

**THE PLAZA METROPOLITAN DISTRICT NO. 1**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2022**

**THE PLAZA METRO DISTRICT NO. 1  
SUMMARY  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 7,938,307	\$ 8,313,387	\$ 7,960,435
REVENUES			
Developer advance - maintenance fee	1,184,638	1,500,000	1,800,000
Developer advance - maint. fee - mgmt fee	125,000	125,000	150,000
Developer advance - parking	13,429	-	-
Parking fees	30,736	50,000	90,000
CARES Act	5,073	10,332	-
Maintenance reimbursement from City	70,684	71,000	77,581
Interest income	317,366	-	7,000
Public improvement fees	4,046,097	4,400,000	4,500,000
PIF collection fee refund	289,650	-	-
Incremental tax revenue	8,575,150	7,900,000	9,073,000
Offsite incremental tax revenue	851,220	876,757	903,056
Outparcels tax revenue	380,371	382,685	338,925
Lodging tax	29,339	55,000	60,000
Transfers from Plaza District No. 2	446,074	435,286	411,098
Transfers from Plaza District No. 3	161,928	181,355	184,907
Developer advance - Block 2 Garage	-	-	250,000
Developer advance - Block 7 Garage	-	-	150,000
Developer advance - Block 5 Garage	-	-	325,000
Transfers in - Debt Service - Carve out	402,040	410,081	418,282
Transfers in - Debt Service - Fund balance	1,898,593	1,890,552	1,837,895
Total revenues	<u>18,827,388</u>	<u>18,288,048</u>	<u>20,576,744</u>
TRANSFERS IN	<u>1,970,000</u>	<u>1,722,000</u>	<u>1,810,000</u>
Total funds available	<u>28,735,695</u>	<u>28,323,435</u>	<u>30,347,179</u>
EXPENDITURES			
General Fund	1,591,391	1,870,000	3,070,000
Debt Service Fund	16,860,917	16,771,000	17,136,000
Total expenditures	<u>18,452,308</u>	<u>18,641,000</u>	<u>20,206,000</u>
TRANSFERS OUT	<u>1,970,000</u>	<u>1,722,000</u>	<u>1,810,000</u>
Total expenditures and transfers out requiring appropriation	<u>20,422,308</u>	<u>20,363,000</u>	<u>22,016,000</u>
ENDING FUND BALANCES	<u>\$ 8,313,387</u>	<u>\$ 7,960,435</u>	<u>\$ 8,331,179</u>
EMERGENCY RESERVE	\$ 4,000	\$ 4,000	\$ 6,000
PRIMARY DEBT SERVICE RESERVE	7,151,022	7,151,022	7,151,022
UNRESERVED	966,993	149,076	301,062
TOTAL RESERVE	<u>\$ 8,122,015</u>	<u>\$ 7,304,098</u>	<u>\$ 7,458,084</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METRO DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
<b>ASSESSED VALUATION</b>			
Vacant land	\$ 203	\$ 406	\$ 203
	203	406	203
Adjustments	(164)	(337)	(169)
Certified Assessed Value	\$ 39	\$ 69	\$ 34
 <b>MILL LEVY</b>			
Total mill levy	0.000	0.000	0.000
 <b>PROPERTY TAXES</b>			
Budgeted property taxes	\$ -	\$ -	\$ -
 <b>BUDGETED PROPERTY TAXES</b>			
	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METRO DISTRICT NO. 1  
GENERAL FUND  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 26,570	\$ 195,372	\$ 660,337
<b>REVENUES</b>			
Developer advance - maintenance fee	1,184,638	1,500,000	1,800,000
Developer advance - maint. fee - mgmt fee	125,000	125,000	150,000
Developer advance - parking	13,429	-	-
Parking fees	30,736	50,000	90,000
CARES Act	5,073	10,332	-
Maintenance reimbursement from City	70,684	71,000	77,581
Developer advance - Block 2 Garage	-	-	250,000
Developer advance - Block 7 Garage	-	-	150,000
Developer advance - Block 5 Garage	-	-	325,000
Transfers in - Debt Service - Carve out	402,040	410,081	418,282
Transfers in - Debt Service - Fund balance	1,898,593	1,890,552	1,837,895
Total revenues	<u>3,730,193</u>	<u>4,056,965</u>	<u>5,098,758</u>
Total funds available	<u>3,756,763</u>	<u>4,252,337</u>	<u>5,759,095</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	41,410	52,000	52,000
Auditing	7,500	7,800	8,000
Dues and subscriptions	1,688	1,688	2,000
Insurance and bonds	29,533	28,719	33,000
Legal services	149,972	100,000	100,000
Miscellaneous	-	3,713	-
Election expense	9,776	-	-
Contingency	-	-	72,500
Operations and maintenance			
Belmar Detention Pond Improvement Project	-	-	35,000
Engineering	5,700	1,080	5,000
Operations and maintenance	1,184,638	1,500,000	1,800,000
Operations and maintenance - management fee	125,000	125,000	150,000
Parking operations	36,174	50,000	85,000
Maintenance - Residential	-	-	2,500
Block 2 Garage	-	-	250,000
Block 7 Garage	-	-	150,000
Block 5 Garage	-	-	325,000
Total expenditures	<u>1,591,391</u>	<u>1,870,000</u>	<u>3,070,000</u>
<b>TRANSFERS OUT</b>			
Transfers to other fund	<u>1,970,000</u>	<u>1,722,000</u>	<u>1,810,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,561,391</u>	<u>3,592,000</u>	<u>4,880,000</u>
ENDING FUND BALANCE	<u>195,372</u>	<u>660,337</u>	<u>879,095</u>
EMERGENCY RESERVE	\$ 4,000	\$ 4,000	\$ 6,000
TOTAL RESERVE	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 6,000</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METRO DISTRICT NO. 1  
DEBT SERVICE FUND  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 7,911,737	\$ 8,118,015	\$ 7,300,098
<b>REVENUES</b>			
PIF collection fee refund	289,650	-	-
Interest income	317,366	-	7,000
Public improvement fees	4,046,097	4,400,000	4,500,000
Incremental tax revenue	8,575,150	7,900,000	9,073,000
Offsite incremental tax revenue	851,220	876,757	903,056
Outparcels tax revenue	380,371	382,685	338,925
Lodging tax	29,339	55,000	60,000
Transfers from Plaza District No. 2	446,074	435,286	411,098
Transfers from Plaza District No. 3	161,928	181,355	184,907
Total revenues	<u>15,097,195</u>	<u>14,231,083</u>	<u>15,477,986</u>
<b>TRANSFERS IN</b>			
Transfers from other funds	<u>1,970,000</u>	<u>1,722,000</u>	<u>1,810,000</u>
Total funds available	<u>24,978,932</u>	<u>24,071,098</u>	<u>24,588,084</u>
<b>EXPENDITURES</b>			
General and administrative			
Unrealized investment losses	-	100,000	-
Paying agent/trustee fees	-	4,540	7,500
Investment management	8,863	9,000	9,500
Fees and expenses - PIF Collection	263,156	274,364	286,054
Transfers to LRA	6,200,000	5,999,698	6,501,254
Transfers out - General Fund - Carve out	402,040	410,081	418,282
Transfers out - General Fund - Fund balance	1,898,593	1,890,552	1,837,895
Debt Service			
Bond interest - Series 2013 Bonds	3,278,265	3,037,765	2,785,515
Bond principal - Series 2013 Bonds	4,810,000	5,045,000	5,290,000
Total expenditures	<u>16,860,917</u>	<u>16,771,000</u>	<u>17,136,000</u>
Total expenditures and transfers out requiring appropriation	<u>16,860,917</u>	<u>16,771,000</u>	<u>17,136,000</u>
ENDING FUND BALANCE	<u>\$ 8,118,015</u>	<u>\$ 7,300,098</u>	<u>\$ 7,452,084</u>
PRIMARY DEBT SERVICE RESERVE	\$ 7,151,022	\$ 7,151,022	\$ 7,151,022
UNRESERVED	966,993	149,076	301,062
TOTAL RESERVE	<u>\$ 8,118,015</u>	<u>\$ 7,300,098</u>	<u>\$ 7,452,084</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 1  
2022 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. 29-1-105 105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**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 2022, it is anticipated that the District will receive \$4,500,000 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

**THE PLAZA METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenue – (continued)**

Continuum Development Company, LLC, the District is entitled to all property tax revenue generated within the Belmar Tax Increment Area. During 2022, it is anticipated that the District will receive \$9,073,000 in incremental property tax revenue and \$338,925 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 2022 is \$903,056.

**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 \$1,800,000 and \$150,000 for management services for 2022, 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 2022 is \$71,581.

**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 2022, it is anticipated that the District will receive \$60,000 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 2022, it is anticipated that District No. 1 will receive \$411,098 from District No. 2 and \$184,907 from District No. 3.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .10%.

**THE PLAZA METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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.

**Capital Outlay**

The budget anticipates no construction activity during 2022.

**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 following is an analysis of anticipated changes in long-term obligations for the year ending December 31, 2021:

	Balance - December 31, 2020	Additions	Retirements	Balance - December 31, 2021
Developer Advances				
and Compounded Interest	\$ 37,521,666	\$ 4,625,000	\$ -	\$ 42,146,666
Total	<u>\$ 37,521,666</u>	<u>\$ 4,625,000</u>	<u>\$ -</u>	<u>\$ 42,146,666</u>

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 2022, 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, 2021**

**\$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>
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>\$ 59,870,000</u>	<u>\$ 26,499,555</u>	<u>\$ 86,369,555</u>

No assurance provided. See summary of significant assumptions.