

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF WESTERLY CREEK METROPOLITAN DISTRICT

HELD

MARCH 28, 2013

A special meeting of the Board of Directors ("Board") of the Westerly Creek Metropolitan District ("District") was held on Thursday, March 28, 2013, at 9:00 a.m., at 7350 East 29th Avenue, Suite 300, Denver, Colorado.

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ATTENDANCE

Directors in attendance:

John Lehigh, Acting Chair  
Steven C. Lawrence  
Adam Sommers

Directors absent (whose absences were excused):

King H. Harris  
Michael Kearns

Also in attendance:

John Moyer of Park Creek Metropolitan District  
James Chrisman of Forest City  
Cheryl Cohen-Vader of Stapleton Development Corp.  
Richard Gonzales of Stapleton Development Corp.  
Tammi Holloway of Stapleton Development Corp.  
Charlie Nicola of Forest City  
Brian Fennelly of Forest City  
Barbara Neal of Public Art  
Dennis Piper, Park Consultant  
Keven Burnett of Stapleton MCA  
Bar Chadwick of City and County of Denver  
Patricia N. Olson, D.V.M., of American Humane Association  
Paul R. Cockrel of Collins Cockrel & Cole  
Micki L. Wadhams of Collins Cockrel & Cole

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### NOTICE

It was noted that the agenda notice of the meeting had been properly posted as required by law. Notice of the meeting was posted in three (3) locations within the District's boundaries and in the office of the Denver County Clerk and Recorder at least 72 hours prior to the meeting. Certification of such posting is attached hereto.

### CONFLICTS OF INTEREST

Mr. Cockrel reported that Director Lehigh had previously filed a Disclosure of Potential Conflict of Interest Statement with the Board and the Secretary of State in accordance with statutory requirements. Such conflict arises from his respective employment relationship or officership or directorship positions with Forest City Stapleton, Inc., Stapleton Land, LLC, or other subsidiaries of Forest City Enterprises, Inc., the developer of property within the District, including entering into various reimbursement, funding, management and service agreements with the District or Park Creek Metropolitan District ("Park Creek" and together with the District, the "Districts").

Chair Harris also has previously filed a Disclosure of Potential Conflict of Interest Statement with the Board and the Secretary of State in accordance with statutory requirements. Such conflict arises from his respective directorship or officership position with Stapleton Development Corporation, a non-profit corporation, which is responsible for the disposition of the development property owned by the City and County of Denver ("City") within the District, including entering into agreements with the District or Park Creek and with SDC Services Corp., a subsidiary company, which provides administrative services to the Districts under the Professional Services Agreement.

Director Kearns also has previously filed a Disclosure of Potential Conflict of Interest Statement with the Board and the Secretary of State in accordance with statutory requirements. Such conflict arises from his directorship position on the Executive Board of the Stapleton Master Community Association, which has entered into the Management Services Agreement with Park Creek, and his

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directorship position with Stapleton Development Corporation, a non-profit corporation, which is responsible for the disposition of the development property owned by the City and County of Denver ("City") within the District, including entering into agreements with the District or Park Creek and with SDC Services Corp., a subsidiary company, which provides administrative services to the Districts under the Professional Services Agreement. Such relationships do not constitute statutory conflicts of interests.

All Disclosure of Potential Conflict of Interest Statements, whether filed for this meeting or previously, are deemed continuing in nature and are incorporated into the record of the meeting.

Directors Harris and Lehigh stated that they also serve on the Board of Directors of Park Creek.

All Directors acknowledged that the participation of at least three of them in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act; that written disclosures of potential conflicts of interest of Directors Harris, Lehigh and Kearns had been filed with the Board and the Secretary of State in accordance with statutory requirements; and that the nature of such Director's private interests related to their employment relationships or directorship or officership positions with either Forest City Stapleton, Inc., Stapleton Land, LLC, or other subsidiaries of Forest City Enterprises, Inc., or Stapleton Development Corporation or SDC Services Corp. or Stapleton Master Community Association. After Directors Harris, Lehigh and Kearns had summarily stated for the record the fact and nature of each of their private interests and had further stated that the determination to participate in voting or take any other action on any contract or other matter in which he may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an ad hoc basis, the Board turned its attention to the agenda items.

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### MINUTES

The Board reviewed the Minutes of the February 28, 2013 special meeting. Upon motion duly made, seconded and unanimously carried, the Board approved such Minutes as presented.

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### TREASURER'S REPORT

The Board next reviewed the District's financial statements through February 28, 2013, as submitted by Richard Gonzales.

After discussion and motion duly made, seconded and unanimously carried, the Board (i) accepted the Treasurer's Report, a copy of which is attached hereto and incorporated herein by this reference, and (ii) authorized the payment of all accounts, including current payables in conformance with budgetary appropriations, the encumbrance of all funds necessary for infrastructure projects, and the investment of any surplus funds.

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### 2012 BUDGET AMENDMENT

Acting Chair Lehigh then opened the public hearing to consider the 2012 Amended Budget, after noting that the notice concerning the budget amendment was published pursuant to statute. Following review, discussion and closure of the public hearing, the Board approved the 2012 Amended Budget. Upon motion duly made, seconded and unanimously carried, the Board adopted the Resolution to Amend 2012 Budget, which approves the increased appropriation in the General Fund from \$15,578,300 to \$15,821,000, a copy of which is attached hereto and incorporated herein by this reference.

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### ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned.

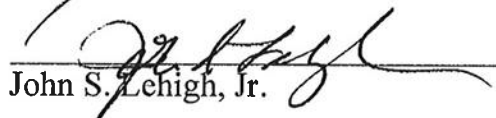
  
Secretary for the Meeting

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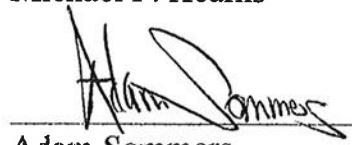
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APPROVED:

  
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King H. Harris

  
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John S. Lehigh, Jr.

\_\_\_\_\_  
Michael P. Kearns

  
\_\_\_\_\_  
Adam Sommers

**NOTICE OF SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF  
WESTERLY CREEK METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN that the special meeting of the Board of Directors of the Westerly Creek Metropolitan District, City and County of Denver, Colorado, will be held at 7350 East 29th Avenue, Suite 300, Denver, Colorado, on Thursday, March 28, 2013, at 9:00 a.m.

**AGENDA**

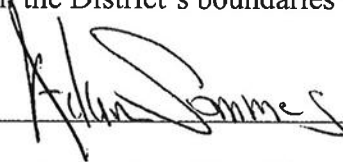
1. Public comment.
2. Disclosure of potential conflicts of interest.
3. Approval of Minutes of February 28, 2013 special meeting.
4. Treasurer's Report.
  - Review and acceptance of current financial statements
5. Conduct public hearing and consider adoption of Resolution to Amend 2012 Budget.
6. Attorney's Report.
7. Any other matter that may come before the Board.

This meeting is open to the public.

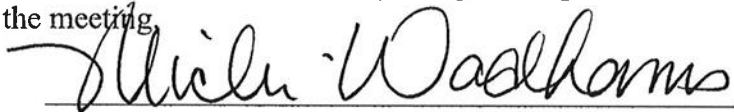
WESTERLY CREEK METROPOLITAN DISTRICT

By     /s/ Michael Kearns      
Secretary

I hereby certify that a copy of the foregoing Notice of Special Meeting was, by me personally, posted in three (3) locations within the District's boundaries at least 72 hours prior to the meeting.

  
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I hereby certify that a copy of the foregoing Notice of Special Meeting was, by me personally, forwarded to the County Clerk and Recorder's office for posting on the public bulletin board at least 72 hours prior to the meeting.

  
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**WESTERLY CREEK METROPOLITAN DISTRICT**  
Monthly Financial Report  
Period Ended February 28, 2013

The following reports are attached to this narrative:

- 1) Statement of Revenues, Expenditures and Changes in Net Assets - General Fund (1 page)

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Changes in Fund Balance

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- Although monthly taxes are slightly less than budget, year to date tax collections slightly exceed budget.
- Specific Ownership tax revenue is slightly less than budget.

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General Comments:

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- All tax income is transferred to Park Creek.
- All Westerly Creek expenses are funded by Park Creek.
  - Dues expense for the month is a timing difference. Year to date expenditures are within budget.
  - Treasurers fee expense is 1% of property tax income and therefore varies inversely with property tax income.
- Westerly Creek has no assets and therefore there is no Statement of Assets report.

**Westerly Creek Metropolitan District**  
**Revenue, Expenditures and Change in Net Assets**  
**WCMD General Fund**  
**For the 2 Months Ended February 28, 2013**

Current Budget	Actual	Favorable (Unfavorable)		YTD Budget	Actual	Favorable (Unfavorable)
<b>Revenue:</b>						
5,032,000	4,807,226	(224,774)	Property Tax - Debt - 53.652 Mills	5,342,000	5,463,793	121,793
156,000	148,677	(7,323)	Property Tax - O&M - 1.659 Mills	166,000	168,983	2,983
84,000	79,033	(4,967)	Specific Ownership tax	168,000	167,273	(727)
<u>5,272,000</u>	<u>5,034,935</u>	<u>(237,065)</u>	<b>Total: Revenue</b>	<u>5,676,000</u>	<u>5,800,049</u>	<u>124,049</u>
<b>Expenditures</b>						
<b>General and Administrative Expenditures</b>						
3,168	3,290	(122)	Staff Services	6,368	6,580	(212)
237	191	46	Office Services/Supplies	437	191	246
372	366	6	Office Rent	772	732	40
87	87	-	Rent - Storage	187	261	(74)
-	460	(460)	Dues	600	460	140
826	198	628	Legal Fees	1,627	198	1,429
-	-	-	Accounting/Audit Fees	1,200	-	1,200
51,880	49,559	2,321	Treasury Commission	55,080	56,328	(1,248)
-	-	-	Insurance Expense	2,600	2,505	95
<u>56,570</u>	<u>54,152</u>	<u>2,418</u>	Subtotal: G&A	<u>68,871</u>	<u>67,255</u>	<u>1,616</u>
<u>56,570</u>	<u>54,152</u>	<u>2,418</u>	<b>Total: Expenditures</b>	<u>68,871</u>	<u>67,255</u>	<u>1,616</u>
<u>5,215,430</u>	<u>4,980,784</u>	<u>(234,646)</u>	<b>Revenue Over/(Under) Expenditures</b>	<u>5,607,129</u>	<u>5,732,794</u>	<u>125,665</u>
56,570	54,152	(2,418)	Transfers From Park Creek	68,871	67,255	(1,616)
<u>(5,272,000)</u>	<u>(5,034,935)</u>	<u>237,065</u>	Transfers(To) Park Creek	<u>(5,676,000)</u>	<u>(5,800,049)</u>	<u>(124,049)</u>
<u>(5,215,430)</u>	<u>(4,980,784)</u>	<u>234,646</u>	<b>Total: Other Financing Sources/(Uses)</b>	<u>(5,607,129)</u>	<u>(5,732,794)</u>	<u>(125,665)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<b>Increase/(Decrease) in Net Assets</b>	<u>-</u>	<u>-</u>	<u>-</u>



WESTERLY CREEK METROPOLITAN DISTRICT  
 REVISED 2012 BUDGET  
 GENERAL FUND  
 March 11, 2013

	2012 Original Budget	2012 Revised Budget
<b>REVENUE</b>		
Property tax - general obligation	\$ 14,055,100	\$ 14,380,000
Property tax - operations & maintenance	434,700	445,000
Specific ownership tax	884,500	996,000
Other	-	-
	<u>15,374,300</u>	<u>15,821,000</u>
<b>EXPENDITURES / EXPENSES</b>		
Staff services	37,300	37,000
Office services and supplies	3,800	3,000
Rent	4,400	4,000
Rent - Offsite Storage	1,000	1,000
Dues	600	-
Fees	-	-
Legal	5,900	10,000
Accounting and audit	3,400	2,000
Other	-	3,000
Treasurer's fees	144,900	148,000
Insurance expense	2,700	2,000
	<u>204,000</u>	<u>210,000</u>
Excess of revenue over expenditures	15,170,300	15,611,000
<b>Other financing sources (uses)</b>		
Payments from Park Creek	204,000	210,000
Payments (to) Park Creek	<u>(15,374,300)</u>	<u>(15,821,000)</u>
	<u>(15,170,300)</u>	<u>(15,611,000)</u>
Change in fund balance	-	-
Beginning fund balance	-	-
Ending fund balance - restricted	<u>\$ -</u>	<u>\$ -</u>

**WESTERLY CREEK METROPOLITAN DISTRICT**  
**RESOLUTION TO AMEND 2012 BUDGET**

**WHEREAS**, the Board of Directors of Westerly Creek Metropolitan District adopted the budget and appropriated funds for the 2012 fiscal year as follows:

General Fund	\$15,578,300
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**WHEREAS**, additional expenditures in the General Fund are necessary resulting in expenditures in excess of appropriations for the 2012 fiscal year; and

**WHEREAS**, such additional expenditures are contingencies which could not have been reasonably foreseen at the time of adoption of the budget; and

**WHEREAS**, funds are available for such expenditures from unanticipated revenue in the General Fund.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of Westerly Creek Metropolitan District hereby adopts a supplemental budget and appropriation for the 2012 fiscal year as follows:

General Fund	\$15,821,000
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**BE IT FURTHER RESOLVED**, that such sums are hereby appropriated for expenditure from any available funds in the General Fund in accordance with the provisions of §29-1-109, C.R.S.

Dated this 28<sup>th</sup> day of March, 2013.

WESTERLY CREEK METROPOLITAN  
DISTRICT

By:   
\_\_\_\_\_  
John Lehigh, Vice President

ATTEST:

  
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Adam Sommers, Assistant Secretary