

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL WORK SESSION OF THE BOARD OF DIRECTORS OF DANCING WILLOWS METROPOLITAN DISTRICT HELD JUNE 3, 2015

A special work session of the Board of Directors of the Dancing Willows Metropolitan District was held on June 3, 2015 at 6:30 p.m., at Dancing Willows Club House, 11893 West Long Circle, Littleton, CO. 80127

ATTENDANCE

The special meeting of the Board of Directors of the Dancing Willows Metropolitan District was called and held, as shown, in accordance with Colorado law. The following directors were present:

Susan Root
Nancy Carson
William Anderson
Bobby Thomas

Also present :

Sue Blair; Community Resource Services,
Robert Faiks, Resident
Alan Matlosz; George K. Baum
District Residents Noted on Attachment

CALL TO ORDER

Meeting called to order at 6:30 p.m. Chairman Root stated that this is a working meeting, and thanked residents for attending.

DISCLOSURE OF POTENTIAL CONFLCTS OF INTEREST

None.

POTENTIAL DIRECTOR

Chairman Root introduced Robert Faiks to the Board. Mr. Faiks submitted his resume for consideration for appointment to the Board of Directors. Mr. Faiks addressed the Board, noting the following points:

- retired pharmacist from Walgreens
- has served on HOA boards in the past
- very familiar with running a business
- wants to ensure the District has sufficient revenues for capital improvements within the District
- wants to address safety issues within the community

RECORD OF PROCEEDINGS

- has served on the District's street and monument committees
- he would be willing to serve on other committees

Director Thomas asked him how he would have voted regarding replacement of the monuments. Mr. Faiks stated that he would have voted against it at that time, as he is concerned that the District has sufficient funds set aside for paying debt service. He agreed the monuments don't look very well and that they do need to be replaced. He further stated that if Remington would increase a reduction in the loan amount of \$20,000 to \$30,000, maybe he would vote in favor of replacement.

Chairman Root thanked him for his interest on serving on the Board.

DISCUSSION REGARDING BOND REFUNDING

Alan Matlosz addressed the Board with general refunding information. He presented two possible scenarios:

- (1) 2015 Refinancing - \$4,440,000, 4.144% interest rate, savings \$289,243, negative arbitrage of \$308,456.
- (2) 2018 Refinancing - \$3,780,000, 4.159% interest rate, savings \$711,460.

Mr. Matlosz stated that the Board has not engaged him, so he hasn't dived into the District's current bond structure to see what options might be available.

Discussion Points:

- The call protection period on some of the bonds ends in 2018. If the Board refinanced in 2015, it would have to pay the interest on some of the current bonds to 2018 - in addition to paying the new debt service schedule.
- Interest rates are low. No guarantee on where they will be in 2018.
- Should the District consider a partial refunding?
- What is the increase in the assessed valuation?
- What limitations or restrictions are there under the District's current debt?
- The Board wants to look at the refunding to take advantage of low interest rates.

RECORD OF PROCEEDINGS

- The Board was in agreement that the debt service mill levy should not be increased.

The Board will discuss the engagement of Mr. Matlosz at the regular meeting to be held on June 11th.

20-YEAR FINANCIAL PLAN AND CAPITAL IMPROVEMENTS PLAN

Ms. Blair distributed drafts of the 20-year financial and capital improvement plan to the Board, requesting that the Board review in detail and provide comments or revisions to her. The plan was briefly reviewed with the Board.

Director Anderson distribution a comparison sheet on towing company representatives that he had met with. There is no cost to the District to enter into an agreement with either company. Cost comparisons are:

Hook-up - \$160.00

Mileage – Wyatt \$50; Tri-County \$12

Storage Fee - \$30/day

Admin Fee after 3 Days – Wyatt \$150; Tri-County \$75

The Board thanked Director Anderson for the time he spent on this matter.

YIELD SIGNS

Holly at the HOA sent an email to Director Anderson asking the District to consider installation of yield signs at the round-about by the pool. The Board did not take any action on this item.

ADJOURNMENT

Upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

Respectfully submitted,



Secretary for the Meeting