

**THE PLAZA METROPOLITAN DISTRICT NOS. 1 - 3
CITY OF LAKEWOOD, COLORADO**

2021 CONSOLIDATED ANNUAL REPORT

Pursuant to the Amended and Restated Consolidated Service Plan for The Plaza Metropolitan District No. 1, The Plaza Metropolitan District No. 2, and The Plaza Metropolitan District No. 3 (collectively the “Districts”), the Districts are required to submit an annual report to the City of Lakewood, Colorado (the “City”) which reflects activity and financial events of the Districts. The annual report is to include a copy of the current year budget for each of the Districts, and a summary of construction actually completed in the prior year and construction anticipated to be undertaken in the current year.

The Districts make the following report for 2021:

1. Budgets

The current year’s budget for each of the Districts is attached hereto as Exhibit A.

2. Construction Summary

A summary of construction actually completed in the prior year and construction anticipated to be undertaken in the current year is attached as Exhibit B.

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EXHIBIT A
2022 Budgets

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
ASSESSED VALUATION			
Vacant land	\$ 203	\$ 406	\$ 203
	203	406	203
Adjustments	(164)	(337)	(169)
Certified Assessed Value	\$ 39	\$ 69	\$ 34
 MILL LEVY			
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
	\$ -	\$ -	\$ -

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
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
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>
EXPENDITURES			
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>
TRANSFERS OUT			
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
REVENUES			
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>
TRANSFERS IN			
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>
EXPENDITURES			
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.

THE PLAZA METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**THE PLAZA METROPOLITAN DISTRICT NO. 2
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 13,812	\$ 14,025	\$ -
REVENUES			
Property taxes	327,970	325,097	308,864
Specific ownership tax	122,660	101,000	106,767
Interest income	577	40	100
Other revenue	-	-	15,000
Total revenues	<u>451,207</u>	<u>426,137</u>	<u>430,731</u>
Total funds available	<u>465,019</u>	<u>440,162</u>	<u>430,731</u>
EXPENDITURES			
Debt Service Fund	450,994	440,162	430,731
Total expenditures	<u>450,994</u>	<u>440,162</u>	<u>430,731</u>
Total expenditures and transfers out requiring appropriation	<u>450,994</u>	<u>440,162</u>	<u>430,731</u>
ENDING FUND BALANCES	<u>\$ 14,025</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

THE PLAZA METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/6/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Commercial	\$ 63,690,645	\$ 63,666,934	60,339,233
State assessed	228,083	197,039	231,646
Vacant land	1,596,839	1,152,936	439,041
	<u>65,515,567</u>	<u>65,016,909</u>	<u>61,009,920</u>
Adjustments	(52,269,481)	(52,013,022)	(48,655,380)
Certified Assessed Value	<u>\$ 13,246,086</u>	<u>\$ 13,003,887</u>	<u>\$ 12,354,540</u>
MILL LEVY			
Debt Service	25.000	25.000	25.000
Total mill levy	<u>25.000</u>	<u>25.000</u>	<u>25.000</u>
PROPERTY TAXES			
Debt Service	\$ 331,152	\$ 325,097	\$ 308,864
	<u>331,152</u>	<u>325,097</u>	<u>308,864</u>
Levied property taxes	331,152	325,097	308,864
Adjustments to actual/rounding	(3,182)	-	-
Budgeted property taxes	<u>\$ 327,970</u>	<u>\$ 325,097</u>	<u>\$ 308,864</u>
BUDGETED PROPERTY TAXES			
Debt Service	<u>\$ 327,970</u>	<u>\$ 325,097</u>	<u>\$ 308,864</u>
	<u>\$ 327,970</u>	<u>\$ 325,097</u>	<u>\$ 308,864</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 13,812	\$ 14,025	\$ -
REVENUES			
Property taxes	327,970	325,097	308,864
Specific ownership tax	122,660	101,000	106,767
Interest income	577	40	100
Other revenue	-	-	15,000
Total revenues	451,207	426,137	430,731
Total funds available	465,019	440,162	430,731
EXPENDITURES			
County Treasurer's fee	4,920	4,876	4,633
Transfers to Plaza Metro District No. 1	446,074	435,286	411,098
Contingency	-	-	15,000
Total expenditures	450,994	440,162	430,731
Total expenditures and transfers out requiring appropriation	450,994	440,162	430,731
ENDING FUND BALANCE	\$ 14,025	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2
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. 1 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 costs of the capital improvements. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado.

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, \$246,000,000 for debt associated with intergovernmental contracts, \$241,000,000 for refinancing of District debt, and \$7,000,000 for general operations and maintenance. 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.

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 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

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 25 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For the purposes of the foregoing, a change in the ratio of

**THE PLAZA METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On December 3, 2002, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 9.15% and currently the ratio is at 7.15%. Since the District contains virtually no residential property, the District's mill levy will remain at 25.000 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected on the gross Assessed Value.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.1%.

Expenditures

Administrative Expenditures

All administrative functions for the District are to be performed by District No. 1.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Transfers to Other Districts

The District anticipates transferring all tax revenue in the total amount of \$411,098 to District No. 1's debt service fund.

Reserves

Emergency Reserve

Under the consolidated Service Plan and Master Intergovernmental Agreement, the District transfers all of its revenues to District No. 1, which has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

Debt and Leases

The District has no debt issued and has no operating or capital leases.

This information is an integral part of the accompanying budget.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022**

**THE PLAZA METROPOLITAN DISTRICT NO. 3
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 5,124	\$ 5,449	\$ -
REVENUES			
Property taxes	113,436	126,884	135,677
Specific ownership tax	50,225	51,000	51,165
Interest income	294	-	100
Other revenue	-	-	10,000
Total revenues	<u>163,955</u>	<u>177,884</u>	<u>196,942</u>
Total funds available	<u>169,079</u>	<u>183,333</u>	<u>196,942</u>
EXPENDITURES			
Debt Service Fund	163,630	183,333	196,942
Total expenditures	<u>163,630</u>	<u>183,333</u>	<u>196,942</u>
Total expenditures and transfers out requiring appropriation	<u>163,630</u>	<u>183,333</u>	<u>196,942</u>
ENDING FUND BALANCES	<u>\$ 5,449</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Residential	\$ 25,494,649	\$ 25,494,649	\$ 27,566,230
Commercial	181,309	277,722	257,178
State assessed	529,332	572,828	567,810
Vacant land	609	444,512	444,512
	<u>26,205,899</u>	<u>26,789,711</u>	<u>28,835,730</u>
Adjustments	(21,330,425)	(21,779,284)	(23,483,164)
Certified Assessed Value	<u>\$ 4,875,474</u>	<u>\$ 5,010,427</u>	<u>\$ 5,352,566</u>
 MILL LEVY			
Debt Service	25.533	25.324	25.348
Total mill levy	<u>25.533</u>	<u>25.324</u>	<u>25.348</u>
 PROPERTY TAXES			
Debt Service	\$ 124,485	\$ 126,884	\$ 135,677
Levied property taxes	124,485	126,884	135,677
Adjustments to actual/rounding	(11,049)	-	-
Budgeted property taxes	<u>\$ 113,436</u>	<u>\$ 126,884</u>	<u>\$ 135,677</u>
 BUDGETED PROPERTY TAXES			
Debt Service	<u>\$ 113,436</u>	<u>\$ 126,884</u>	<u>\$ 135,677</u>
	<u>\$ 113,436</u>	<u>\$ 126,884</u>	<u>\$ 135,677</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
General and administrative			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
EMERGENCY RESERVE	\$ -	\$ -	\$ -
AVAILABLE FOR OPERATIONS	-	-	-
TOTAL RESERVE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 5,124	\$ 5,449	\$ -
REVENUES			
Property taxes	113,436	126,884	135,677
Specific ownership tax	50,225	51,000	51,165
Interest income	294	-	100
Other revenue	-	-	10,000
Total revenues	163,955	177,884	196,942
Total funds available	169,079	183,333	196,942
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,702	1,903	2,035
Interest expense		75	-
Transfers to Plaza Metro District No. 1	161,928	181,355	184,907
Contingency	-	-	10,000
Debt Service			
Total expenditures	163,630	183,333	196,942
Total expenditures and transfers out requiring appropriation	163,630	183,333	196,942
ENDING FUND BALANCE	\$ 5,449	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Court Order on November 16, 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. 1 and Plaza Metropolitan District No. 2. 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 costs of the capital improvements. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado.

On November 6, 2001, 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, \$246,000,000 for debt associated with intergovernmental contracts, \$241,000,000 for refinancing of District debt, and \$7,000,000 for general operations and maintenance. 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.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-10 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

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 20 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor

**THE PLAZA METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On December 3, 2002, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 9.15% and currently the ratio is at 7.15%. Due to this ratio change, the District's mill levy was increased to 25.348 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected on the gross Assessed Value.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .1%.

Expenditures

Administrative Expenditures

All administrative functions for the District are to be performed by District No. 1.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Transfers to Other Districts

The District anticipates transferring all tax revenue in the total amount of \$184,907 to District No. 1's debt service fund.

Reserves

Emergency Reserve

Under the consolidated Service Plan and Master Intergovernmental Agreement, the District transfers all of its revenues to District No. 1, which has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

Debt and Leases

The District has no debt issued and has no operating or capital leases.

This information is an integral part of the accompanying budget.

EXHIBIT B
Construction Manager's Report

2021 CONSTRUCTION MANAGER'S REPORT

THE PLAZA METROPOLITAN DISTRICT NOS. 1-3

A. GENERAL

The metropolitan district structure serving the Belmar site consists of three related districts – The Plaza Metropolitan District Nos. 1, 2 and 3. District No. 1 is the coordinating district. It is the owner of all public improvements owned by the metropolitan district and the entity that is party to all of the agreements with the City of Lakewood regarding maintenance obligations on-site and the operation of the onstreet pay parking program. District No. 1 is also the issuer of tax-exempt bonds used to construct public infrastructure and public facilities at Belmar. District No. 2 is the commercial district which includes all commercial property within Belmar. District No. 3 is the residential district, which includes all residential property within Belmar, regardless of location within the site. District Nos. 2 and 3 each have mill levies currently in place. For convenience, the term Plaza Metro District is used when referring to obligations or activities of one or more of these districts. The Plaza Metro District is primarily a vehicle for the creation, operation and maintenance of public infrastructure and public facilities with the Belmar site. All the public streets within Belmar have been constructed by the Plaza Metro District, which in turn dedicated these rights-of-way to the City of Lakewood, with the exception of Upham Street and Bonfils Lane. The Plaza Metro District has also been responsible for the development of water, storm sewer, and sanitary sewer improvements throughout the site. Stormwater improvements have been dedicated to the City of Lakewood, and all water and sewer improvements have been dedicated to the Bancroft-Clover Water and Sanitation District (with the exception of a small amount of water and sanitary system improvements at the northeast corner of the site that were dedicated to either Consolidated Mutual Water Co. or the Alameda Sanitation District).

B. DRY UTILITIES

Most dry utilities are in place and complete throughout the project.

C. SANITARY SYSTEM AND STORM WATER CONNECTIONS

No significant improvements were made during 2021 to the main sanitary sewer or stormwater collection systems.

D. WATER IMPROVEMENTS

No significant actions were required in 2021.

E. STREET IMPROVEMENTS, PARKING & TRAFFIC SAFETY

During 2021, pavement repairs were performed on Teller and Alaska as well as other the streets of Belmar. Repainting of the trash cans and bike racks were performed throughout the District.

The District also continues the program to prune existing trees and replace dying street trees throughout the project.

F. PARKS AND RECREATION

There were no projects performed in 2021.

G. PROJECT COMPLETION IN 2021

The City of Lakewood's Alameda Avenue improvement project continued between Saulsbury and S. Sheridan Boulevard.

PROJECTS ANTICIPATED FOR 2022:

Doran Construction Group will be submitting revised plans for the development of the Block 6 parcel parking lot behind the Plaza Condominiums in January. Construction could begin Q4.

Paid Street parking upgrade/change is being planned for 2022 with the termination of 3G network that the current system utilizes.

Repairs to both Parking Garages staircases, 2G and 7G will begin January.

Re-stripping of surface parking 9