

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2018)

The Board of Directors of The Plaza Metropolitan District No. 1 (the “Board”), City of Lakewood, Colorado (the “District”) held a regular meeting at 464 South Teller Street, Lakewood, Colorado, on Wednesday, November 15, 2017, at the hour of 3:00 P.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 2018 BUDGET

The Denver Post, LLC

PUBLISHER'S AFFIDAVIT

**City and County of Denver)
State of Colorado)
)**

The undersigned **Nicole Maestas** being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of The Denver Post, LLC, publisher of *The Denver Post* and *Your Hub*.
2. *The Denver Post* and *Your Hub* are newspapers of general circulation that have been published continuously and without interruption for at least fifty-two weeks in Denver County and meet the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in *Your Hub* for Lakewood (including the counties of Jefferson and Denver) on the following date(s):

October 26, 2017

Nicole Maestas
Signature

Subscribed and sworn to before me this 26 day of October, 2017.

Cheryl L Schmid
Notary Public

**Cheryl L Schmid
Notary Public
State of Colorado
Notary ID 20094029973
My Commission Expires 9/14/2021**

(SEAL)

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2018 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2017 BUDGETS

NOTICE IS HEREBY GIVEN that proposed 2018 budgets have been submitted to the Boards of Directors (the "Boards") of THE PLAZA METROPOLITAN DISTRICT NOS. 1&2 (the "Districts"). Copies of the proposed budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2017 budgets have been submitted to the Districts. Copies of the proposed amended budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado, where the same are open for public inspection. Such proposed budgets and amended budgets will be considered at a public hearing during a meeting of the Districts to be held at 464 S. Teller Street, Lakewood, Colorado, on Wednesday, November 15, 2017 at 3:00 P.M. Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing body of the Districts.

BY ORDER OF THE BOARD OF DIRECTORS:
THE PLAZA METROPOLITAN DISTRICT NO. 1&2
/s/ **WHITE BEAR ANKELE TANAKA & WALDRON**
Attorneys at Law

Published in: *Lakewood Your Hub*
Published on: October 26, 2017

Thereupon, Director Tompkins 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 2018 AND ENDING ON THE LAST DAY OF DECEMBER 2018.

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 November 15, 2017, 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 2018 Revenues and 2018 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2018, 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 2018.

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 2018 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 4. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2018 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 5. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2018 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 2018 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 Jefferson 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 Wright.

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ADOPTED THIS 15th DAY OF NOVEMBER 2017.

THE PLAZA METROPOLITAN DISTRICT NO. 1



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 JEFFERSON
THE PLAZA METROPOLITAN DISTRICT NO. 1

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 on Wednesday, November 15, 2017, at 464 South Teller Street, Lakewood, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 15th day of November 2017.



EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAAconnect.com

Accountant's Compilation Report

Board of Directors
Plaza Metropolitan District No. 1
Jefferson County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of the Plaza Metropolitan District No. 1 for the year ending December 31, 2018, including the estimate of comparative information for the year ending December 31, 2017, and the actual comparative information for the year ending December 31, 2016, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to the Plaza Metropolitan District No. 1.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 2, 2018

THE PLAZA METROPOLITAN DISTRICT NO. 1
SUMMARY
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,

1/2/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 7,841,627	\$ 7,796,996	\$ 7,837,561
REVENUES			
1 Public improvement fees	5,257,206	5,304,150	5,559,089
2 Net investment income	80,328	130,000	130,000
3 Reimbursed expenditures	35,000	-	-
4 Developer advance - Block 2 Garage	-	-	250,000
5 Developer advance - Block 7 Garage	-	-	150,000
6 Developer advance - Other	-	29,775	-
7 Lodging tax	55,468	70,000	72,000
8 Maintenance reimbursement from City	69,555	61,981	63,800
9 Parking fees	53,115	120,000	120,000
10 Intergovernmental revenue from Plaza No. 2	296,774	314,267	425,930
11 Intergovernmental revenue from Plaza No. 3	112,692	142,328	156,913
12 Developer advance - Maintenance fee	1,461,632	1,700,000	1,700,000
13 Developer advance - Maintenance fee - Management fee	125,000	125,000	125,000
14 Developer advance - Parking	91,244	20,394	-
15 Incremental property taxes	4,967,693	5,744,698	7,646,465
16 Offsite incremental tax revenue	756,298	778,987	802,353
17 Outparcel tax revenue	316,031	315,402	315,402
18 Developer advance - Alameda improvements	-	1,093,333	2,186,667
19 Transfer in - Debt Service - Carve out	371,423	378,851	386,428
20 Transfer in - Debt Service - Fund Balance	1,005,057	1,115,470	1,679,245
Total revenues	<u>15,054,516</u>	<u>17,444,636</u>	<u>21,769,292</u>
TRANSFERS IN			
Total funds available	<u>24,282,135</u>	<u>26,701,632</u>	<u>31,523,853</u>
EXPENDITURES			
21 General and administration			
22 Accounting	37,712	50,000	52,000
23 Audit	7,500	7,500	7,500
24 Contingency	-	-	31,233
25 Dues and membership	1,688	1,688	2,100
26 Election	1,267	-	2,000
27 Insurance	24,247	23,851	26,000
28 Legal	77,843	75,000	75,000
29 Miscellaneous	59	853	-
30 Operations and maintenance			
31 Alameda improvements	-	1,093,333	2,186,667
32 Block 2 Garage	-	-	250,000
33 Block 7 Garage	-	-	150,000
34 Engineering	4,615	5,000	5,000
35 Maintenance - Residential	-	-	2,500
36 Operations and maintenance	1,461,632	1,700,000	1,700,000
37 Operations and maintenance - Management fee	125,000	125,000	125,000
38 Other	-	29,775	-
39 Parking operations	94,754	95,000	100,000
40 Payment to West Metro Fire	25,000	25,000	25,000
41 Debt service			
42 Bond interest Series 2013 Bonds	4,095,365	3,934,765	3,726,265
43 Bond principal Series 2013 Bonds	4,015,000	4,170,000	4,375,000
44 Investment management	-	9,000	9,500
45 Miscellaneous	8,202	-	-
46 Note 2010 - Interest	39,284	19,096	-
47 Note 2010 - Principal	226,616	224,662	-
48 Paying agent fees	4,125	7,500	7,500
49 PIF collection fees and expenses	222,758	232,230	242,108
50 Transfer to offsite LRA	3,250,000	4,080,497	6,843,954
51 Transfer out - General Fund - Carve out	371,423	378,851	386,428
52 Transfer out - General Fund - Fund Balance	1,005,057	1,115,470	1,679,245
Total expenditures	<u>15,099,147</u>	<u>17,404,071</u>	<u>22,010,000</u>
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	<u>16,485,139</u>	<u>18,864,071</u>	<u>23,927,000</u>
ENDING FUND BALANCES	\$ 7,796,996	\$ 7,837,561	\$ 7,596,853
EMERGENCY RESERVE			
Primary Debt Service Reserve	\$ 4,000	\$ 5,500	\$ 5,500
Unreserved	7,151,022	7,151,022	7,151,022
TOTAL RESERVE	<u>574,963</u>	<u>662,724</u>	<u>417,876</u>
	<u>\$ 7,729,985</u>	<u>\$ 7,819,246</u>	<u>\$ 7,574,398</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

THE PLAZA METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

1/2/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
ASSESSED VALUATION - JEFFERSON			
Vacant Land	\$ 7,337	\$ 7,337	\$ 203
	7,337	7,337	203
Adjustments	(5,948)	(6,062)	(168)
Certified Assessed Value	<u>\$ 1,389</u>	<u>\$ 1,275</u>	<u>\$ 35</u>
MILL LEVY			
PROPERTY TAXES			
Budgeted Property Taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED PROPERTY TAXES			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

THE PLAZA METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,

1/2/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 106,294	\$ 71,011	\$ 23,815
REVENUES			
1 Reimbursed expenditures	35,000	-	-
2 Developer advance - Block 2 Garage	-	-	250,000
3 Developer advance - Block 7 Garage	-	-	150,000
4 Developer advance - Other	-	29,775	-
5 Maintenance reimbursement from City	69,555	61,981	63,800
6 Parking fees	53,115	120,000	120,000
7 Developer advance - Maintenance fee	1,461,632	1,700,000	1,700,000
8 Developer advance - Maintenance fee - Management fee	125,000	125,000	125,000
9 Developer advance - Parking	91,244	20,394	-
10 Developer advance - Alameda improvements	-	1,093,333	2,186,667
11 Transfer in - Debt Service - Carve out	371,423	378,851	386,428
12 Transfer in - Debt Service - Fund Balance	1,005,057	1,115,470	1,679,245
Total revenues	3,212,026	4,644,804	6,661,140
Total funds available	3,318,320	4,715,815	6,684,955
EXPENDITURES			
General and administration			
13 Accounting	37,712	50,000	52,000
14 Audit	7,500	7,500	7,500
15 Contingency	-	-	31,233
16 Dues and membership	1,688	1,688	2,100
17 Election	1,267	-	2,000
18 Insurance	24,247	23,851	26,000
19 Legal	77,843	75,000	75,000
20 Miscellaneous	59	853	-
Operations and maintenance			
21 Alameda improvements	-	1,093,333	2,186,667
22 Block 2 Garage	-	-	250,000
23 Block 7 Garage	-	-	150,000
24 Engineering	4,615	5,000	5,000
25 Maintenance - Residential	-	-	2,500
26 Operations and maintenance	1,461,632	1,700,000	1,700,000
27 Operations and maintenance - Management fee	125,000	125,000	125,000
28 Other	-	29,775	-
29 Parking operations	94,754	95,000	100,000
30 Payment to West Metro Fire	25,000	25,000	25,000
Total expenditures	1,861,317	3,232,000	4,740,000
TRANSFERS OUT			
DEBT SERVICE FUND	1,385,992	1,460,000	1,917,000
Total transfers out	1,385,992	1,460,000	1,917,000
Total expenditures and transfers out requiring appropriation	3,247,309	4,692,000	6,657,000
ENDING FUND BALANCES	\$ 71,011	\$ 23,815	\$ 27,955
EMERGENCY RESERVE	\$ 4,000	\$ 5,500	\$ 5,500
TOTAL RESERVE	\$ 4,000	\$ 5,500	\$ 5,500

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

THE PLAZA METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,

1/2/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 7,735,333	\$ 7,725,985	\$ 7,813,746
REVENUES			
1 Public improvement fees	5,257,206	5,304,150	5,559,089
2 Net investment income	80,328	130,000	130,000
3 Lodging tax	55,468	70,000	72,000
4 Intergovernmental revenue from Plaza No. 2	296,774	314,267	425,930
5 Intergovernmental revenue from Plaza No. 3	112,692	142,328	156,913
6 Incremental property taxes	4,967,693	5,744,698	7,646,465
7 Offsite incremental tax revenue	756,298	778,987	802,353
8 Outparcel tax revenue	316,031	315,402	315,402
Total revenues	<u>11,842,490</u>	<u>12,799,832</u>	<u>15,108,152</u>
TRANSFERS IN			
GENERAL FUND	1,385,992	1,460,000	1,917,000
Total transfers in	<u>1,385,992</u>	<u>1,460,000</u>	<u>1,917,000</u>
Total funds available	<u>20,963,815</u>	<u>21,985,817</u>	<u>24,838,898</u>
EXPENDITURES			
Debt service			
9 Bond interest Series 2013 Bonds	4,095,365	3,934,765	3,726,265
10 Bond principal Series 2013 Bonds	4,015,000	4,170,000	4,375,000
11 Investment management	-	9,000	9,500
12 Miscellaneous	8,202	-	-
13 Note 2010 - Interest	39,284	19,096	-
14 Note 2010 - Principal	226,616	224,662	-
15 Paying agent fees	4,125	7,500	7,500
16 PIF collection fees and expenses	222,758	232,230	242,108
17 Transfer to offsite LRA	3,250,000	4,080,497	6,843,954
18 Transfer out - General Fund - Carve out	371,423	378,851	386,428
19 Transfer out - General Fund - Fund Balance	1,005,057	1,115,470	1,679,245
Total expenditures	<u>13,237,830</u>	<u>14,172,071</u>	<u>17,270,000</u>
Total expenditures and transfers out requiring appropriation	<u>13,237,830</u>	<u>14,172,071</u>	<u>17,270,000</u>
ENDING FUND BALANCES	<u>\$ 7,725,985</u>	<u>\$ 7,813,746</u>	<u>\$ 7,568,898</u>
Primary Debt Service Reserve	\$ 7,151,022	\$ 7,151,022	\$ 7,151,022
Unreserved	574,963	662,724	417,876
TOTAL RESERVE	<u>\$ 7,725,985</u>	<u>\$ 7,813,746</u>	<u>\$ 7,568,898</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**PLAZA METROPOLITAN DISTRICT NO. 1
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Court Order on January 2, 2001, to provide construction, installation, financing and operation of public improvements, including streets, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with other related districts, Plaza Metropolitan District No. 2 and Plaza Metropolitan District No. 3. Under the consolidated Service Plan, District No. 1 is to be the Service District and District Nos. 2 and 3 are to be the Financing Districts. The Service District will finance the majority, construct all, and may own and operate some of the public facilities. The Financing Districts will generate the majority of tax revenues sufficient to pay the debt service on the costs of the capital improvements. The District's service area is located entirely within the City of Lakewood (City), Jefferson County, Colorado. The service area constitutes the Belmar development project (Development) in the City.

On November 7, 2000, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$25,000,000 for parks and recreation, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer system, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control, \$7,000,000 for general operations and maintenance. The District electors also approved \$246,000,000 for debt associated with intergovernmental contracts and \$241,000,000 for refinancing of District debt. The election also approved an annual increase in taxes of \$200,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

On May 7, 2002, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer and storm drainage system, \$25,000,000 for parks and recreation, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control and \$7,000,000 for general operations and maintenance. The District electors also approved \$241,000,000 for debt refunding, \$246,000,000 for reimbursement of advances and \$246,000,000 for operating and maintaining facilities. The election also approved an annual increase in taxes of \$500,000 for general operations and maintenance.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105.

Revenues

Public Improvement Fees/Offsite Revenues

The District collects a public improvement fee (PIF) of 2.5% (net) on taxable sales generated within the Belmar Tax Increment Area. During 2018, it is anticipated that the District will receive \$5,559,089 in public improvement fees.

Pursuant to the Public Financing Amendment to the Redevelopment Agreement between Plaza Metropolitan District Nos. 1-3, the City of Lakewood, the Lakewood Reinvestment Authority and Continuum Development Company, LLC, the District is entitled to all property tax revenue generated within the Belmar Tax Increment Area. During 2018, it is anticipated that the District will receive \$7,646,465 in incremental property tax revenue and \$315,402 in outparcel tax revenue. The District is also entitled to receive property tax revenue from the Offsite Tax Increment Area up to a maximum amount of \$500,000 inflated at 3% per year (base year 2002), which for 2018 is \$802,353.

**PLAZA METROPOLITAN DISTRICT NO. 1
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Maintenance Fee

Pursuant to an agreement, SOF-X Belmar Holdings, L.P. performs operational and maintenance functions within the District. SOF-X Belmar Holdings, L.P. charges the District for their share of these expenses, as well as a management fee. The District charges these amounts to the entities that own the commercial property. The amount charged by SOF-X Belmar Holdings, L.P. for operations and maintenance is anticipated to be \$1,700,000 and \$125,000 for management services for 2018, respectively. This amount is also budgeted as a Developer advance from the entities that own the commercial property.

Maintenance Reimbursement from City

On May 14, 2004, the District entered into an IGA with the City, whereby the District is to perform certain maintenance functions that the City would normally perform. In exchange for the District providing these services, the City is reimbursing the District \$54,500 annually, as inflated. The amount anticipated for 2018 is \$63,800.

Pledged Lodging Tax Revenue

Pursuant to the Public Financing Amendment and the Supplemental Financing Agreement, the City agrees that it will rebate and pledge 1.5% of the City's 3% Lodging Tax imposed on all taxable lodging transactions occurring within the Belmar Tax Increment Area and the Belmar Outparcels Tax Increment Area. During 2018, it is anticipated that the District will receive \$72,000 in Lodging Tax.

Transfers from Other Districts

The District anticipates the collection of taxes in District Nos. 2 and 3, which will be transferred to fund debt service expenditures of District No. 1. During 2018, it is anticipated that District No. 1 will receive \$425,930 from District No. 2 and \$156,913 from District No. 3. \$25,000 of the transfer from District No. 2 will be used to pay West Metro Fire District under an intergovernmental agreement that provides fire protection to the Districts.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.00%.

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.

**PLAZA METROPOLITAN DISTRICT NO. 1
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Capital Outlay

The budget anticipates no construction activity during 2018.

Debt and Leases

The District issued \$98,900,000 Public Improvement Fee/Tax Increment Revenue Refunding Bonds, Series 2013, dated January 30, 2013, to refund Series 2003 and Series 2005 bonds, pay cost of issuance, and to pay off a portion of the outstanding developer advances. The interest rate of bonds is 2.00% to 4.90% with interest payments due on each June 1 and December 1. The bonds consist of term and serial bonds that are due each December 1 with final maturity on December 1, 2040.

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2018, as defined under TABOR.

This information is an integral part of the accompanying budget.

THE PLAZA METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2017

\$98,900,000
Public Improvement Fee/Tax Increment
Revenue Refunding Bonds, Series 2013
Dated January 30, 2013
Interest Rate of 2.00% to 4.90% Payable
June, 1 and December 1
Principal Due on December 1

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 4,375,000	\$ 3,726,265	\$ 8,101,265
2019	4,585,000	3,507,515	8,092,515
2020	4,810,000	3,278,265	8,088,265
2021	5,045,000	3,037,765	8,082,765
2022	5,290,000	2,785,515	8,075,515
2023	5,550,000	2,521,015	8,071,015
2024	5,080,000	2,299,015	7,379,015
2025	5,280,000	2,090,735	7,370,735
2026	5,500,000	1,868,975	7,368,975
2027	2,565,000	1,621,475	4,186,475
2028	1,995,000	1,506,050	3,501,050
2029	1,395,000	1,416,275	2,811,275
2030	1,450,000	1,353,500	2,803,500
2031	1,510,000	1,288,250	2,798,250
2032	1,580,000	1,212,750	2,792,750
2033	1,650,000	1,133,750	2,783,750
2034	1,725,000	1,051,250	2,776,250
2035	1,805,000	965,000	2,770,000
2036	1,885,000	874,750	2,759,750
2037	1,975,000	780,500	2,755,500
2038	2,065,000	681,750	2,746,750
2039	2,160,000	578,500	2,738,500
2040	9,410,000	470,500	9,880,500
	<u>\$ 78,685,000</u>	<u>\$ 40,049,365</u>	<u>\$ 118,734,365</u>

This financial information should be read in connection with the accompanying accountant's compilation report and summary of significant assumptions.