

**2021 ANNUAL REPORT ON SERVICE PLAN
DOUGLAS COUNTY, COLORADO**

TRAILS METROPOLITAN DISTRICT

The District shall be responsible for submitting an annual report to the County no later than August 1 of each year.

I. District Description: **Title 32 Metropolitan District**

a. Board members, officers, titles and terms:

Thomas M. Clark, President, 2022-2025
Bryan Horan, Secretary, 2020-2023
Josh Brgoch, Assistant Secretary, 2020-2023
Darwin Horan, Treasurer, 2022-2025
Vacancy

b. Changes in board membership in past year:

N/A

c. Name and address for official District contact:

Russell W. Dykstra
1700 Lincoln Street, Suite 2000
Denver, CO 80203
(303) 839-3800
rdykstra@spencerfane.com

d. Elections held in the past year and their purpose:

The May 3, 2022 regular election for the purpose of electing board members was canceled pursuant to Section 1-13.5-513(6), C.R.S.

II. Boundary changes for the report year and proposed changes for the coming year:

None.

III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements:

a. Contracts for operations, debt, and other contractual obligations with sub-districts or operating and taxing districts.

None.

- b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District

Facilities Funding and Acquisition Agreement between the District and Trails, LLC (“Developer”), dated Dec. 6, 2019.

Reimbursement Agreement between District and Trails, LLC (“Developer”), dated Dec. 6, 2019.

IV. Service Plan

- a. List and description of services authorized in Service Plan

The District has the authority pursuant to C.R.S. §§ 32-1-1001 and 32-1-1004, as amended, to finance, design, construct, acquire, install, maintain, and provide for the following services and public improvements: Water, Storm Sewer, Sanitation and Wastewater Treatment, Street Improvements, Traffic Safety Protection, Parks and Recreation, Television Relay and Television, Mosquito Control, Covenant Enforcement and Design Review, and Security.

- b. List and description of facilities authorized in Service Plan

Transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches; culverts, dams, channels, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, channels, hydraulic structures, rip rap, micro pools, and forebays; sanitary sewer facilities; bridges, storm sewers, sidewalks, paving, lighting, grading, landscaping, streetscaping, tunnels, other street improvements and architectural enhancements; signalization, traffic signs, area identification signs, directional assistance and driver information signs; soil preparation, sprinkler systems, fencing, pavilions, playgrounds, playing fields, open space, trails, picnic areas, storage buildings, weed control, and lighting.

- c. List and description of any extraterritorial services, facilities, and agreements

None.

V. Development Progress

- a. Indicate the estimated year of build-out, as set forth in the Service Plan

2023

- b. List the services provided with the date service began compared to the date authorized by the Service Plan

Not applicable as the District is still in the early stages of development.

- c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented

Not applicable.

- d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan

Not applicable as the District is still in the early stages of development and improvements are still being constructed.

- e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any

Grading is complete but public improvements and facilities are still being constructed.

- f. List facilities currently under construction with the percentage complete and an anticipated date of completion

Component	Percent Complete	Expected/Final Completion Date
Grading	100.00%	May 2022
Storm Improvements (Includes Detention Ponds 1-4)	56.00%	End of 2022
Water Improvements	65.00%	End of 2022
Sanitary Improvements	27.00%	End of 2022
Street Improvements	0.00%	Mid 2023

- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years

The population of the District since formation is zero. Pursuant to the financial projections in the Service Plan, the population in 2020 is anticipated to be 45, in 2021 is anticipated to be 225, in 2022 it is anticipated to be 405, and in and after 2023 it is anticipated to be 417.

- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan.

139 residential units are anticipated to be completed by 2023. The financial projection in the Service Plan anticipated the construction of 60 units in 2021. The District is still in the early stages of development so there were no completed units in 2021.

- i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each

Not applicable.

VI. Financial Plan and Financial Activities

- a. Provide a copy of the audit or exemption from the audit for the reporting year.

See attached Exhibit A.

- b. Provide a copy of the budget, showing the reporting and previous years.

See attached Exhibit B.

- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation).

See attached Exhibit B.

- d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired.

\$6,999,000 Limited Tax General Obligation Bonds, Series 2021⁽³⁾. See Exhibit A for the debt service schedule.

- e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued.

See attached Exhibit C.

- f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan.

As of the end of the report year 2021, the District has \$6,999,000 in outstanding debt. The District's total debt authorization in the Service Plan is \$14,000,000.

- g. Enterprises of the District

- i. Include revenues of the enterprise, showing both direct support from the District and all other sources

None

- ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations

None

h. Detail contractual obligations

- i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments

None

- ii. Report any inability of the District to pay current obligations that are due within the current budget year

None

- iii. Describe any District financial obligations in default

None

i. Actual and Assessed Valuation History

- i. Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year

The District was formed in 2019.

2020 Assessed Valuation \$3,550.

2021 Assessed Valuation \$3,550.

- ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value.

Year	Certified Assessed Valuation	Service Plan
2019	Not available	Not available
2020	\$3,550	\$0
2021	\$3,550	\$0

j. Mill Levy History

- i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance)

Year	Debt	Operations and Maintenance
2019	0.000	0.000
2020	0.000	0.000
2021	50.000	10.000
2022	50.000	10.000

- ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.

Year	Actual Debt Service Mill Levy	Service Plan Debt Service Mill Levy	Actual O&M Mill Levy	Service Plan O&M Mill Levy
2019	0.000	50.000	0.000	10.000
2020	0.000	50.000	0.000	N/A
2021	50.000	50.000	10.000	N/A

k. Miscellaneous Taxes History

- i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other)

N/A

- ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.

N/A

l. Estimated Assessed Valuation of District at 100% Build-Out

- i. Provide an updated estimate and compare this with the Service Plan estimate.

Per the Service Plan the estimated valuation upon completion is \$16,241,439.00. An updated estimate of the valuation upon completion is \$17,647,000.

m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.

i. Provide an updated estimate based on current events. Do not include refunding bonds.

The District issued bonds in the amount of \$6,999,000 in 2021. The District does not have any plans to issue additional debt at this time.

Prepared By: Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, Colorado 80203

By: *Russell W. Dykstra*
Russell W. Dykstra, District Attorney
July 31, 2022

Note: As per Section 32-1-104(2), a copy of this report (without attachments) should also be submitted to:

Douglas County Assessor: Assessors@douglas.co.us
Douglas County Treasurer dtreasurer@douglas.co.us

EXHIBIT A
AUDIT

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Trails Metropolitan District
c/o Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203
Russ Dykstra
303-839-3800
rdykstra@spencefane.com
303-839-3838

For the Year Ended
12/31/20
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED

Diane Wheeler
District Accountant
Simmons & Wheeler, P.C.
304 Inverness Way South, Suite 490, Englewood CO 80112
303-689-0833

PREPARER (SIGNATURE REQUIRED)

Diane Wheeler

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>
<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22	Change in developer advance receivable	\$ 10,517	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 10,517	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
3-1	Administrative	\$ -	Please use this space to provide any necessary explanations
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 555	
3-7	Accounting and legal fees	\$ 9,962	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 10,517	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

		Yes	No		
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input type="checkbox"/>		
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input type="checkbox"/>		
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input type="checkbox"/>		
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
		Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -	\$ -
	Leases	\$ -	\$ -	\$ -	\$ -
	Developer Advances	\$ -	\$ -	\$ -	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

		Yes	No
4-5	Does the entity have any authorized, but unissued, debt?	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:		
	\$ 48,000,000.00 11/5/2019		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	How much?		
	\$ 5,500,000.00		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	What is the amount outstanding?		
	\$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	What is being leased? What is the original date of the lease? Number of years of lease?		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments?		
	\$ -		

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ -
	Investments (if investment is a mutual fund, please list underlying investments)		
		\$ -	
5-3		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ -

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firemen's pension plan? Yes No
- 7-2 Does the entity have a volunteer firemen's pension plan? Yes No

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ 50,000

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

10-1 Is this application for a newly formed governmental entity?

10-1

If yes:

Date of formation:

10-2

Has the entity changed its name in the past or current year?

If yes:

Please list the NEW name & PRIOR name:

10-3

Is the entity a metropolitan district?

Please indicate what services the entity provides:

Street improvements, parks and recreation, water improvements, sanitation improvements,

10-4

Does the entity have an agreement with another government to provide services?

If yes:

List the name of the other governmental entity and the services provided:

10-5

Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during

If yes:

Date Filed:

10-6

Does the entity have a certified Mill Levy?

If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills

	-
	-
	-

General/Other mills

Total mills

Please use this space to provide any explanations or comments:

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below. A MAJORITY of the members of the governing body must complete and sign in the column below.

Board Member 1	Print Board Member's Name Tom Clark	I <u>Tom Clark</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u><i>Tom Clark</i></u> Date: <u>Mar 22, 2021</u> My term Expires: <u>May, 2022</u>
Board Member 2	Print Board Member's Name Darwin Horan	I <u>Darwin Horan</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u><i>Darwin Horan</i></u> Date: <u>Mar 19, 2021</u> My term Expires: <u>May, 2022</u>
Board Member 3	Print Board Member's Name Bryan Horan	I <u>Bryan Horan</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u><i>Bryan Horan</i></u> Date: <u>Mar 22, 2021</u> My term Expires: <u>May, 2023</u>
Board Member 4	Print Board Member's Name Josh Brgoch	I <u>Josh Brgoch</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u><i>Joshua Brgoch</i></u> Date: <u>Mar 19, 2021</u> My term Expires: <u>May, 2023</u>
Board Member 5	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____












Trails MD 2020

Final Audit Report

2021-03-22

Created:	2021-03-19
By:	Diane Wheeler (diane@simmonswheeler.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAAnWkVY1VnmHAUWR7aODh4Dv8-PphNUy-H

"Trails MD 2020" History

-  Document created by Diane Wheeler (diane@simmonswheeler.com)
2021-03-19 - 6:12:47 PM GMT - IP address: 208.187.187.252
-  Document emailed to Diane Wheeler (diane@simmonswheeler.com) for signature
2021-03-19 - 6:14:39 PM GMT
-  Document emailed to Thomas M Clark (tclark@ventanacap.com) for signature
2021-03-19 - 6:14:40 PM GMT
-  Document emailed to Bryan Horan (bhoran@ventanacap.com) for signature
2021-03-19 - 6:14:40 PM GMT
-  Document emailed to Darwin Horan (dhoran@ventanacap.com) for signature
2021-03-19 - 6:14:40 PM GMT
-  Document emailed to Joshua Brgoch (jbrgoch@ventanacap.com) for signature
2021-03-19 - 6:14:41 PM GMT
-  Document e-signed by Diane Wheeler (diane@simmonswheeler.com)
Signature Date: 2021-03-19 - 6:14:47 PM GMT - Time Source: server- IP address: 208.187.187.252
-  Email viewed by Darwin Horan (dhoran@ventanacap.com)
2021-03-19 - 7:31:04 PM GMT - IP address: 172.58.62.134
-  Document e-signed by Darwin Horan (dhoran@ventanacap.com)
Signature Date: 2021-03-19 - 7:31:37 PM GMT - Time Source: server- IP address: 172.58.62.134
-  Email viewed by Joshua Brgoch (jbrgoch@ventanacap.com)
2021-03-19 - 7:48:49 PM GMT - IP address: 64.207.26.42
-  Document e-signed by Joshua Brgoch (jbrgoch@ventanacap.com)
Signature Date: 2021-03-19 - 7:49:38 PM GMT - Time Source: server- IP address: 64.207.26.42

 Email viewed by Thomas M Clark (tclark@ventanacap.com)

2021-03-22 - 1:57:23 PM GMT- IP address: 64.207.26.42

 Document e-signed by Thomas M Clark (tclark@ventanacap.com)

Signature Date: 2021-03-22 - 1:57:52 PM GMT - Time Source: server- IP address: 64.207.26.42

 Email viewed by Bryan Horan (bhoran@ventanacap.com)

2021-03-22 - 4:30:46 PM GMT- IP address: 64.207.26.42

 Document e-signed by Bryan Horan (bhoran@ventanacap.com)

Signature Date: 2021-03-22 - 4:31:05 PM GMT - Time Source: server- IP address: 64.207.26.42

 Agreement completed.

2021-03-22 - 4:31:05 PM GMT

**EXHIBIT B
2021 BUDGET**

LETTER OF BUDGET TRANSMITTAL

Date: January 37, 2021

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2021 budget and budget message for TRAILS METROPOLITAN DISTRICT in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 8, 2020. If there are any questions on the budget, please contact:

Simmons and Wheeler P.C.
Attn: Diane Wheeler
304 Inverness Way, Suite 490
Englewood, CO 80112
Tel.: 303-689-0833

I, Thomas Clark, as President of the Trails Metropolitan District, hereby certify that the attached is a true and correct copy of the 2021 budget.

By: Thomas M Clark

**RESOLUTION
TO ADOPT 2021 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
TRAILS METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021 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 TRAILS METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021, AND ENDING ON THE LAST DAY OF DECEMBER, 2021,

WHEREAS, the Board of Directors of the Trails Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; 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 or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 8, 2020 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 or 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 is \$36.00; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$178; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2020 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$3,550; and

WHEREAS, at an election held on November 5, 2019 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 TRAILS METROPOLITAN DISTRICT OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. 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 as the budget of the Trails Metropolitan District for calendar year 2021.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2021 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2021 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2020.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2020.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2021 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 50.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2021 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2021 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2020.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2020.

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. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2020, to the Board of County Commissioners of Douglas County, 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 Douglas County, 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, 2020 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 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.

[remainder of page intentionally left blank; signature page follows]

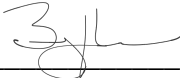
ADOPTED this 8th day of December, 2020.

TRAILS METROPOLITAN DISTRICT

Thomas M Clark

President

ATTEST:



Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

**TRAILS METROPOLITAN DISTRICT
2021
BUDGET MESSAGE**

Attached please find a copy of the adopted 2021 budget for the Trails Metropolitan District.

The Trails Metropolitan District has adopted budgets for three funds, a General Fund to provide for operating and maintenance expenditures; a Capital Projects Fund to provide for the regional improvements that are to be built for the benefit of the District and a Debt Service Fund to account for the repayment of principal and interest on the outstanding general obligation bonds.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2021 will be property taxes, bond proceeds and developer advances. The District intends to impose a 60.000 mill levy on property within the District for 2021, of which 10.000 mills are dedicated to the General Fund and the balance of 50.000 mills will be allocated to the Debt Service Fund.

**Trails Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2021**

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	36
Specific ownership taxes	-	-	-	-	3
Developer advances	-	50,000	-	-	49,961
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total revenues	-	50,000	-	-	50,000
Total funds available	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Expenditures:					
Accounting / audit	-	5,000	-	-	5,000
Legal	-	15,000	-	-	15,000
Insurance/ SDA Dues	-	4,000	-	-	4,000
Management	-	500	-	-	500
Treasurer's Fees	-	-	-	-	1
Contingency	-	24,765	-	-	24,764
Emergency Reserve	-	735	-	-	735
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total expenditures	-	50,000	-	-	50,000
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ -</u>			<u>\$ 3,550</u>
Mill Levy		<u>-</u>			<u>10.000</u>

**Trails Metropolitan District
 Adopted Budget
 Capital Projects Fund
 For the Year ended December 31, 2021**

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Bond proceeds	-	-	-	-	5,500,000
Total revenues	-	-	-	-	5,500,000
Total funds available	-	-	-	-	5,500,000
Expenditures:					
Issuance costs	-	-	-	-	362,550
Capital expenditures	-	-	-	-	4,025,200
Transfer to Debt Service	-	-	-	-	1,112,250
Total expenditures	-	-	-	-	5,500,000
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Trails Metropolitan District
 Adopted Budget
 Debt Service Fund
 For the Year ended December 31, 2021**

	Actual 2019	Adopted Budget 2020	Actual 44012	Estimate 2020	Adopted Budget 2021
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	178
Specific ownership taxes	-	-	-	-	14
Transfer from Capital Projects	-	-	-	-	1,112,250
Interest income	-	-	-	-	100
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,112,542</u>
Total funds available	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,112,542</u>
Expenditures:					
Bond interest expense	-	-	-	-	206,250
Treasurer's fees	-	-	-	-	3
Trustee / paying agent fees	-	-	-	-	5,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,253</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 901,289</u>
Assessed valuation		<u>\$ -</u>			<u>\$ 3,550</u>
Mill Levy		<u>0.000</u>			<u>50.000</u>
Total Mill Levy		<u>0.000</u>			<u>60.000</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
On behalf of the Trails Metro District
the Board of Directors
of the Trails Metro District**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$3,550.00** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area 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: **\$3,550.00**

Submitted: John Simmons for budget/fiscal year 2021

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	10.000 mills	\$36.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$36.00
3. General Obligation Bonds and Interest	50.000 mills	\$178.00
4. Contractual Obligations	0.000 mills	\$0
5. Capital Expenditures	0.000 mills	\$0
6. Refunds/Abatements	0.000 mills	\$0
7. Other	0.000 mills	\$0
8. Judgment	0.000 mills	\$0
TOTAL:	60.000 mills	\$214.00

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, CONTRACT, OTHER,
AND/OR JUDGMENT:**

BONDS

1. Purpose of Issue:	Proposed General Obligation Bonds
Series:	Proposed
Date of Issue:	
Coupon Rate:	
Maturity Date:	
Levy:	50.000
Revenue:	\$178.00

CONTRACTS

No Contracts Available

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

**EXHIBIT C
BALLOT**

Purpose	Ballot Issue	Election Date	Authorized Debt	Principal Amount Used by Series 2021⁽³⁾ Bonds	Unissued Debt
Revenue	D	11.05.2019	\$40,000,000		\$40,000,000
Special Assessment	E	11.05.2019	\$40,000,000		\$40,000,000
Water	F	11.05.2019	\$40,000,000	\$619,469	\$39,380,531
Sanitation	G	11.05.2019	\$40,000,000	\$681,416	\$39,318,584
Streets	H	11.05.2019	\$40,000,000	\$4,459,177	\$35,540,823
Traffic and Safety	I	11.05.2019	\$40,000,000		\$40,000,000
Parks and Recreation	J	11.05.2019	\$40,000,000	\$123,894	\$39,876,106
Transportation	K	11.05.2019	\$40,000,000		\$40,000,000
Television Relay and Transportation	L	11.05.2019	\$40,000,000		\$40,000,000
Mosquito Control	M	11.05.2019	\$40,000,000		\$40,000,000
Security	N	11.05.2019	\$40,000,000		\$40,000,000
Fire Protection and Emergency Medical	O	11.05.2019	\$40,000,000		\$40,000,000
Operations and Maintenance	P	11.05.2019	\$40,000,000		\$40,000,000
Directional Drilling	Q	11.05.2019	\$40,000,000		\$40,000,000
Refunding	R	11.05.2019	\$80,000,000		\$15,000,000
Reimbursement Agreement	S	11.05.2019	\$40,000,000		\$40,000,000
TOTAL			\$480,000,000	\$6,999,000	\$473,001,000