

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2017

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

Attached are the 2017 budget and budget message for EAGLE BEND METROPOLITAN DISTRICT in Arapahoe County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 1, 2016. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Kim Herman, District Manager
8390 E. Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Kim.herman@claconnect.com

I, Kim Herman, District Manager of EAGLE BEND METROPOLITAN DISTRICT hereby certify that the attached is a true and correct copy of the 2017 budget.

By:



Kim Herman, District Manager

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

(2017)

The Board of Directors of Eagle Bend Metropolitan District (the "Board"), City of Aurora, Colorado (the "District") held a special meeting at 23155 E. Heritage Parkway, Aurora, Colorado, on Thursday, December 1, 2016, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2017 BUDGET

AURORA SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

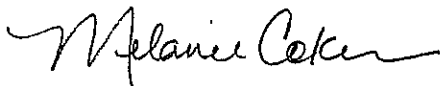
I JAMES S. GOLD, do solemnly swear that I am the PUBLISHER of the AURORA SENTINEL; that the same is a weekly newspaper published in the County of Arapahoe, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of Arapahoe for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 consecutive insertion; and that the first publication of said notice was in the issue of said newspaper dated November 17 A.D. 2016 and that the last publication of said notice was in the issue of said newspaper dated November 17 A.D. 2016.

I witness whereof I have hereunto set my hand this 17 day of November.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 17 day of November A.D. 2016.



Notary Public

MELANIE COKER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164022849
MY COMMISSION EXPIRES JUNE 15, 2020

NOTICE OF PROPOSED 2017 BUDGET
NOTICE TO AMEND 2016 BUDGET
OF EAGLE BEND
METROPOLITAN DISTRICT
ARAPAHOE COUNTY, COLORADO

NOTICE IS HEREBY GIVEN that a proposed budget has been submitted to the Board of Directors of the Eagle Bend Metropolitan District for the ensuing year 2017.

A copy of such proposed budget has been filed in the office of the District located at CliftonLarsonAllen LLP, 8380 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado, where the same is open for public inspection; and that such proposed budget will be considered at a regular meeting of the Board of Directors of the District to be held at the Heritage Eagle Bend Clubhouse, 23155 E. Heritage Parkway, Aurora, Colorado on December 1, 2016 at 10:00 a.m.

NOTICE IS FURTHER GIVEN that the Board of Directors of the Eagle Bend Metropolitan District may also consider amending the District's 2016 budget at this meeting. Any elector within the District may, at any time prior to the final adoption of the 2017 budget or 2016 budget amendment, inspect the budgets and file or register any objections thereto.

This meeting is open to the public.

EAGLE BEND
METROPOLITAN DISTRICT
ARAPAHOE COUNTY, COLORADO

By: /s/ Denise Denlow
Manager

Publication: November 17, 2016
Aurora Sentinel

Thereupon, Director Gruber introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2017 AND ENDING ON THE LAST DAY OF DECEMBER 2017.

WHEREAS, the Board has authorized its treasurer, accountant and/or legal counsel to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 1, 2016, interested electors were given the opportunity to file or register any objections to said proposed budget and no written objections were filed prior to the public hearing; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of § 29-1-101, *et seq.*, C.R.S., as applicable, and Article X, § 20 of the Colorado Constitution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Summary of 2017 Revenues and 2017 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2017, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. The budget as submitted, amended, attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2017.

In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 2 shall be deemed ratified by the Board.

Section 3. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2017 budget year, there is hereby levied a tax of five (5.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2017 budget year, there is hereby levied a tax of thirty one and five tenths (31.500) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2017 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2017 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Arapahoe County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto and incorporated herein, are hereby appropriated for the purposes thereof and no other.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Malone.

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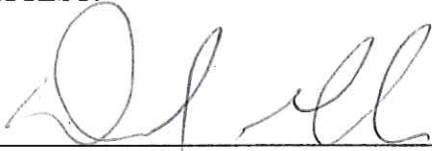
ADOPTED THIS 1ST DAY OF DECEMBER 2016.

EAGLE BEND METROPOLITAN DISTRICT




Officer of District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District



STATE OF COLORADO
COUNTY OF ARAPAHOE
EAGLE BEND METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a District meeting held Thursday, December 1, 2016, at 23155 E. Heritage Parkway, Aurora, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 1st day of December, 2016.

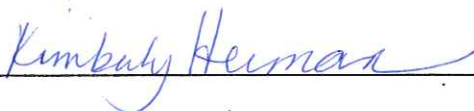


EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

EAGLE BEND METROPOLITAN DISTRICT
(fka EAGLE BEND METROPOLITAN DISTRICT # 2)
2017
BUDGET MESSAGE

Attached please find a copy of the adopted 2017 budget for the Eagle Bend Metropolitan District.

The Eagle Bend Metropolitan District has adopted three separate funds, a General Fund to provide for operating and landscaping expenditures and transfers to the Water Enterprise Fund; a Water Enterprise Fund to provide for operating expenditures and the expenses related to providing water services; and a Debt Service Fund to provide for payments on the outstanding loan and general obligation bond debt.

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

The primary sources of revenue for the District in 2017 will be property taxes, specific ownership taxes and water sales. The District intends to impose a mill levy of 36.500 mills on all property within the District in 2017, of which 5.000 mills will be dedicated to the General Fund and the balance of 31.500 mills will be allocated to the Debt Service Fund. Ending balances in the Debt Service fund are reserved for debt retirement.

Eagle Bend Metropolitan District
fkaj Eagle Bend Metropolitan District #2
Adopted Budget
General Fund
For the Year Ended December 31, 2017

	Actual 2015	Adopted Budget 2016	Actual 6/30/2016	Estimate 2016	Adopted Budget 2017
Beginning balance	\$ 1,727,669	\$ 2,082,688	\$ 2,149,020	\$ 2,149,020	\$ 2,626,394
Revenues:					
Property taxes	681,479	755,458	741,496	755,458	309,787
Specific ownership taxes	51,471	50,693	29,886	59,000	50,693
Potential Abatements		(31,275)			
Interest income	736	122	134	200	163
Shared Costs	7,810	-	-	-	-
Other reimbursements	3,981	-	-	-	-
Total revenues	745,477	774,998	771,516	814,658	360,643
Total funds available	2,473,146	2,857,686	2,920,536	2,963,678	2,987,037
Expenditures:					
Governmental Activities					
Audit	5,400	7,000	5,650	5,400	7,000
Accounting	8,594	13,000	3,887	12,000	13,000
County collection fees	10,233	10,863	11,124	11,332	4,178
Legal	29,434	35,000	10,552	25,000	35,000
Administration - management	31,050	60,000	20,601	46,000	42,000
Insurance	6,245	10,000	6,219	6,219	13,000
Election expense	92,248	30,000	33,568	35,000	500
Miscellaneous	4,510	5,000	3,211	6,000	6,000
Meetings	3,404	10,000	1,574	5,000	5,000
Directors fees and reimbursements	4,050	4,150	2,421	4,500	4,500
Payroll tax expense	642	-	-	-	-
Economic development	7,008	-	-	-	15,000
Landscaping					
Utilities	3,099	10,000	1,509	6,000	10,000
Maintenance	46,399	150,000	47,295	100,000	70,000
Erosion improvements					
Tree improvements	-		-	-	
Center medians - Gartrell/Aurora Pkwy	-		-	-	
HOA Projects - cost sharing	16,513	50,000	11,941	20,000	50,000
Communication					
Expenses	9,313	25,000	9,411	12,000	10,000
Management	3,182	-	3,439	3,500	-
Total expenditures	281,324	420,013	172,402	297,951	285,178
Transfers and Reserves					
Transfer to Water Enterprise	42,802	39,333	-	39,333	719,132
Transfer to Debt Service Fund	-	2,370,000	-	-	-
Working capital	-		-	-	-
Statutory Reserve - TABOR	-	12,600	-	-	8,555
Reserve - safety project	-		-	-	500,000
Reserve -debt service	-	15,740	-	-	1,474,172
Total Transfers and reserves	42,802	2,437,673	-	39,333	2,701,859
Ending balance	\$ 2,149,020	\$ -	\$ 2,748,134	\$ 2,626,394	\$ -
Assessed Valuation		\$ 62,954,844			\$ 61,957,431
Mill Levy		12.000			5.000

**Eagle Bend Metropolitan District
fka/ Eagle Bend Metropolitan District #2
Adopted Budget
Water Enterprise Fund
For the Year Ended December 31, 2017**

	Actual 2015	Adopted Budget 2016	Actual 6/30/2016	Estimate 2016	Adopted Budget 2017
Beginning balance	\$ 1,080,221	\$ 1,117,436	\$ 1,232,054	\$ 1,232,054	\$ 1,250,568
Revenues:					
HOA Water Sales-Fixed	200,000	200,000	100,000	200,000	200,000
HOA Water Sales-Variable	185,218	154,000	73,868	145,000	154,000
Transfer from General Fund	42,802	39,333	-	38,333	719,132
Total revenues	<u>428,020</u>	<u>393,333</u>	<u>173,868</u>	<u>383,333</u>	<u>1,073,132</u>
Enterprise borrowing - 3rd well		800,000			
Total funds available	<u>1,508,241</u>	<u>2,310,769</u>	<u>1,405,922</u>	<u>1,615,387</u>	<u>2,323,700</u>
Expenditures:					
<u>WATER OPERATIONS</u>					
Wells					
Electric	63,026	69,000	23,216	50,000	69,000
Water	24,574	18,816	7,066	15,000	20,000
Repair & maintenance	107,412	180,000	2,886	160,000	180,000
Buchanan	-				
Water	523	1,000	261	1,000	1,000
ECCV	-				
Water	18,425	33,152	2,015	17,896	25,000
Repair & maintenance	-	10,000	-	-	130,000
Upgrades	-		-	-	
Water engineer	32,560	20,000	14,849	30,000	40,000
<u>WATER PROJECTS</u>					
Legal	-	5,000	-	5,000	5,000
Consultants	-	5,000	-	5,000	5,000
ECCV project	-		-	-	-
Alternative water source	-	1,765,800	-	-	1,500,000
<u>ADMINISTRATION</u>					
Management	19,403	15,000	17,510	35,000	35,000
Directors	4,050	3,700	2,100	3,700	3,700
Meetings	3,391	6,000	1,553	4,000	6,000
Miscellaneous	2,823	4,000	1,263	4,000	4,000
ECCV payment	-	39,536	-	34,223	-
Contingency	-	10,000	-	-	50,000
Reserves for Future Water Resources	-	124,765	-	-	250,000
Total expenditures	<u>276,187</u>	<u>2,310,769</u>	<u>72,719</u>	<u>364,819</u>	<u>2,323,700</u>
Ending balance	<u>\$ 1,232,054</u>	<u>\$ -</u>	<u>\$ 1,333,203</u>	<u>\$ 1,250,568</u>	<u>\$ -</u>

**Eagle Bend Metropolitan District
fka/ Eagle Bend Metropolitan District #2
Adopted Budget
Debt Service Fund
For the Year Ended December 31, 2017**

	Actual 2015	Amended Budget 2016	Actual 6/30/2016	Estimate 2016	Adopted Budget 2017
Beginning balance	\$ 8,448	\$ 70,454	\$ 122,975	\$ 122,975	\$ 216,543
Revenues:					
Property taxes	2,101,226	1,731,258	1,699,371	1,731,258	1,951,659
Specific ownership taxes	158,701	116,171	68,488	135,000	116,171
Potential abatements	-	(71,673)	-	-	-
Other income	-	-	-	-	-
Loan proceeds	-	-	-	-	-
Bond Proceeds - 2016	-	15,030,000	15,030,000	15,030,000	-
Bond Premium - 2016	-	994,822	994,822	994,822	-
Transfer from General Fund	-	2,370,000	-	-	-
Interest income	9,422	2,000	9,487	12,000	2,256
Total revenues	<u>2,269,349</u>	<u>20,172,578</u>	<u>17,802,168</u>	<u>17,903,080</u>	<u>2,070,086</u>
Total funds available	<u>2,277,797</u>	<u>20,243,032</u>	<u>17,925,143</u>	<u>18,026,055</u>	<u>2,286,629</u>
Expenditures:					
Bond interest - Series 2005	754,363	-	-	-	-
Bond principal - Series 2005	-	-	-	-	-
2012 Compass - interest	587,656	561,215	280,607	561,215	533,924
2012 Compass - principal	780,000	805,000	-	805,000	835,000
2016 Bond Interest	-	382,986	71,051	382,986	623,869
2016 Extraordinary Redemption	-	2,000,000	-	-	-
Bond Issuance Costs	-	268,555	267,074	267,074	-
Defease Series 2005 Bond	-	15,756,268	15,756,268	15,756,268	-
Legal	-	10,000	-	-	-
Miscellaneous	1,251	-	-	1,000	-
County collection fees	31,552	24,894	25,495	25,969	28,204
Paying agent fees	-	15,000	3,498	10,000	15,000
Total expenditures	<u>2,154,822</u>	<u>19,823,918</u>	<u>16,403,993</u>	<u>17,809,512</u>	<u>2,035,997</u>
Ending balance	\$ 122,975	\$ 419,114	\$ 1,521,150	\$ 216,543	\$ 250,632
Assessed Valuation		<u>\$ 62,954,844</u>			<u>\$ 61,957,431</u>
Mill Levy		<u>27.500</u>			<u>31.500</u>
Total Mill Levy		<u>39.500</u>			<u>36.500</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the Eagle Bend Metropolitan District (fka Eagle Bend Metro District No. 2),
(taxing entity)^A

the Board of Directors
(governing body)^B


of the Eagle Bend Metropolitan District (fka Eagle Bend Metro District No. 2)
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 61,957,431 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: \$ 61,957,431 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/14/2016 for budget/fiscal year 2017
(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	5.000 mills	\$ 309,787
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	5.000 mills	\$ 309,787
3. General Obligation Bonds and Interest ^J	9.861 mills	\$ 610,962
4. Contractual Obligations ^K	21.639 mills	\$ 1,340,697
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]	36.500 mills	\$ 2,261,446

Contact person: (print) John W. Simmons Daytime phone: (303) 689-0833
Signed:  Title: District Accountant

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 80203. 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).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|---|
| 1. | Purpose of Issue: | \$15,030,000 General Obligation Refunding Bonds |
| | Series: | 2016 |
| | Date of Issue: | April 20, 2016 |
| | Coupon Rate: | Varies 3.125% - 3.500% |
| | Maturity Date: | December 1, 2040 |
| | Levy: | 9.861 |
| | Revenue: | \$610,962 |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| 3. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|--|
| 4. | Purpose of Contract: | Provide funds for refunding Series 2003 G.O. Bonds |
| | Title: | \$19,000,000 General Obligation Refunding Loan |
| | Date: | April 27, 2012 |
| | Principal Amount: | \$19,000,000 |
| | Maturity Date: | December 1, 2033 |
| | Levy: | 21.639 |
| | Revenue: | \$1,340,697 |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.