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January 29, 2002

Susanna Lienhard
Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203-2241

VIA HAND-DELIVERY

Re: Alpensee Water District

Dear Ms. Lienhard:


I am enclosing the Certified Record of Proceedings relating to the adoption of the 2002 budget for Alpensee Water District with an attached copy of the letter of budget transmittal, budget with budget message, and Certification of Tax Levies.

To confirm for our records that you have received the budget, please sign and certify the enclosed Certificate of Filing and return it to our office. A self-addressed, stamped envelope is enclosed for your convenience.

Thank you.

Sincerely,

GRIMSHAW & HARRING,
A Professional Corporation


Susan J. Schledorn
Paralegal

Enclosures

cc: Lori Cutunilli (w/encl)
L Paul Goedecke (w/encl)

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
ALPENSEE WATER DISTRICT
SUMMIT COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2002

STATE OF COLORADO)
)
COUNTY OF SUMMIT) ss.
)
ALPENSEE WATER DISTRICT)

The Board of Directors of Alpengsee Water District, Summit County, Colorado, held a special meeting at 16195 Highway 9, Frisco, Colorado, on Monday, the 12th day of November, 2001, at the hour of 5:30 p.m.

The following members of the Board of Directors were present:

President:	Joseph E. Dismount, Jr.
Secretary:	Kevin R. Smith
Directors:	Laurence E. Smith
Absent:	Travis A. Smith, absence excused
	There is one vacancy on the Board.
Also Present:	Lori Cutunilli, District Manager
	L. Paul Goedecke, District Accountant

The Chairman reported that, prior to the meeting, he had notified each of the Directors of the date, time and place of this meeting and the purpose for which it was called. He further reported that he had requested the attorney for the District to prepare a written Notice of Special Meeting and that said Notice was duly posted and kept posted at three public places within the boundaries of the District, including the designated posting location, and also at the Summit County Clerk and Recorder's office in Breckenridge, Colorado, all at least three days prior to this meeting. A copy of the Notice of Special Meeting which was used for this purpose was approved by the Directors and is attached to these minutes.

**NOTICE OF SPECIAL MEETING
ALPENSEE WATER DISTRICT**

NOTICE IS HEREBY GIVEN that the Board of Directors of ALPENSEE WATER DISTRICT of the County of Summit, State of Colorado, will hold a special meeting at 5:30 p.m. on Monday, the 12th day of November, 2001, at 16195 Highway 9, Frisco, Colorado, for the purpose of addressing those matters set out in the agenda below and of conducting such other business as may properly come before the Board.

The meeting is open to the public.

BY ORDER OF THE BOARD OF DIRECTORS:
ALPENSEE WATER DISTRICT

By: /s/ Kevin R. Smith
Secretary

Dated this 5th day of November, 2001.

AGENDA

1. Call to order.
2. Disclosure of potential conflicts of interest
3. Approval of minutes
4. Public hearing on the amendment to the 2001 budget
5. Public hearing on the adoption of the 2002 budget
6. Approval of resolution adopting the 2001 budget amendment
7. Approval of resolution adopting the 2002 budget
8. Financials/approval of disbursements.
9. Consider for approval resolution calling the May 7, 2002 regular election
10. Unfinished business.
11. New business.
12. Adjournment.

Thereupon, Director Laurence E. Smith, introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2002 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE ALPENSEE WATER DISTRICT, SUMMIT COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2002, AND ENDING ON THE LAST DAY OF DECEMBER, 2002,

WHEREAS, the Board of Directors of the Alpengsee Water District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 12, 2001, and interested electors were given the opportunity to file or register any objections to said proposed budget; 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; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ALPENSEE WATER DISTRICT OF SUMMIT COUNTY, COLORADO:

Section 1. 2002 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2002 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2002. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Alpengee Water District for calendar year 2002.

Section 4. 2002 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expense is \$-0- and the amount necessary to balance the budget for the Debt Service Fund for retirement of debt, bonds and interest thereon and payment of any contractual obligation approved by a majority of the qualified electors of the District is \$30,749, for a total of \$30,749. That the 2001 valuation for assessment, as certified by the Summit County Assessor, is \$1,024,980.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2002 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2001.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt retirement expense of the District during the 2002 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 30.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2001.

C. Levy for Abatement. That for the purposes of recoupment of the abatement of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2001.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That Kevin R. Smith as Secretary to the Board of the District is hereby authorized and directed to certify by December 15, 2001, to the Board of County Commissioners of Summit County, Colorado, the mill levies for the District hereinabove determined and set. That said certifications shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

The foregoing Resolution was seconded by Director Kevin R. Smith.

ADOPTED AND APPROVED this 12th day of November, 2001.



ATTEST:

Secretary

President

STATE OF COLORADO)
)
COUNTY OF SUMMIT) ss.
)
ALPENSEE WATER DISTRICT)

I, Kevin R. Smith, Secretary of Alpengsee Water District, Summit County, Colorado, do hereby certify that the foregoing pages constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a special meeting of the Board held at 16195 Highway 9, Frisco, Colorado, on Monday, the 12th day of November, 2001, commencing at 5:30 p.m., as recorded in the official record of the proceedings of the District kept in my office, insofar as said proceedings relate to the budget hearing for fiscal year 2002; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 12th day of November, 2001.



Kevin R. Smith
Secretary

ALPENSEE WATER DISTRICT

1700 Lincoln Street, Suite 3800

Denver, Colorado 80203

LETTER OF BUDGET TRANSMITTAL

Date: January 29, 2002

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

Attached is the 2002 budget and budget message for **ALPENSEE WATER DISTRICT** in Summit County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This budget was adopted on November 12, 2001. If there are any questions on the budget, please contact Paul Goedecke at telephone number: 303-232-2866 and mailing address 950 Wadsworth Boulevard, Suite 204, Lakewood, Colorado 80215. The mill levy certified to the county commissioners is 0 mills for all general operating purposes (not G.O. bonds and interest or contractual obligations approved at elections or levies for capital expenditures).

Attached is a copy of the certification of mill levies sent to the county commissioners.

I, Kevin R. Smith, hereby certify that I am the duly elected and qualified Secretary of the Alpensee Water District, and that the attached is a true and correct copy of the budget and budget message for the fiscal year 2002, and certification of tax levies to the Board of County Commissioners duly adopted at a meeting of the Board of Directors for the Alpensee Water District held on the 12th day of November, 2001.




Secretary

L. PAUL GOEDECKE P.C.

CERTIFIED PUBLIC ACCOUNTANTS

950 WADSWORTH BLVD.
SUITE 204
LAKEWOOD, COLORADO 80215
TELEPHONE (303) 232-2868
FAX (303) 232-9452
lpgcpa@uswest.net

November 6, 2001

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

Alpensee Water District 2002 Budget Message:

Enclosed for the Boards review is a Budget document for the year ended 12/31/2002. The following are the basic assumptions from which the 2002 budget has been prepared.

The District was organized on November 20 1999 to provide water improvements, and safety protection for its inhabitants. Presently the District exists to service its outstanding bond indebtedness and provide for any maintenance or repair needed within the District as well as water services to be supplied to the inhabitants of the District.

The budget has been prepared using the modified accrual basis of accounting. The District derives its revenue from facility fees, property taxes, specific ownership taxes and interest earnings on available District funds

The District's outstanding debt consists of Limited Tax Obligation Debt and is being serviced currently through the imposition of property tax mill levy not to exceed 50 mills and specific ownership taxes, facility fees and interest earnings. The District also has a subordinate Lien bond which is payable from pledged revenues and is subordinate to the Limited Tax Bonds.

The District has presently has no employees and contracts with consultants to provide the other monthly services required to operate the District. These normal operating costs are accounted for in the General Fund that is funded by property, specific ownership taxes and interest earnings. Any increases in fund balance on a yearly basis are considered to be increases in the General Fund reserves in order to comply with the provisions of the Tabor Amendment. At the end of each year the District reserves that portion of the fund balance necessary to comply with the Tabor Amendment

If you have any question concerning the preparation of the 2002 budget, please call.

Respectfully,


L. Paul Goedecke, C.P.A.

ALPENSEE WATER DISTRICT

11/17/00

BUDGET DOCUMENT
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	ACTUAL 2000	BUDGET 2001	ESTIMATE 2001	BUDGET 2002
BEGINNING FUND BALANCE		87,500	0	
REVENUE:				
PROPERTY TAXES				
SPECIFIC OWNERSHIP TAXES				
METER SALES		14,000	2,800	1,800
WATER REVENUE		3,000	2,940	10,860
TRANSF FROM DEBT SERVICE FUND			22,000	30,749
INTEREST INCOME			100	
TOTAL REVENUES	0	17,000	27,840	43,409
TOTAL REVENUE AND FUND BALANCE	0	104,500	27,840	43,409
EXPENDITURES:				
ACCOUNTING & AUDITING		5,000	5,000	5,000
COST OF METERS		11,200		
CHEMICALS		500		1,000
DIRECTORS FEES		1,500		
DUES		2,000	1,000	1,000
INSURANCE		3,000	3,000	2,500
LEGAL		10,000	5,000	5,000
MISCELLANEOUS		20,000	540	
OFFICE SUPPLIES		6,000		909
SALARIES & BENEFITS/CONTRACT LABOR		20,000	10,800	23,000
UTILITIES		6,000	1,000	3,500
WATER TESTING		2,500	1,500	1,500
TOTAL EXPENDITURES	0	87,700	27,840	43,409
ENDING FUND BALANCE	0	16,800	0	0
ASSESSED VALUATION				1,024,980
MILL LEVY				0.00
TOTAL PROPERTY TAXES				0

ALPENSEE WATER DISTRICT

 BUDGET DOCUMENT
 G.O. DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	ACTUAL 2000	BUDGET 2001	ESTIMATE 2001	BUDGET 2002
BEGINNING FUND BALANCE		185,333	347,625	307,006
REVENUE:				
PROPERTY TAXES		19,781	19,781	30,749
SPECIFIC OWNERSHIP TAXES		200	200	
CAPITALIZED INTEREST	95,000			
IMPROVEMENT FEES	286,000	264,000	198,000	264,000
INTEREST INCOME	2,059		12,000	6,000
TOTAL REVENUE	<u>383,059</u>	<u>283,981</u>	<u>229,981</u>	<u>300,749</u>
TOTAL REVENUE AND FUND BALANCE	<u>383,059</u>	<u>469,314</u>	<u>577,606</u>	<u>607,755</u>
EXPENDITURES:				
BOND PRINCIPAL		150,000	150,000	300,000
INTEREST	34,667	120,000	120,000	108,000
PAYING AGENT FEES	767	300	300	500
TREASURERS FEES		300	300	500
TRANSFER TO GENERAL FUND				30,749
				500
TOTAL EXPENDITURES	<u>35,434</u>	<u>270,600</u>	<u>270,600</u>	<u>440,249</u>
ENDING FUND BALANCE	<u>347,625</u>	<u>198,714</u>	<u>307,006</u>	<u>167,506</u>
ASSESSED VALUATION				1,024,980
MILL LEVY				<u>30</u>
				30,749

ALPENSEE WATER DISTRICT

 BUDGET DOCUMENT
 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	ACTUAL 2000	BUDGET 2001	ESTIMATED 2001	BUDGET 2002
BEGINNING FUND BALANCE			121,426	0
REVENUE:				
INTEREST	5,547		3,500	
SUBORDINATE LIEN ADVANCE	313,311			
MISCELLANEOUS			2,688	
BOND PROCEEDS	1,500,000			
	<u>1,818,858</u>	0	<u>6,188</u>	0
TOTAL FUND BALANCE AND REVENUE	<u>1,818,858</u>	0	<u>127,614</u>	0
ADMINISTRATIVE				
ACCOUNTING				
WATER EXPENSES	1,509,133		127,614	
BOND ISSUANCE COSTS	93,299			
TRANSFER CAPITALIZED INTEREST TO D/S	95,000			
TOTAL EXPENSES	<u>1,697,432</u>	0	<u>127,614</u>	0
ENDING FUND BALANCE	<u>121,426</u>	0	0	0

CERTIFICATION OF TAX LEVIES

TO: COUNTY COMMISSIONERS OF SUMMIT COUNTY, COLORADO:


The ALPENSEE WATER DISTRICT of Summit County, Colorado hereby certifies the following mill levies to be extended upon the TOTAL assessed valuation of \$1,024,980.

Submitted this date: December 13, 2001.

	LEVY		REVENUE
1. General Operating Expenses	0.000	mills	\$ -0-
2. (MINUS) Temporary Tax Credit or Rate Reduction or Refund due to excess fiscal year spending i.e. temporary mill levy reduction under CRS 39-1-111.5	0.000	mills	\$ -0-
SUBTOTAL	0.000	mills	\$ -0-
3. General Obligation Bonds and Interest:			
GO Limited Tax Bonds, Series 2000	30.000	mills	\$ 30,749
Subordinate Lien Bonds, Series 2000 (See attached Exhibit)	0.000	mills	\$ -0-
4. Contractual Obligations Approved at Election:	0.000	mills	\$ -0-
5. Capital Expenditures levied pursuant to CRS 29-1-302(1.5) or approved at election	0.000	mills	\$ -0-
6. Refunds/Abatements	0.000	mills	\$ -0-
7. Other _____	0.000	mills	\$ -0-
TOTAL	30.000	mills	\$ 30,749

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the
Alpensee Water District, Summit County, Colorado, this 12th day of November, 2001.




Secretary

If you have any questions concerning the Certification of Tax Levies, please contact Susan J. Schledorn, Paralegal, at telephone number 303-839-3800.

ALPENSEE WATER DISTRICT
CERTIFICATION OF TAX LEVIES - Con't.

THIS APPLIES ONLY TO SPECIAL DISTRICTS (TITLE 32, ARTICLE 1) WHICH
LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S)

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS:

1. Purpose of Issue: General Obligation Limited Tax Bonds (\$1,500,000)
Series: 2000
Date of Issue: September 1, 2000
Coupon Rate: 8.00%
Maturity Date: 2030
Levy: 30.000 mills
Revenue: \$30,749

The principal of and interest on the bonds are payable solely from and to the extent of the pledged revenue, which may or may not be sufficient to pay the principal of and interest on the bonds. The bonds are limited tax obligations payable solely from and to the extent of the moneys derived by the district from an ad valorem property tax levy to be imposed annually at a rate not to exceed 50 mills, after payment of any costs of collection, plus any other legally available moneys credited to the "Alpensee Water District General Obligation Limited Tax Bond Account, 2000" established by the Bond Resolution, including the Improvement Fees and Net Revenue.

2. Purpose of Issue: Subordinate Lien Bond (\$313,310.69)
Series: 2000
Date of Issue: September 1, 2000
Coupon Rate: 8.000% per annum
Maturity Date: 2025
Levy: 0.000 mills
Revenue: \$0.00