

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
HELD
DECEMBER 7, 2007

A regular meeting of the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 (referred to hereafter as "Board") was convened on Friday, the 7th day of December, 2007, at 9:00 a.m., at the offices of Lowe Enterprises Real Estate Group, 6312 S. Fiddlers Green Circle, Suite 100E, Greenwood Village, Colorado 80111. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

John R. Waggoner, President
Donald E. Hunt
J. Eric Eckberg
Timothy J. Hedrick
Liliana M. Mendes

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Matthew R. Dalton, Esq.; Grimshaw & Harring, P.C.

Josh Dudley; Clifton Gunderson, LLP

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Attorney Dalton noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that all Directors' Disclosure Statements have been filed.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's regular meeting. Following discussion, upon motion duly made by Director Waggoner, seconded by Director Hedrick and, upon vote, unanimously carried, the Agenda was approved.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director Waggoner, seconded by Director Hedrick and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Minutes: The Board reviewed the minutes of the September 7, 2007 and October 5, 2007 regular meetings. Following discussion, upon motion duly made by Director Waggoner, seconded by Director Hedrick and, upon vote, unanimously carried, the minutes of the September 7, 2007 and October 5, 2007 regular meetings were approved.

2008 Meeting Dates: Ms. Finn reviewed the business to be conducted in 2008 to meet the statutory compliance requirements.

Following discussion, upon motion duly made by Director Hunt, seconded by Director Hedrick and, upon vote unanimously carried, the Board determined to meet on the first Friday of every other month beginning in February, at 9:00 a.m., at the offices of Lowe Enterprises Real Estate Group, 6312 S. Fiddlers Green Circle, Suite 250E, Greenwood Village, Colorado.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims for the periods ending September 20, 2007, totaling \$12,457.20, October 16, 2007,

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totaling \$39,085.81 and November 8, 2007, totaling \$39,044.55.

Following discussion, upon motion duly made by Director Mendes, seconded by Director Hedrick and, upon vote, unanimously carried, the Board ratified approval of the payment of claims for the periods ending September 20, October 16 and November 8, 2007.

The Board then considered approval of the payment of claims for the period ending December 7, 2007, totaling \$17,094.12.

Following review and discussion, upon motion duly made by Director Mendes, seconded by Director Hedrick and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending December 7, 2007.

Financial Statements: Mr. Dudley Presented for the Board's review the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending October 31, 2007 and the schedule of cash position updated as of October 31, 2007.

Following discussion, upon motion duly made by Director Hedrick, seconded by Director Waggoner and, upon vote, unanimously carried, the unaudited financial statements for the period ending October 31, 2007 and the schedule of cash position updated as of October 31, 2007 were accepted as presented.

Application for Exemption from Audit: The Board authorized the engagement of Clifton Gunderson LLP to prepare the Application for Exemption from Audit for 2007.

2007 Budget Amendment Hearing: The Chairman opened the public hearing to consider the Resolution to Amend the 2007 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2007 Budget and the date, time and place of

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the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Waggoner moved to adopt the Resolution to Amend 2007 Budget, Director Eckberg seconded the motion and, upon vote, the motion unanimously carried. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2008 Budget: The Chairman opened the public hearing to consider the proposed 2008 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No public comments were received and the public hearing was closed.

Mr. Dudley reviewed the estimated 2007 expenditures and proposed 2008 expenditures.

Following discussion, the Board considered the adoption of the Resolution to Adopt the 2008 Budget and Appropriate Sums of Money. Upon motion duly made by Director Waggoner, seconded by Director Eckberg and, upon vote, unanimously carried, the Resolution was adopted, as discussed, and execution of the Certification of Budget was authorized. Ms. Finn was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 31, 2008. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

RECORD OF PROCEEDINGS

updated and is expected to be filed soon. Director Eckberg reviewed the assumption in the forecast for the Board.

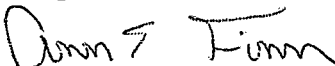
May 2008 Election: The Board discussed the upcoming election.

Following discussion, upon motion duly made by Director Hedrick, seconded by Director Mendes and, upon vote, unanimously carried, the Board appointed Dawn J. Fredette as Designated Election Official and authorized her to perform all tasks required for the May 6, 2008 Election of the Board of Directors for the conduct of a mail ballot election. The Board also determined that there would be no issues on the ballot.

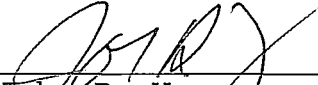
ADJORNMENT


There being no further business to come before the Board at this time, upon motion duly made by Director Hunt, seconded by Director Hedrick and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,


By 
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL DECEMBER 7, 2007 MINUTES OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:


John R. Waggoner


Donald E. Hunt


J. Eric Eckberg


Timothy J. Hedrick


Liliana M. Mendes

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
CONCERNING REGULAR ELECTION TO BE HELD MAY 6, 2008
TO BE HELD AS A POLLING PLACE ELECTION

WHEREAS, regular elections are to be held on the Tuesday succeeding the first Monday of May in every even-numbered year, for the purpose of electing members to the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 (the "District"); and

WHEREAS, two (2) four-year terms and one (1) two-year term shall be open at the regular election held on May 6, 2008, by the District; and

WHEREAS, a designated election official shall be appointed by the Board of Directors to be responsible for conducting the election;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 of Douglas County, Colorado:

1. That a regular election be called and held within the Crowfoot Valley Ranch Metropolitan District No. 1 on Tuesday, the 6th day of May, 2008, between the hours of 7:00 a.m. and 7:00 p.m. of said day, at which election the electors shall vote for two Directors.

2. That the current terms of office for Eric Eckberg, Liliانا Mendes, and Tim Hedrick shall expire following the regular election to be held on the 6th day of May, 2008.

3. That Dawn J. Fredette is hereby appointed to serve as the Designated Election Official for the conduct of the election and is authorized to cancel the election and by resolution declare the candidates elected, pursuant to the provisions of Section 1-5-208, C.R.S., as amended, if the only matter before the eligible electors is the election of persons to office and if, at the close of business on the sixty-third day before the election, there are not more candidates than offices to be filled at the election, including candidates filing affidavits of intent. If the election is canceled, the Board of Directors shall: (a) provide notice by publication of the cancellation of the election; (b) post a copy of the published notice at the polling place, in the office of the Designated Election Official, and in the office of the clerk and recorder for each county in which the District is located; (c) file a copy of the published notice with the Division of Local Government. The Board of Directors shall notify the candidates that the election was canceled and that they were elected by acclamation. If the election is canceled, the canvass board will not meet, and the Designated Election Official shall note the cancellation on the certified statement of results and shall indicate which candidates were elected by acclamation.

4. That the Board deems it expedient for the convenience of the eligible electors of the District that it designate only one precinct and polling place as follows:

Precinct Number	Boundaries	Polling Place
One	The present boundaries of the District	

This precinct shall also be designated for handicapped electors and nonresident electors.

5. That a nomination for Director to serve for any designated vacancy shall be made by written self-nomination and acceptance form or letter and filed with the Designated Election Official not less than sixty-seven (67) days prior to the date of said election.

6. That pursuant to Section 1-6-105, C.R.S., as amended, the Designated Election Official shall appoint election judges no later than forty-five (45) days before the election. The election judges shall be eligible electors of the District or registered electors of the State of Colorado, shall attend a school of instruction conducted by the Designated Election Official not more than thirty-two (32) days prior to the election date, and each shall receive \$50.00 for his/her services.

7. That no later than the fortieth day preceding the date of the election, the Designated Election Official shall order the list of registered voters within the boundaries of the District and list of all property owners (recorded interest in real and personal property) within the boundaries of the District.

8. That ballots to be used in voting for Directors shall be prepared and furnished by the Designated Election Official, shall include the name and office of each candidate for whom a self-nomination form or letter has been filed with the Designated Election Official and any ballot issues or ballot questions to be submitted to the eligible electors, shall be certified by the Designated Election Official not later than sixty (60) days before the election date, and shall be supplied to the Judges of Election to be by them furnished to the electors.

9. That no ballot will be received by the Judges of Election unless the person offering the same shall be an eligible elector of the District. Registration pursuant to the Uniform Election Code of 1992, as amended, shall be required. Each eligible elector asserting property ownership as the basis for eligibility shall be required to execute an affidavit as to his or her qualifications for voting before being allowed to vote.

10. That the regular election shall be held and conducted as nearly as may be in the same manner as general elections are held and conducted in this State.

11. That pursuant to Section 32-1-804.1, C.R.S., as amended, the Designated Election Official shall provide notice by publication in The Douglas County News-Press, a newspaper published in the county which has general circulation within the District (there is no newspaper published within the boundaries of the District) of a call for nominations for the election. The notice shall contain all the information required by Section 32-1-804.1, C.R.S., as amended, and appear at least once in the newspaper not less than seventy-five (75) days nor more than ninety (90) days before the regular special district election.

12. That pursuant to Sections 1-5-205(1) and 206(2)(b), C.R.S., as amended, if the election is not canceled, the Designated Election Official shall give notice of the election by publication in The Douglas County News-Press. The notice shall contain all the information required by Sections 1-5-205(1) and 206(2)(b), C.R.S., as amended, and appear at least once in the newspaper, at least ten days prior to the election date. A copy of the notice shall be posted at least ten days prior to the election and until two days after the election in a conspicuous place in the office of the Designated Election Official, and shall be mailed to the clerk and recorder of each county in which the District is located.

13. That pursuant to Section 1-10-201(1.5), C.R.S., as amended, the Designated Election Official shall appoint no later than fifteen (15) days prior to the election, at least one member of the Board of Directors and at least one eligible elector of the District who is not a member of the Board of Directors to assist the Designated Election Official in the survey of returns. The persons so appointed and the Designated Election Official constitute the Canvass Board for the election. To the fullest extent possible, no member of the Canvass Board nor the member's spouse shall have a direct interest in the election.

14. Eligible electors who wish to vote by mail-in ballot (formerly known as absentee ballot) may apply for a mail-in ballot in writing or by fax using the application form furnished by the Designated Election Official, or in the form of a letter which includes the applicant's signature, residence address, and date of birth. Applications for a mail-in ballot shall be made to the Designation Election Official, c/o Grimshaw & Haring, P.C., 1700 Lincoln Street, Suite 3800, Denver, Colorado 80203 (telephone 303-839-3873), not earlier than January 1, 2008, nor later than the close of business (5:00 p.m.) on the Friday immediately preceding the election, except that, if the applicant wishes to receive the mail-in ballot by mail, the application shall be filed no later than the close of business on Tuesday, April 29, 2008. Mail-in ballots shall be in the hands of the Designated Election Official not later than the hour of 7:00 p.m. on the day of the election. Separate ballot boxes shall be used at the polls for ballots cast in person by voters at the polls and for mail-in ballots.

15. That a mail-in polling place shall be established at the offices of Grimshaw & Haring, P.C., 1700 Lincoln Street, Suite 3800, Denver, Colorado, where physically

disabled eligible electors may vote on election day by mail-in ballot. On the day of the election, mail-in voters may deposit mail-in ballots at the polling place.

16. That immediately after the closing of the polls, the Judges shall open the ballot box, count the ballots cast, and promptly thereafter, certify the results. The returns of said election shall be canvassed by the canvass board no later than seven days after the election and the results declared at said meeting of the canvass board. The meeting to canvass and declare the results shall be held at a time and place as determined by the Designated Election Official.

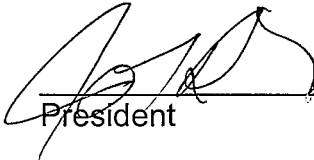
17. That the Designated Election Official shall file the certified statement of election results with the Division of Local Government and after the required bond and oath are filed, shall make a certificate of election for each of the persons who were elected and shall deliver the certificates to those persons, and make a certificate of the votes cast for and against each ballot issue and for and against each ballot question.

18. That all past actions taken by the District, its Board members individually and collectively, designated election official, officers, agents, attorneys, and consultants directed toward the lawful conduct of the election were done in the best interests of the District and said actions are hereby ratified and confirmed as if originally taken with full authority.

Adopted and approved this 7th day of December, 2007.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NO. 1





President



Secretary

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

December 11, 2007

Division of Local Government
Department of Local Affairs
1313 Sherman Street, Room 520
Denver, Colorado 80203

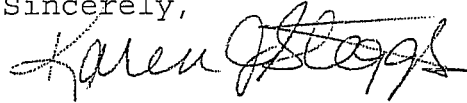
Re: Crowfoot Valley Ranch Metropolitan District No. 1
Amendment of 2007 Budget and Appropriation

Dear Sir or Madam:

Enclosed is a copy of the Resolution to Amend the 2007 Budget and appropriation duly adopted by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 on December 7, 2007.

If you have any questions, please contact me.

Sincerely,



Karen J. Steggs
Assistant to Ann E. Finn
District Manager

Enclosure

cc: Grimshaw & Harring, PC - Dawn Fredette

RESOLUTION TO AMEND 2007 BUDGET
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No.1 adopted a budget and appropriated funds for the fiscal year 2007 as follows:

General Fund	\$	67,500
Capital Projects Fund	\$	28,566,000

WHEREAS, the necessity has arisen for additional expenditures in the General Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2007; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the General Fund from developer advances.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 shall and hereby does amend the adopted Budget for the fiscal year 2007 and adopts a supplemental budget and appropriation for the General Fund for the fiscal year 2007, as follows:

General Fund:	\$	130,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 7th day of December, 2007.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NO. 1

By: 
Secretary

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO.1
TO ADOPT THE 2008 BUDGET

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 has appointed the District Accountant to prepare and submit a proposed 2008 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2007, 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, a public hearing was held on December 7, 2007, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

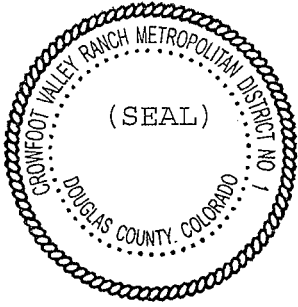
WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Crowfoot Valley Ranch Metropolitan District No. 1 for the 2008 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

ADOPTED this 7th day of December, 2007.



Donald E. Hunt

Secretary

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT No. 1
TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 has adopted the 2008 annual budget in accordance with the Local Government Budget Law on December 7, 2007; and

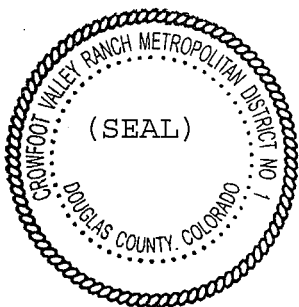
WHEREAS, the Board of Directors of the District has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

General Fund:	\$	95,000
Capital Projects Fund:	\$	28,581,000

ADOPTED this 7th day of December, 2007.



A handwritten signature in cursive script, appearing to read "Donald E. Hunt".

Secretary

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

January 30, 2008

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

Re: Crowfoot Valley Ranch Metropolitan District No. 1

Ladies and Gentlemen:

Enclosed is the 2008 Budget as certified by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 of Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S.

If there are any questions on the Budget, please contact Ann E. Finn, District Manager, at (303) 987-0835.

Sincerely,



Karen J. Steggs
Assistant to Ann E. Finn
District Manager

Enclosure

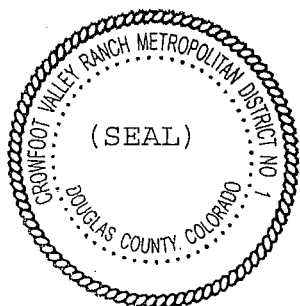
cc: Grimshaw & Harring, P.C. - Dawn J. Fredette
Clifton Gunderson LLP

CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for the Crowfoot Valley Ranch Metropolitan District No. 1, for the budget year ending December 31, 2008, as adopted on December 7, 2007.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Crowfoot Valley Ranch Metropolitan District No. 1 in Douglas County, Colorado, this 7th day of December, 2007.



By: *Dorville R. Hunt*
President/Treasurer



Accountant's Report

Board of Directors
Crowfoot Valley Ranch Metropolitan District No. 1
Douglas County, Colorado

We have compiled the accompanying forecasted budget of revenue, expenditures, and fund balance of Crowfoot Valley Ranch Metropolitan District No. 1 for the General Fund and Capital Projects Fund for the year ending December 31, 2008, including the forecasted estimate of comparative information for the year December 31, 2007, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation 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. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditures, and fund balance 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. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2006 is presented for comparative purposes only. Such information is taken from the application for exemption from audit for the period ended December 31, 2006.

Management has 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 forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to Crowfoot Valley Ranch Metropolitan District No. 1.

Clifton Gunderson LLP

Greenwood Village, Colorado
December 7, 2007

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

SUMMARY

**FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,**

12/7/07

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	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 1,357
REVENUE			
Investment income	\$ -	\$ 350	\$ 10,000
Developer advance	46,247	245,000	7,291,000
Transfer from District No. 2		1,007	22,021,104
Total revenue	<u>46,247</u>	<u>246,357</u>	<u>29,322,104</u>
TRANSFERS IN			-
Total funds available	<u>46,247</u>	<u>246,357</u>	<u>29,323,461</u>
EXPENDITURES			
General			
Accounting	3,732	55,000	30,000
Insurance	748	3,567	5,000
Election	-	10,000	5,000
Legal	21,533	55,000	30,000
District management	20,130	35,000	30,000
Miscellaneous	104	2,500	2,500
Contingency	-	8,933	7,500
Capital outlay	-	75,000	28,566,000
Total expenditures	<u>46,247</u>	<u>245,000</u>	<u>28,676,000</u>
TRANSFERS OUT			-
Total expenditures and transfers out requiring appropriation	<u>46,247</u>	<u>245,000</u>	<u>28,676,000</u>
ENDING FUND BALANCES	\$ -	\$ 1,357	\$ 647,461

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

12/7/07

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ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
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ASSESSED VALUATION - DOUGLAS COUNTY

Residential	-	-	-
Commercial/other	-	-	-
Vacant land	-	-	-
Personal property	-	-	-
Sub-Total Assessed Valuation	\$ -	\$ -	\$ -
Sub-district Assessed valuation	-	-	-
Total Certified Assessed Value	\$ -	\$ -	\$ -

MILL LEVY

General	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	0.000	0.000	0.000
Refund and abatements	0.000	0.000	0.000
Sub-total mill levy	0.000	0.000	0.000
Sub-district General Fund Mill Levy	0.000	0.000	0.000
Total Mill Levy	0.000	0.000	0.000

PROPERTY TAXES

General	\$ -	\$ -	\$ -
Debt Service	-	-	-
Temporary Mill Levy Reduction	-	-	-
Refund and abatements	-	-	-
Levied property taxes	-	-	-
Adjustments to actual/rounding	-	-	-
Refunds and abatements	-	-	-
Sub-total budgeted property taxes	\$ -	\$ -	\$ -
Sub-district property taxes	-	-	-
Total Budgeted Property Taxes	\$ -	\$ -	\$ -

BUDGETED PROPERTY TAXES

General	\$ -	\$ -	\$ -
Debt Service	-	-	-
Sub-District	-	-	-
	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
GENERAL FUND
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/7/07

Page 4

	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 1,357
REVENUE			
Investment income	-	350	-
Developer advance	46,247	130,000	95,000
Transfer from District No. 2	-	1,007	717
Total revenue	46,247	131,357	95,717
TRANSFERS IN			
Capital Projects Fund	-	-	-
Total transfers in	-	-	-
Total funds available	46,247	131,357	97,074
EXPENDITURES			
Accounting	3,732	25,000	25,000
Election	-	10,000	5,000
Insurance	748	3,567	5,000
Legal	21,533	45,000	25,000
District management	20,130	35,000	25,000
Miscellaneous	104	2,500	2,500
Contingency	-	8,933	7,500
Total expenditures	46,247	130,000	95,000
TRANSFERS OUT			
Capital Projects Fund	-	-	-
Total transfers out	-	-	-
Total expenditures and transfers out requiring appropriation	46,247	130,000	95,000
ENDING FUND BALANCE	\$ -	\$ 1,357	\$ 2,074
EMERGENCY RESERVE	\$ -	\$ 100	\$ 100

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/7/07

Page 5

	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Investment income	-	-	10,000
Developer advance	-	115,000	7,196,000
Transfer from District No. 2	-	-	22,020,387
Total revenue	-	115,000	29,226,387
TRANSFERS IN			
General Fund	-	-	-
Total transfers in	-	-	-
Total funds available	-	115,000	29,226,387
EXPENDITURES			
Accounting	-	30,000	5,000
Legal	-	10,000	5,000
District Management	-	-	5,000
Engineering, planning, and inspection	-	75,000	2,410,200
Streets	-	-	2,576,287
Grading/Erosion Control	-	-	1,637,921
Drainage	-	-	4,055,547
Water	-	-	1,196,000
Sanitary Sewer	-	-	2,258,000
Landscape/Park and recreation	-	-	7,313,338
Contingency	-	-	7,118,707
Total expenditures	-	115,000	28,581,000
TRANSFERS OUT			
General Fund	-	-	-
Total transfers out	-	-	-
Total expenditures and transfers out requiring appropriation	-	115,000	28,581,000
ENDING FUND BALANCE	\$ -	\$ -	\$ 645,387

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
2008 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized to provide financing for the design, acquisition, installation and construction of sanitation improvements, water improvements, street improvements, traffic and safety control improvements, park and recreation improvements, transportation improvements, television relay and translation improvements, mosquito control, fire protection, emergency medical services, and operation and maintenance of the District. The District's service area is located in Douglas County, Colorado. Under the Service Plan, the District is the Service District related to Crowfoot Valley Ranch Metropolitan District No. 2, the Financing District ("District No. 2").

The District prepares its budget on the modified accrual basis of accounting.

The District was formed by District Court Order on December 3, 2002 and held its organizational meeting thereafter. The District intends to receive developer advances to fund organizational, operating, and administrative and capital expenditures until other revenue is available to the District.

Revenue

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

Developer Advances

The District is in the development stage. The Developer will fund expenditures necessary for the District's general operations and capital infrastructure development. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer under agreements approved by the Board.

Transfers from District No. 2

District No. 2 anticipates issuing bonds in 2008. The proceeds from the bond issuance, less cost of issuance and capitalized interest, will be transferred to the District to finance the design, acquisition, installation and construction of improvements set forth in the District's Service Plan. In addition, District No. 2 will transfer revenues collected from its General Fund mill levy to fund operations in the District.

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
2008 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses. In 2008 and future years, it is anticipated that all administrative expenditures will be incurred in District No. 1 for both District No. 1 and District No. 2.

Capital Outlay

The District anticipates infrastructure improvements during 2008 as displayed on page 5.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2008, as defined under TABOR.

Debt and Leases

The District has not entered into any operating or capital leases.

This information is an integral part of the accompanying forecasted budget.

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

December 14, 2007

Board of County Commissioners
Douglas County
Attn: Helen Kellog
100 Third Street
Castle Rock, Colorado 80104

VIA FACSIMILE: 303-688-1293
VIA FACSIMILE: 303-660-9661

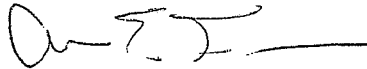
Re: Crowfoot Valley Ranch Metropolitan District No. 1

Dear Commissioners:

Please be advised that the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 will not be certifying a mill levy for 2008.

Please feel free to contact me if you have any questions.

Sincerely,



Ann E. Finn
District Manager

cc: Division of Local Government
Division of Property Taxation
Matthew R. Dalton, Esq.

BOARD OF COUNTY COMMISSIONERS OF
DOUGLAS COUNTY

By: _____