9,687	
Total Expenditures	756,043	758,181	758,181	796,858	756,653	
EXCESS REVENUE OVER(UNDER) EXPENDITURES	(36,915)	23,490	22,608		(65,994)	
Beginning Fund Balance (Cash Basis)	80,301	43,386	43,386		65,994	
Ending Fund Balance	\$ 43,386	\$ 66,876	\$ 65,994		\$ -	

**TRAILMARK METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
ADOPTED 2011 BUDGET**

	2009 Actual	YTD Actual 11/30/2010	2010 Estimated	Adopted 2010 Budget	Adopted 2011 Budget
REVENUE:					
Transfer from General Fund	\$ 160,000	\$ -	\$ 2,753	\$ 90,000	\$ -
Total Revenue	160,000	-	2,753	90,000	-
EXPENDITURES					
Community Center/Pool Project Phase II					
- Administration, Management & Coordination	59,768	-	-	10,000	-
- Engineering	800	-	-	-	-
- Financial Advisor	2,500	-	-	-	-
- Election Expense	26,663	-	-	-	-
- Owner Representative	7,555	1,140	1,140	15,000	-
- Legal	19,055	435	435	10,000	-
- Design & Construction Mgt	30,447	19,175	19,175	50,000	-
- Bond Costs - Legal	-	-	-	-	-
- Miscellaneous	289	-	-	300	-
Total Expenditures	147,077	20,750	20,750	85,300	-
EXCESS REVENUE OVER(UNDER) EXPENDITURES	12,923	(20,750)	(17,997)		-
Beginning Fund Balance (Cash Basis)	5,074	17,997	17,997		-
Ending Fund Balance	\$ 17,997	\$ (2,753)	\$ -		\$ -

TRAILMARK 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 capital project revenue and expenditures.

The District's 2010 assessed value is \$25,832,040. The District's mill levy decreased 9.501 mills in 2011 to 35.000 mills. The General Fund certified 10.000 mills to be collected in 2010. The Debt Service Fund certified 25.000 mills for taxes to be collected in the 2011 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	<u>Series 2003 GO Refunding Bonds</u>		
<u>Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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.