

# Arrowhead Metropolitan District

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LGID# 19001

RETURN RECEIPT REQUESTED

December 10, 2010

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

RE: Arrowhead Metropolitan District

Attached is the 2011 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 November 10, 2010. 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; 6.926 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 \$134,150,510, the total property tax revenue is \$2,280,558.67. 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,



Title

Administrator

Enclosure(s)

## **ARROWHEAD METROPOLITAN DISTRICT**

### **2011 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.

The District has experienced an increase in assessed valuation from the completion of several resort properties.

### **2011 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 2011 budget focused on the following priorities:

- Maintain the high quality existing level of service
- 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.
- Reduce the property tax mill levy when assessed valuation increases from new construction are reflected in the total assessed valuation and 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

# ROBERTSON & MARCHETTI, P.C.

*Certified Public Accountants*

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December 10, 2010

Board of Directors  
Arrowhead Metropolitan District

I have compiled the accompanying statement of revenues, expenditures and changes in fund balance with budgets of the Arrowhead Metropolitan District for the ten month period ended October 31, 2010 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I also compiled the accompanying budget and forecast of revenues, expenditures and changes in fund balance for calendar year 2010 and the adopted budget for calendar year 2011, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation of historical financial statements is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

A compilation of a forecasted financial statement is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. I have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying forecasted statement or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. I have no responsibility to update this report for events or circumstances occurring after the date of this report.

Management has elected to omit substantially all of the disclosures as of October 31, 2010, required by generally accepted accounting principles. Management has also elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the historical financial statements and if the summary of significant accounting policies were included in the budget and forecast, they might influence the user's conclusions about the District's historical financial position and results of operations and the forecasted results of operations and fund balances. Accordingly, the historical financial statements and forecast are not designed for those who are not informed about such matters.

The actual historical information for calendar year 2009 is presented for comparative purposes only. Such information is taken from the financial statements for the District for the year ended December 31, 2009, which have been audited by Eide Bailly LLP and upon which they expressed an unqualified opinion in their report dated June 15, 2010.

I am not independent with respect to Arrowhead Metropolitan District

ROBERTSON & MARCHETTI, P.C.



Kenneth J. Marchetti, CPA  
President

ARROWHEAD METROPOLITAN DISTRICT									
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE						MODIFIED ACCRUAL BASIS			
Actual, Budget and Forecast for the Periods Indicated									
All Funds Combined									
	2009	2010 ANNUAL		2010 YTD		2011	2012		
	Audited Actual	Adopted Budget	Variance Favorable (Unfavor)	2010 Forecast	10 Mo End 10/31/2010 Actual	10 Mo End 10/31/2010 Budget	Variance Favorable (Unfavor)	Adopted Budget	2012 Projected
ASSESSED VALUE	115,436,520	135,933,930		135,933,930				134,150,510	100,612,883
Mill Levy Rate	17.000	17.000		17.000				17.000	17.000
REVENUES									
Property Taxes	1,961,748	2,310,877	(5,031)	2,305,845	2,291,790	2,299,322	(7,532)	2,280,559	1,710,419
Specific Ownership Taxes	79,750	103,989	(25,589)	78,400	58,883	77,992	(19,110)	91,222	68,417
Interest Income	28,658	51,731	(22,431)	29,300	25,154	44,204	(19,050)	26,808	28,876
Miscellaneous Income	84,880	62,718	(4,205)	58,513	58,785	57,318	1,467	48,216	49,266
Water Tap Fees	154,036	60,996	(8,316)	52,680	52,680	60,996	(8,316)	30,000	0
Parking Lot Expense Reimbursements	35,000	45,000	0	45,000	10,000	10,000	0	45,200	46,556
Total Revenues	2,344,071	2,635,312	(65,573)	2,569,738	2,497,291	2,549,832	(52,541)	2,521,805	1,903,634
EXPENDITURES									
Municipal Svcs - VA Contract & Other	226,042	232,607	10,199	222,408	183,648	193,839	10,191	233,071	240,063
Road and Parking Lot Maintenance	17,062	102,848	50,000	52,848	40,555	89,277	48,722	67,848	44,133
General Repairs & Maintenance	59,075	46,572	9,397	37,175	34,395	45,294	10,898	54,096	81,468
General & Administrative	106,148	117,933	28,058	89,876	75,133	100,548	25,415	99,453	106,137
Treasurer's Collections Fees	58,921	69,326	39	69,288	68,842	68,980	138	68,417	51,313
Other Debt Service	1,200	4,000	2,800	1,200	800	2,668	1,868	4,000	4,000
Contingency	0	75,000	75,000	0	0	37,500	37,500	75,000	75,000
Total w/o Transportation & DS	468,448	648,287	175,493	472,794	403,374	538,106	134,732	601,884	602,114
Transportation	273,608	249,012	3,823	249,012	249,012	249,012	0	187,100	192,713
Equipment Leases	49,272	61,783	11,468	46,492	46,492	46,727	235	0	0
Total Transportation	322,880	310,795	15,291	295,504	295,504	295,739	235	187,100	192,713
Bond Interest	442,073	696,399	0	696,399	348,199	348,199	(0)	677,909	585,209
Bond Principal	545,000	430,000	0	430,000	0	0	0	455,000	515,000
Total Debt Service	987,073	1,126,399	0	1,126,399	348,199	348,199	(0)	1,132,909	1,100,209
Total Expenditures Before Cap	1,778,401	2,085,480	190,784	1,894,697	1,047,077	1,182,044	134,967	1,921,893	1,995,036
Rev Over/Under Expend Before Cap.	565,670	549,831	125,210	675,042	1,450,214	1,367,788	82,426	599,911	8,498
OTHER FINANCING SOURCES & (USES)									
Capital Expenditures	(9,055,353)	(325,975)	(10,961)	(336,936)	(296,621)	(223,975)	(72,646)	(257,000)	(321,000)
Bond Proceeds and Premium	9,051,978	0	0	0	0	0	0	0	0
Total Other Fin Sources & (Uses)	(6,552)	(325,975)	(10,961)	(336,936)	(296,621)	(223,975)	(72,646)	(257,000)	(321,000)
EXCESS REV OVER/UNDER EXPEND	559,117	223,856	114,249	338,106	1,153,592	1,143,813	9,780	342,911	(312,502)
Fund Balance - Beginning	1,301,512	1,789,204	71,425	1,860,629	1,860,629	1,789,204	71,425	2,198,735	2,541,646
Fund Balance - Ending	1,860,629	2,013,060	185,674	2,198,735	3,014,222	2,933,017	81,205	2,541,646	2,229,144
See accompanying accountant's report.									
District Debt Summary (Excluding Leases)	7,565,000	16,015,000	0	16,015,000	16,015,000	16,015,000	0	15,585,000	15,130,000
Debt Issued	8,995,000	0	0	0	0	0	0	0	0
Debt Repaid	(545,000)	(430,000)	0	(430,000)	0	0	0	(455,000)	(515,000)
Total District Debt - End of Year	16,015,000	15,585,000	0	15,585,000	16,015,000	16,015,000	0	15,130,000	14,615,000
Summary of Mill Levies									
Mill Levy - General Fund	10.074	10.074		10.074				10.074	10.074
- Debt Service	6.926	6.926		6.926				6.926	6.926
Total Mill Levy	17.000	17.000		17.000				17.000	17.000
Assessed Value - AMD <u>135,933,930</u> Increase									
Actual Value - all Real Prop. in AMD <u>1,567,117,060</u> Increase									

**ARROWHEAD METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
 Modified Accrual Basis

	2009		2010 ANNUAL		2010 YTD		2011		2012		Budget Assumptions
	Audited Actual	Adopted Budget	Variance Favorable (Unfavorable)	2010 Forecast	10 Mo End 10/31/2010 Actual	10 Mo End 10/31/2010 Budget	Variance Favorable (Unfavorable)	Adopted Budget	Projected		
<b>REVENUES</b>											
Assessed Value	115,436,520	135,933,930		135,933,930				134,150,510	100,612,883		Final Cert
Operating Mill Levy Rate	10,074	10,074		10,074				10,074	10,074		Assumed 25% Decrease
Property Taxes	1,162,508	1,369,398	(2,982)	1,366,417			(4,463)	1,351,432	1,013,574		
Specific Ownership Taxes (On Autos)	47,259	61,823	(15,123)	46,500			(11,324)	54,057	40,543		4% of Prop Taxes
Conserv T Fund & McCoy Incl	19,116	1,600	0	1,600			(99)	1,600	1,648		Based on Prior Yr
Water Tap Fees	154,036	60,996	(8,316)	52,680			(8,316)	30,000	47,618		Mccoey Creek Cabin Lot 1
Transportation Reimbursement & Misc	65,764	61,118	(4,205)	56,913			1,506	46,616	46,556		Based on Prior Years
Parking Lot Expense Reimbursements	35,000	45,000	0	45,000			0	45,200	25,392		VR and CCR
Interest Income	24,312	32,902	(8,902)	24,000			(7,534)	21,962			1%
<b>Total Revenue</b>	<b>1,507,996</b>	<b>1,632,637</b>	<b>(39,527)</b>	<b>1,593,110</b>	<b>1,534,330</b>	<b>1,564,501</b>	<b>(30,171)</b>	<b>1,550,868</b>	<b>1,175,331</b>		
<b>OPERATING EXPENDITURES</b>											
Accounting & Administration	45,732	45,320	2,320	43,000			2,481	43,000	44,290		2010 year annualized
Election	0	2,000	1,178	822			1,178	0	2,000		No Election
Audit	5,698	7,725	(1,040)	6,665			1,040	6,665	6,666		Based on Prior Yrs
Legal	14,817	20,000	15,200	4,800			13,180	10,000	12,000		per Jim Collins
Office Overhead & Expenses	3,838	6,490	3,490	3,000			3,562	3,000	3,090		Based on Prior Year
Insurance	10,494	11,330	1,330	10,000			399	10,000	10,300		Based on actual invoice
Mosquito Control	3,394	3,513	0	3,513			0	3,618	3,727		Per Edwards Metro
Directors Fees	5,700	6,000	700	5,300			700	6,000	6,180		Based on 5 board members 12 m
Eagle County Treasurers Fees	34,916	41,082	23	41,059			82	40,543	30,407		3% of Prop Tax/Update Formula
Edwards Community Authority	5,556	5,556	0	5,556			0	7,150	7,365		Based on ECA Budget
Engineering - General	11,118	10,000	2,800	7,200			2,875	10,000	10,300		Additional Road Engr
Service Contract Expense	126,763	131,000	7,000	124,000			6,185	130,000	133,900		Fixed Percent of VR Bill (46%)
Service Contract Management	56,478	59,199	3,199	56,000			4,646	59,435	61,218		Based on Schedule
Pond Maintenance	28,317	10,120	0	10,120			850	12,500	12,875		Based on 10 plus 3%
Berm Maintenance	6,919	7,127	554	6,573			554	7,341	7,561		Same as 10 plus 3%
Parking Lot Direct Mice Expense	3,114	60,000	50,000	10,000			43,839	25,000	25,750		Pending Analysis
Repair & Maint - General & Vehicles	13,760	6,000	0	6,000			233	6,000	6,180		Based on Prior Yrs
Road Sweeping	17,062	14,173	7,173	7,000			7,235	14,173	14,598		Based on Prior Yrs
Road & Drainage Repairs & Maintenance	71,663	42,848	0	42,848			4,894	42,848	44,133		Based on Prior Yrs
Trans - Arrowhead Shuttle	160,455	167,315	0	167,315			0	126,458	130,252		Lubbers Final OK, New Agreement
Trans - Village to Village	41,490	41,581	0	41,581			0	30,264	31,172		Pending New Contract
Trans - BC Express Shuttle	34,103	40,116	0	40,116			0	30,378	31,289		Lubbers OK 10/28/08
Transportation Vehicle Leases	15,169	46,337	11,468	34,869			176	0	0		Buses purchased
Transportation Express Bus Lease	6,964	7,482	3,823	11,623			59	0	0		Buses purchased
Utilities - Water		1,671	1,671	7,482			633	7,482	7,706		Based on Prior Yrs, water atuhco
Miscellaneous Expense	42,801	42,408	0	42,408			1,392	6,600	6,798		Based on Prior Yrs
Maintenance Facility Lease		75,000	75,000	42,408			(639)	43,636	44,945		Based on Schedule
Contingency - Operating							37,500	75,000	75,000		Based on Prior
<b>Total Operating Expenditures</b>	<b>766,124</b>	<b>926,837</b>	<b>187,968</b>	<b>738,869</b>	<b>670,031</b>	<b>803,074</b>	<b>133,043</b>	<b>757,111</b>	<b>768,922</b>		

ARROWHEAD METROPOLITAN DISTRICT	STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE										MODIFIED ACCRUAL BASIS			
	Actual, Budget and Forecast for the Periods Indicated													
	2009		2010 ANNUAL				2010 YTD				2011		2012	
	Audited Actual	Adopted Budget	Variance Favorable (Unfavorable)	2010 Forecast	Var Ref	10 Mo End 10/31/2010 Actual	10 Mo End 10/31/2010 Budget	Variance Favorable (Unfavorable)	Adopted Budget	2011 Projected	2012 Projected	Budget Assumptions		
<b>CAPITAL EXPENDITURES</b>														
BOND COST OF ISSUANCE	169,187	100,000	0	75,765	31	0	0	0	82,600	100,000	100,000	Per ECA Budget		
PROJECTS & PARKING LOT	8,676,435		24,235			75,765	100,000	24,235	12,900			Per ECA Budget		
ECA LANDSCAPE INSTALLATION			(5,696)	114,446	32	114,446	108,750	(5,696)	4,500	150,000	150,000	Per ECA Budget		
ECA OPEN SPACE CONSERV ESMT	87,755	108,750	0	15,225	33	14,411	15,225	814	75,000	21,000	21,000	Per Schedule		
OVERLAYS - CONSTRUCTION	18,954	52,000	(79,500)	131,500	34	92,000	0	(92,000)	15,500	50,000	50,000	Percent of Overlay Cost		
EQUIPMENT	103,021	50,000	50,000	0	35	0	0	0	16,500			Per Schedule		
CAPITAL CONTINGENCY									50,000					
<b>Total Capital Expenditures</b>	<b>9,055,353</b>	<b>325,975</b>	<b>(10,961)</b>	<b>336,936</b>		<b>296,621</b>	<b>223,975</b>	<b>(72,646)</b>	<b>257,000</b>	<b>321,000</b>	<b>321,000</b>			
<b>Total Expenditures</b>	<b>9,821,477</b>	<b>1,252,812</b>	<b>177,007</b>	<b>1,075,805</b>		<b>966,652</b>	<b>1,027,049</b>	<b>60,397</b>	<b>1,014,111</b>	<b>1,090,922</b>	<b>1,090,922</b>			
<b>Revenue Over (Under) Expenditures</b>	<b>(8,313,481)</b>	<b>379,825</b>	<b>137,480</b>	<b>517,304</b>		<b>567,677</b>	<b>537,452</b>	<b>30,226</b>	<b>536,757</b>	<b>84,409</b>	<b>84,409</b>			
<b>OTHER FINANCING SOURCES AND (USES)</b>														
BOND PROCEEDS & PREMIUM	9,051,978		0	(42,500)		0	0	0						
XFER TO D/S FUND	(316,196)	(11,853)	(30,647)	(42,500)		0	0	0	(193,845)	(396,911)	(396,911)			
<b>Total Other Financing</b>	<b>8,735,782</b>	<b>(11,853)</b>	<b>(30,647)</b>	<b>(42,500)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(193,845)</b>	<b>(396,911)</b>	<b>(396,911)</b>			
<b>FUND BALANCE - BEGINNING</b>	<b>1,299,143</b>	<b>1,645,088</b>	<b>76,356</b>	<b>1,721,444</b>	<b>X</b>	<b>1,721,444</b>	<b>1,645,088</b>	<b>76,356</b>	<b>2,196,249</b>	<b>2,539,160</b>	<b>2,539,160</b>			
<b>FUND BALANCE - ENDING</b>	<b>1,721,444</b>	<b>2,013,060</b>	<b>183,189</b>	<b>2,196,249</b>		<b>2,289,122</b>	<b>2,182,540</b>	<b>108,582</b>	<b>2,539,160</b>	<b>2,226,658</b>	<b>2,226,658</b>			

See accompanying accountant's report.

ARROWHEAD METROPOLITAN DISTRICT											
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE						MODIFIED ACCRUAL BASIS					
Actual, Budget and Forecast for the Periods Indicated											
	2009		2010 ANNUAL			2010 YTD			2011		2012
	Audited Actual	Adopted Budget	Variance Favorable (Unfavorable)	2010 Forecast	Ref	10 Mo End 10/31/2010 Actual	10 Mo End 10/31/2010 Budget	Variance Favorable (Unfavorable)	Adopted Budget	2012 Projected	Budget Assumptions
<b>DEBT SERVICE FUND</b>											
<b>REVENUES</b>											
Assessed Value	115,436,520	135,933,930		135,933,930					134,150,510	100,612,893	
Debt Service Mill Levy Rate	6.926	6.926		6.926					6.926	6.926	
Property Taxes	799,239	941,478	(2,050)	939,429	CC	933,702	936,771	(3,069)	929,126	696,845	
Specific Ownership (Auto) Taxes	32,491	42,367	(10,467)	31,900	AA	23,989	31,775	(7,785)	37,165	27,874	4% of Prop Taxes
Interest Income	4,345	16,830	(13,530)	5,300	BB	5,270	16,786	(11,516)	4,846	3,484	
<b>Total Revenues</b>	<b>836,075</b>	<b>1,002,674</b>	<b>(26,046)</b>	<b>976,629</b>		<b>962,962</b>	<b>985,332</b>	<b>(22,370)</b>	<b>970,937</b>	<b>728,203</b>	
<b>EXPENDITURES</b>											
1998 Bond Interest	76,083	0	0	0		0	0	0	0	0	Per DS Sch
2001 Bond Interest	264,060	246,630	0	246,630		123,315	123,315	0	228,140	135,440	Per DS Sch
2009 Bond Interest	101,929	449,769	0	449,769		224,864	224,864	(0)	449,769	449,769	
1998 Bond Prin	0	0	0	0		0	0	0	0	0	Per DS Sch
2001 Bond Principal (Pd Off in '16)	415,000	430,000	0	430,000		0	0	0	455,000	175,000	Per DS Sch
2009 Bond Principal	130,000	0	0	0		0	0	0	0	340,000	
Eagle County Treasurers Fees	24,005	28,244	16	28,229	yy	28,047	28,103	56	27,874	20,805	3% of Prop Tax
Bond Paying Agent Fees & Contingency	1,200	4,000	2,800	1,200	xx	800	2,668	1,868	4,000	4,000	
<b>TOTAL EXPENDITURES</b>	<b>1,012,278</b>	<b>1,158,643</b>	<b>2,816</b>	<b>1,155,827</b>		<b>377,046</b>	<b>378,971</b>	<b>1,924</b>	<b>1,164,783</b>	<b>1,125,114</b>	
<b>REVENUE OVER (UNDER) EXP</b>	<b>(176,202)</b>	<b>(155,969)</b>	<b>(23,230)</b>	<b>(179,199)</b>		<b>585,915</b>	<b>606,361</b>	<b>(20,446)</b>	<b>(193,845)</b>	<b>(396,911)</b>	
<b>OTHER FINANCING SOURCES (USES)</b>											
Bond Proceeds & Premium	1,988,708	0	0	0		0	0	0	4,443,299	0	
Bond Issuance Costs	(86,866)	0	0	0		0	0	0	(139,299)	0	
Transfer from General Fund	316,196	11,853	30,647	42,500		0	0	0	193,845	396,911	See Gen Fund
Bond Defeasance/Redemption	(1,955,000)	0	0	0		0	0	0	(4,310,000)	0	
<b>TOTAL OTHER FINANCING</b>	<b>313,018</b>	<b>11,853</b>	<b>30,647</b>	<b>42,500</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>193,845</b>	<b>396,911</b>	
<b>FUND BALANCE - BEGINNING</b>	2,369	144,116	(4,931)	139,185	Y	139,185	144,116	(4,931)	2,486	2,486	
<b>FUND BALANCE - ENDING</b>	<b>139,185</b>	<b>0</b>	<b>2,486</b>	<b>2,486</b>		<b>725,100</b>	<b>750,477</b>	<b>(25,377)</b>	<b>2,486</b>	<b>2,486</b>	
<b>Summary of GO Debt</b>											
GO Bond Debt-Beginning	7,565,000	16,015,000	0	16,015,000		16,015,000	16,015,000	0	15,585,000	15,130,000	
GO Debt Issued	8,995,000	0	0	0		0	0	0	0	0	
GO Debt Repaid	(545,000)	(430,000)	0	(430,000)		0	0	0	(455,000)	(515,000)	
<b>GO Debt - Ending</b>	<b>16,015,000</b>	<b>15,585,000</b>	<b>0</b>	<b>15,585,000</b>		<b>16,015,000</b>	<b>16,015,000</b>	<b>0</b>	<b>15,130,000</b>	<b>14,615,000</b>	
<b>GO Debt to AV Ratio</b>											
		11.47%		11.47%					11.26%	14.53%	

**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, the Board of Directors of the Arrowhead Metropolitan District

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS

assessed valuation of: (Gross assessed valuation, Line 2 of the Certification of Valuation Form DLG 57) \$ 134,150,510

**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: (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

\$ 134,150,510

**Submitted:** December 10, 2010 for budget/fiscal year 2011  
(not later than Dec 15) (dd/mm/yyyy) (yyyy)

**PURPOSE**

**LEVY<sup>2</sup>**

**REVENUE<sup>2</sup>**

1. General Operating Expenses 10.074 mills \$ 1,351,432.24

2. (MINUS) Temporary General Property Tax Credit/  
 Temporary Mill Levy Rate Reduction (0.000) mills \$ -

**SUBTOTAL FOR GENERAL OPERATING:**

**10.074** mills **\$ 1,351,432.24**

3. General Obligation Bonds and Interest [Special Districts must certify separately for each debt pursuant to 29-1-301(1.7),C.R.S.; see page 2 of this form.] 6.926 mills \$ 929,126.43

4. Contractual Obligations Approved at Election [Per 29-1-301(1.7) C.R.S.] 0.000 mills \$ -

5. Capital Expenditures [These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearing pursuant to 29-1-301(1.2)C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5)C.R.S. or for any taxing entity if approved at election.] 0.000 mills \$ -

6. Refunds/Abatements 0.000 mills \$ -

7. Other (specify): \_\_\_\_\_ 0.000 mills \$ -  
 [These levies and revenues are for purposes not subject to 29-1-301 C.R.S. that were not reported above]

**TOTAL:** [Sum of General Operating Subtotal and Lines 3 to 7]

**17.000** mills **\$ 2,280,558.67**

Contact person: Kenneth J Marchetti

Daytime phone: (970) 926-6060 x8

Signed: \_\_\_\_\_

*K Marchetti*

Title: \_\_\_\_\_

*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) 866-2156.*

<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 (32-1-1603 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 (32-1-1603, 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:**

1. Purpose of Issue: Refunding the District's GO Improvement Bonds Series 1998, and for Capital purchas

Series: General Obligation Bonds Series 2009 \$10,950,000  
Date of Issue: September 10, 2009  
Coupon rate: 2.500% to 4.500%  
Maturity Date: December 1, 2032  
Levy: 3.353  
Revenue: \$449,769.00

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

General Obligation Refunding Bonds Series 2001 \$6,870,000  
Series: General Obligation Refunding Bonds Series 2001 \$6,870,000  
Date of Issue: 2-Aug-01  
Coupon rate: 4.0% to 4.95%  
Maturity Date: December 1, 2018  
Levy: 3.573  
Revenue: \$479,357.43

3. Purpose of Issue:

Series:  
Date of Issue:  
Coupon rate:  
Maturity Date:  
Levy:  
Revenue:

**CONTRACTS:**

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.

**RESOLUTIONS OF ARROWHEAD METROPOLITAN DISTRICT**

**TO ADOPT 2011 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 2011 AND ENDING ON THE LAST DAY OF DECEMBER 2011.

WHEREAS, the Board of Directors of the Arrowhead Metropolitan District has appointed a budget committee to prepare and submit a proposed 2011 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 October 13, 2010 and continued to November 10, 2010, 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 2011, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE ARROWHEAD METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO, FOR THE 2011 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 November 10, 2010 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$1,351,432.24 and;

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 \$929,126.43, and;

WHEREAS, the 2010 valuation for assessment for the Arrowhead Metropolitan District, as certified by the County Assessor is \$134,150,510.

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 2011 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 2010.
- Section 2. That for the purposes of rendering a refund to its constituents during budget year 2011 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 2011 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 2010.

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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 2011 budget year, there is hereby levied a tax of 6.926 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2010.

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 2011 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on November 10, 2010, 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	757,111	
Capital Expenditures	257,000	
Fund Transfers		193,845
<b>Total General Fund</b>	<b>1,014,111</b>	<b>193,845</b>
<b>Debt Service Fund</b>		
Debt Service Expenditures	1,164,783	
Bond Redemption	4,443,299	
<b>Total Debt Service Fund</b>	<b>5,608,082</b>	

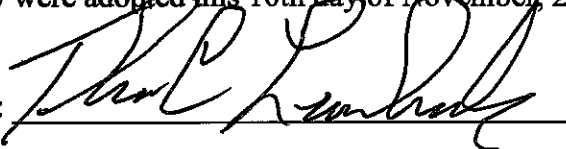
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**RESOLUTIONS OF ARROWHEAD METROPOLITAN DISTRICT (CONTINUED)**

**TO ADOPT 2011 BUDGET, SET MILL LEVIES AND  
APPROPRIATE SUMS OF MONEY  
(CONTINUED)**

The above resolutions to adopt the 2011 budget, set the mill levies and to appropriate sums of money were adopted this 10th day of November, 2010.

Attest:



A handwritten signature in black ink, appearing to read "Paul Hendricks", is written over a horizontal line.

Title:

Director