

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TRAILMARK METROPOLITAN DISTRICT HELD NOVEMBER 17, 2009

A regular meeting of the Board of Directors of the TrailMark Metropolitan District (referred to hereafter as "Board") was held on Tuesday, November 17, 2009 at 6:30 p.m., at the TrailMark Learning Center, 9743 South Carr Way, Littleton, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Timothy N. Strunk
Robert Chavez
Sherman M. Steed
Jack A. Parsons
Karen A. Millspaugh

Also in attendance were:

Cathy Noon & Joel Meggers; Community Resource Services ("CRS")
George Rowley, Esq.; White, Bear & Ankele
Community Members

CALL TO ORDER

Director Strunk called the meeting to order at 6:30 p.m.

ADMINISTRATIVE ITEMS

Agenda: Ms. Noon presented the Board with the proposed agenda. Following discussion, upon a motion by Director Chavez and a second by Director Parsons, the Board voted 3 – 2 to approve the agenda.

Minutes: The minutes of the October 20, 2009, the November 9, 2009 and November 12, 2009 meetings were presented to the Board. Upon a motion by Director Steed and a second by Director Millspaugh, the Board voted unanimously to approve the October 20, 2009 regular meeting minutes. Upon a motion by Director Millspaugh and a second by Director Steed, the Board voted unanimously to approve the November 9, 2009 special meeting minutes. Upon a motion by Director Chavez and a second by

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Director Millspaugh, the Board voted unanimously to approve the November 12, 2009 special meeting minutes.

Public Comments:

Tim Strunk: Mr. Strunk gave a brief history of the District and his involvement. During his service on the TMMD Board, the District paid off the Shea Homes debt, entered into an agreement with SSPRD for the parks and open space maintenance (thereby eliminating the resident fee), and refinanced bond debt. Mr. Strunk stated that these actions have saved the TrailMark residents considerable money. He also indicated that his home had been vandalized during the recent election and a police report was filed.

Doug Filter: Mr. Filter expressed questions about the budget process and a “reserves” line item.

Jerry Mastenbrook: Mr. Mastenback spoke on the school site acquisition for the project. Three residents of TrailMark met with the Littleton City Attorney in regard to the property. The District’s attorney, Mr. Rowley, indicated he had not been contacted by the Littleton City Attorney to provide any other information. The Board explained that a meeting was held in November 2008 with the Littleton City Manager, a Littleton Planner, and representatives from both Jefferson County Schools, and South Suburban Parks and Recreation District to discuss use of the land for a proposed community center. Indication from that meeting was there were no objections to TMMD pursuing this option through Littleton’s public planning process.

Mike Rogers: Mr. Rogers read an email from Littleton City Attorney Suzanne Staiert and Councilwoman Debbie Brinkman concerning the school site land and project.

Cathy LaClair: Ms. LaClair stated she felt the May 2009 “data package” was faulty and would like the District to refund tax dollars already collected in preparation for construction of the project. Ms. LaClair’s handout is attached as a part of these minutes.

Adrian VanDonkelaar: Mr. VanDonkelaar provided a handout with his analysis of budget and taxing levels. That handout is attached as a part of these minutes.

Review and consider policy to comply with Special District Transparency Notice Requirements: Following discussion, upon a motion by Director Millspaugh and a second by Director Parsons, the Board voted unanimously to post the Transparency Notice to both the Special District Association and the TrailMark Metropolitan District websites.

Consider Approval of 2010 Annual Administrative Resolution: Upon a motion by Director Chavez and a second by Director

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Steed, the Board voted unanimously to approve said resolution, made a part of these minutes.

Consider Approval of Resolution Adopting the FACT Act Identity Theft Prevention Policy: Upon a motion by Director Steed and a second by Director Chavez, the Board voted unanimously to approve said policy, made a part of these minutes.

MAINTENANCE AND OPERA- TIONAL ITEMS

Review bids for seeding of bare areas of ponds: Following discussion, upon a motion by Director Parsons and a second by Director Millspaugh, the Board voted unanimously to approve seeding of the areas submitted by Ms. Leisure of Iris Mitigation with a not-to-exceed amount of \$6,000. Ms. Noon will notify Ms. Leisure of the Board's decision and ask that she obtain a contract for the Board's signature if required by the contractor.

Discussion of weed control/area mapping: Ms. Noon informed the Board that the annual walk-through with Ms. Leisure and Mr. Rizzo with the Denver Botanical Gardens will take place on Friday, November 20, 2009. This item will be reviewed at that time and with South Suburban Park and Recreation District at the next quarterly meeting in January 2010.

Discuss 2010 Stormwater system management Plan: Ms. Blair previously provided a breakdown of the management and maintenance estimated costs for 2010. The Board reviewed the costs to ensure the 2010 budget figures covered the work deemed necessary.

BUDGET ITEMS

Discussion regarding results of Ballot Question 5A and future of planned community center and pool: The Board discussed the outcome of the election citing that the community does not favor increasing debt, but the Board is not clear on resident preference concerning moving forward on the community center/pool project on a cash finance basis. Since the idea of the project was brought to the District (from the Homeowner's Association), the Board's intent was to build a community center and pool if the community wanted to do so. The District has surveyed/pollled the entire community twice on their desire for the project, saved money for the project, and done a good faith estimate of the costs associated to build as the residents directed. In moving forward, the Board plans to continue to pursue the shared use of the school site. The Board will direct Sink Combs, Defleths to proceed with the necessary design to move forward in the City of Littleton planning

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process to achieve that goal. The District Board also discussed another survey/poll/vote of the residents of TrailMark for additional direction from the residents.

2010 Budget: It was noted that the Public Hearing for the 2010 budget was held on November 12, 2009. Upon a motion by Director Chavez and a second by Director Strunk, the Board voted 3 – 2, with Directors Steed and Millspaugh opposed, to set the 2010 mill levy at 42.5 mills. Further discussion ensued on three proposed budget options. Following Board input, upon a motion by Director Chavez and a second by Director Steed, the Board voted 4 – 1, with Director Millspaugh opposed, to approve Option B, made a part of these minutes, as amended to leave a surplus in the General Fund with enough to secure the joint use of the school site in the Capital Fund of an estimated \$90,000.

FINANCIAL ITEMS Review and approve payment of claims: After review, upon a motion by Director Steed and a second by Director Millspaugh, the Board voted to approved the claims as submitted.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending November 10, 2009 and the Board accepted the cash position as presented.

Financial Statements - Ms. Noon reviewed the financial statements dated October 31, 2009. After review, the Board accepted the financial statements as presented.

Review 2009 audit proposal from Schilling & Company, Inc.:
Upon a motion by Director Steed and a second by Director Millspaugh, the Board voted unanimously to accept said proposal in an amount not-to-exceed \$4,800.

OTHER BUSINESS Public Open House: It was noted that an open house on the community center project will be held on November 19, 2009 at the TrailMark Learning Center beginning at 6:30 p.m.

PUBLIC COMMENT

Bill Zeeb: Mr. Zeeb questioned an executive summary statement in the May “data package” and the Board stated there were three “executive summaries” for the different option presented in the yellow booklet.

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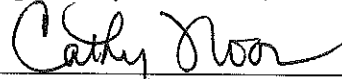
Matt Braunschweig: Mr. Braunschweig commended the Board on their service to the community. He feels that the 5A election was more about not increasing taxes than not wanting the project to be built. If the Board decides to ask the community's desires again, the questions must be clear. Mr. Braunschweig stated that other homes with "yes" election signs in their yards were also vandalized.

Robin Fisk: Ms. Fisk stated that the TMMD Board had accomplished some positive items for TrailMark, but is not being straightforward with costs. She questioned remarks between the SSPRD and TMMD Boards during the July 8, 2009 SSPRD meeting about moving forward with the project if the 5A election failed.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Steed, seconded by Director Chavez, and passed unanimously, the meeting was adjourned at 8:50 p.m.

Respectfully submitted,

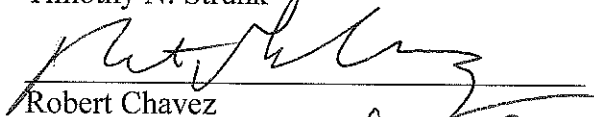


Secretary for the Meeting

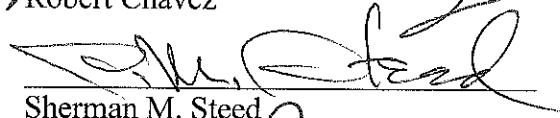
THESE MINUTES ARE APPROVED AS THE OFFICIAL
NOVEMBER 17, 2009 MINUTES OF THE TRAILMARK
METROPOLITAN DISTRICT BY THE BOARD OF
DIRECTORS SIGNING BELOW:



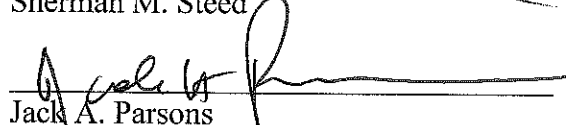
Timothy N. Strunk



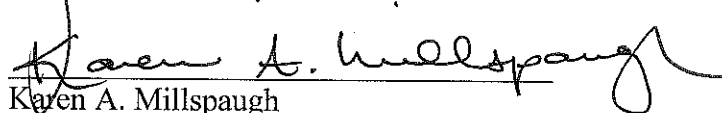
Robert Chavez



Sherman M. Steed



Jack A. Parsons



Karen A. Millspaugh

TRAILMARK METROPOLITAN DISTRICT

MEETING DATE: 11.17.09

PLEASE PRINT YOUR NAME, ADDRESS AND PHONE NUMBER AND THE ISSUE(S) YOU ARE INTERESTED IN ADDRESSING AT THIS MEETING.

NAME	ADDRESS	TELEPHONE/EMAIL	ISSUE(S) TO BE ADDRESSED	
Tim Strunk	9694 S. ESTES WAY	3-981-3929	ELECTION	✓
Doug Fitter	9662 S. DODLEY WAY	303-508-1946	Budget	✓
Jenny Wasenbake	9837 S. Johnson Ct	303-332-2000	Project status	✓
Mila Rogers	9839 S. Johnson Way	7-927-8561	City Council	✓
Colley Laidler	8761 W. Eden Dr	3-904-8778	BUDGET	✓
Adrian VANDONKELAR	9866 S. JOHNSON CT	3-932-2280	BUDGET	✓
Ross Chackey	9861 S. Flower Ct	3-985-1817	Common Question	✓
THE ZEEB'S	9875 S. IRIS CT	3 6700896		✓
Math Brunsdas	9882 W. Athens Ln	71320 6540	Project (Pool/Cc)	✓
Robert + Rose Blaylock	9774 S. Iris Court	3-271-3653	Budget	✓
Robyn Fish	9757 W. Athens Ln	3 9789254	project Pool	✓
TrailMark Metropolitan District/SIGN-IN DOC				

From the April 27th Data Package:

“The Board has been able to secure an agreement with the City of Littleton and the Jefferson County School District to share what is now designated the “school site”.”

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“Construction would be funded using the \$525,000 Capital Improvement Reserve Account that the Metro District has accumulated and financing the remainder of the cost.”

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“Total Capital IMP. Reserve, year end 2009.....\$525,000”

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“The Debt Service Fund is used to pay off the bonds that built Trailmark’s infrastructure. This fund collects and distributes \$770,000 per year in tax dollars through 2018 at which time the bonds will be paid off. These bonds are at 3.375% and there is not an option to pay them off early.”

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From TMMD’s Proposed Budget – estimated 2009

“Transfer to Capital Projects fund.....\$950,000”

From Trailmark’s Bond Sale Certificate

“The Current Interest Bonds maturing on and after December 1, 2014, shall be subject to redemption prior to their respective maturities, at the option of the District, in whole or in part, in integral multiples of \$5,000, in any order, from such maturities and interest rates as are selected by the District.... on December 1, 2013, or on any date thereafter...”

FROM: CATHY LACLAIR

AN ANALYSIS OF THE PROPOSED 2010 TMMD POWER POINT BUDGET
PRESENTATION

Property Tax Revenue	\$1,216,009
Line 1 of General Fund plus Line 1 of Debt Service Fund	
Miscellaneous Income	101,955
Line 2-5 of General Fund plus Line 3 of Debt Service Fund	
Total Revenue/Income	\$1,307,964
Proposed Operating Expenses	\$ 605,087
Minus Accounting Transfer to Capital Fund	(400,000)
Minus Accounting Transfer to Debt Fund	(50,000)
Actual Proposed Operating Expenses	\$ 155,087
Actual Proposed Bond Service Costs	\$ 796,858
TOTAL CASH REQUIRED TO OPERATE AND SERVICE DEBT	\$ 951,945
(Actual \$155,087 operating expenses + actual 796,858 bond service)	
EXCESS CASH GENERATED FROM PROPOSED BUDGET	\$ 356,019
Difference between \$1,307,964 and \$951,945	
TOTAL PROPERTY TAX REVENUE REQUIRED	\$ 849,990
(\$951,945 minus \$101,955 Miscellaneous Income, above)	
IF 47.501 MILLS EQUALS \$1,216,009 THEN 33.2 MILLS EQUALS	\$ 849,990
IF ADOPTED BY THE TMMD BOARD REPRESENTS A REDUCTION OF 28.9% IN MILL TAX LEVI AS CURRENTLY PROPOSED BY THE TMMD BOARD.	

Facts: This model **DOES NOT** reduce the proposed operating budget.
This model **DOES PROVIDE** for proposed debt service funds.
This model **LEAVES \$829,160** in the capital budget fund.

- Question: 1. Why should the TMMD proposed budget be approved?
2. Why don't we **REFUND** the \$829,160 to the residents?
3. Why do we not reduce the Mill Levi to 33.2 mills?

FROM: ADRIAN VAN DONKELAAR
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TMMD ALL FUNDS

TRAIL MARK METROPOLITAN DISTRICT GENERAL FUND DRAFT 2010 BUDGET & 2009 AMENDMENT			Approved 2010 Budget
	Estimated 2009		
REVENUE:			
Property Tax	\$ 473,659		
Specific Ownership Tax	78,140		
HQA Cost Sharing	14,755		
Interest Income	5,000		
Miscellaneous Income	1,200		
Total Revenue	572,754		
EXPENDITURES			
District Management and Accounting	35,000		
District Management - SDMS	10,639		
Audit	4,600		
Director's Fees	5,786		
Election (Board)	-		
Insurance/SDA Dues	2,757		
Legal	15,000		
Legal - Water Rights	225		
Legal Publications	225		
Miscellaneous Expense	3,500		
Office Supplies	1,000		
Payroll Taxes	7,109		
County Treasurer's Fees	1,500		
Utilities	3,408		
Maintenance - HOA	-		
Maintenance - Contaminant Water	-		
Project Management - Stormwater System	-		
Maintenance - Stormwater System	39,793		
Fence Painting & Repair	30,702		
Water Quality Monitoring	475		
Improvements - Reservoirs and Ponds	1,200		
Contingency for Capital Improvements	-		
Transfer to Capital Projects Fund	930,000		
Transfer to Debt Fund	-		
Emergency Reserve	-		
Total Expenditures	1,112,977		
EXCESS REVENUE OVER(UNDER)	(540,213)		
EXPENDITURES			
Beginning Fund Balance (Cash Basis)	553,251		
Ending Fund Balance	\$ 13,038		

TRAIL MARK METROPOLITAN DISTRICT DEBT SERVICE FUND DRAFT 2010 BUDGET & 2009 AMENDMENT			Approved 2010 Budget
	Estimated 2009		
REVENUE:			
Property Tax Revenue	\$ 711,916		
Transfer from General Fund	-		
Interest Income	1,000		
Total Revenue	712,916		
EXPENDITURES			
Bond Principal	575,000		
Bond Interest	169,266		
Paying Agent Fees	1,000		
County Treasurer's Fees	10,579		
Total Expenditures	755,845		
EXCESS REVENUE OVER(UNDER)	(43,529)		
EXPENDITURES			
Beginning Fund Balance (Cash Basis)	60,300		
Ending Fund Balance	\$ 36,771		

TRAIL MARK METROPOLITAN DISTRICT CAPITAL FUND DRAFT 2010 BUDGET & 2009 AMENDMENT			Approved 2010 Budget
	Estimated 2009		
REVENUE:			
Transfer from General Fund	\$ 950,000		
Total Revenue	950,000		
EXPENDITURES			
Community Center/Pool Project Phase I	-		
School Site Negotiations & Concepts	19,919		
Engineering	800		
Election Expense	7,324		
Legal	2,997		
Miscellaneous	-		
sub-total	31,040		
Community Center/Pool Project Phase II	-		
Administration, Management & Coordination	14,000		
Engineering	-		
Financial Advisor (FACB)	2,500		
Election Expense	20,000		
Owner Representative (OR)	10,000		
Legal	15,000		
Design & Construction Mgt (SCD - NTE \$200K)	25,000		
Bond Costs - Legal (KUTAK)	3,000		
Miscellaneous	300		
sub-total	69,800		
Total Expenditures	120,840		
EXCESS REVENUE OVER(UNDER)	829,160		
EXPENDITURES			
Beginning Fund Balance (Cash Basis)	-		
Ending Fund Balance	\$ 829,160		

Treasurer, the County Clerk and Recorder and the Division of the name of the chairman of the Board, the contact person, the telephone number and the business address of the District; and

WHEREAS, the Local Government Budget Law of Colorado, §§ 32-1-101, *et seq.*, C.R.S., requires the Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets and to file copies of the budgets and amendments thereto with the Division; and

WHEREAS, § 39-5-128, C.R.S., requires the District to certify its mill levy with the Board of County Commissioners on or before December 15; and

WHEREAS, § 32-1-809, C.R.S. (Senate Bill 09-87), requires that notice be given to eligible electors of the District various informational items, and that said notice be given between November 16 and January 15 of each year; and

WHEREAS, § 29-1-205, C.R.S., requires the District to prepare an informational listing on an annual basis of all contracts in effect with other political subdivisions and submit said list to the Division on or before February 1; and

WHEREAS, in accordance with the Public Securities Information Reporting Act, §§ 11-58-101, *et seq.*, C.R.S., issuers of non-rated public securities must file an annual report with the Department of Local Affairs within sixty (60) days of the close of the fiscal year; and

WHEREAS, pursuant to § 29-1-604(1), C.R.S., any local government where revenues or expenditures exceed Five Hundred Thousand Dollars (\$500,000) in any fiscal year commencing on or after January 1, 1998, must prepare an annual audit in accordance with the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-606(7), C.R.S., if the District has authorized but unissued general obligation debt as of the end of the fiscal year, the District shall submit its audit report or a copy of its application for exemption from audit to the Board of County Commissioners or governing body of the municipality that adopted a resolution of approval of the District pursuant to §§ 32-1-204.5 or 32-1-204.7, C.R.S.; and

WHEREAS, the Unclaimed Property Act, §§ 38-13-101, *et seq.*, C.R.S. requires that political subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer; and

WHEREAS, § 32-1-103(15), C.R.S., requires the District to publish certain legal notices in a newspaper of general circulation in the District; and

WHEREAS, special district directors may receive compensation for their services subject to the limitations imposed by §§ 32-1-902(3)(a)(I) & (II), C.R.S.; and

WHEREAS, pursuant to § 32-1-902(1), C.R.S., the Board shall elect officers of the District; and

WHEREAS, pursuant to § 24-10-110, C.R.S., the District shall defend and indemnify public employees pursuant to the Colorado Governmental Immunity Act; and

WHEREAS, directors are governed by § 32-1-902(3)(b), C.R.S. which requires a director to disqualify himself or herself from voting on an issue in which s/he has a conflict of interest, unless the director has properly disclosed such conflict in compliance with law and files said conflict disclosure statements at least seventy-two (72) hours prior to any regular or special meeting of the District; and

WHEREAS, § 24-6-402(2)(c), C.R.S. specifies the duty of the Board to designate a posting place for notices of meetings which are not otherwise posted under Title 32, C.R.S., as regular or special meetings; and

WHEREAS, § 32-1-903, C.R.S., requires that the Board shall meet regularly at a time and in a place to be designated by the Board and requires that notice of such meetings be posted in at least three (3) public places within the boundaries of the District and in the County Clerk and Recorder's Office at least seventy-two (72) hours prior to said meeting; and

WHEREAS, elections may be held pursuant to the Special District Act, §§ 32-1-101, *et seq.*, C.R.S., and the Uniform Election Code of 1992, §§ 1-1-101, *et seq.*, C.R.S., for the purpose of: 1) electing members of the District's Board; 2) presenting certain ballot issues to the eligible electors of the District as required by Article X Section 20 of the Colorado Constitution; and 3) presenting certain ballot issues and questions to the eligible electors of the District; and

WHEREAS, § 1-5-102, C.R.S., specifies that the Board shall designate polling places for nonpartisan elections, other than coordinated elections, no later than twenty-five (25) days prior to an election, and, in accordance with § 1-5-102.5, C.R.S., no later than ninety (90) days prior to a coordinated election, the County Clerk and Recorder, in consultation with the other Designated Election Officials of each political subdivision, shall assure one polling place be designated; and

WHEREAS, § 1-11-103(3) and §32-1-1101.5, C.R.S. require the District to notify the Division of the results of any elections held by the District and to certify results of any election to incur general obligation indebtedness via certified mail to the Board of County Commissioners or the governing body of a municipality within forty-five (45) days after the election; and

WHEREAS, §§ 32-1-1604, C.R.S. requires the Board to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring said indebtedness; and

WHEREAS, in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S., the Board of County Commissioners or the governing body of the municipality may require the District to file an application for quinquennial finding of reasonable diligence; and

WHEREAS, pursuant to § 32-1-207(3)(c), C.R.S., the District, if requested by the Board of County Commissioners, may be required to file an annual report with the Board of County Commissioners, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S.; and

WHEREAS, in accordance with the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., the Board is given authority to obtain insurance.

WHEREAS, in accordance with the Workers' Compensation Act of Colorado, §§ 8-40-101 – 8-47-101, *et seq.*, C.R.S., the District is required to carry workers' compensation coverage for its employees, but the Board members may opt out of such coverage by the methods prescribed in the Workers' Compensation Act of Colorado.

WHEREAS, pursuant to § 24-72-201, all public records of the District are open for inspection by any person requesting same, and the District Board desires to establish a policy regarding charges for supplying public records.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TRAILMARK METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board directs the District's consultants to prepare an accurate map as specified by the Division for filing with the Division as required by statute.
2. The Board directs its manager to notify the City of Littleton, Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the Board of County Commissioners and the Division of the name of the chairman of the Board, the contact person, telephone number and business address of the District.
3. The Board directs the District's manager to submit a proposed budget to the Board by October 15, to prepare a final budget, including any amendments thereto, if necessary, directs its manager to schedule a public hearing on the proposed budget, and directs legal counsel to prepare all budget resolutions and to file the budget resolution with the Division on or before January 30.
4. The Board directs its manager to certify the mill levy with the Board of County Commissioners on or before December 15.

5. The Board directs its manager to prepare and file with the Division an informational listing of all contracts in effect with other political subdivisions on or before February 1.
6. The Board directs its manager to prepare and file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year.
7. The Board directs the District's auditor to prepare an audit of the financial statements and submit such draft audit to the Board before June 30; further, the Board directs that the auditor file the final audit with the State Auditor by July 31.
8. The Board directs the District's accountant and auditor, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, the District is required to submit an annual audit pursuant to §§ 29-1-601, *et seq.*, C.R.S., then, pursuant to § 29-1-606(7), C.R.S., the District's auditor shall submit its audit report to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District pursuant to §§ 32-1-204.5 or 32-1-204.7, C.R.S., by July 30.
9. The Board directs its manager to prepare the Unclaimed Property Act report and submit the same to the State Treasurer.
10. The Board designates the Littleton Independent as a newspaper of general circulation within the boundaries of the District and directs that all legal notices shall be published in accordance with applicable statutes in the Littleton Independent.
11. The Board determines that each director shall receive compensation for services as directors in accordance with §§ 32-1-902(3)(a)(I) & (II), C.R.S.
12. The District hereby elects the following officers for the District:

President:	Timothy Strunk
Secretary:	Robert G. Chavez
Treasurer:	Sherman Steed
Assistant Secretary:	Jack Parsons
Assistant Secretary:	Karen Millsbaugh
13. The District hereby determines that each present and future member of the Board shall complete conflict disclosure forms provided by the District's attorney, and directs legal counsel to file the conflict disclosure forms with the Secretary of

State at least seventy-two (72) hours prior to every regular and special meeting of the Board.


14. The Board designates the TrailMark Play Park Community Bulletin Board, on TrailMark Parkway, Chatfield Green Subdivision, Littleton, CO as the District's 24-hour posting place for notices of meetings which were not otherwise posted under §§ 32-1-101, *et seq.*, C.R.S. In addition, the Board designates three locations within the boundaries of the District as the 72-hour posting locations for notices of meetings: (1) the bulletin board at the Play Park on TrailMark Parkway; (2) the bulletin board at the Hogback Hill Park on TrailMark Parkway; and (3) the fence post at the corner of TrailMark Parkway and Carr Street.
15. The Board appoints Sue Blair of Community Resource Services as the "Designated Election Official" of the Board for any elections to be held during 2010 and any subsequent year. The Board hereby grants all powers and authority for the proper conduct of the election to the Designated Election Official, including, but not limited to, appointing election judges, appointing a canvass board and cancellation, if applicable, of the election.
16. In accordance with § 1-11-103(3) and § 32-1-1101.5, C.R.S., the District directs the Designated Election Official to notify the Division of the results of any elections held by the District and to certify results of any election to incur general obligation indebtedness to the Board of County Commissioners.
17. In accordance with § 32-1-1604, C.R.S., the Board directs the Designated Election Official to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness.
18. The Board directs its manager and legal counsel to prepare and file with the Board of County Commissioners, if requested, the quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.
19. The Board directs its manager to prepare and file, if requested, the special district annual report.
20. The Board directs the District's manager to obtain proposals for insurance to insure the District against all or any part of the District's liability for injury; to insure the directors acting within the scope of employment by the Board against all or any part of such liability for an injury; to insure against the expense of defending a claim for injury against the District or its Board. The Board will annually review all insurance policies in effect.

21. In accordance with Section 8-40-202(1)(a)(I)(B), C.R.S., the Board has purchased workers' compensation coverage for individual Board members through the Special Districts Property and Liability Pool.
24. In accordance with Section 32-1-809, C.R.S., the Board directs the District's manager to post the required transparency notice on the Colorado Special District Association's website, which posting is at no cost to the District since the District is a member of the Association. In addition, the Board directs its manager to post the transparency notice on the District's website.
25. In accordance with Section 24-72-205(5)(a), the District may charge a fee not to exceed twenty-five cents per standard page for a copy of a public record or a fee not to exceed the actual cost of providing a copy, printout, or photograph of a public record in a format other than a standard page. In addition, the District may charge a reasonable fee of \$25 per hour for research and retrieval of the requested documents.

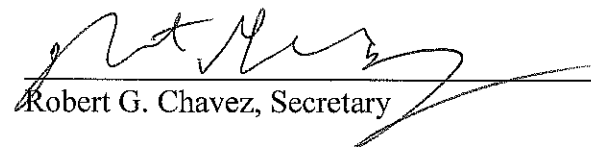
Whereupon, the motion was seconded by Director STEED, and upon vote, unanimously carried.

ADOPTED AND APPROVED THIS 17th DAY OF NOVEMBER, 2009.

TRAILMARK METROPOLITAN DISTRICT

By: 
Timothy Strunk, President

ATTEST:

By: 
Robert G. Chavez, Secretary

The FACT Act Identity Theft Prevention compliance program will include:

1) Approval of the written Program from the Board of Directors or an appropriate committee of the Board; that directs management to create and implement a system of internal controls designed to:

- a) Identify Red Flags the District is likely to encounter;
- b) Document how the financial District's employees are to detect these Red Flags;
- c) Respond appropriately (risk based) to these Red Flags; and
- d) Ensure the Program is updated periodically.

2) Involvement of the Board of Directors, appropriate committee, or a designated senior level employee (a "FACT Act Officer") in the oversight, development, implementation and administration (to include and annual report to the Board of Directors) of the Program;

3) Staff training; and,

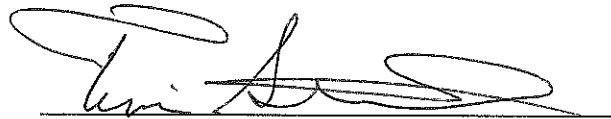
4) Due diligence (oversight) of service provider arrangements.

Whereupon, the motion was seconded by Director CHAVEZ, and upon vote, unanimously carried.

ADOPTED AND APPROVED THIS 17th DAY OF NOVEMBER 2009.

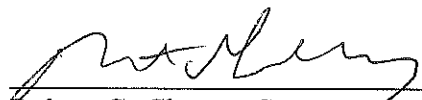
TRAILMARK METROPOLITAN DISTRICT

By:


Timothy N. Strunk, President

ATTEST:

By:


Robert G. Chavez, Secretary

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: \$ 25,599,550
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

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)	LEVY ²	REVENUE ²
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: [Signature] 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.

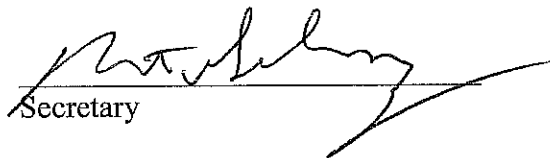
Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

The foregoing Resolution was seconded by Director STEED, WITH DIRECTOR
MILLSPAUGH
ADOPTED AND APPROVED this 12th day of November, 2009. VOTING AGAINST
17 THE MOTION.



President

ATTEST:



Secretary

)

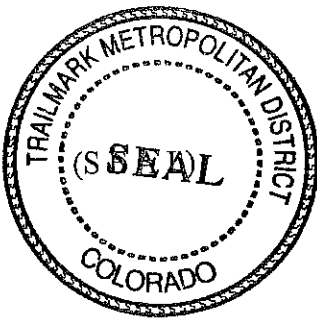
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IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 12th day of November, 2009.




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							
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							
Contingency for Capital Improvements	-	1,220	13,000	(11,780)	9%	1,220	10,000
Transfer to Capital Projects Fund	-	-	600,000	(600,000)	0%	-	-
Transfer to Debt Fund							
Emergency Reserve	-	-	150,000	(150,000)	0%	125,000	90,000
Total Expenditures	-	-	-	-	0%	-	-
	-	-	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)	1,872	405,818				284,287	160,182
EXPENDITURES							
Beginning Fund Balance / O&M Reserve (Cash B:		<u>553,251</u>				<u>553,251</u>	<u>837,538</u>
Ending Fund Balance / O&M Reserve		<u>\$ 959,069</u>				<u>\$ 837,538</u>	<u>\$ 997,721</u>

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	YTD	Actual	2009	Variance	Percent	Estimated	Adopted			
		Period			Budget	Over(Under)	of Budget	2009	2010			
							(83% YTD)		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		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>				<u>\$ 36,771</u>	<u>\$ 21,702</u>			

**TRAILMARK METROPOLITAN DISTRICT
CAPITAL 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	Amended 2009 Budget	Variance Over(Under)	Percent of Budget (83% YTD)	Estimated 2009	Adopted 2010 Budget
REVENUE:							
Transfer from General Fund	\$ -	\$ -	\$ 136,000	\$ (136,000)	0%	\$ 125,000	\$ 90,000
Total Revenue	-	-	136,000	(136,000)	0%	125,000	90,000
EXPENDITURES							
Community Center/Pool Project Phase I							
- School Site Negotiations & Conceptuals	-	19,919	20,000	(81)	100%	19,919	-
- Engineering	-	800	1,000	(200)	80%	800	-
- Election Expense	-	7,324	8,000	(676)	92%	7,324	-
- Legal	-	2,997	6,000	(3,003)	50%	2,997	-
- Miscellaneous	-	-	-	-	0%	-	-
sub-total	-	31,040	35,000	(3,960)	89%	31,040	-
Community Center/Pool Project Phase II							
- Administration, Management & Coordination	-	8,235	14,000	(5,765)	59%	14,000	10,000
- Engineering	-	-	-	-	0%	-	-
- Financial Advisor (GKB)	-	2,500	2,500	-	100%	2,500	-
- Election Expense	7,204	10,773	20,000	(9,227)	54%	20,000	-
- Owner Representative (DR)	1,948	3,755	13,500	(9,745)	28%	10,000	15,000
- Legal	986	10,123	15,000	(4,877)	67%	15,000	10,000
- Design & Construction Mgt (SCD - NTE \$200K)	-	2,423	50,000	(47,577)	5%	25,000	50,000
- Bond Costs - Legal (KUTAK)	-	-	3,000	(3,000)	0%	3,000	-
- Miscellaneous	-	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						-	4,160
Beginning Fund Balance (Cash Basis)		-					
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 Maturing in the Year Ending December 31,	\$8,334,977		
	<u>Series 2003 GO Refunding Bonds</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.