

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
HELD
DECEMBER 4, 2009

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 4th day of December, 2009, at 9:00 a.m., at the offices of Lowe Enterprises Real Estate Group, 6312 S. Fiddlers Green Circle, Suite 125E, 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

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

Tim Bertoch and Cori A. Brown; Board Candidates

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.

RECORD OF PROCEEDINGS

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 Hunt, seconded by Director Waggoner 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 Hunt, seconded by Director Waggoner 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 December 5, 2008 regular meeting.

Following discussion, upon motion duly made by Director Hunt, seconded by Director Waggoner and, upon vote, unanimously carried, the minutes of the December 5, 2008 regular meeting were approved.

Resignation of Directors: The resignations of Directors Mendes, effective October 31, 2009 and Hedrick, effective September 10, 2009, were acknowledged.

Consideration of Board Appointment After Publication of Notice of Vacancy: It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was made on November 5, 2009 in the Douglas County News-Press. No Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

RECORD OF PROCEEDINGS

Following discussion and upon motion duly made by Director Waggoner, seconded by Director Hunt, Corinne "Cori" A. Brown and Tim Bertoch were nominated to fill the vacant Board terms and, upon vote, unanimously carried, the Board appointed Corinne "Cori" A. Brown and Tim Bertoch to fill the vacancies created by the resignation of Liliana M. Mendes and Timothy Joseph Hedrick. The Oaths of Office were administered.

Appointment of Officers: Upon motion duly made by Director Waggoner, seconded by Director Eckberg and, upon vote, unanimously carried, the following slate of officers was appointed:

President	John R. Waggoner
Treasurer	Donald E. Hunt
Assistant Secretary	J. Eric Eckberg
Assistant Secretary	Corinne "Cori" A. Brown
Assistant Secretary	Tim Bertoch
Secretary	Ann E. Finn

Posting Requirements: Following discussion, the Board designated Director Eckberg to post the notices for the District's 2010 regular and special meetings.

Resolution No. 2009-12-01 regarding 24-hour posting place: The Board considered Resolution No. 2009-12-01 designating the place at which notice will be posted at least 24 hours prior to each meeting.

Following review, upon motion duly made by Director Eckberg, seconded by Director Hunt and, upon vote, unanimously carried, the Board adopted Resolution 2009-12-01 as amended. A copy of the Resolution is attached hereto, and incorporated herein, by this reference.

Resolution Providing for Directors' Exclusion from Workers Compensation Coverage: The Board discussed the Resolution Providing for Director's Exclusion from Workers Compensation Coverage.

Following discussion, upon motion duly made by Director Waggoner, seconded by Director Hunt and, upon vote, unanimously carried, the Board ratified approval of the Resolution Providing for Directors' Exclusion from Workers Compensation Coverage. A copy of the Resolution

RECORD OF PROCEEDINGS

is attached hereto, and incorporated herein, by this reference.

2010 Meeting Dates: Ms. Finn reviewed the business to be conducted in 2010 to meet the statutory compliance requirements.

Following discussion, upon motion duly made by Director Eckberg, seconded by Director Hunt and, upon vote, unanimously carried, the Board determined to meet the first Friday in December 2010 at 9:00 a.m., at the offices of Lowe Enterprises Real Estate Group, 6312 S. Fiddlers Green Circle, Suite 1252, Greenwood Village, Colorado.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims for the periods ending January 7, 2009, totaling \$9,610.25, February 9, 2009, totaling \$20,343.63, March 9, 2009, totaling \$3,458.37, April 9, 2009, totaling \$793.18, May 7, 2009, totaling \$1,042.80, June 5, 2009 totaling \$1,528.31, July 6, 2009, totaling \$619.09, August 11, 2009, totaling \$1,668.29, September 9, 2009, totaling \$1,271.53, October 8, 2009, totaling \$1,241.21, November 23, 2009, totaling \$2,702.40 and December 4, 2009, totaling \$2,709.62.

Following discussion, upon motion duly made by Director Hunt, seconded by Director Eckberg and, upon vote, unanimously carried, the Board ratified approval of the payment of claims as presented.

Cash Position Schedule: Mr. Dudley presented for the Board's review the cash position statement dated as of December 1, 2009.

Following discussion, upon motion duly made by Director Waggoner, seconded by Director Eckberg and, upon vote, unanimously carried, the cash position statement dated as of December 1, 2009 was accepted as presented.

2008 Application for Exemption from Audit: The Board reviewed the 2008 Application for Exemption from Audit.

RECORD OF PROCEEDINGS

Following review and discussion, upon motion duly made by Director Hunt, seconded by Director Waggoner and, upon vote, unanimously carried, the Board ratified approval of execution of the Application for Exemption from Audit for 2008.

2009 Application for Exemption from Audit: The Board authorized the District Accountant to prepare the Application for Exemption from Audit for 2009 and file with the State Auditor.

2010 Budget: The Board discussed the 2010 budget. Following discussion, upon motion duly made by Director Waggoner, seconded by Director Hunt and, upon vote, unanimously carried, the Board ratified the appointment of the District Accountant to prepare the 2010 budget.

2009 Budget Amendment Hearing: The Board determined an amendment to the 2009 Budget is not necessary.

2010 Budget: The President opened the public hearing to consider the proposed 2010 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 2009 expenditures and proposed 2010 expenditures.

The Board discussed the mill levy and determined that no mill levy will be certified for the General Fund.

Following discussion, the Board considered the adoption of the Resolutions to Adopt the 2010 Budget and Appropriate Sums of Money. Upon motion duly made by Director Hunt, seconded by Director Eckberg and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the

RECORD OF PROCEEDINGS

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 30, 2010. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

Engagement of 2010 District Accountant: The Board discussed the engagement of Clifton Gunderson, LLP as the District's Accountant for 2010.

Following discussion, upon motion duly made by Director Hunt, seconded by Director Eckberg and, upon vote, unanimously carried, the Board authorized the engagement of Clifton Gunderson, LLP as the District's Accountant for 2010.

2011 Budget: The Board discussed the 2011 Budget.

Following discussion, upon motion duly made by Director Hunt, seconded by Director Eckberg and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2011 Budget under the existing Accounting Services Agreement with Clifton Gunderson LLC.

LEGAL MATTERS

First Amendment to District's Service Plan: Attorney Dalton reported to the Board that the Douglas County Board of County Commissioners approved the Amended and Restated Consolidated Service Plan for Crowfoot Valley Metropolitan District Nos. 1 and 2.

Resolution to Call the May 4, 2010 Regular Election: The Board discussed the upcoming election and Resolution No. 2009-12-05 to Call the May 4, 2010 Election.

Following discussion, upon motion duly made by Director Hunt, seconded by Director Eckberg and, upon vote, unanimously carried, the Board adopted Resolution No. 2009-12-05 to Call the May 4, 2010 Election and appointed Leslie Larson of Grimshaw & Harring, P.C. as the Designated Election Official and authorized her to perform all tasks required for the May 4, 2010 Regular Election of the Board of Directors for the conduct of a

RECORD OF PROCEEDINGS

polling place/mail ballot election. A copy of the adopted Resolution is attached hereto, and incorporated herein, by this reference.

Town of Castle Rock's "Water Regulations": The Board entered into discussion regarding the Town of Castle Rock's "Water Regulations" concerning water impact and service charge fees.

Following discussion, upon motion duly made by Director Eckberg, seconded by Director Bertoch and, upon vote, unanimously carried, the Board adopted the Town of Castle Rock's "Water Regulations" concerning water impact and service charge fees.

Senate Bill 09-087 reporting requirements, mode of eligible elector notification and consider authorizing the creation of an electronic boundary map (Geographic Information System Shape file) for submission to County Clerk and Recorder and to the Division of Local Government to comply with the mapping requirements of Senate Bill 09-087: Ms. Finn discussed with the Board Senate Bill 09-087 reporting requirements and mode of eligible elector notification. The Board instructed staff to post the notice on the SDA website and to contact the District's engineer, Matrix, for preparation of a GIS map.

CAPITAL IMPROVEMENTS

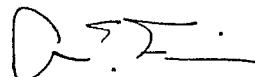
Status of Construction: Director Eckberg reported to the Board the Town of Castle Rock is drilling two wells on site and two acres will need to be deeded to the Town of Castle Rock per the Intergovernmental Agreement with Canyon South, LLC.

ADJORNMENT

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

Respectfully submitted,

By



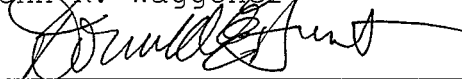
Secretary for the Meeting

RECORD OF PROCEEDINGS


THESE MINUTES APPROVED AS THE OFFICIAL DECEMBER 4, 2009
MINUTES OF THE CROWFOOT VALLEY RANCH METROPOLITAN
DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:




John R. Waggoner



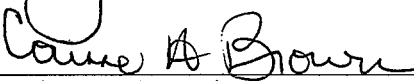
Donald E. Hunt



J. Eric Eckberg



Tim Bertoch



Corinne "Cori" A. Brown

RESOLUTION NO. 2009-12-01
RESOLUTION OF THE BOARD OF DIRECTORS
OF CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
REGARDING POSTING FOR MEETINGS

WHEREAS, Special Districts are required by Subsection 24-6-402(2)(c), C.R.S., to designate annually at the District Board's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

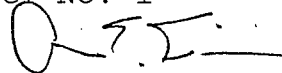
1. Notices of meetings of the District Board required pursuant to Section 24-6-401, et seq., C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

The Green Castle Gate entrance at 4688
Crowfoot Valley Ranch Road

2. Notices of regular or special meetings required to be posted at three public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall continue to be made pursuant to Section 32-01-903(2), C.R.S.

ADOPTED this 4th day of December, 2009.

CROWFOOT VALLEY RANCH METROPOLITAN
DISTRICT NO. 1



Secretary

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO.1
TO ADOPT THE 2010 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 2010 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, 2009, 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 4, 2009, 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

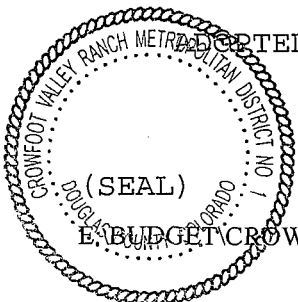
WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

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 2010 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 4th day of December, 2009.




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 2009 annual budget in accordance with the Local Government Budget Law on December 4, 2009; and

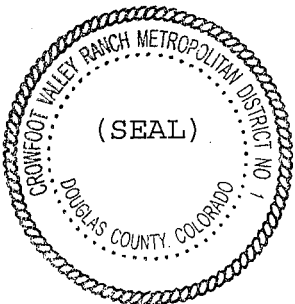
WHEREAS, the Board of Directors of the District has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

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:	\$	40,000
Capital Projects Fund:	\$	500,000

ADOPTED this 4th day of December, 2009.




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, 2009

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

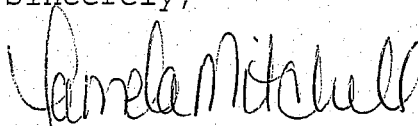
Re: Crowfoot Valley Ranch Metropolitan District No. 1

Ladies and Gentlemen:

Enclosed is the 2010 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,



Pamela Mitchell
Assistant to Ann E. Finn
District Manager

Enclosure


cc: Grimshaw & Harring, P.C. - Leslie Larsen
Clifton Gunderson LLP

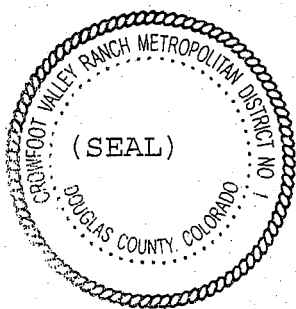
CERTIFICATION OF BUDGET

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, 2010, as adopted on December 4, 2009.

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 4th day of December, 2009.

By: 
Secretary



Accountant's Report

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

We have compiled the accompanying forecasted budget of revenues, expenditures, and fund balances of the Crowfoot Valley Ranch Metropolitan District No. 1 for the General Fund and Capital Projects Fund for the year ending December 31, 2010, including the forecasted estimate of comparative information for the year December 31, 2009, 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 2008 is presented for comparative purposes only. Such information is taken from the application for exemption from audit for the period ended December 31, 2008.

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 the Crowfoot Valley Ranch Metropolitan District No. 1.

Clifton Gunderson LLP

Greenwood Village, Colorado
December 4, 2009

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
SUMMARY
FORECASTED 2010 BUDGET AS ADOPTED
WITH 2008 ACTUAL AND 2009 ESTIMATED
For the Years Ended and Ending December 31,

12/4/2009

	ACTUAL 2008	ESTIMATED 2009	ADOPTED 2010
BEGINNING FUND BALANCES	\$ (53,635)	\$ (27,286)	\$ 172
REVENUES			
1 Developer advance	266,709	65,606	516,800
2 Interest income	309	88	1,050
3 Transfer from District No. 2	719	710	23,800
Total revenues	<u>267,737</u>	<u>66,404</u>	<u>541,650</u>
Total funds available	<u>214,102</u>	<u>39,118</u>	<u>541,822</u>
EXPENDITURES			
General and administration			
4 Accounting	15,716	9,500	10,000
5 Contingency	-	-	3,000
6 District management	11,656	8,500	10,000
7 Election	1,328	422	1,000
8 Insurance	3,460	3,201	5,000
9 Legal	13,071	5,000	10,000
10 Miscellaneous	771	800	1,000
Capital projects			
11 Accounting	17,185	6,060	-
12 Contingency	-	-	-
13 District management	-	5,463	-
14 Drainage	-	-	-
15 Engineering	154,556	-	250,000
16 Grading/Erosion Control	-	-	250,000
17 Legal	23,645	-	-
18 Park and recreation	-	-	-
19 Sewer	-	-	-
20 Streets	-	-	-
21 Water	-	-	-
Total expenditures	<u>241,388</u>	<u>38,946</u>	<u>540,000</u>
Total expenditures and transfers out requiring appropriation	<u>241,388</u>	<u>38,946</u>	<u>540,000</u>
ENDING FUND BALANCES	<u>\$ (27,286)</u>	<u>\$ 172</u>	<u>\$ 1,822</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 800</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 800</u>

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,

12/4/2009

	ACTUAL 2008	ESTIMATED 2009	ADOPTED 2010
ASSESSED VALUATION - DOUGLAS			
State Assessed	\$ -	\$ -	\$ 19,850
	-	-	19,850
Certified Assessed Value	\$ -	\$ -	\$ 19,850
MILL LEVY			
GENERAL FUND	-	-	-
Total Mill Levy	-	-	-
PROPERTY TAXES			
GENERAL FUND	\$ -	\$ -	\$ -
Levied property taxes	-	-	-
Budgeted Property Taxes	\$ -	\$ -	\$ -
BUDGETED PROPERTY TAXES			
	\$ -	\$ -	\$ -

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 2010 BUDGET AS ADOPTED
WITH 2008 ACTUAL AND 2009 ESTIMATED
For the Years Ended and Ending December 31,

12/4/2009

	ACTUAL 2008	ESTIMATED 2009	ADOPTED 2010
BEGINNING FUND BALANCES	\$ (5,751)	\$ 797	\$ 172
REVENUES			
1 Developer advance	51,522	26,000	16,800
2 Investment income	309	88	50
3 Transfer from District No. 2	719	710	23,800
Total revenues	52,550	26,798	40,650
Total funds available	46,799	27,595	40,822
EXPENDITURES			
General and administration			
4 Accounting	15,716	9,500	10,000
5 Contingency	-	-	3,000
6 District management	11,656	8,500	10,000
7 Election	1,328	422	1,000
8 Insurance	3,460	3,201	5,000
9 Legal	13,071	5,000	10,000
10 Miscellaneous	771	800	1,000
Total expenditures	46,002	27,423	40,000
Total expenditures and transfers out requiring appropriation	46,002	27,423	40,000
ENDING FUND BALANCES	\$ 797	\$ 172	\$ 822
EMERGENCY RESERVE	\$ 100	\$ 100	\$ 800
TOTAL RESERVE	\$ 100	\$ 100	\$ 800

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 2010 BUDGET AS ADOPTED
WITH 2008 ACTUAL AND 2009 ESTIMATED
For the Years Ended and Ending December 31,

12/4/2009

	ACTUAL 2008	ESTIMATED 2009	ADOPTED 2010
BEGINNING FUND BALANCES	\$ (47,884)	\$ (28,083)	\$ -
REVENUES			
1 Developer advance	215,187	39,606	500,000
2 Investment income	-	-	1,000
3 Transfer from District No. 2	-	-	-
Total revenues	215,187	39,606	501,000
Total funds available	167,303	11,523	501,000
EXPENDITURES			
Capital projects			
4 Accounting	17,185	6,060	-
5 Contingency	-	-	-
6 District management	-	5,463	-
7 Drainage	-	-	-
8 Engineering	154,556	-	250,000
9 Grading/Erosion Control	-	-	250,000
10 Legal	23,645	-	-
11 Park and recreation	-	-	-
12 Sewer	-	-	-
13 Streets	-	-	-
14 Water	-	-	-
Total expenditures	195,386	11,523	500,000
Total expenditures and transfers out requiring appropriation	195,386	11,523	500,000
ENDING FUND BALANCES	\$ (28,083)	\$ -	\$ 1,000
TOTAL RESERVE	\$ -	\$ -	\$ -

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
2010 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 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.

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

Revenues

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.5%.

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 will transfer the revenues collected from its General Fund mill levy, net of any applicable fees, to fund operations in the District.

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
2010 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

(Continued)

Expenditures

General and Administrative Expenditures

General and 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 2010 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 2010 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 2010, as defined under TABOR.

Debt and Leases

The District has no outstanding indebtedness, nor 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 15, 2009

Board of County Commissioners
Douglas County
Attn: Helen Kellogg
100 Third Street
Castle Rock, CO 80104

VIA E-MAIL: hkellogg@douglas.co.us

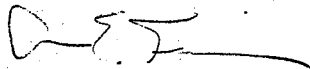
Re: Crowfoot Valley Ranch Metropolitan District No. 1

Dear Commissioners:

Please be advised that the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 will not certify a mill levy in 2009 for collection in 2010.

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
Grimshaw & Harring, P.C - Matthew Dalton, Esq.

BOARD OF COUNTY COMMISSIONERS
OF DOUGLAS COUNTY

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Crowfoot Valley Ranch Metro #1

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Crowfoot Valley Ranch Metro #1

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 19,850 assessed valuation of: (GROSS^D assessed valuation. Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 19,850 (NET^G assessed valuation. Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/04/2009 for budget/fiscal year 2010
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	0.000 mills	\$ 0
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	0.000 mills	\$ 0

Contact person: (print) Jason Carroll Daytime phone: (303) 779-5710
Signed: Jason Carroll Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80205. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).