

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
CITY OF LAKEWOOD, JEFFERSON COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2020

STATE OF COLORADO)
)
CITY OF LAKEWOOD)ss.
COUNTY OF JEFFERSON)
)
FOSSIL RIDGE METROPOLITAN)
DISTRICT NO. 1)

The Board of Directors of the Fossil Ridge Metropolitan District No. 1, City of Lakewood, Jefferson County, Colorado, held a regular meeting at The Retreat at Solterra at 15250 W. Evans Avenue, Lakewood, Colorado 80228, on Monday, December 2, 2019, at 6:30 p.m.

Present were the following members of the Board:

- Tom Waterman – President
- Craig Brown – Vice President
- Kim Hussey – Treasurer
- Dave McGraw – Secretary
- Terry Larson – Assistant Secretary

Also present were:

- Jennie Heinze, Community Manager; Overlook Property Management
- Sue Blair and Marcos Pacheco, District Managers; Community Resource Services of Colorado, LLC

Ms. Blair stated that proper publication was made to allow the Board to conduct a public hearing to adopt the District’s 2020 budget. The Chairman opened the public hearing on the District’s proposed 2020 budget. Public comment was received and the public hearing was closed.

Thereupon, Director McGraw introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1, CITY OF LAKEWOOD, COUNTY OF JEFFERSON, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020, AND ENDING ON THE LAST DAY OF DECEMBER 2020,

WHEREAS, the Board of Directors of the Fossil Ridge Metropolitan District No. 1 has authorized its Finance Committee and consultants to prepare and submit a proposed budget to said governing body no later than October 15, 2019; 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 14, 2019, in a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 2, 2019 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 or planned to be expended from reserves of fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue -0-; and

WHEREAS, the 2019 evaluation for assessment for the District as certified by the County Assessor for Jefferson County is \$2,803,853; and

WHEREAS, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO.1, CITY OF LAKEWOOD, JEFFERSON COUNTY, COLORADO:

Section 1. 2020 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. 2020 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 2020. 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 Fossil Ridge Metropolitan District No. 1 for calendar year 2020.

Section 4. 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 5. Certification. The District's manager is hereby authorized and directed to certify by December 15, 2019, to the Board of County Commissioners of Jefferson, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Jefferson, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2019, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 6. 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 Brown.


ADOPTED AND APPROVED this 2nd day of December, 2019.

FOSSIL RIDGE METROPOLITAN DISTRICT
NO.1



President

ATTEST:



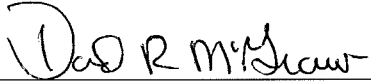
Secretary

STATE OF COLORADO)
)
CITY OF LAKEWOOD)ss.
COUNTY OF JEFFERSON)
)
FOSSIL RIDGE METROPOLITAN)
DISTRICT NO. 1)

I, Dave McGraw, Secretary of the Board of Directors of the Fossil Ridge Metropolitan District No. 1, City of Lakewood, Jefferson County, Colorado, do hereby certify that the foregoing pages numbered 1 to 7, inclusive, constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a regular meeting of the Board held at 15250 W. Evans Avenue, Lakewood, CO 80228, on December 2, 2019, 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 2020; 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 2020 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 2nd day of December, 2019.

(S E A L)



Secretary

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2018 Actual	2019 Estimated	2020 Adopted
REVENUES			
Homeowner assessments	\$ 941,645	\$ 1,227,128	\$ 1,628,200
Sewer service fees - homeowner	200,203	214,647	267,010
Sewer operations fee - homeowner	92,153	93,483	94,022
Sewer administration fee	27,588	27,893	28,500
Maintenance fee No. 1	3,300	26,936	10,816
Maintenance fee No. 2	21,088	25,360	6,480
Maintenance fee No. 3 - 15 Fee (43)	24,482	33,027	20,640
Maintenance fee No. 3 - 16N Fee (29)	-	-	19,720
Maintenance fee No. 3 - 16S Fee (42)	-	-	38,472
Amenity user fees	102,640	61,288	75,000
Transfer from District No. 2	-	227,419	140,223
Transfer from District No. 3	-	375,546	227,917
Late and legal fee income	11,852	14,048	-
Miscellaneous income and interest	987	1,835	5,000
Total revenues	1,425,938	2,328,609	2,562,001
EXPENDITURES			
Accounting (CRS)	-	18,987	20,000
Audit preparation (CRS)	-	16,056	12,000
District management (CRS)	12,328	23,241	48,000
Audit	8,250	13,000	15,000
Legal - general	193,296	54,573	25,000
Legal - litigation	-	81,983	175,000
Reserve study update	-	12,833	-
Insurance (No. 1, 2, & 3)	44,672	36,870	55,000
District office administration	21,275	53,195	84,000
Property management expenses	154,030	57,509	52,123
Website	-	2,980	25,000
FRMD1 property tax refund	-	12,801	-
Grounds expenses			
Snow removal	17,131	94,707	70,000
Pest control	1,580	937	-
Landscape	219,208	205,944	260,000
Irrigation repairs	42,142	63,325	66,000
Tree and shrub replacement	62,203	49,443	90,000
Sod replace and native seed	6,715	8,243	100,000
Flowers	4,950	6,667	7,000
Backflow testing	1,920	2,747	2,600
General contractor maintenance	425	-	4,000
Lighting and electrical repairs	3,362	976	12,000
Tree and shrub spraying	8,688	-	10,000
Tributary pump and H2O maintenance	-	-	40,000
Playground maintenance	2,908	283	8,000
Signs	4,930	973	40,000
Fence repairs	76	-	5,000
Mailbox repairs and replacement	-	-	1,000

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2018 Actual	2019 Estimated	2020 Adopted
Maintenance fee			
Maintenance fee No. 1 - (13)	1,008	8,880	10,678
Maintenance fee No. 2 - (108)	380	1,773	6,480
Maintenance fee No. 3 - 15 Fee (43)	994	29,675	20,693
Maintenance fee No. 3 - 16N Fee (29)	-	-	19,687
Maintenance fee No. 3 - 16S Fee (42)	-	-	38,463
Retreat expenses			
Trash removal	5,980	2,524	5,000
Telephone	4,694	3,252	4,000
Security patrol and monitoring	3,174	6,785	17,000
Gate system	2,498	-	-
Retreat and pool management	140,170	141,333	206,500
Pool maintenance	3,515	15,360	34,000
Pool chemicals and supplies	5,593	4,544	8,000
Retreat supplies	458	632	3,000
Pool furniture	2,147	-	13,000
Retreat maintenance	25,268	25,445	65,000
Park and bathroom maintenance	-	-	3,000
Retreat concrete and fountain repair	-	-	4,000
Access cards	1,050	-	10,000
Janitorial	12,342	7,243	15,000
Seasonal decorations	2,820	-	6,000
Amenity user expense	16,146	-	20,000
Neighborhood events	12,147	5,760	10,000
Sewer operations expenses			
Sewer service fees - homeowner	200,398	214,877	267,000
Sewer operation fees - homeowner	92,109	93,483	94,022
Sewer administration fee	27,588	18,520	28,500
Sewer maintenance and cleaning	-	-	92,000
Utilities expenses			
Water	136,372	126,349	180,000
Sewer fees-recreation center	4,476	4,735	6,800
Gas and electric	26,237	25,919	34,000
Transfer to R&R reserve fund	-	225,000	374,400
Additional transfer to R&R reserve fund	-	-	140,000
Capital improvements	42,050	-	-
Miscellaneous	394	-	-
Emergency reserve (3%)	-	-	76,860
Total expenditures	1,580,097	1,780,362	3,039,806
NET CHANGE IN FUND BALANCE	(154,159)	548,247	(477,805)
BEGINNING FUND BALANCE	358,752	204,593	752,840
ENDING FUND BALANCE	\$ 204,593	\$ 752,840	\$ 275,035

**FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Adopted</u>
REVENUES			
Developer advances	\$ -	\$ 129,632	\$ -
Development fees (x SFHs @ SFH fee)	92,560	-	13,600
Development fees (x THs @ TH fee)	-	35,200	102,000
Storm drainage fees (x SFHs @ SFH fee)	5,000	-	2,000
Storm drainage fees (x THs @ TH fee)	-	13,688	15,000
Sewer fees (x homes @ fee)	-	-	5,742
Interest	-	-	500
Conservation trust funds	1,719	2,572	3,200
Miscellaneous	-	-	1,200
Total revenues	<u>99,279</u>	<u>181,092</u>	<u>143,242</u>
EXPENDITURES			
District engineer	98,775	271,580	100,000
Capital expenditures	140,024	47,782	100,000
Total expenditures	<u>238,799</u>	<u>319,362</u>	<u>200,000</u>
NET CHANGE IN FUND BALANCE	(139,520)	(138,270)	(56,758)
BEGINNING FUND BALANCE	<u>381,581</u>	<u>242,061</u>	<u>103,791</u>
ENDING FUND BALANCE	<u>\$ 242,061</u>	<u>\$ 103,791</u>	<u>\$ 47,033</u>

**FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2020 ADOPTED BUDGET
WITH 2018 AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Adopted</u>
REVENUES			
Transfer from District No. 2	\$ 264,743	\$ 258,638	\$ 259,958
Transfer from District No. 3	364,170	421,988	424,142
Interest	25,239	29,868	-
Total revenues	<u>654,152</u>	<u>710,493</u>	<u>684,100</u>
EXPENDITURES			
Bond principal - 2010 bonds	75,000	90,000	100,000
Bond interest - 2010 bonds	589,063	583,625	577,100
Trustee and paying agent fees	-	5,000	5,000
Miscellaneous	-	2,000	2,000
Total expenditures	<u>664,063</u>	<u>680,625</u>	<u>684,100</u>
NET CHANGE IN FUND BALANCE	(9,911)	29,868	-
BEGINNING FUND BALANCE	<u>1,732,802</u>	<u>1,722,891</u>	<u>1,752,759</u>
ENDING FUND BALANCE	<u><u>\$ 1,722,891</u></u>	<u><u>\$ 1,752,759</u></u>	<u><u>\$ 1,752,759</u></u>

**FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
REPLACEMENT AND RESERVE FUND
2020 ADOPTED BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2018 Actual	2019 Estimated	2020 Adopted
REVENUES			
Transfer from general fund	\$ -	\$ 225,000	\$ 374,400
Additional transfer from general fund	-	-	140,000
Total revenues	<u>-</u>	<u>225,000</u>	<u>514,400</u>
 EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	-	-	514,400
 BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>225,000</u>
 ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ 225,000</u></u>	<u><u>\$ 739,400</u></u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of JEFFERSON COUNTY, Colorado.

On behalf of the FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

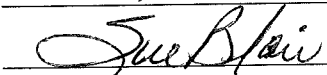
of the FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,803,853 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)
USE VALUE FROM FINAL CERTIFICATIN OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/10/2019 for budget/fiscal year 2020.
(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	0.000 mills	\$ 0
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
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]	0.000 mills	\$ 0

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4960
Signed:  Title: District Manager

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

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).
Page 1 of 4 DLG 70 (Rev. 6/16)

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 2020 BUDGET MESSAGE

The Fossil Ridge Metropolitan District No. 1 budget has three separate funds a General Fund to provide for the payment of property management, grounds, retreat, utilities and sewer operation expenditures; a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the Fossil Ridge Metropolitan districts; and a Debt Service Fund to provide for payment on outstanding revenue refunding bonds.

The District utilizes the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications and public hearing.

The District's total assessed valuation for tax year 2020 is \$2,803,853. The primary sources of revenue for the District in 2020 will be homeowner assessments, development fees, storm drainage and sewer fees, sewer service fees and a transfer of property taxes from Fossil Ridge Metropolitan District Nos. 2 and 3. For tax year 2020, the District adopted a zero mill levy.