

# Arrowhead Metropolitan District

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LGID# 19001

RETURN RECEIPT REQUESTED

December 10, 2016

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Arrowhead Metropolitan District LGID# 19001

Attached is the 2017 Budget for the Arrowhead Metropolitan District in Eagle County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This Budget was adopted on October 26, 2016. If there are any questions on the budget, please contact Mr. Kenneth J. Marchetti, at telephone number 970-926-6060 or at 28 Second Street, Suite 213, Edwards, Colorado 81632.

The mill levy certified to the County Commissioners of Eagle County is 10.074 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 8.426 mills for G.O. bonds; 0.0 mills for refund/abatement; and 0.000 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$109,618,530, the total property tax revenue is \$2,027,942.80. A copy of the certification of mill levies sent to the County Commissioners for Eagle County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Eagle County, Colorado.

Sincerely,



District Administrator

Enclosure(s)

## **ARROWHEAD METROPOLITAN DISTRICT**

### **2017 BUDGET MESSAGE**

Arrowhead Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District, comprising approximately 12,020 acres of land, was established to provide park and recreational facilities, fire protection services, water services, cable TV services and to construct and maintain roadways and storm drainage facilities within its boundaries, which are located in Eagle County, Colorado.

The District has no employees and all operations and administrative functions are provided through contracts with other entities.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

### **2017 BUDGET STRATEGY**

The District strives to provide the highest level of service and infrastructure facilities for the residents and visitors within the District. The strategy for the 2017 budget focused on the following priorities:

- ) Maintain the high quality existing level of service and increase transportation services.
- ) Establish a property tax mill levy which, when combined with other revenues of the District, adequately funds the anticipated level of service and maintains a reasonable operating fund balance.
- ) Operate in accordance with 1992 "Amendment 1"
- ) Provide for infrastructure maintenance to avoid future cost escalation or significant deterioration
- ) Give priority to projects which improve efficiency or productivity
- ) Review all user fees and pass any cost savings on to the consumer
- ) Review all capital expenditures for immediate need or benefit

**RESOLUTIONS OF ARROWHEAD METROPOLITAN DISTRICT**

**TO ADOPT 2017 BUDGET**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE ARROWHEAD METROPOLITAN DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2017 AND ENDING ON THE LAST DAY OF DECEMBER 2017.

WHEREAS, the Board of Directors of the Arrowhead Metropolitan District has appointed a budget committee to prepare and submit a proposed 2017 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on September 28, 2016 and continued to October 26, 2016, and interested taxpayers 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/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of directors of the Arrowhead Metropolitan District, Eagle County, Colorado:

- Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Arrowhead Metropolitan District for the year stated above.
  
- Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

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**RESOLUTIONS OF ARROWHEAD METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES**

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2016, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE ARROWHEAD METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO, FOR THE 2017 BUDGET YEAR.

WHEREAS, the Board of Directors of the Arrowhead Metropolitan District, has adopted the annual budget in accordance with the Local Government Budget Law, on October 26, 2016 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$1,104,297.07and;

WHEREAS, the Arrowhead Metropolitan District finds that it is required to temporarily lower the general operating mill levy to render a refund for \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$923,645.73, and;

WHEREAS, the 2016 valuation for assessment for the Arrowhead Metropolitan District, as certified by the County Assessor is \$109,618,530.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the ARROWHEAD METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO:

- Section 1. That for the purposes of meeting all general operating expenses of the Arrowhead Metropolitan District during the 2017 budget year, there is hereby levied a tax of 10.074 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2016.
- Section 2. That for the purposes of rendering a refund to its constituents during budget year 2017 there is hereby levied a temporary tax credit/mill levy reduction of 0.00 mills.
- Section 3. That for the purpose of meeting all capital expenditures of the Arrowhead Metropolitan District during the 2017 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2016.

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**RESOLUTIONS OF ARROWHEAD METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES (CONTINUED)**

Section 4. That for the purpose of meeting all payments for bonds and interest of the Arrowhead Metropolitan District during the 2017 budget year, there is hereby levied a tax of 8.426 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2016.

Section 5. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Eagle County, Colorado, the mill levies for the Arrowhead Metropolitan District as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Eagle County, Colorado, the mill levies for the Arrowhead Metropolitan District as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

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**RESOLUTIONS OF ARROWHEAD METROPOLITAN DISTRICT (CONTINUED)**

**TO APPROPRIATE SUMS OF MONEY**  
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE ARROWHEAD METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO, FOR THE 2017 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on October 26, 2016, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARROWHEAD METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

	<b>Expenditures</b>	<b>Transfers</b>
<b>General Fund</b>		
Current Operating Expenses	837,096	
Capital Expenditures	486,464	
Fund Transfers		155,164
<b>Total General Fund</b>	<b>1,323,560</b>	<b>155,164</b>
<b>Debt Service Fund</b>		
Debt Service Expenditures	9,509,468	
<b>Total Debt Service Fund</b>	<b>9,509,468</b>	

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**RESOLUTIONS OF ARROWHEAD METROPOLITAN DISTRICT (CONTINUED)**

**TO ADOPT 2017 BUDGET, SET MILL LEVIES AND  
APPROPRIATE SUMS OF MONEY  
(CONTINUED)**

The above resolutions to adopt the 2017 budget, set the mill levies and to appropriate sums of money were adopted this 26th day of October, 2016.

Attest:

*Richard Bournet*

Title: Vice President

ARROWHEAD METROPOLITAN DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE Actual, Budget and Forecast for the Periods Indicated					MODIFIED ACCRUAL BASIS Printed: 01/25/17				
All Funds Combined	2015	2016 ANNUAL			2016 YTD			2017	
	Audited Actual	2016 Forecast	Adopted Budget	Variance Favorable (Unfavor)	10 Mo Ended 10/31/2016 Actual	10 Mo Ended 10/31/2016 Budget	Variance Favorable (Unfavor)	Adopted Budget	Budget Assumptions
<b>ASSESSED VALUE</b>	98,420,720	109,447,160	109,447,160					109,618,530	
	1%	11%						0%	
<b>Mill Levy Rate</b>	<b>17.000</b>	<b>18.500</b>	<b>18.500</b>					<b>18.500</b>	
<b>REVENUES</b>									
Property Taxes	1,673,150	2,024,772	2,024,772	0	2,012,681	2,012,740	(59)	2,027,943	
Specific Ownership Taxes	85,698	91,115	91,115	0	72,051	68,336	3,715	91,257	
Interest Income	26,115	32,674	23,371	9,303	31,755	19,690	12,065	27,859	
Miscellaneous Income	1,856	2,150	1,500	650	1,991	1,125	866	2,150	
Water Tap Fees & Inclusion Fee	32,250	0	0	0	0	0	0	0	
Parking Lot Expense Reimbursements	46,042	46,262	46,262	0	46,262	46,262	(0)	46,487	
Transportation Reimbursement	51,184	61,783	61,783	0	61,783	61,783	0	66,199	
<b>Total Revenues</b>	<b>1,916,295</b>	<b>2,258,755</b>	<b>2,248,802</b>	<b>9,953</b>	<b>2,226,523</b>	<b>2,209,936</b>	<b>16,587</b>	<b>2,261,895</b>	
<b>EXPENDITURES</b>									
Municipal Svcs - VA Contract & Other	253,921	270,019	270,019	0	214,698	225,016	10,318	269,384	
Road and Parking Lot Maintenance	45,756	50,159	41,500	(8,659)	42,831	35,250	(7,581)	45,000	
General Repairs & Maintenance	30,212	43,650	50,400	6,750	31,096	48,017	16,921	50,998	
General & Administrative	92,303	102,474	93,509	(8,966)	100,788	81,259	(19,529)	90,007	
Treasurer's Collections Fees	50,289	60,743	60,743	(0)	60,499	60,382	(117)	60,838	
Other Debt Service	495	0	4,000	4,000	275	3,333	3,058	4,000	
Contingency	0	0	79,000	79,000	0	39,500	39,500	79,000	
<b>Total w/o Transportation &amp; DS</b>	<b>472,975</b>	<b>527,046</b>	<b>599,171</b>	<b>72,125</b>	<b>450,187</b>	<b>492,757</b>	<b>42,569</b>	<b>599,227</b>	
Transportation	227,988	269,186	269,186	0	269,185	269,185	0	269,578	
<b>Total Transportation</b>	<b>227,988</b>	<b>269,186</b>	<b>269,186</b>	<b>0</b>	<b>269,185</b>	<b>269,185</b>	<b>0</b>	<b>269,578</b>	
Bond Interest	548,359	534,709	534,709	0	267,354	267,354	(0)	517,759	
Bond Principal	550,000	565,000	565,000	0	0	0	0	575,000	
<b>Total Debt Service</b>	<b>1,098,359</b>	<b>1,099,709</b>	<b>1,099,709</b>	<b>0</b>	<b>267,354</b>	<b>267,354</b>	<b>(0)</b>	<b>1,092,759</b>	
<b>Total Expenditures Before Cap</b>	<b>1,799,322</b>	<b>1,895,941</b>	<b>1,968,065</b>	<b>72,125</b>	<b>986,727</b>	<b>1,029,296</b>	<b>42,569</b>	<b>1,961,564</b>	
<b>Rev Over/Under Expend Before Cap.</b>	<b>116,973</b>	<b>362,815</b>	<b>280,737</b>	<b>82,078</b>	<b>1,239,796</b>	<b>1,180,640</b>	<b>59,157</b>	<b>300,331</b>	
<b>OTHER FINANCING SOURCES &amp; (USES)</b>									
Sale of Bonds & Developer Advances		0	0	0	0	0	0	169,349	
Bond Issue Costs		0	0	0	0	0	0	(169,349)	
Capital Expenditures	(450,284)	(603,107)	(727,085)	123,978	(603,207)	(727,084)	123,877	(486,464)	
Bond Proceeds and Premium				0	0		0		
<b>Total Other Fin Sources &amp; (Uses)</b>	<b>(450,284)</b>	<b>(603,107)</b>	<b>(727,085)</b>	<b>123,978</b>	<b>(603,207)</b>	<b>(727,084)</b>	<b>123,877</b>	<b>(486,464)</b>	
<b>EXCESS REV OVER/UNDER EXPEND</b>	<b>(333,311)</b>	<b>(240,292)</b>	<b>(446,348)</b>	<b>206,056</b>	<b>636,590</b>	<b>453,556</b>	<b>183,034</b>	<b>(186,133)</b>	
Fund Balance - Beginning	2,338,964	2,005,653	1,974,185	31,468	2,005,653	1,974,185	31,468	1,765,361	
<b>Fund Balance - Ending</b>	<b>2,005,653</b>	<b>1,765,361</b>	<b>1,527,837</b>	<b>237,524</b>	<b>2,642,243</b>	<b>2,427,741</b>	<b>214,502</b>	<b>1,579,228</b>	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

**District Debt Summary (Excluding Leases)**

Total District Debt - Beginning of Year	13,595,000	13,045,000	13,045,000	0	13,045,000	13,045,000	0	12,480,000
Debt Repaid	(550,000)	(565,000)	(565,000)	0	0	0	0	(575,000)
<b>Total District Debt - End of Year</b>	<b>13,045,000</b>	<b>12,480,000</b>	<b>12,480,000</b>	<b>0</b>	<b>13,045,000</b>	<b>13,045,000</b>	<b>0</b>	<b>11,905,000</b>

**Summary of Mill Levies**

Mill Levy - General Fund	10.074	10.074	10.074					10.074
- Debt Service	6.926	8.426	8.426					8.426
<b>Total Mill Levy</b>	<b>17.000</b>	<b>18.500</b>	<b>18.500</b>					<b>18.500</b>

Assessed Value - AMD

109,447,160

Incr (Decr)

0% 109,618,530

Actual Value - all Real Prop. in AMD

1,106,920,107

Incr (Decr)

0% 1,106,920,107



ARROWHEAD METROPOLITAN DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE Actual, Budget and Forecast for the Periods Indicated						MODIFIED ACCRUAL BASIS Printed: 01/25/17				
GENERAL FUND	2015	2016 ANNUAL				2016 YTD			2017	
	Audited Actual	2016 Forecast	Adopted Budget	Variance Favorable (Unfavor)	Var Ref	10 Mo Ended 10/31/2016 Actual	10 Mo Ended 10/31/2016 Budget	Variance Favorable (Unfavor)	Adopted Budget	Budget Assumptions
<b>REVENUES</b>	1%	11%							0.16%	
Assessed Value	98,420,720	109,447,160	109,447,160						109,618,530	Final AV
Operating Mill Levy Rate	10.074	10.074	10.074						10.074	
Property Taxes	991,489	1,102,571	1,102,571	0	A	1,095,987	1,096,019	(32)	1,104,297	
Specific Ownership Taxes (On Autos)	50,784	49,616	49,616	0	B	39,235	37,212	2,023	49,693	4.5% of Prop Taxes
Conserv Tr Fund	1,383	1,500	1,500	0	C	1,230	1,125	105	1,500	Based on Prior Yr
Water Tap Fees & Inclusion Fee	32,250			0	D	0	0	0		Defer Cabin Creek Ln #3 & #4 till 2015
Transportation Reimbursement	51,184	61,783	61,783	0	E	61,783	61,783	0	66,199	Per Agreement & Buses
Miscellaneous Income	473	650	0	650	F	761	0	761	650	
Parking Lot Expense Reimbursements	46,042	46,262	46,262	0	G	46,262	46,262	(0)	46,487	VR and CCR
Interest Income	22,761	27,674	19,682	7,992	H	25,069	16,402	8,668	24,164	1.00%
<b>Total Revenue</b>	<b>1,196,366</b>	<b>1,290,055</b>	<b>1,281,412</b>	<b>8,642</b>		<b>1,270,326</b>	<b>1,258,802</b>	<b>11,524</b>	<b>1,292,990</b>	
<b>OPERATING EXPENDITURES</b>										
Accounting & Administration	40,964	48,000	48,000	0	1	45,126	40,000	(5,126)	49,440	See Memo re Revision
Website	598			0	2	0	0	0		
Election	0	269	2,000	1,731	3	269	2,000	1,731		Even Years
Audit	8,256	5,300	8,500	3,200	4	5,300	8,500	3,200	5,450	Per Engagement Letter
Legal	9,557	10,000	8,000	(2,000)	5	14,155	6,667	(7,488)	8,000	per Jim Collins
Office Overhead & Expenes	3,075	3,000	3,500	500	6	2,130	2,917	787	3,500	Based on Prior Year
Insurance	8,046	8,439	9,000	561	7	7,342	8,000	658	8,803	Based on Prior Forecast
Mosquito Control	4,863	5,009	5,009	0	8	5,009	5,009	0	5,314	CPI Increase
Directors Fees	4,500	4,500	4,500	0	9	3,500	4,000	500	4,500	9 Meetings Assumed
Eagle County Treasurers Fees	29,801	33,077	33,077	(0)	10	32,944	32,881	(64)	33,129	3% of Prop Tax
Edwards Community Authority	12,444	(2,222)	0	2,222	11	(2,222)	0	2,222	0	EMD is taking over responsibility
Engineering - General	0	20,180	5,000	(15,180)	12	20,180	4,167	(16,013)	5,000	Allowance
Service Contract Expense	144,572	153,976	153,976	0	13	123,053	128,313	5,260	149,945	Based on Schedule from VR
Service Contract Management	60,807	65,705	65,705	0	14	50,539	54,754	4,215	68,890	Based on Schedule from VR
Pond Maintenance	13,324	12,600	12,600	0	15	8,784	12,600	3,816	10,542	Per Hensel
Wetlands Maintenance	0	2,500	2,500	0	16	1,242	2,500	1,258	2,979	Per Hensel
Berm Maintenance	0	10,650	9,000	(1,650)	17	8,417	9,000	583	10,650	Tree Spraying & Berm Maintenance 1/3 CCR
Parking Lot Direct Mtce Expense	3,976	9,000	4,000	(5,000)	18	8,672	4,000	(4,672)	7,500	Painting & Cracksealing
Repair & Maint - General & Vehicles	4,815	7,500	7,500	0	19	2,915	6,250	3,335	8,727	plow and truck maintenance/ GPS
Road Sweeping	2,250	900	2,500	1,600	20	900	2,500	1,600	1,800	Per Hensel
Road & Drainage Repairs & Maintenance	41,780	41,159	37,500	(3,659)	21	34,159	31,250	(2,909)	37,500	Per Hensel
Trans - Arrowhead Shuttle	158,605	185,505	185,505	0	24	185,505	185,504	(0)	189,379	Per Agreement
Trans - Village to Village	34,852	34,936	34,936	0	25	34,936	34,936	0	29,271	Per Agreement + \$1,852 for ADA Vehicle
Trans - BC Express Shuttle	34,531	44,166	44,166	0	26	44,166	44,166	0	48,181	Per Agreement
Trans - Vail Ski Bus		4,579	4,579		27	4,579	4,579	(0)	2,747	Per Agreement
Utilities - Water	9,823	9,500	9,500	0	30	8,838	9,500	662	9,500	Incr 3%
Miscellaneous Expense	0	0	6,800	6,800	31	0	5,667	5,667	6,800	Based on Prior Yrs
Maintenance Facility Lease	48,541	50,338	50,338	0	32	41,106	41,948	842	50,549	Based on Schedule from VR
Contingency - Operating		0	79,000	79,000	33		39,500	39,500	79,000	Based on Prior
<b>Total Operating Expenditures</b>	<b>679,980</b>	<b>768,566</b>	<b>836,691</b>	<b>68,125</b>		<b>691,543</b>	<b>731,107</b>	<b>39,564</b>	<b>837,096</b>	

No assurance is provided on these financial statements;  
substantially all disclosures required by GAAP omitted.

ARROWHEAD METROPOLITAN DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE Actual, Budget and Forecast for the Periods Indicated						MODIFIED ACCRUAL BASIS Printed: 01/25/17				
GENERAL FUND	2015	2016 ANNUAL				2016 YTD			2017	
	Audited Actual	2016 Forecast	Adopted Budget	Variance Favorable (Unfavor)	Var Ref	10 Mo Ended 10/31/2016 Actual	10 Mo Ended 10/31/2016 Budget	Variance Favorable (Unfavor)	Adopted Budget	Budget Assumptions
<b>CAPITAL EXPENDITURES</b>										
PROJECTS & PARKING LOT & PLAYGROUND	95,000	84,750	80,000	(4,750)	40	84,750	80,000	(4,750)		Half of Restroom
PARKING LOT SEAL COAT	18,172			0	41		0	0	19,500	Seal Coat every 2-3 years
PARKING LOT OVERLAY										
ECA SPUR RD PH II	7,500			0	42	0	0	0		
OVERLAYS - CONSTRUCTION	235,702	401,501	471,390	69,889	44	401,501	471,390	69,889	285,013	
OVERLAYS - ENGR & CONSTR MGT	34,725	47,557	56,567	9,010	45	47,557	56,567	9,010	28,501	
EQUIPMENT				0			0	0		
Trucks									28,000	1 New truck
Plows									16,000	2 new Plows
Mule		12,959	11,627	(1,331)		13,059	11,627	(1,432)		Replacement Reserve
TRANSPORTATION BUS	59,185	56,340	57,500	1,160	46	56,340	57,500	1,160	59,450	New bus - Sale of old bus
CAPITAL CONTINGENCY/UNIDENTIFIED		0	50,000	50,000	47		50,000	50,000	50,000	
<b>Total Capital Expenditures</b>	<b>450,284</b>	<b>603,107</b>	<b>727,085</b>	<b>123,978</b>		<b>603,207</b>	<b>727,084</b>	<b>123,877</b>	<b>486,464</b>	
<b>Total Expenditures</b>	<b>1,130,264</b>	<b>1,371,673</b>	<b>1,563,775</b>	<b>192,102</b>		<b>1,294,749</b>	<b>1,458,191</b>	<b>163,441</b>	<b>1,323,560</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>66,102</b>	<b>(81,618)</b>	<b>(282,363)</b>	<b>200,745</b>		<b>(24,423)</b>	<b>(199,389)</b>	<b>174,966</b>	<b>(30,570)</b>	
<b>OTHER FINANCING SOURCES AND (USES)</b>				0			0	0		
BOND PROCEEDS & PREMIUM				0			0	0		
XFER TO D/S FUND	(407,745)	(158,674)	(163,985)	5,311		0	0	0	(155,564)	
<b>Total Other Financing</b>	<b>(407,745)</b>	<b>(158,674)</b>	<b>(163,985)</b>	<b>5,311</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(155,564)</b>	
FUND BALANCE - BEGINNING	2,332,946	1,991,303	1,968,167	23,136	X	1,991,303	1,968,167	23,136	1,751,011	
<b>FUND BALANCE - ENDING</b>	<b>1,991,303</b>	<b>1,751,011</b>	<b>1,521,819</b>	<b>229,191</b>		<b>1,966,879</b>	<b>1,768,778</b>	<b>198,101</b>	<b>1,564,877</b>	

No assurance is provided on these financial statements;  
substantially all disclosures required by GAAP omitted.

ARROWHEAD METROPOLITAN DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE Actual, Budget and Forecast for the Periods Indicated					MODIFIED ACCRUAL BASIS Printed: 01/25/17					
DEBT SERVICE FUND	2015	2016 ANNUAL			2016 YTD			2017		
	Audited Actual	2016 Forecast	Adopted Budget	Variance Favorable (Unfavor)	Ref	10 Mo Ended 10/31/2016 Actual	10 Mo Ended 10/31/2016 Budget	Variance Favorable (Unfavor)	Adopted Budget	Budget Assumptions
<b>REVENUES</b>										
Assessed Value	98,420,720	109,447,160	109,447,160						109,618,530	
Debt Service Mill Levy Rate	6.926	8.426	8.426						8.426	
Property Taxes	681,661	922,202	922,202	0	AA	916,695	916,722	(27)	923,646	
Specific Ownership (Auto) Taxes	34,914	41,499	41,499	0	BB	32,816	31,124	1,692	41,564	4.5% of Prop Taxes
Interest Income	3,354	5,000	3,689	1,311	CC	6,686	3,288	3,398	3,695	
<b>Total Revenues</b>	<b>719,929</b>	<b>968,701</b>	<b>967,390</b>	<b>1,311</b>		<b>956,197</b>	<b>951,134</b>	<b>5,063</b>	<b>968,904</b>	
<b>EXPENDITURES</b>										
1998 Bond Interest				0			0	0		
2001/2011 Bond Interest	120,296	114,596	114,596	0	DD	57,298	57,298	(0)	97,646	Per DS Sch
2009 Bond Interest	428,063	420,113	420,113	0	EE	210,056	210,056	0	420,113	Per DS Sch
								0		
1998 Bond Prin				0				0		
2001/2011 Bond Prin	285,000	565,000	565,000	0	FF	0	0	0	575,000	Per DS Sch
2009 Bond Principal	265,000	0	0	0			0	0	0	Per DS Sch
Eagle County Treasurers Fees	20,488	27,666	27,666	0	GG	27,555	27,502	(53)	27,709	3% of Prop Tax
Bond Paying Agent Fees & Contingency	495	0	4,000	4,000	HH	275	3,333	3,058	4,000	
<b>TOTAL EXPENDITURES</b>	<b>1,119,342</b>	<b>1,127,375</b>	<b>1,131,375</b>	<b>4,000</b>		<b>295,184</b>	<b>298,189</b>	<b>3,005</b>	<b>1,124,468</b>	
<b>REVENUE OVER (UNDER) EXP</b>	<b>(399,413)</b>	<b>(158,674)</b>	<b>(163,985)</b>	<b>5,311</b>		<b>661,013</b>	<b>652,945</b>	<b>8,068</b>	<b>(155,564)</b>	
<b>OTHER FINANCING SOURCES (USES)</b>										
Bond Proceeds & Premium		0	0	0	MM		0	0	8,385,000	
Bond Issuance Costs		0	0	0	NN		0	0	(169,349)	
Transfer from General Fund	407,745	158,674	163,985	(5,311)	OO	0	0	0	155,564	Amount to Balance
Bond Defeasance/Redemption				0	PP		0	0	(8,215,651)	
<b>TOTAL OTHER FINANCING</b>	<b>407,745</b>	<b>158,674</b>	<b>163,985</b>	<b>(5,311)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>155,564</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>6,018</b>	<b>14,351</b>	<b>6,018</b>	<b>8,333</b>	<b>Y</b>	<b>14,351</b>	<b>6,018</b>	<b>8,333</b>	<b>14,351</b>	
<b>FUND BALANCE - ENDING</b>	<b>14,351</b>	<b>14,351</b>	<b>6,018</b>	<b>8,333</b>		<b>675,364</b>	<b>658,963</b>	<b>16,401</b>	<b>14,351</b>	
<b>Summary of GO Debt</b>										
GO Bond Debt-Beginning	13,595,000	13,045,000	13,045,000	0		13,045,000	13,045,000	0	12,480,000	
GO Debt Issued				0				0		
GO Debt Repaid	(550,000)	(565,000)	(565,000)	0		0	0	0	(575,000)	
GO Debt - Ending	<b>13,045,000</b>	<b>12,480,000</b>	<b>12,480,000</b>	<b>0</b>		<b>13,045,000</b>	<b>13,045,000</b>	<b>0</b>	<b>11,905,000</b>	
GO Debt to AV Ratio		<b>11.40%</b>	<b>11.40%</b>						<b>10.86%</b>	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

TO: County Commissioners<sup>1</sup> of Eagle County, Colorado.

On behalf of the Arrowhead Metropolitan District

(taxing entity)<sup>A</sup>

the Board of Directors

(governing body)<sup>B</sup>

of the Arrowhead Metropolitan District

(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 109,618,530

(Gross<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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:

\$ 109,618,530

(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** 12/9/2016  
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2017.  
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>10.074</u> mills	<u>\$ 1,104,297.07</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	<u>(0.000)</u> mills	<u>\$ -</u>
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>10.074</b> mills	<b>\$ 1,104,297.07</b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>8.426</u> mills	<u>\$ 923,645.73</u>
4. Contractual Obligations <sup>K</sup>	<u>0.000</u> mills	<u>\$ -</u>
5. Capital Expenditures <sup>L</sup>	<u>0.000</u> mills	<u>\$ -</u>
6. Refunds/Abatements <sup>M</sup>	<u>0.000</u> mills	<u>\$ -</u>
7. Other <sup>N</sup> (specify): _____	<u>0.000</u> mills	<u>\$ -</u>
	<u>0.000</u> mills	<u>\$ -</u>
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>18.500</b> mills	<b>\$ 2,027,942.80</b>

Contact person: (print) Kenneth J Marchetti Daytime phone: (970) 926-6060 x6  
Signed: *Kj Marchetti* Title: District Administrator

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, Colorado 80203. Questions? Call DLG (303) 864-7720.

<sup>1</sup> 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.

<sup>2</sup> 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**

**Arrowhead Metropolitan District**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-603 C.R.S.).** Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenue to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-603, 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<sup>J</sup>:**

- 1. Purpose of Issue: Refunding the Districts GO Improvement Bonds Series 1998 and for Captial purchases  
 Series: General Obligation Bonds Series 2009 \$10,950,000  
 Date of Issue: September 10, 2009  
 Coupon rate: 2.500% to 4.750%  
 Maturity Date: December 1, 2032  
 Levy: 6.825  
 Revenue: \$748,153.04
  
- 2. Purpose of Issue: Refunding the District's GO Improvement Bonds Series 1994B, the District's GO Improvement Bonds Series 1995A, and the District's GO Bonds Series 1996 for capital improvements, the Districts GOP Bond Series 2001  
 Series: General Obligation Refunding Bonds Series 2011 \$4,315,000  
 Date of Issue: August 2, 2011  
 Coupon rate: 2.00% to 4.10%  
 Maturity Date: June 1, 2031  
 Levy: 1.601  
 Revenue: \$175,492.69

**CONTRACTS<sup>K</sup>:**

- 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 separately report all bond and contractual obligations per 32-1-1603, C.R.S.