

**TOWN OF SEVERANCE, COLORADO**

**RESOLUTION NO. 2015-15R**

**A RESOLUTION OF THE TOWN OF SEVERANCE APPROVING THE  
CONSOLIDATED SERVICE PLAN AND ORGANIZATION OF  
TAILHOLT METROPOLITAN DISTRICT NO. 1, NO. 2 AND NO. 3 AND  
AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL  
AGREEMENT BETWEEN THE TOWN AND THE DISTRICTS**

**WHEREAS**, Section 32-1-204.5 of the Colorado Revised Statutes, provides that no special district shall be organized if wholly within the boundaries of a municipality, except upon adoption of a resolution approving the service plan of the proposed special district; and

**WHEREAS**, pursuant to the provisions of the “Special District Control Act”, Part 2 of Article 1, Title 32, of the Colorado Revised Statutes, the representatives of Tailholt Metropolitan District Nos. 1, No. 2 and No. 3 (the “Districts”) submitted to the Town of Severance (the “Town”) a Service Plan for Tailholt Metropolitan District Nos. 1-3 dated September 3, 2015 and Revised and Resubmitted September 15, 2015 (the “Service Plan”) which outlines the terms and conditions under which the Districts will be authorized to exist; and

**WHEREAS**, pursuant to Sections 32-1-203 and 204.5, C.R.S., as amended, the Service Plan for the Districts has been reviewed and recommended for approval by the Town Attorney and the Town Planning Department, and has now been submitted to the Board of Trustees for the Town of Severance, Weld County, Colorado for its final approval; and

**WHEREAS**, pursuant to the provisions of Title 32, Article 1, C.R.S., as amended, the Board of Trustees scheduled and held a public hearing on the Service Plan on September 21, 2015 at which hearings all interested parties were afforded an opportunity to be heard and all other testimony and evidence was presented; and

**WHEREAS**, the territory of the proposed Districts is located wholly within the corporate limits of the Town; and

**WHEREAS**, the members of the Board of Trustees of the Town have been duly elected, chosen and qualified; and

**WHEREAS**, Board of Trustee’s approval of the Service Plan is subject to and based upon these conditions and limitations contained in the Service Plan and attached to this Resolution, if any; and

**WHEREAS**, the Board of Trustees further finds that it is in the best interest of the citizens of the Town to enter into an Intergovernmental Agreement with the Districts at the time of their formation for the purpose of assigning the relative rights and responsibilities between the Town and the Districts with respect to certain functions, operations and obligations of the Districts.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SEVERANCE, COLORADO:**

**SECTION 1.** The above and foregoing recitals are incorporated herein by reference and are adopted as findings and determinations of the Board of Trustees.

**SECTION 2.** The Board of Trustees further finds that all of the jurisdictional and other requirements of Section 32-1-202(2) and 32-1-204.5(1), C.R.S., have been fulfilled, including those relating to the filing and form of the Service Plan for the Districts and that notice of the public hearing before the Board of Trustees was given in the time and manner required by the laws of the State of Colorado.

**SECTION 3.** The Board of Trustees further finds and determines that all pertinent facts were submitted by the applicant to the Town Board in open public meeting; that all interested parties were heard or had the opportunity to be heard; and that evidence satisfactory to the Board of Trustees of each of the following was presented:

- a. Adequate service is not, and will not, be available to the area to be served by the Districts through the Town or other existing special districts within a reasonable time and on a comparable basis;
- b. The facility and service standards of the proposed District are compatible with the facility and service standards of the Town;
- c. There is sufficient existing and projected need for organized service in the area to be served by the proposed Districts;
- d. The existing service in the area to be served by the proposed Districts is not adequate for present and projected needs;
- e. The proposed Districts are capable of providing economic and sufficient service to the area within their proposed boundaries;
- f. The area to be included in the proposed Districts has or will have the financial ability to discharge the proposed indebtedness on a reasonable basis;
- g. The proposal is in substantial compliance with any duly adopted master plans;
- h. The proposal is in compliance with any duly adopted county, regional, or state long range water quality management plan for the area; and
- i. The creation of the proposed Districts will be in the best interests of the area to be served.

- j. The creation of District(s) will be followed by an Intergovernmental Agreement with the Town setting forth additional detail about the obligations of the District to the Public and the Town.

**SECTION 4.** The Board of Trustees of the Town of Severance, Colorado hereby approves the Service Plan for Tailholt Metropolitan Districts No. 1, No. 2 and No. 3 in substantially the form presented at this hearing.

**SECTION 5.** The officers of the Town are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

**SECTION 6.** This Resolution shall be in full force and effect upon its passage and approval.

**SECTION 7.** The Mayor and Town Clerk are hereby authorized to execute, on behalf of the Town of Severance, the Intergovernmental Agreement between the Town of Severance, Colorado and Tailholt Metropolitan District Nos. 1, 2 and 3 (the "Town IGA") in substantially the form presented at this meeting, with such technical additions, deletions, and variations as the Town Attorney may deem necessary or appropriate and not inconsistent with this Resolution.

**SECTION 8.** A certified copy of this Resolution shall be filed in the records of the Town and submitted to the petitioners for the purpose of filing in the District Court of Weld County, Colorado.

**SECTION 9. Repealer.** All acts, orders, resolutions, or parts thereof, of the Town that are inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

**SECTION 10.** If any section, paragraph, clause or provision of this Resolution shall for any reason to be held invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

**SECTION 11.** Any reconsideration of this Resolution is hereby waived.

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This Resolution was introduced, read and adopted upon a motion duly made, second and passed by the Board of Trustees on this 21 day of September, 2015.

**BOARD OF TRUSTEES  
TOWN OF SEVERANCE, COLORADO**

By: Donald R. Brookshire .  
Donald R. Brookshire, Mayor

**ATTEST:**

By: Betty Mauch  
Betty Mauch, Town Clerk





**SERVICE PLAN**  
**FOR**  
**TAILHOLT METROPOLITAN DISTRICT NOS. 1-3**  
**TOWN OF SEVERANCE, COLORADO**

Prepared by:

**SPENCER FANE BRITT & BROWNE LLP**  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203-4554

Submitted: September 3, 2015  
Revised and Resubmitted: September 15, 2015

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## **LIST OF EXHIBITS**

- EXHIBIT A**      **Map and Legal Descriptions of Initial District Boundaries**
- EXHIBIT B**      **Map and Legal Description of Future Inclusion Area [if applicable]**
- EXHIBIT C**      **Severance Vicinity Map**
- EXHIBIT D**      **Preliminary Infrastructure Plan**
- EXHIBIT E**      **Financial Plan**



## **I. INTRODUCTION**

### **A. Purpose and Intent.**

The Districts are independent units of local government, separate and distinct from the Town of Severance (the "Town"), and, except as may otherwise be provided for by State or local law or this Service Plan, their activities are subject to review by the Town if they deviate in a material way from the requirements of the Service Plan. It is intended that the Districts will provide a part or all of various Public Improvements necessary and appropriate for the development of a project within the Town to be known as "Tailholt" (hereafter defined as the "Project"). The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants and taxpayers of the Districts and the general public, subject to such policies, rules and regulations as may be permitted under applicable law. A primary purpose of the Districts will be to finance the construction of these Public Improvements. The Districts would also be authorized to provide ongoing operations and maintenance services to the extent the Public Improvements are not accepted by other governmental entities for operations and maintenance.

District No. 1 is proposed to be the Coordinating District and is expected to coordinate the financing, construction and maintenance of all Public Improvements. District Nos. 2 and 3 are proposed to be the Financing Districts, with District No. 2 to contain primarily commercial and mixed use development and District No. 3 to contain primarily residential development. The Financing Districts are expected to include all or substantially all of the future development comprising the Project and provide the revenue to support the District Activities. The Coordinating District is expected to enter into all contracts for District Activities, to establish the annual budgets for the Districts, to own any real property, easements or Public Improvements that are not dedicated to the Town or other governmental entity, and otherwise to undertake the District Activities for the common benefit of the property included within the Districts under this Service Plan. The Boards of Directors of the Districts will be comprised initially of appointees of the developer of the Project. The Board of Directors of the Coordinating District will be comprised of appointees of the developer of the Project during the build-out period. The Boards of Directors of the Financing Districts are expected to transition to membership comprised of future property owners who elect to run for Board positions in the future. The Districts, including the Coordinating District, are subject to dissolution as described in this Service Plan.

The Coordinating District will be permitted to provide public service and facilities throughout the Districts pursuant to this Service Plan. Property within the Service Area may be included within any District, and any District may individually issue Debt, subject to the limitations in this Service Plan.

### **B. Need for the Districts.**

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the Districts that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the Districts is

therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, financing, ownership, operation, maintenance, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the Districts, and from other legally available revenues. All Debt that is payable from a pledge of property taxes is expected to be repaid by taxes imposed and collected at a tax mill levy that shall not exceed the Maximum Mill Levy as set forth below.

The Town shall have and will exercise sole and exclusive jurisdiction over land use and building, e.g., zoning, subdivision, building permit, and decisions affecting development of property within the boundaries of all Districts. Construction of all Public Improvements shall be subject to applicable ordinances, codes and regulations of the Town.

C. Objective of the Town Regarding Districts' Service Plan.

One of the Town's objectives in approving the Service Plan for the Districts is to authorize the Districts to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the Districts. All Debt is expected to be repaid by taxes imposed and collected at a tax mill levy no higher than the Maximum Debt Mill Levy, and other legally available revenues, including but not limited to Fees. Debt which is issued within these parameters, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

A further objective of the Town is to authorize the Districts to undertake operations and maintenance functions for Public Improvements that are not dedicated to the Town or to another appropriate governmental entity to perform such functions.

It is the intent of the Districts to dissolve upon payment or defeasance of all Debt incurred, except where continuing operations or maintenance functions exist.

The Districts shall also be authorized to finance the District Activities that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy, and other legally available revenues, including but not limited to Fees.

II. DEFINITIONS

In this Service Plan, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Boards: means the Boards of Directors of the Districts.

Bond, Bonds or Debt: means bonds or other obligations for the payment of which any Districts has promised to impose an *ad valorem* property tax mill levy without making such promise subject to annual appropriation. Excluded from this definition are

intergovernmental agreements between one or more of the Districts, and any agreement by which one or more of the Districts pledges revenue to payment of Debt issued by any other District or Districts.

Coordinating District: means Tailholt Metropolitan District No. 1.

District No. 1: means Tailholt Metropolitan District No. 1.

District No. 2: means Tailholt Metropolitan District No. 2.

District No. 3: means Tailholt Metropolitan District No. 3.

Districts: means Tailholt Metropolitan District Nos. 1-3.

District Activities: means any and all services, functions, and powers that special districts organized under the Special District Act may provide, perform or exercise, including provision of the Public Improvements, as more fully set forth in Section V hereof.

District Boundaries: means the territory legally included within the taxing boundaries of the Districts collectively.

External Financial Advisor: means a consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District(s) and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Financial Plan: means the Financial Plan described in Section VI, below, which describes: (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

Inclusion Area Boundaries: means the boundaries of the area described in the Inclusion Area Boundary Map.

Inclusion Area Boundary Map: means the map attached hereto as Exhibit B (if applicable), describing the property proposed for inclusion within the Districts in the future.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map attached hereto as Exhibit A, describing the Districts' initial boundaries.

Maximum Debt Mill Levy: means the maximum mill levy any individual District is permitted to impose for payment of Debt as set forth in Section VI.C below.

Project: means the development or property commonly referred to as Tailholt.

Public Improvements: means those improvements permitted under the Special District Act.

Service Area: means the area within the Initial District Boundaries, the Inclusion Area Boundaries, and the territory up to five miles outside of the Inclusion Area Boundaries.

Service Plan: means this service plan for the Districts approved by Town Board of Trustees.

Service Plan Amendment: means amendment to the Service Plan approved by the Town Board of Trustees in accordance with applicable State law.

Special District Act: means Section 32-1-101, *et seq.*, of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

TABOR: means Article X Section 20 of the Colorado Constitution.

Town: means the Town of Severance, Colorado.

Town Code: means the Town Code of the Town of Severance, Colorado.

Town Board of Trustees: means the Board of Trustees of the Town of Severance, Colorado.

### **III. BOUNDARIES**

The area of the Initial District Boundaries includes approximately 374.207 acres with a possible future inclusion area of up to approximately 574.802 acres. A legal description and map of the Initial District Boundaries is attached hereto as Exhibit A. The inclusion area of property which may be included in the future is depicted and described in Exhibit B which is attached hereto. It is anticipated that the Districts' boundaries may change from time to time as inclusions and exclusions occur pursuant to Section 32-1-301, *et seq.*, C.R.S., and Section 32-1-501, *et seq.*, C.R.S., subject to the limitations set forth in Article V below.

It is anticipated that the proposed land use and zoning of the property within the Tailholt development may change from the current concept plan for the project based upon final development plans approved by the Town.

### **IV. PROPOSED LAND USE AND ASSESSED VALUATION**

The Project area consists of approximately 374.207 acres of land in the initial boundaries and 574.802 acres in the Future Inclusion Area. The assessed valuation of the Project area is

assumed to be \$59,896,776.00 for purposes of this Service Plan upon full build out of all initial and future inclusion area. The population of the Districts at build-out is estimated to be up to 4,250 residing in approximately 1,300 single family homes and 400 multi-family dwellings. There is also an estimated 32.587 acres of property which is estimated to contain 30,000 square feet of mixed use and/or commercial property.

Approval of this Service Plan by the Town assumes approval of the Project, but it does not imply approval of the number of residential units or mixed-use or commercial acreage identified in this Service Plan.

## **V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

### **A. Powers of the Districts and Service Plan Amendment.**

The Districts shall have the power and authority to acquire, construct and install the Public Improvements within and without the boundaries of the Districts as such power and authority is described in the Special District Act, and other applicable statutes, common law and the State Constitution, subject to the limitations set forth herein.

1. **Specific Powers.** The Districts shall have the power to provide the following types of facilities and associated services, all as authorized by the Special District Act:

- a. Street Improvements
- b. Safety Protection
- c. Parks and Recreation (excluding recreation programs)
- d. Water Improvements and Infrastructure
- e. Sanitary Sewer Improvements and Infrastructure
- f. Covenant Enforcement and Design Review
- g. Security
- h. Mosquito Control

2. **Operations and Maintenance Limitation.** The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. Certain Public Improvements may be designated for dedication to the Town or other governmental entity in accordance with future development agreements or development approvals. In such event, the Districts shall dedicate the designated Public Improvements to the Town or other appropriate jurisdiction in a manner consistent with rules and regulations of the Town and applicable provisions of the Town Code, or according to the particular development agreement or approval. Notwithstanding the foregoing, the Districts shall operate and maintain Public Improvements not dedicated to the Town or other appropriate governmental entity and the Districts may also provide covenant enforcement, design review and ongoing operations and maintenance of Districts improvements in lieu of a homeowners association.

3. **Construction Standards Limitation.** The Public Improvements shall be designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction, as applicable. The Districts will obtain the Town's approval of civil engineering plans for any offsite Public Improvements and applicable permits for construction and installation of all Public Improvements prior to

performing such work. To the extent that the Developer constructs any of the Public Improvements in any phase of the Project, the terms of the Subdivision Improvement Agreement pertaining to that phase of the Project shall govern the completion security, acceptance, and warranty requirements for such Public Improvements.

4. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt to the Project developer or its affiliated entities, the Districts shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the Districts' Service Plan. We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the Districts.

5. Inclusion Limitation and Internal Boundary Changes. The Districts shall notify the Town of any boundary adjustments that occur via inclusion or exclusion as part of the required Annual Report under Section VII.B hereof. The Districts shall be entitled to change the configuration of their internal boundaries, without changing the total acreage of the Project or reconfiguring the Districts' Service Area, as their Boards of Directors may deem necessary. In no event, shall any District include into its legal boundaries any property not located within the corporate limits of the Town at the time of inclusion.

The expanded boundaries of the Future Inclusion Area as they may exist following the purchase of the balance of the property and inclusion by the Districts are depicted in the map and legal description attached hereto as Exhibit B. The combined acreage of the area proposed to be included (the "Future Inclusion Area") is expected to include approximately 574.802 acres of property, and will be contained within the proposed District Nos. 2-3. If all of the property proposed to be included within the Districts is realized, the combined area of the Districts is expected to consist of approximately 949.009 acres (the "Combined Area"). Such Combined Area is depicted in current boundaries and future inclusion map attached hereto as Exhibit B and the vicinity map attached hereto as Exhibit C.

Due to the long-term nature of the Project, the potential need to respond to development patterns and the pace of growth, and to accommodate future financing dynamics, adjustments to the Districts' boundaries may be necessary or appropriate from time to time. Therefore, the Districts shall be permitted to make boundary adjustments among the Financing Districts and the Coordinating District with respect to the property located within the Combined Area as their Boards of Directors deem necessary. Any such internal reconfiguration shall be submitted to the Town's administrator for administrative review, who shall determine if such an internal reconfiguration constitutes a material modification of this Service Plan. Any inclusion or exclusion of Future Inclusion Area property within the Combined Area made in compliance

with this Service Plan shall not constitute a material modification of the Service Plan. The Districts shall be permitted to include additional property outside of the Combined Area only with the consent of the Board of Trustees of the Town, which consent may or may not be considered a material modification to this Service Plan and may or may not trigger a need to amend this Service Plan. All changes in the Districts' boundaries must be made in compliance with the Special District Act.

6. Total Debt Issuance Limitation. The Districts shall not issue Debt in excess of Thirty-Three Million, Six Hundred Fifty Thousand Dollars (\$33,650,000).

7. Monies from Other Governmental Sources. The Districts shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the Town is eligible to apply for (and has applied for), except pursuant to approval of the Town Manager. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the Districts without any limitation.

8. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy have been established under the authority of the Town to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

a. Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

b. Are, together with all other requirements of Colorado law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable non-bankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S. and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the Town as part of a Service Plan Amendment.

9. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities under evolving circumstances without the need for numerous amendments. Actions of the Districts which violate the limitations set forth in Sections V.A. 1-6 above or in Section VI.B-F may be deemed to be material modifications to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts. Nothing shall prohibit the Districts from issuing notices to the Town of potential actions that might be considered material modifications, as permitted in Section 32-1-207(3)(b), C.R.S., and any such actions that are made the subject of such notices shall not be considered material modifications unless the Town objects as provided in said statutory section.

**B. Preliminary Infrastructure Plan.**

The Districts shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance and financing of the Public Improvements within and without the boundaries of the Districts. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Service Area and is approximately \$55,804,379. A copy of the preliminary infrastructure plan is attached hereto as Exhibit D.

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the Town. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements. The Districts shall be permitted to allocate costs between such categories of the Public Improvements as deemed necessary in their discretion.

All of the Public Improvements described herein will be designed in such a way as to assure that the Public Improvements standards will be consistent with or exceed the standards of the Town and shall be in accordance with the requirements of the Approved Development Plan. All descriptions of the Public Improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the Town's requirements, and construction scheduling may require. Upon approval of this Service Plan, the Districts will continue to develop and refine the Preliminary Infrastructure Plan and the Map Depicting Public Improvements, as necessary, and prepare for issuance of Debt. All cost estimates will be inflated to then-current dollars at the time of the issuance of Debt and construction. All construction cost estimates contained in Exhibit D assume construction to applicable local, State or Federal requirements. Changes in the Public Improvements, Preliminary Infrastructure Plan ("PIP"), Map Depicting Public Improvements, or costs, shall not constitute material modifications of this Service Plan. Additionally, due to the preliminary nature of the PIP, the Town shall not be bound by the PIP in reviewing and approving the Approved Development Plan and the Approved Development Plan shall supersede the PIP.

**C. Operational Services.**

The Districts shall be authorized to provide the following ongoing operations and maintenance services:

1. Landscape maintenance and upkeep for common areas and other District owned property within the District Boundaries including but not limited to entrance and external street scape, and the non-potable water system that may be used to irrigate those areas.
2. Maintenance and upkeep for common area fencing and entrance features.
3. District administrative, legal and accounting services.
4. Neighborhood parks and trails.



5. Covenant Code enforcement and design review.

6. Operate, manage and maintain the Public Improvements not otherwise dedicated to another public entity in accordance with approved development plans of the Town.

## **VI. FINANCIAL PLAN**

### **A. General.**

The Districts shall be authorized to provide the District Activities from any legally available revenue source or financing mechanism permitted under the Special District Act. The Financial Plan for the Districts shall be to issue such Debt as the Districts can reasonably pay from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The total combined Debt that the Districts shall be permitted to issue shall not exceed \$33,650,000, which Debt shall be permitted to be issued on a schedule and in such year or years as the Boards of Directors of the Districts determine shall meet the needs of the Financial Plan referenced above and shall be phased to serve development as it occurs. All Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including but not limited to general ad valorem taxes to be imposed upon all taxable property within the Districts. The Districts will also rely upon various other revenue sources authorized by law to pay Debt and other District Activities. These will include but not be limited to revenues from Fees. It is anticipated that the developer of the Project and/or other parties may incur costs for Public Improvements, either in the form of direct payments for such costs, or by means of advances to the Districts; these direct payments and/or advances shall be reimbursable by the Districts from Debt, contractual reimbursement agreements and/or any legally available revenue source.

The Maximum Debt Authorization is proposed to be \$37,015,000 based upon the Financial Plan prepared by Stan Bernstein & Associates, attached hereto as Exhibit E, taking into consideration additional contingencies and potential costs of issuance. The Developer of the Project has provided valuation and absorption data it believes to be market-based and market comparable. The Financial Plan attached to this Service Plan satisfies any applicable requirements of Town Code.

### **B. Maximum Voted Interest Rate and Maximum Underwriting Discount.**

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not permitted to exceed twelve percent (12%). The proposed maximum underwriting discount will be three percent (3%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

### **C. Maximum Debt Mill Levy.**

The "Maximum Debt Mill Levy" shall be the maximum mill levy a Districts is permitted to impose upon the taxable property within such Districts for payment of Debt, and shall be determined as follows:

1. For the portion of Debt which exceeds fifty percent (50%) of the issuing District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be 50 mills. If there are changes in the method of calculating assessed valuation or any constitutionally mandated or statutorily authorized tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Boards in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2015, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

2. For the portion of any Debt which is equal to or less than fifty percent (50%) of the issuing District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

3. For the purposes of the calculations set forth in Paragraphs C.1. and C.2. above, if Debt is issued by one District with a corresponding pledge of debt service tax revenues by the other District, the debt-to-assessed valuation calculation shall be made by aggregating the assessed valuation of the Districts making the tax pledge along with the issuing District's assessed valuation, and comparing this against the dollar amount of Debt being issued on such basis by the issuing District.

4. Once Debt has been determined to be within Section VII.C.2 above, so that the issuing District is entitled to pledge to its payment an unlimited ad valorem mill levy, the Districts may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the Districts' Debt to assessed ratio. All Debt issued by the Districts must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

To the extent that the Districts are composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "Districts" as used in this shall be deemed to refer to the Districts and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

**D. Debt Repayment Sources.**

The Districts may impose a mill levy on taxable property within its boundaries as a source of revenue for repayment of Debt and for operations and maintenance. In no event shall the debt service mill levy in the Districts exceed the Maximum Debt Mill Levy. The Districts may also rely upon various other revenue sources authorized by law, and upon grants, donations or advances from public or private parties. At the Districts' discretion, these may include the statutorily defined power to assess fees, rates, tolls, penalties, or charges that are reasonably related to the services and facilities being provided in accordance with Section 32-1-1001(1), C.R.S., as amended from time to time.

E. Security for Debt.

The Districts shall not pledge any revenue or property of the Town as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the Town of payment of any of the Districts' obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the Town in the event of default by the Districts in the payment of any such obligation.

F. TABOR Compliance.

The Districts will comply with the provisions of TABOR. In the discretion of the Boards of Directors of the Districts, the Districts may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs.

G. Districts' Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the Districts' organization and initial operations, are included within the estimated cost of the Public Improvements set forth in Section VI.A, which amounts will be eligible for reimbursement from the proceeds of Debt or other revenues.

The first year's operating budget is estimated to be \$100,000 which is anticipated to be derived from property taxes and other revenues (including developer advances or other payments). The first year's operating budget is an estimate only, and variations from this estimate shall not be considered a material modification of this Service Plan.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the Districts' ability to increase their mill levy as necessary for provision of operation and maintenance services.

**VII. ANNUAL REPORT**

A. General.

The Districts shall be responsible for submitting an annual report to the Town Manager no later than September 1 of each year following the year in which the Order and Decree creating the Districts has been issued. The Town may waive this requirement in its sole discretion.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made to any District's boundary as of December 31 of the prior year.

2. Intergovernmental agreements with other governmental entities entered into as of December 31 of the prior year.

3. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the Town as of December 31 of the prior year.

4. The assessed valuation of the Districts for the current year.

5. Current year budget including a description of the Public Improvements to be constructed in such year.

6. Audit of the Districts' financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if required by law.

7. Notice of any uncured events of default by any Districts under any Debt instrument, which continue beyond a ninety (90) day period.

#### **VIII. DISSOLUTION**

Upon an independent determination of the Town Board of Trustees that the purposes for which the Districts were created have been accomplished, the Districts agree to file petitions in the appropriate Districts Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the Districts have provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to the Special District Act.

#### **IX. DISCLOSURE TO PURCHASERS**

The Districts will use reasonable efforts to assure that all developers of the property located within the Districts provide written notice to all purchasers of property in the Districts regarding the Maximum Debt Mill Levy, as well as a general description of the Districts' authority to impose and collect rates, fees, tolls and charges.

#### **X. INTERGOVERNMENTAL AGREEMENTS**

The Districts shall be authorized to enter into one or more intergovernmental agreements as may be necessary or appropriate to execute its functions.

#### **XI. CONCLUSION**

It is submitted that this Service Plan for the Districts, as required by Section 32-1-203(2), establishes that:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the Districts;

2. The existing service in the area to be served by the Districts is inadequate for present and projected needs;

3. The Districts are capable of providing economical and sufficient service to the area within its proposed boundaries;

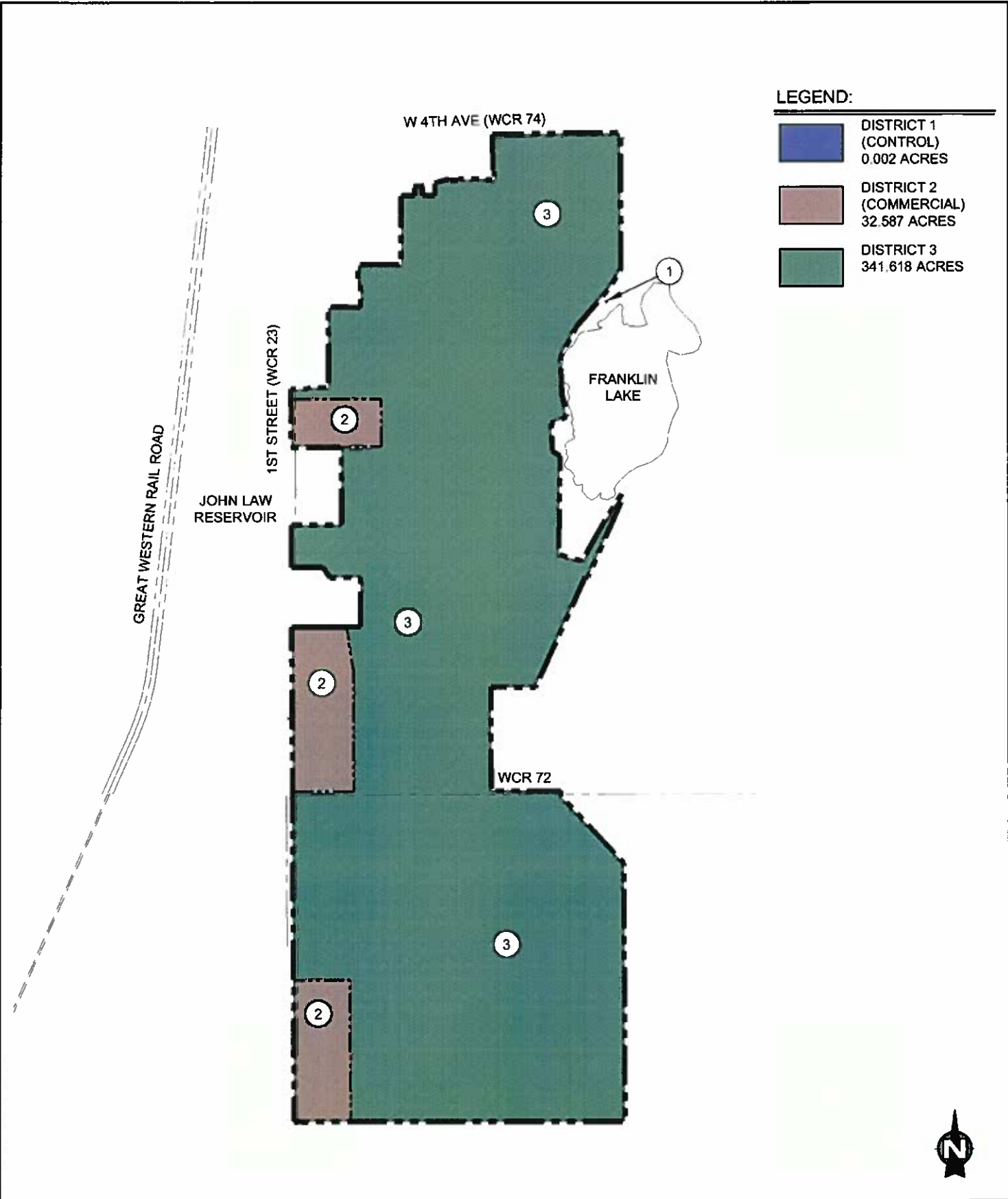
4. The area to be included in the Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis; and

5. Adequate service is not, and will not be, available to the area through the Town or county or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.




Therefore, it is hereby respectfully requested that the Board of Trustees of the Town of Severance, Colorado, which has jurisdiction to approve this Service Plan by virtue of Section 32-1-204.5, C.R.S., *et seq.*, as amended, adopt a resolution which approves this Service Plan for Tailholt Metropolitan Districts No. 1, No. 2 and No. 3.

**EXHIBIT A**

**Map and Legal Descriptions of Initial District Boundaries**



**LEGEND:**

	DISTRICT 1 (CONTROL) 0.002 ACRES
	DISTRICT 2 (COMMERCIAL) 32.587 ACRES
	DISTRICT 3 341.618 ACRES

PROJECT: 110-068, SHEET: 1 OF 1, DATE: 09/11/2015, 11:00 AM, DRAWN BY: B. RUCH, CHECKED BY: B. RUCH, SCALE: 1"=1000', TAILHOLT METRO DISTRICTS 1-3 SEVERANCE COLORADO



**NORTHERN  
ENGINEERING**

301 N. Howes Street, Suite 100  
Fort Collins, Colorado 80521

PHONE: 970.221.4158  
www.northernengineering.com

**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

DISCRIPT OR <b>OVERALL DISTRICT MAP</b>		
DRAWN BY B. RUCH	SCALE 1"=1000'	DRAWING
DATE SEPTEMBER 11, 2015	PROJECT 110-068	<b>EX1</b>



**DESCRIPTION: TAILHOLT METRO DISTRICT 1**

A tract of land located in the West Half of Section 1 and the Northwest Quarter of Section 12, Township 6 North, Range 67 West of the 6th P.M., Town of Severance, County of Weld, State of Colorado, and being more particularly described as follows:

Considering the North line of the Northwest Quarter of Section 1 as bearing North 89° 10' 31" East and with all bearings contained herein relative thereto:

**COMMENCING** at the North Quarter corner of Section 1; thence along the East line of the Northwest Quarter, South 00° 18' 43" East, 1351.02 feet; thence, South 89° 41' 17" West, 112.18 feet to the **POINT OF BEGINNING**; thence South 00° 49' 29" East, 10.00 feet; thence, South 89° 10' 31" West, 10.00 feet; thence, North 00° 49' 29" West, 10.00 feet; thence, North 89° 10' 31" East, 10.00 feet to the Point of Beginning.

The above described tracts of land contain 100 square feet or 0.002 acres, more or less and is subject to all easements and rights-of-way now on record or existing.

LMS

August 6, 2015

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**DESCRIPTION: TAILHOLT METRO DISTRICT 2**

Tracts of land located in the West Half of Section 1 and the Northwest Quarter of Section 12, Township 6 North, Range 67 West of the 6th P.M., Town of Severance, County of Weld, State of Colorado, and being more particularly described as follows:

Considering the North line of the Northwest Quarter of Section 1 as bearing North 89° 10' 31" East and with all bearings contained herein relative thereto:

**COMMENCING** at the West Quarter corner of Section 1; thence along the West line of the Northwest Quarter, North 00° 19' 04" West, 182.06 feet to **POINT OF BEGINNING 1**; thence continuing along said West line, North 00° 19' 04" West, 383.20 feet; Thence, North 89° 54' 50" East, 720.06 feet; thence, South 00° 19' 04" East, 380.29 feet; thence South 89° 40' 56" West, 720.05 feet to **POINT OF BEGINNING 1**, containing 274,878 square feet or 6.310 acres, more or less.

ALSO:

**BEGINNING** at the Southwest Quarter corner of Section 1, said point being **POINT OF BEGINNING 2**; thence along the West line of the Southwest Quarter, North 00° 16' 26" West, 1320.03 feet; thence, North 89° 49' 32" East, 436.82 feet; thence, South 08° 35' 50" East, 365.86 feet; thence South 00° 10' 30" East, 958.04 feet; thence, South 89° 48' 57" West, 488.13 feet to **POINT OF BEGINNING 2**, containing 636,130 square feet or 14.604 acres, more or less.

ALSO:

**BEGINNING** at the West Quarter corner of Section 12, said point being **POINT OF BEGINNING 3**; thence along the West line of the Northwest Quarter of Section 12, North 00° 18' 29" West, 1128.64 feet; thence, North 89° 33' 57" East, 449.89 feet; thence, South 00° 18' 51" East, 1131.53 feet; thence, South 89° 56' 02" West, 450.01 feet **POINT OF BEGINNING 3**, containing 508,476 square feet or 11.673 acres, more or less.

The above described tracts of land contain 1,419,484 square feet or 32.587 acres, more or less and is subject to all easements and rights-of-way now on record or existing.

LMS

September 11, 2015

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**DESCRIPTION: TAILHOLT METRO DISTRICT 3**

A tract of land located in the West Half of Section 1 and the Northwest Quarter of Section 12, Township 6 North, Range 67 West of the 6th P.M., Town of Severance, County of Weld, State of Colorado, and being more particularly described as follows:

Considering the North line of the Northwest Quarter of Section 1 as bearing North 89° 10' 31" East and with all bearings contained herein relative thereto:

**BEGINNING** at the North Quarter corner of Section 1; thence, South 00° 18' 43" East, 1100.34 feet; thence, South 32° 05' 20" West, 188.14 feet; thence, South 40° 36' 07" West, 389.61 feet; thence, South 27° 30' 57" West, 275.07 feet; thence, South 02° 05' 39" East, 297.45 feet; thence, South 11° 38' 38" East, 187.92 feet; thence, South 66° 57' 46" West, 133.69 feet; thence, South 02° 06' 11" East, 219.88 feet; thence, South 56° 25' 55" East, 75.78 feet; thence, South 00° 48' 23" West, 791.86 feet; thence, South 74° 14' 47" East, 196.77 feet; thence, North 28° 42' 14" East, 390.17 feet; thence, North 33° 17' 55" East, 232.82 feet; thence, South 00° 17' 26" East, 51.28 feet; thence, South 23° 48' 17" West, 668.39 feet; thence, South 89° 43' 51" West, 21.20 feet; thence, South 24° 08' 34" West, 969.25 feet; thence, North 89° 31' 07" West, 356.40 feet; thence, South 00° 10' 28" East, 835.09 feet; thence, North 89° 49' 30" East, 553.91 feet; thence, South 00° 10' 30" East, 43.94 feet; thence, South 43° 06' 54" East, 734.28 feet; thence, South 00° 11' 46" East, 2061.43 feet; thence, South 89° 56' 02" West, 2182.42 feet; thence, North 00° 18' 51" West, 1131.53 feet; thence, South 89° 33' 57" West, 449.99 feet; thence, North 00° 18' 29" West, 1509.28 feet; thence, North 89° 48' 57" East, 488.13 feet; thence, North 00° 10' 30" West, 958.04 feet; thence, North 08° 35' 50" West, 365.86 feet; thence, North 89° 49' 32" East, 112.92 feet; thence, North 00° 16' 26" West, 396.81 feet; thence, South 89° 54' 26" West, 243.75 feet; thence, North 34° 17' 39" West, 102.77 feet; thence, South 89° 54' 26" West, 248.49 feet; thence, North 00° 16' 26" West, 336.06 feet; thence, North 89° 43' 34" East, 40.00 feet; thence, South 89° 51' 12" East, 350.09 feet; thence along a curve concave to the northwest having a central angle of 90° 27' 52" with a radius of 10.00 feet, an arc length of 15.79 feet and the chord of which bears North 44° 54' 52" East, 14.20 feet; thence, North 00° 19' 04" West, 609.27 feet; thence along a curve concave to the southwest having a central angle of 90° 00' 00" with a radius of 10.00 feet, an arc length of 15.71 feet and the chord of which bears North 45° 19' 04" West, 14.14 feet; thence, North 89° 40' 56" East, 330.23 feet; thence, North 00° 19' 04" West, 380.29 feet; thence, South 89° 54' 50" West, 720.06 feet; thence, North 00° 19' 04" West, 84.54 feet; thence, North 89° 40' 56" East, 139.89 feet; thence, North 00° 19' 04" West, 8.22 feet; thence, North 89° 40' 56" East, 60.01 feet; thence, North 89° 40' 56" East, 100.00 feet; thence, North 00° 19' 04" West, 646.00 feet; thence, North 89° 41' 17" East, 160.00 feet; thence, South 00° 18' 05" East, 5.21 feet; thence, North 89° 40' 56" East, 100.01 feet; thence, North 00° 19' 04" West, 177.23 feet; thence, South 89° 40' 56" West, 22.17 feet; thence, North 00° 19' 04" West, 163.26 feet; thence, North 89° 06' 46" East, 346.47 feet; thence, North 00° 09' 31" West, 549.52 feet; thence, North 89° 21' 08" East, 112.53 feet; thence,



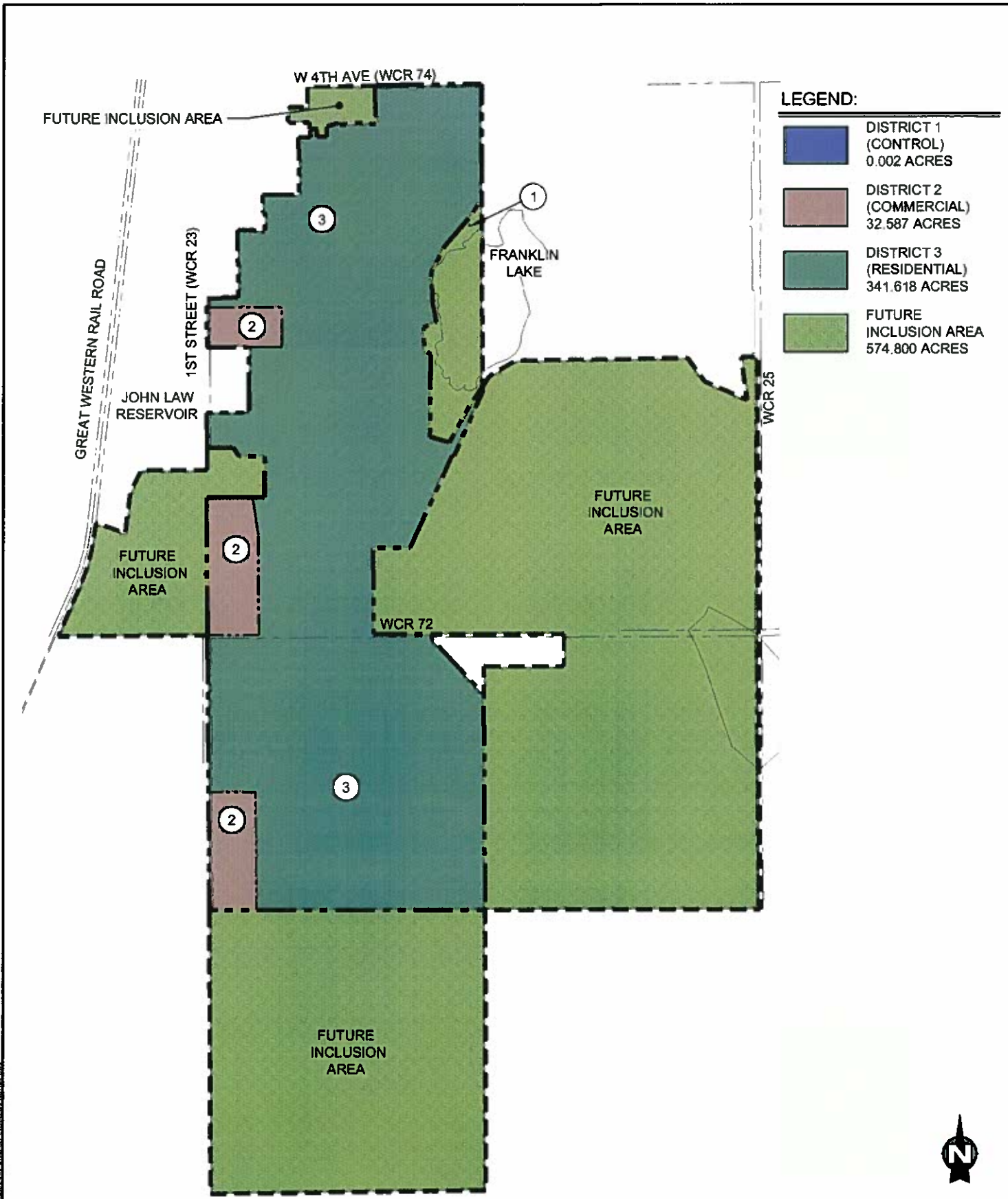
North 00° 09' 31" West, 68.34 feet; thence along a curve concave to the southwest having a central angle of 90° 43' 44" with a radius of 10.00 feet, an arc length of 15.83 feet and the chord of which bears North 45° 31' 23" West, 14.23 feet; thence, North 89° 06' 45" East, 69.84 feet; thence along a curve concave to the north having a central angle of 02° 21' 45" with a radius of 230.00 feet, an arc length of 9.48 feet and the chord of which bears North 87° 55' 54" East, 9.48 feet; thence along a curve concave to the southeast having a central angle of 84° 32' 46" with a radius of 10.14 feet, an arc length of 14.96 feet and the chord of which bears South 42° 06' 52" West, 13.64 feet; thence, South 00° 09' 31" East, 68.21 feet; thence, North 89° 06' 46" East, 97.46 feet; thence, North 00° 09' 33" West, 96.50 feet; thence, North 73° 36' 37" East, 83.70 feet; thence along a curve concave to the southeast having a central angle of 10° 44' 01" with a radius of 170.00 feet, an arc length of 31.85 feet and the chord of which bears North 78° 58' 26" East, 31.80 feet; thence along a curve concave to the southwest having a central angle of 94° 50' 04" with a radius of 10.00 feet, an arc length of 16.55 feet and the chord of which bears South 48° 14' 32" East, 14.73 feet; thence, North 88° 31' 14" East, 60.01 feet; thence along a curve concave to the southeast having a central angle of 89° 23' 10" with a radius of 9.99 feet, an arc length of 15.59 feet and the chord of which bears North 44° 28' 56" East, 14.06 feet; thence, North 89° 10' 31" East, 204.27 feet; thence along a curve concave to the southwest having a central angle of 89° 58' 58" with a radius of 10.00 feet, an arc length of 15.70 feet and the chord of which bears South 45° 49' 29" East, 14.14 feet; thence, North 89° 10' 31" East, 60.00 feet; thence along a curve concave to the southeast having a central angle of 89° 57' 37" with a radius of 10.00 feet, an arc length of 15.71 feet and the chord of which bears North 44° 10' 47" East, 14.14 feet; thence, North 00° 49' 29" West, 60.00 feet; thence along a curve concave to the northeast having a central angle of 90° 00' 00" with a radius of 10.00 feet, an arc length of 15.71 feet and the chord of which bears North 45° 49' 29" West, 14.14 feet; thence, North 00° 49' 29" West, 256.62 feet; thence, North 00° 49' 30" West, 30.00 feet; thence, North 89° 10' 31" East, 1016.57 feet to the POINT OF BEGINNING.

The above described tract of land contains 14,880,876 square feet or 341.618 acres, more or less and is subject to all easements and rights-of-way now on record or existing.




LMS

September 11, 2015

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**LEGEND:**

	DISTRICT 1 (CONTROL) 0.002 ACRES
	DISTRICT 2 (COMMERCIAL) 32.587 ACRES
	DISTRICT 3 (RESIDENTIAL) 341.618 ACRES
	FUTURE INCLUSION AREA 574.800 ACRES



**NORTHERN  
ENGINEERING**

301 N. Hayes Street, Suite 100  
Fort Collins, Colorado 80521

PHONE: 970.221.4158  
www.northernengineering.com

**TAILHOLT METRO  
DISTRICTS 1 - 3**  
SEVERANCE  
COLORADO

DESCRIPTION <b>DISTRICT MAP w/ FUTURE INCLUSIONS</b>		
DRAWN BY B. RUCH	SCALE 1"=1200'	DRAWING
DATE SEPTEMBER 11, 2015	PROJECT 110-068	<b>EX2</b>



**DESCRIPTION: TAILHOLT METRO DISTRICT FUTURE INCLUSIONS**

Tracts of land located in the Section 1 and Section 12, Township 6 North, Range 67 West of the 6th P.M., Town of Severance, County of Weld, State of Colorado, and being more particularly described as follows:

Considering the North line of the Northwest Quarter of Section 1 as bearing North  $89^{\circ} 10' 31''$  East and with all bearings contained herein relative thereto:

**COMMENCING** at the North Quarter corner of Section 1; thence along the North line of the Northwest Quarter, South  $89^{\circ} 10' 31''$  West, 1016.57 feet to **POINT OF BEGINNING 1**; thence South  $00^{\circ} 49' 30''$  East, 30.00 feet; thence, South  $00^{\circ} 49' 29''$  East, 256.62 feet; thence along a curve concave to the northeast having a central angle of  $90^{\circ} 00' 00''$  with a radius of 10.00 feet, an arc length of 15.71 feet and the chord of which bears South  $45^{\circ} 49' 29''$  East, 14.14 feet; thence, South  $00^{\circ} 49' 29''$  East, 60.00 feet; thence along a curve concave to the southeast having a central angle of  $89^{\circ} 57' 37''$  with a radius of 10.00 feet, an arc length of 15.71 feet and the chord of which bears South  $44^{\circ} 10' 47''$  West, 14.14 feet; thence, South  $89^{\circ} 10' 31''$  West, 60.00 feet; thence along a curve concave to the southwest having a central angle of  $90^{\circ} 00' 00''$  with a radius of 10.00 feet, an arc length of 15.71 feet and the chord of which bears North  $45^{\circ} 50' 00''$  West, 14.14 feet; thence, South  $89^{\circ} 10' 31''$  West, 204.27 feet; thence along a curve concave to the southeast having a central angle of  $89^{\circ} 23' 10''$  with a radius of 10.00 feet, an arc length of 15.59 feet and the chord of which bears South  $44^{\circ} 28' 56''$  West, 14.06 feet; thence, South  $88^{\circ} 31' 14''$  West, 60.01 feet; thence along a curve concave to the southwest having a central angle of  $94^{\circ} 50' 04''$  with a radius of 10.00 feet, an arc length of 16.55 feet and the chord of which bears North  $48^{\circ} 14' 32''$  West, 14.73 feet; thence along a curve concave to the southeast having a central angle of  $10^{\circ} 44' 01''$  with a radius of 170.00 feet, an arc length of 31.85 feet and the chord of which bears South  $78^{\circ} 58' 26''$  West, 31.80 feet; thence, South  $73^{\circ} 36' 37''$  West, 83.70 feet; thence, South  $00^{\circ} 09' 33''$  East, 96.50 feet; thence, South  $89^{\circ} 06' 46''$  West, 97.46 feet; thence, North  $00^{\circ} 09' 31''$  West, 68.21 feet; thence along a curve concave to the southeast having a central angle of  $84^{\circ} 32' 46''$  with a radius of 10.14 feet, an arc length of 14.96 feet and the chord of which bears North  $42^{\circ} 06' 52''$  East, 13.64 feet; thence along a curve concave to the north having a central angle of  $02^{\circ} 21' 44''$  with a radius of 230.00 feet, an arc length of 9.48 feet and the chord of which bears South  $87^{\circ} 55' 53''$  West, 9.48 feet; thence, South  $89^{\circ} 06' 45''$  West, 69.84 feet; thence, North  $00^{\circ} 53' 14''$  West, 60.00 feet; thence, South  $89^{\circ} 06' 46''$  West, 191.50 feet; thence along a curve concave to the northeast having a central angle of  $90^{\circ} 43' 43''$  with a radius of 10.00 feet, an arc length of 15.84 feet and the chord of which bears North  $45^{\circ} 31' 22''$  West, 14.23 feet; thence, North  $00^{\circ} 09' 31''$  West, 137.33 feet; thence, North  $89^{\circ} 08' 01''$  East, 183.14 feet; thence, North  $00^{\circ} 09' 31''$  West, 156.66 feet; thence, North  $00^{\circ} 49' 29''$  West, 40.00 feet; thence, North  $89^{\circ} 10' 31''$  East, 649.87 feet to **POINT OF BEGINNING 1**, containing 278,022 square feet or 6.382 acres, more or less.

ALSO:

**COMMENCING** at the North Quarter corner of Section 1; thence along the East line of the Northwest Quarter, South 00° 18' 43" East, 1100.34 feet to **POINT OF BEGINNING 2**; thence South 00° 17' 32" East, 188.26 feet; thence, South 00° 18' 53" East, 1371.46 feet; thence, South 00° 18' 59" East, 243.11 feet; thence, South 33° 17' 55" West, 232.82 feet; thence, South 28° 42' 14" West, 390.17 feet; thence, North 74° 14' 47" West, 196.77 feet; thence, North 00° 48' 23" East, 791.86 feet; thence, North 56° 25' 55" West, 75.78 feet; thence, North 02° 06' 11" West, 219.88 feet; thence, North 66° 57' 46" East, 133.69 feet; thence, North 11° 38' 38" West, 187.92 feet; thence, North 02° 05' 39" West, 297.45 feet; thence, North 27° 30' 57" East, 275.07 feet; thence, North 40° 36' 07" East, 389.61 feet; thence, North 32° 05' 20" East, 188.14 feet to **POINT OF BEGINNING 2**, containing 903,939 square feet or 20.751 acres, more or less.

ALSO:

**BEGINNING** at the Southwest corner of Section 1, said point being **POINT OF BEGINNING 3**; thence, South 89° 37' 55" West, 1430.67 feet; thence, North 23° 36' 51" East, 500.29 feet; thence along a curve concave to the west having a central angle of 17° 23' 18" with a radius of 1950.80 feet, an arc length of 592.03 feet and the chord of which bears North 14° 55' 12" East, 589.76 feet; thence, North 06° 13' 33" East, 59.46 feet; thence, South 70° 47' 53" East, 298.40 feet; thence, North 07° 08' 12" East, 408.70 feet; thence, North 26° 56' 38" East, 224.02 feet; thence, South 89° 59' 55" East, 600.28 feet; thence, North 89° 43' 34" East, 30.00 feet; thence, North 00° 16' 26" West, 217.18 feet; thence, North 89° 54' 26" East, 248.49 feet; thence, South 34° 17' 39" East, 102.77 feet; thence, North 89° 54' 26" East, 243.75 feet; thence, South 00° 16' 26" East, 396.81 feet; thence, South 89° 49' 32" West, 549.74 feet; thence, South 00° 16' 26" East, 1320.02 feet to **POINT OF BEGINNING 3**, containing 1,908,047 square feet or 43.803 acres, more or less.

ALSO:

**BEGINNING** at the Center Quarter corner of Section 12, said point being **POINT OF BEGINNING 4**; thence, North 00° 11' 46" West, 2332.62 feet; thence, North 89° 49' 30" East, 760.81 feet; thence, North 00° 12' 35" East, 310.30 feet; thence, South 89° 49' 30" West, 1816.92 feet; thence, North 00° 10' 28" West, 835.09 feet; thence, South 89° 31' 07" East, 356.40 feet; thence, North 24° 08' 34" East, 969.25 feet; thence, North 89° 43' 51" East, 21.20 feet; thence, North 23° 48' 17" East, 668.39 feet; thence, North 00° 17' 26" West, 51.28 feet; thence, North 33° 17' 55" East, 121.06 feet; thence, North 59° 03' 40" East, 286.35 feet; thence, North 89° 01' 56" East, 1644.23 feet; thence, South 36° 03' 13" East, 285.00 feet; thence, South 66° 34' 13" East, 440.00 feet; thence, North 07° 53' 13" West, 418.01 feet; thence North 89° 01' 56" East, 157.00 feet; thence, South 00° 11' 46" East, 2655.76 feet; thence, South 00° 14' 16" East, 2647.90 feet; thence, South 89° 56' 02" West, 2625.25 feet to **POINT OF BEGINNING 4**, containing 14,859,265 square feet or 341.122 acres, more or less.



ALSO:

**BEGINNING** at the Center Quarter corner of Section 12, said point also being **POINT OF BEGINNING 5**; thence, South  $00^{\circ} 11' 36''$  East, 2679.49 feet; thence, South  $89^{\circ} 14' 03''$  West, 2627.51 feet; thence, North  $00^{\circ} 18' 00''$  West, 2711.60 feet; thence, North  $89^{\circ} 56' 02''$  East, 2632.43 feet to **POINT OF BEGINNING 5**, containing 7,089,026 square feet or 162.742 acres, more or less.

The above described tracts of land contain 25,038,299 square feet or 574.800 acres, more or less and is subject to all easements and rights-of-way now on record or existing.

LMS

September 11, 2015

S:\Survey Jobs\110-068\Dwg\Exhibits\110-068 Future Inclusions Description 9-11-15.docx

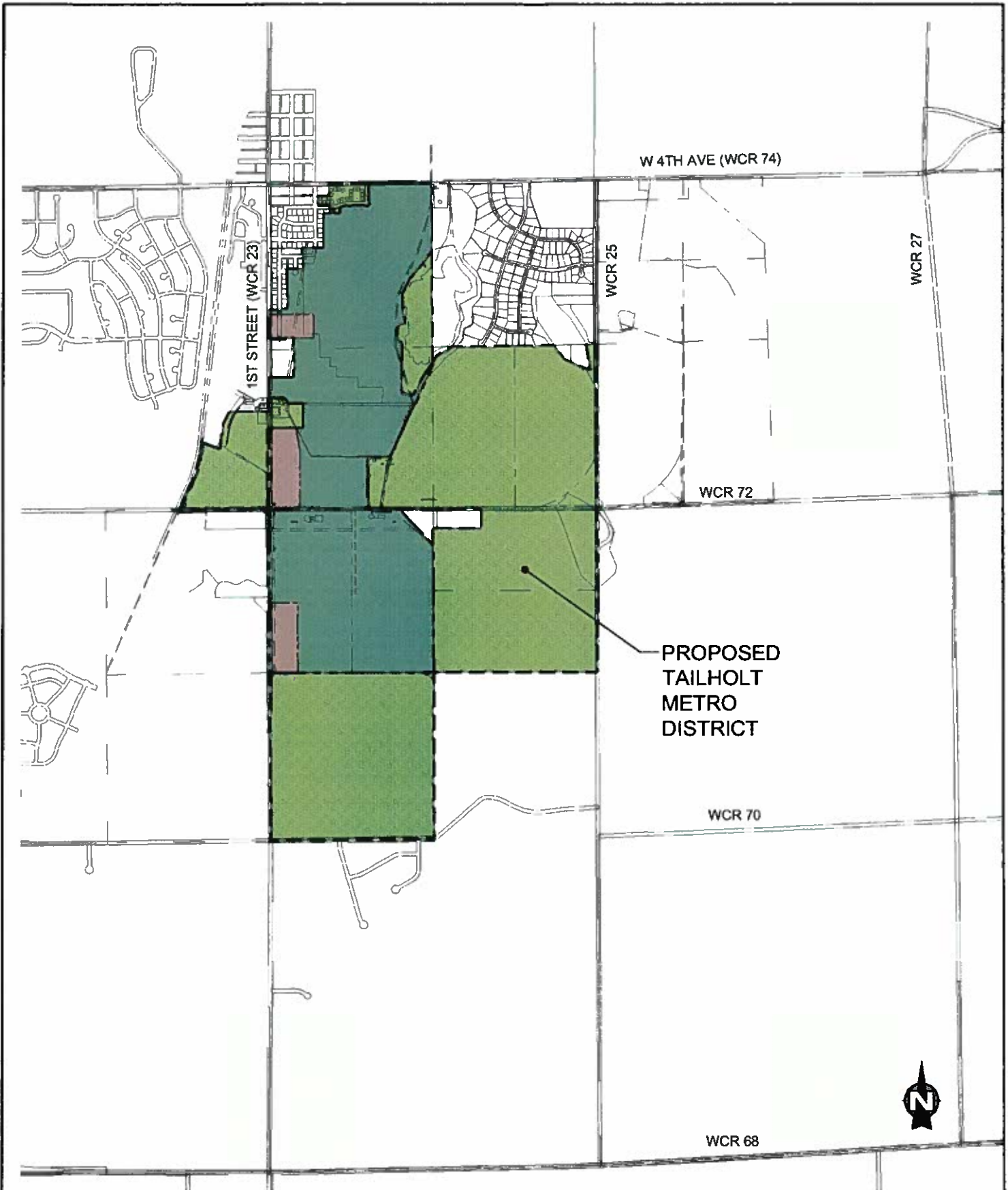




**EXHIBIT C**

**Severance Vicinity Map**





**NORTHERN  
ENGINEERING**

301 N. Howe Street, Suite 100  
Fort Collins, Colorado 80521

PHONE: 970.221.4158  
www.northernengineering.com

**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

DESCRIPTION  
**VICINITY MAP**

DRAWN BY B. RUCH	SCALE 1"=5000'	DRAWING <b>EX10</b>
DATE SEPTEMBER 11, 2015	PROJECT 110-068	

## **EXHIBIT D**

### **Preliminary Infrastructure Plan**

The preliminary infrastructure plan identifies initial estimates for streets, water, sewer, storm drainage, park and recreation, landscaping/open space and other public improvements that are authorized to be funded by the Districts. Due to the pending approval process of the development plan for the project and potential changes to zoning and development based upon final approval of development plan(s) for the project, additional detail regarding water, sewer, and storm drainage improvements will be identified during the approval processes that will be undertaken in the future.

**Tallhoft Metropolitan District #1 - 3 Summary**  
**Preliminary Estimated Project Construction Costs**

July 7, 2015

Project Cost Estimate Prepared by: Northern Engineering and Pinnacle Consulting Group Inc.  
 Drawings Prepared by: Northern Engineering

	Tallhoft Metropolitan District # 1 - 3 Capital Costs	Tallhoft Metropolitan District # 1 - 3 Org and Form Cost	Tallhoft Metropolitan District # 1 - 3 Total District Costs	Tallhoft Metropolitan District # 1 - 3 Future Inclusion Costs	Tallhoft Metropolitan District # 1 - 3 Total District & Incl Costs
385.15 Total Acres					
1,300 Total Residential single-family Units					
400 Total Residential Units					
30,000 Commercial Sqft					
<b>Land</b>					
Land Cost					
Raw Water (Potable Water) / Additional Fees					
Land Cost	\$0.00		\$0.00		\$0.00
<b>Indirect Construction Costs</b>					
Permits and Fees	\$160,000.00		\$160,000.00		\$160,000.00
Engineering, Design and Const Management	\$4,938,706.51		\$4,938,706.51		\$4,938,706.51
Planning (30% of estimated planning costs)	\$22,875.42				
Engineering	\$1,418,641.00				
Design	\$1,103,841.00				
Engineering during construction	\$260,000.00				
Engineer Admin, Inspection, Certification					
Facility Inspection and Certification					
As-builts	\$55,000.00				
Construction Surveying	\$322,000.00				
Material Testing	\$148,000.00				
Safety Inspection	\$17,000.00				
Project Mgmt., Const. Mgmt., Const. Admin	\$2,970,190.09				
Legal and Accounting	\$80,000.00		\$80,000.00		\$80,000.00
<b>Formation and Organization</b>					
Legal		\$50,000.00	\$50,000.00		\$50,000.00
Engineering (Mapping)		\$15,000.00	\$15,000.00		\$15,000.00
Financial		\$10,000.00	\$10,000.00		\$10,000.00
Management / Administration		\$35,000.00	\$35,000.00		\$35,000.00
Indirect Cost	\$5,178,706.51	\$110,000.00	\$5,288,706.51		\$5,288,706.51
<b>Direct Construction Costs</b>					
Removals/Erosion Control/Mobilization	\$663,158.80		\$663,158.80		\$663,158.80
Earthwork	\$3,794,411.53		\$3,794,411.53		\$3,794,411.53
Over Excavation	\$0.00				
General Grading and Excavation	\$3,794,411.53				
Sanitary Sewer	\$8,877,465.00		\$8,877,465.00		\$8,877,465.00
Site Perimeter Drain (Under Drain)	\$497,656.00		\$497,656.00		\$497,656.00
Domestic Water	\$6,853,963.00		\$6,853,963.00		\$6,853,963.00
Storm Sewer	\$225,936.98		\$225,936.98		\$225,936.98
Slurry Barrier Wall (Around Pond)	\$0.00		\$0.00		\$0.00
Streets (Concrete, Asphalt Paving, signage)	\$8,090,417.00		\$8,090,417.00		\$8,090,417.00
Irrigation Non-pot System (Incl. Raw Water)	\$6,300,000.00		\$6,300,000.00		\$6,300,000.00
Landscaping	\$3,200,000.00		\$3,200,000.00		\$3,200,000.00
Park Amenities	\$1,340,000.00		\$1,340,000.00		\$1,340,000.00
Dry Utilities (Sleeving)	\$110,000.00		\$110,000.00		\$110,000.00
Street Signs, Markings and Traffic Control	\$85,000.00		\$85,000.00		\$85,000.00
Miscellaneous (Repairs, clean up and Weather)	\$400,000.00		\$400,000.00		\$400,000.00
Water Contingency	\$3,000,000.27				
Construction Contingency	\$5,509,440.81		\$5,509,440.81		\$5,509,440.81
Offsite Improvements & Regional Improvements	\$1,678,223.00		\$1,678,223.00		\$1,678,223.00
Water System Improvements	\$64,206.00				
Sanitary Sewer	\$1,134,797.00				
Storm Sewer	\$315,448.00				
Street Improvements	\$163,772.00				
Oil and Gas Relocation	\$0.00				
Direct Cost	\$50,625,672.38		\$47,625,672.11		\$47,625,672.11
<b>TOTAL</b>	<b>\$55,804,378.89</b>	<b>\$ 110,000.00</b>	<b>\$52,914,378.62</b>		<b>\$52,914,378.62</b>

0102 0148 - 128.62



Tailhoft Metropolitan District #2					
Preliminary Estimated Project Construction Costs					
Project Cost Estimate Prepared by: Northern Engineering and Pinnacle Consulting Group Inc					July 7, 2015
Drawings Prepared by: Northern Engineering					
8-Jan-00					
38.50 Acres 30,000 Commercial Sqft	Tailhoft Metropolitan District # 2 Capital Costs	Tailhoft Metropolitan District # 2 Org and Form Cost	Tailhoft Metropolitan District # 2 Total District Costs	Tailhoft Metropolitan District # 2 Future Inclusion Costs	Tailhoft Metropolitan District # 2 Total District & Incl Costs
<b>Land</b>					
Land Cost					
Raw Water (Potable Water) / Additional Fees					
Land Cost	\$0.00		\$0.00		\$0.00
<b>Indirect Construction Costs</b>					
Permits and Fees	\$60,000.00		\$60,000.00		\$60,000.00
Engineering, Design and Const Management	\$121,258.84		\$121,258.84		\$121,258.84
Planning (30% of estimated planning costs)	\$18,000.00				
Engineering	\$318,641.00				
Design	\$228,641.00				
Engineering during construction	\$75,000.00				
Engineer Admin, Inspection, Certification					
Facility Inspection and Certification					
As-builts	\$15,000.00				
Construction Surveying	\$62,000.00				
Material Testing	\$68,000.00				
Safety Inspection	\$5,000.00				
Const. Mgmt, Const. Admin (+/-5% of Direct Cost)	\$336,751.27				
Legal and Accounting	\$26,000.00		\$26,000.00		\$26,000.00
<b>Formation and Organization</b>					
Legal			\$0.00		\$0.00
Engineering (Mapping)			\$0.00		\$0.00
Financial			\$0.00		\$0.00
Management / Administration			\$0.00		\$0.00
Indirect Cost	\$207,258.84		\$207,258.84		\$207,258.84
<b>Direct Construction Costs</b>					
Removals/Erosion Control/Mobilization	\$91,292.00		\$91,292.00		\$91,292.00
Earthwork	\$379,293.38		\$379,293.38		\$379,293.38
Over Excavation	\$0.00				
General Grading and Excavation	\$379,293.38				
Sanitary Sewer	\$591,067.00		\$591,067.00		\$591,067.00
Site Perimeter Drain (Under Drain)	\$85,000.00		\$85,000.00		\$85,000.00
Domestic Water	\$666,841.00		\$666,841.00		\$666,841.00
Storm Sewer	\$0.00		\$0.00		\$0.00
Slurry Barrier Wall (Around Pond)	\$0.00		\$0.00		\$0.00
Streets (Concrete, Asphalt Paving, signage)	\$1,028,505.00		\$1,028,505.00		\$1,028,505.00
Irrigation Non-pot System	\$1,100,000.00		\$1,100,000.00		\$1,100,000.00
Landscaping	\$1,100,000.00		\$1,100,000.00		\$1,100,000.00
Park Amenities	\$540,000.00		\$540,000.00		\$540,000.00
Dry Utilities (Sleeving)	\$20,000.00		\$20,000.00		\$20,000.00
Street Signs, Markings and Traffic Control	\$0.00		\$0.00		\$0.00
Miscellaneous (Repairs, clean up and Weather)	\$50,000.00		\$50,000.00		\$50,000.00
Water Contingency	\$291,878.27		\$291,878.27		\$291,878.27
Construction Contingency	\$791,148.82		\$791,148.82		\$791,148.82
Offsite Improvements & Regional Improvements	\$0.00		\$0.00		\$0.00
Water System Improvements	\$0.00				
Sanitary Sewer	\$0.00				
Storm Sewer	\$0.00				
Street Improvements	\$0.00				
Oil and Gas Relocation	\$0.00				
Direct Cost	\$6,735,025.47		\$6,735,025.47		\$6,735,025.47
<b>TOTAL</b>	<b>\$6,942,284.31</b>		<b>\$6,942,284.31</b>		<b>\$6,942,284.31</b>

Formation and Capital Cost by dwelling unit		
Year	% of Construction	Capital Cost Per Build Out
2016	13.33%	\$ 925,637.91
2017	0.00%	\$ -
2018	13.33%	\$ 925,637.91
2019	0.00%	\$ -
2020	13.33%	\$ 925,637.91
2021	0.00%	\$ -
2022	13.33%	\$ 925,637.91
2023	0.00%	\$ -
2024	13.33%	\$ 925,637.91
2025	0.00%	\$ -
2026	13.33%	\$ 925,637.91
2027	0.00%	\$ -
2028	13.33%	\$ 925,637.91
2029	0.00%	\$ -
2030	6.67%	\$ 482,818.95
	100.00%	\$6,942,284.31

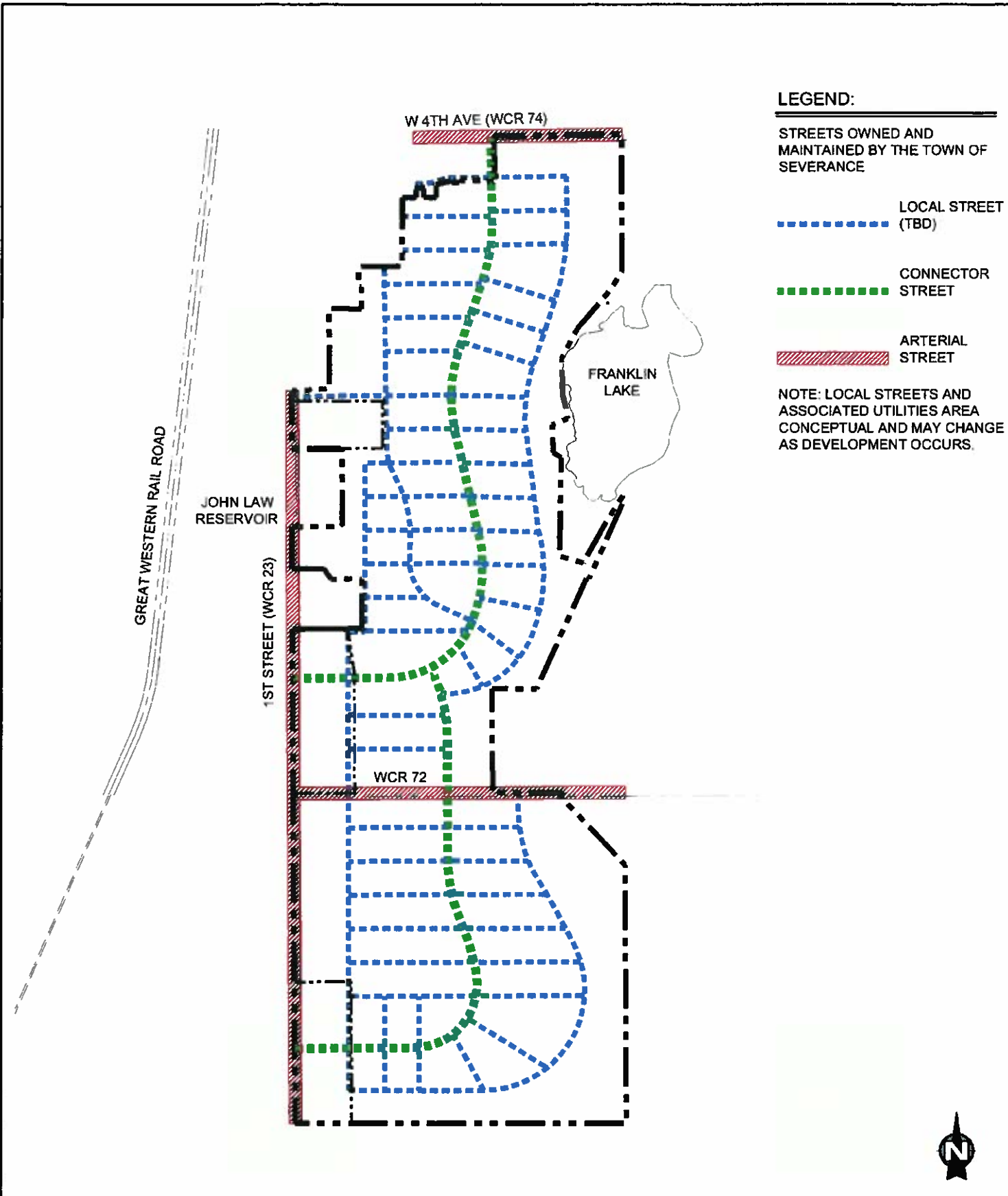
Development Cost is based on one year prior to home buildout schedule.

Tailholt Metropolitan District #3					
Preliminary Estimated Project Construction Costs					
Project Cost Estimate Prepared by: Northern Engineering and Pinnacle Consulting Group Inc.					July 7, 2015
Drawings Prepared by: Northern Engineering					
0-Jan-00					
346.65 Acres 1,300 Total Residential singlefamily Units 400 Total Residential Units	Tailholt Metropolitan District # 3	Tailholt Metropolitan District # 3	Tailholt Metropolitan District # 3	Tailholt Metropolitan District # 3	Tailholt Metropolitan District # 3
	Capital Costs	Org and Form Cost	Total District Costs	Future Inclusion Costs	Total District & Inci Costs
<b>Land</b>					
Land Cost					
Raw Water (Potable Water) / Additional Fees					
Land Cost	\$0.00		\$0.00		\$0.00
<b>Indirect Construction Costs</b>					
Permits and Fees	\$100,000.00		\$100,000.00		\$100,000.00
Engineering, Design and Const Management	\$4,130,314.23		\$4,130,314.23		\$4,130,314.23
Planning (30% of estimated planning costs)	\$4,875.42				
Engineering	\$1,100,000.00				
Design	\$875,000.00				
Engineering during construction	\$185,000.00				
Engineer Admin, Inspection, Certification					
Facility Inspection and Certification					
As-builts	\$10,000.00				
Construction Surveying	\$260,000.00				
Material Testing	\$120,000.00				
Safety Inspection	\$12,000.00				
Const. Mgmt, Const. Admin (+/-4% of Direct Cost)	\$2,633,438.81				
Legal and Accounting	\$54,000.00		\$54,000.00		\$54,000.00
<b>Formation and Organization</b>					
Legal			\$0.00		\$0.00
Engineering (Mapping)			\$0.00		\$0.00
Financial			\$0.00		\$0.00
Management / Administration			\$0.00		\$0.00
Indirect Cost	\$4,284,314.23		\$4,284,314.23		\$4,284,314.23
<b>Direct Construction Costs</b>					
Removals/Erosion Control/Mobilization	\$571,866.80		\$571,866.80		\$571,866.80
Earthwork	\$3,415,118.15		\$3,415,118.15		\$3,415,118.15
Over Excavation	\$0.00				
General Grading and Excavation	\$3,415,118.15				
Sanitary Sewer	\$8,286,398.00		\$8,286,398.00		\$8,286,398.00
Site Perimeter Drain (Under Drain)	\$412,656.00		\$412,656.00		\$412,656.00
Domestic Water	\$6,187,122.00		\$6,187,122.00		\$6,187,122.00
Storm Sewer	\$225,936.98		\$225,936.98		\$225,936.98
Slurry Barrier Wall (Around Pond)	\$0.00		\$0.00		\$0.00
Streets (Concrete, Asphalt Paving, signage)	\$7,061,912.00		\$7,061,912.00		\$7,061,912.00
Irrigation Non-pat System	\$5,200,000.00		\$5,200,000.00		\$5,200,000.00
Landscaping	\$2,100,000.00		\$2,100,000.00		\$2,100,000.00
Park Amenities	\$800,000.00		\$800,000.00		\$800,000.00
Dry Utilities (Sleeving)	\$90,000.00		\$90,000.00		\$90,000.00
Street Signs, Markings and Traffic Control	\$85,000.00		\$85,000.00		\$85,000.00
Miscellaneous (Repairs, clean up and Weather)	\$350,000.00		\$350,000.00		\$350,000.00
Water Contingency	\$2,708,122.00		\$2,708,122.00		\$2,708,122.00
Construction Contingency	\$4,718,291.99		\$4,718,291.99		\$4,718,291.99
Offsite Improvements & Regional Improvements	\$1,678,223.00		\$1,678,223.00		\$1,678,223.00
Water System Improvements	\$64,216.00				
Sanitary Sewer	\$1,134,797.00				
Storm Sewer	\$315,448.00				
Street Improvements	\$163,772.00				
Oil and Gas Relocation	\$0.00				
Direct Cost	\$43,890,646.92		\$43,890,646.92		\$43,890,646.92
<b>TOTAL</b>	<b>\$48,174,961.15</b>		<b>\$48,174,961.15</b>		<b>\$48,174,961.15</b>

Formation and Capital Cost by dwelling unit		
Year	% of Construction	Capital Cost Per Build Out
2016	20.00%	\$ 9,634,992.23
2017	0.00%	\$ -
2018	0.00%	\$ -
2019	20.00%	\$ 9,634,992.23
2020	0.00%	\$ -
2021	0.00%	\$ -
2022	20.00%	\$ 9,634,992.23
2023	0.00%	\$ -
2024	0.00%	\$ -
2025	20.00%	\$ 9,634,992.23
2026	0.00%	\$ -
2027	0.00%	\$ -
2028	20.00%	\$ 9,634,992.23
2029	0.00%	\$ -
2030	0.00%	\$ -
	100.00%	\$48,174,961.15

Development Cost is based on one year prior to home buildout schedule.





**LEGEND:**

STREETS OWNED AND MAINTAINED BY THE TOWN OF SEVERANCE

LOCAL STREET (TBD)

CONNECTOR STREET

ARTERIAL STREET

NOTE: LOCAL STREETS AND ASSOCIATED UTILITIES AREA CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.



**NORTHERN  
ENGINEERING**

301 N. Howes Street, Suite 100  
Fort Collins, Colorado 80521

PHONE: 970.221.4158  
www.northernengineering.com

**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

DESCRIPTION  
**STREET PLAN EXHIBIT**

DRAWN BY  
**B. RUCH**

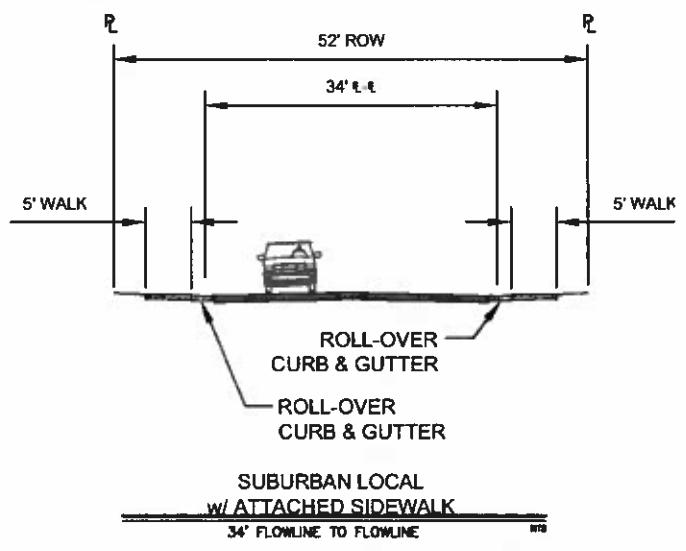
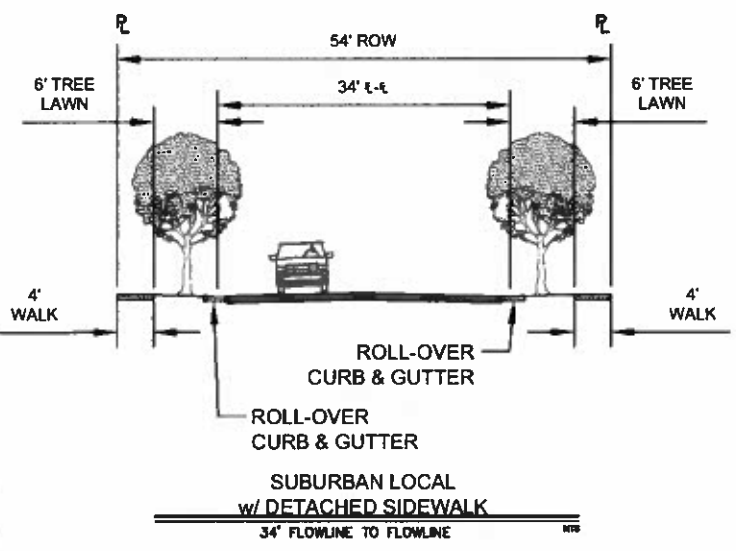
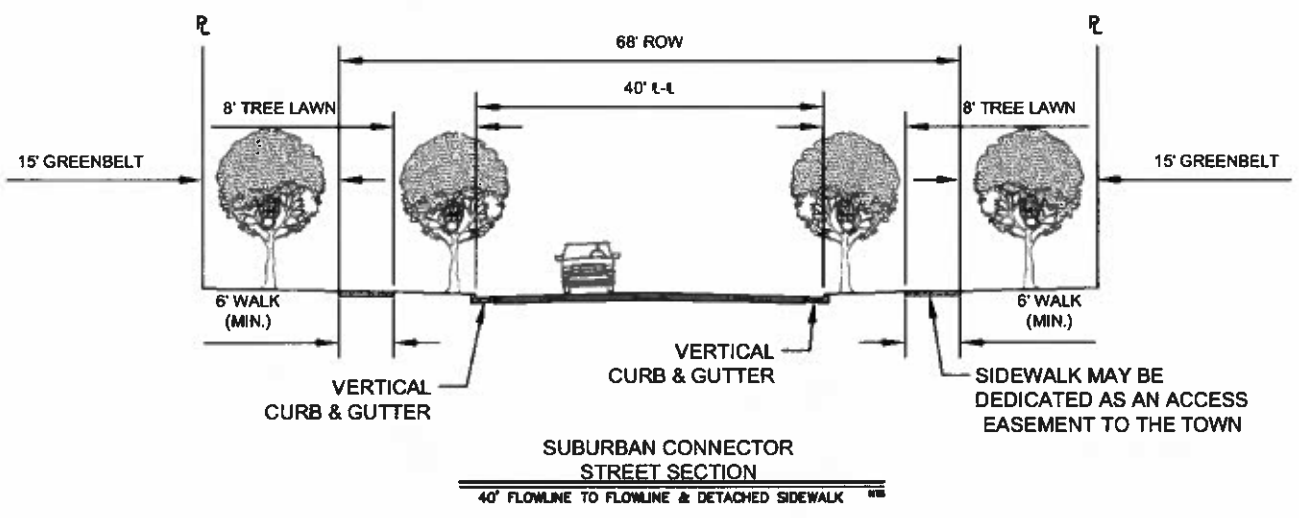
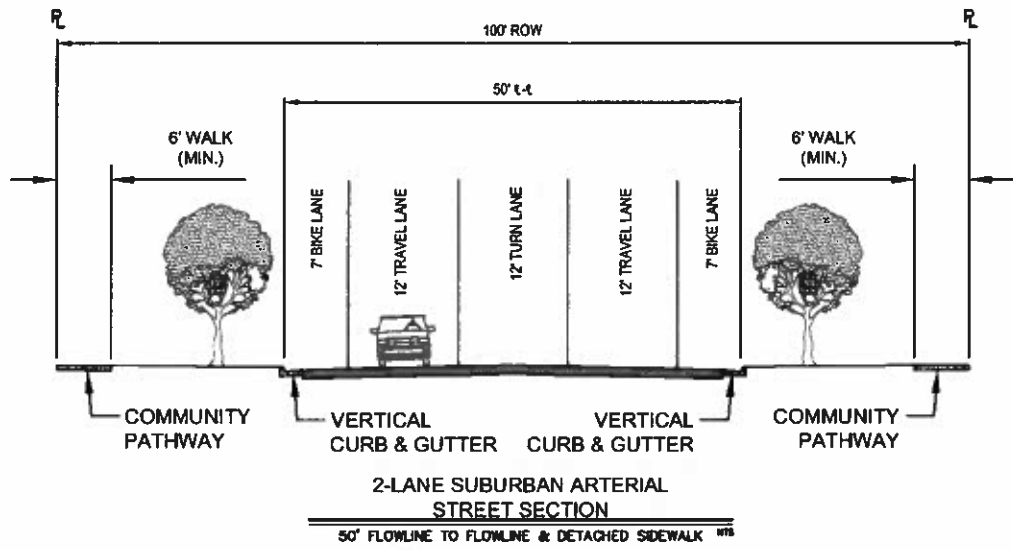
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DRAWING

DATE  
SEPTEMBER 11, 2015



PROJECT  
110-068

**EX3**

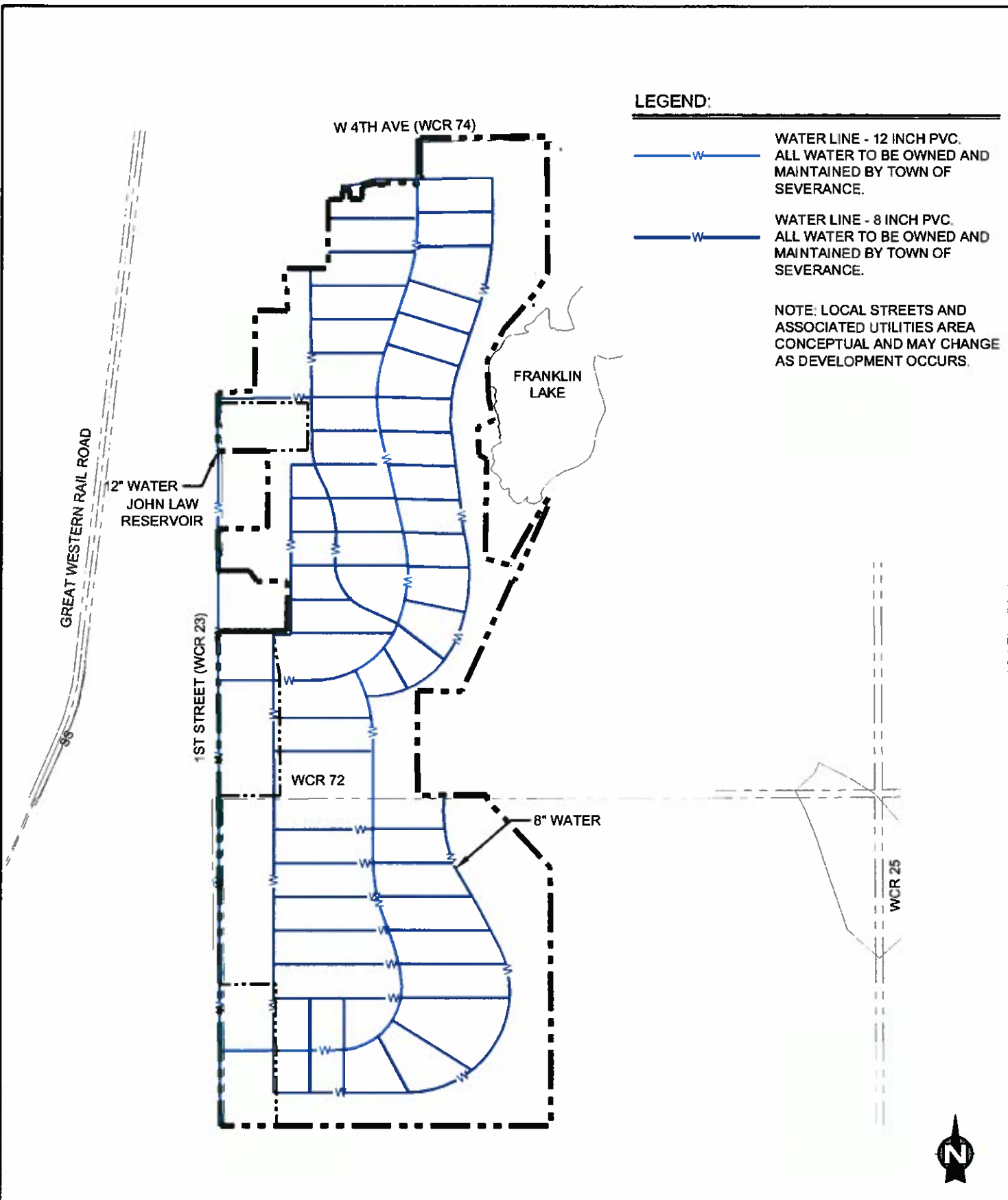




**LEGEND:**

-  WATER LINE - 12 INCH PVC. ALL WATER TO BE OWNED AND MAINTAINED BY TOWN OF SEVERANCE.
-  WATER LINE - 8 INCH PVC. ALL WATER TO BE OWNED AND MAINTAINED BY TOWN OF SEVERANCE.

NOTE: LOCAL STREETS AND ASSOCIATED UTILITIES AREA CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.



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ENGINEERING**

301 N. Howes Street, Suite 100  
Fort Collins, Colorado 80521

PHONE: 970.221.4158  
www.northernengineering.com

**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

DESCRIPTION  
**WATER PLAN**

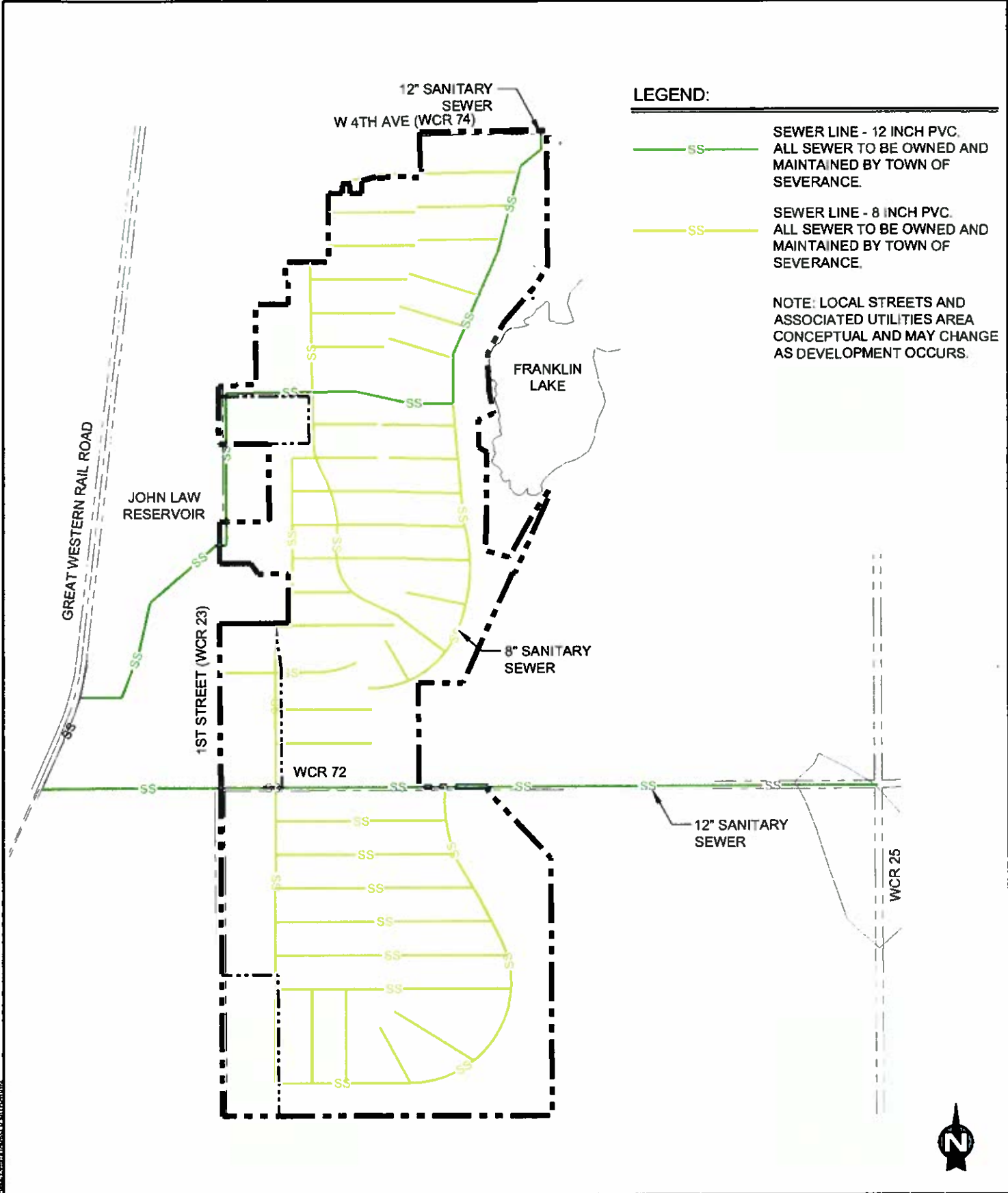
DRAWN BY  
**B. RUCH**

DATE  
**SEPTEMBER 11, 2015**

SCALE  
**1"=1000'**

PROJECT  
**110-068**

DRAWING  
**EX5**



**LEGEND:**

- SS — SEWER LINE - 12 INCH PVC. ALL SEWER TO BE OWNED AND MAINTAINED BY TOWN OF SEVERANCE.
- SS — SEWER LINE - 8 INCH PVC. ALL SEWER TO BE OWNED AND MAINTAINED BY TOWN OF SEVERANCE.

NOTE: LOCAL STREETS AND ASSOCIATED UTILITIES AREA CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.



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301 N. Howes Street, Suite 100  
Fort Collins, Colorado 80521

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**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

DESCRIPTION  
**SANITARY SEWER PLAN**

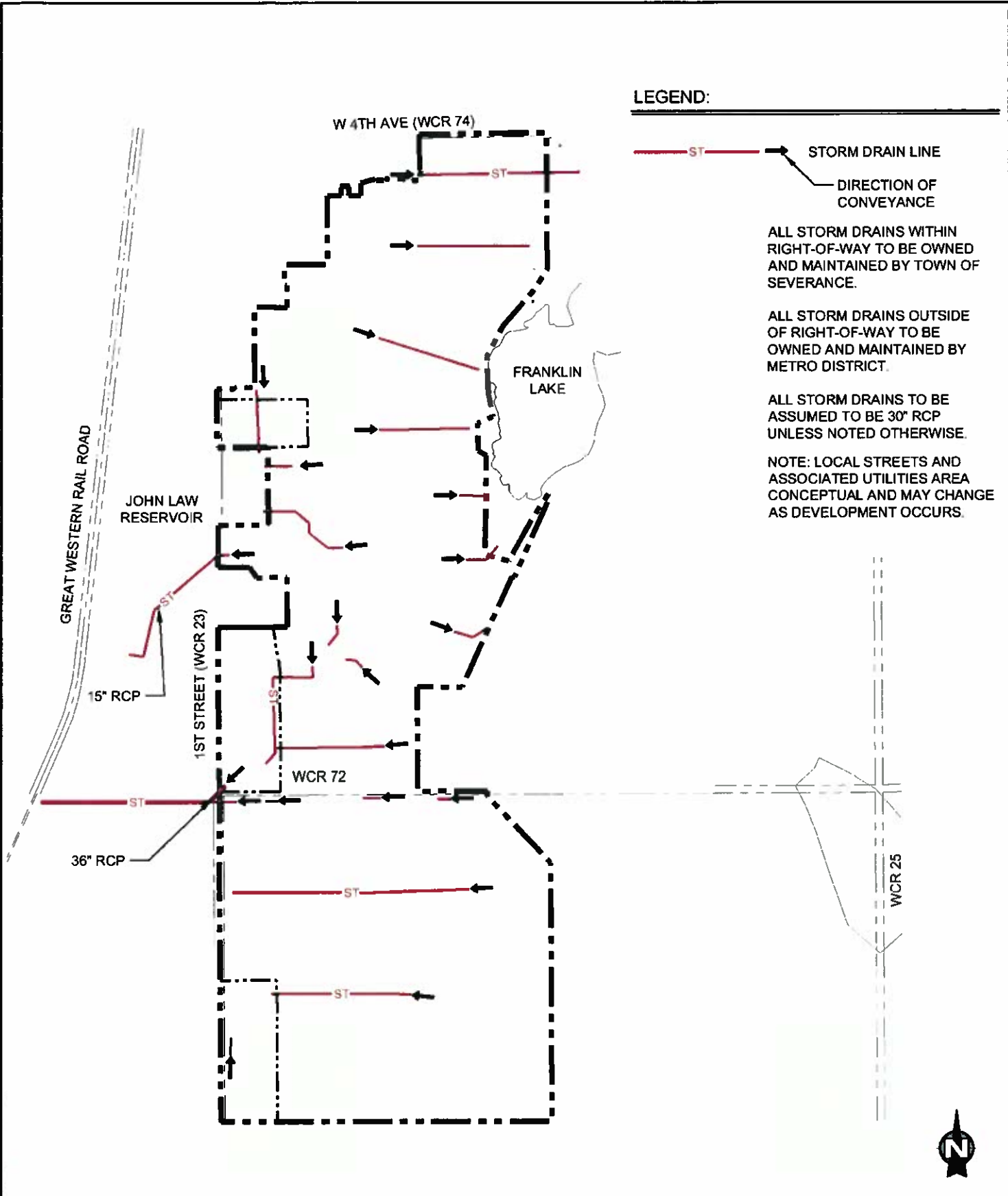
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B. RUCH

DATE  
SEPTEMBER 11, 2015

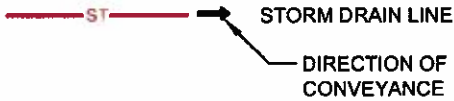
SCALE  
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PROJECT  
110-068

DRAWING  
**EX6**



**LEGEND:**



ALL STORM DRAINS WITHIN RIGHT-OF-WAY TO BE OWNED AND MAINTAINED BY TOWN OF SEVERANCE.

ALL STORM DRAINS OUTSIDE OF RIGHT-OF-WAY TO BE OWNED AND MAINTAINED BY METRO DISTRICT.

ALL STORM DRAINS TO BE ASSUMED TO BE 30" RCP UNLESS NOTED OTHERWISE.

NOTE: LOCAL STREETS AND ASSOCIATED UTILITIES AREA CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.



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301 N. Howes Street, Suite 100  
Fort Collins, Colorado 80521

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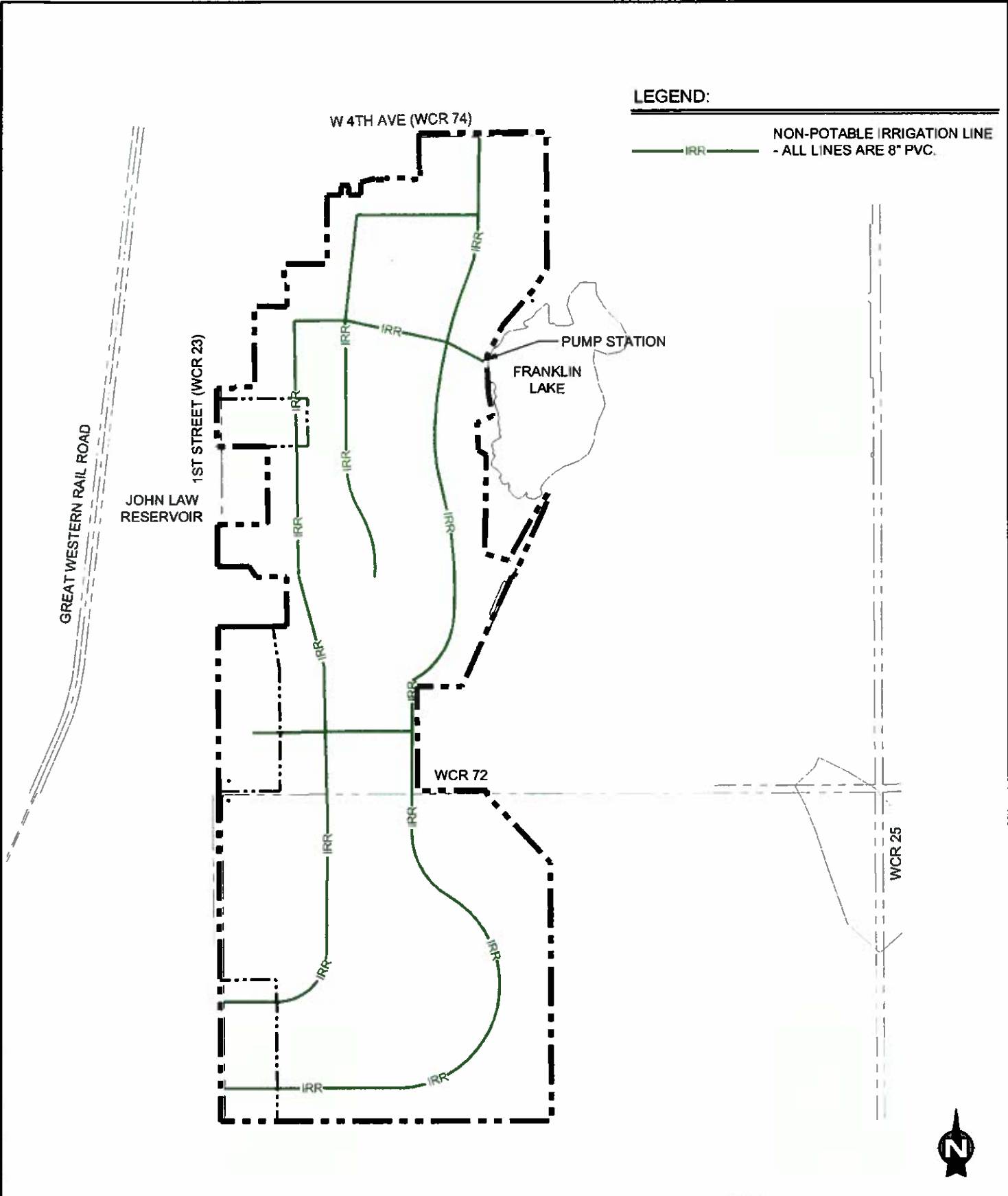
**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

DESCRIPTION  
**STORM SEWER PLAN**

DRAWN BY B. RUCH	SCALE 1"=1000'	DRAWING <b>EX7</b>
DATE SEPTEMBER 11, 2015	PROJECT 110-068	

**LEGEND:**

 NON-POTABLE IRRIGATION LINE  
 - ALL LINES ARE 8" PVC.



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ENGINEERING**

301 N. Howes Street, Suite 100  
Fort Collins, Colorado 80521

PHONE 970.221.4158  
www.northernengineering.com

**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

DESCRIPTION  
**NON-POTABLE  
IRRIGATION PLAN**

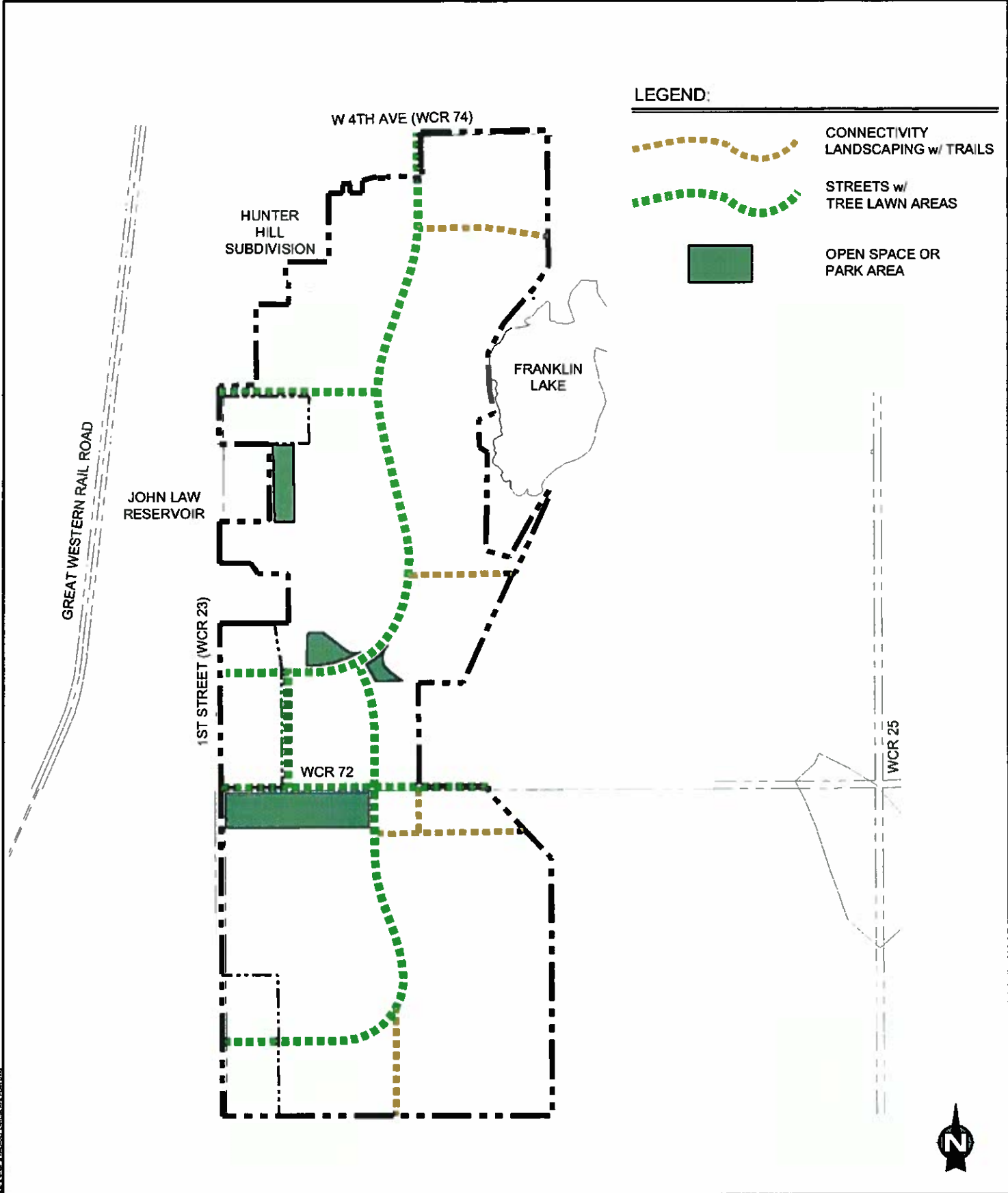
DRAWN BY  
B. RUCH

DATE  
SEPTEMBER 11, 2015




SCALE  
1"=1000'

PROJECT  
110-068

DRAWING  
**EX8**



**LEGEND:**

-  CONNECTIVITY LANDSCAPING w/ TRAILS
-  STREETS w/ TREE LAWN AREAS
-  OPEN SPACE OR PARK AREA



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ENGINEERING**

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Fort Collins, Colorado 80521

PHONE: 970.221.4158  
www.northernengineering.com

**TAILHOLT METRO  
DISTRICTS 1 - 3  
SEVERANCE  
COLORADO**

**LANDSCAPE AND TRAILS PLAN**

**DRAWN BY**  
B. RUCH  
**DATE**  
SEPTEMBER 11, 2015

**SCALE**  
1"=1000'  
**PROJECT**  
110-068

**DRAWING**  
**EX9**

**EXHIBIT E**

**Financial Plan**

**Stan Bernstein and Associates, Inc.**

*Financial Planners and Consultants*

*For Local Governments, Municipal Bond Underwriters, and Real Estate Developers*

*PO Box 5342*

*Vail, CO 81658*

*970-390-9162; amy.bernstein.greer@gmail.com*

**MEMORANDUM**

**TO:** Mr. Stan Everitt, Tailholt Land & Water Investments, Inc.  
David O'Leary, Esq., Spencer Fane Britt & Brown LLP  
Peggy Dowswell, CPA, Pinnacle Consulting Group, Inc.  
Chad Walker, Pinnacle Consulting Group, Inc.

**FROM:** Amy Greer

**DATE:** September 2, 2015

**SUBJECT:** Final Draft – Financial Model – Tailholt Metropolitan Districts #1 - #3

**INTRODUCTION AND SCOPE**

Stan Bernstein and Associates, Inc. has assembled a preliminary financial model for Tailholt Metropolitan Districts #1 - #3 based upon key assumptions provided by officials of Tailholt Land & Water Investments, Inc. ("the Developer") and its consultants Pinnacle Consulting Group, Inc. The Financial Models were assembled in order to provide a conceptual understanding of (i) the amount of limited General Obligation Bonds that could ultimately be supported by Financing Districts #2 and #3; (ii) how the Service District could fund its General Fund administrative and operating expenditures; (iv) and how the Service District could fund its infrastructure. Detailed land use, values, and buildout assumptions (as well as related assessed valuation estimates) for Financing Districts #2 and #3 were provided by the Developer and Pinnacle Consulting Group, Inc., and are presented on Schedules 1 and 2. Detailed assumed limited General Obligation Bond issues for the Financing Districts #2 and #3, and related debt service requirements, are presented on schedule 3.

The Financial Model presents, to the best knowledge and belief of the Developer (based upon assumptions provided by the Developer), the District's expected cash position and results of cash receipts and disbursements for the forecast period. Accordingly, the Financial Model reflects the Developer's judgment, as of the date of this report, of the expected conditions within the District's boundaries and the District's expected course of action. The assumptions disclosed in the Financial Model are those of the Developer and have not been independently reviewed by Stan Bernstein and Associates, Inc.

**FUTURE RATES OF RESIDENTIAL AND COMMERCIAL BUILDOUT AND RELATED ASSESSED VALUATION, AND BONDING CAPACITY**

The financial planning concept is that as the construction of future residential and commercial product occurs within the boundaries of the Financing Districts, incremental assessed valuation will generate property tax revenues for the Financing Districts.

For financial planning purposes it is assumed that a portion (10.0 mills) of the 30.0 mills levied by Financing District #2 and a portion (10.0 mills) of the 50.0 mills assumed to be levied by Financing District #3 will be transferred to the Service District's General Fund and used to fund administrative and operating expenditures. The property tax revenues not transferred to the General Fund (for Financing District #2, 20.0 mills and for Financing District #3, 40.0 mills) will be available to make annual interest and principal payments on outstanding limited tax General Obligation Bonds.

This draft also indicates that Financing District #3 could support limited tax General Obligation Bonds as presented below (based upon buildout and assessed valuations presented on Schedule 3).

December 1, 2019	\$4,850,000
December 1, 2022	5,300,000
December 1, 2025	6,000,000
December 1, 2028	6,400,000
December 1, 2031	7,600,000
December 1, 2035	<u>\$ 3,500,000</u>
	<b><u>\$ 33,650,000</u></b>

It is possible that the timing of these bond issues could be accelerated by using various forms of credit enhancement. These alternative financing structures can be modeled in future drafts based upon input from the Districts' investment bankers. It is assumed that the bonds would be issued at average interest rates of 6.0% and mature serially over a 30-year period. Costs of Bond Issuance have been estimated to be 7.0% of the par amount of the bonds. It is also possible that if buildout rates and assessed valuations lag expectations, and/or if administrative and operating expenditures exceed expectations, the amount of the bonds that could be supported will be less than shown on the previous page, and the timing of the issuance of these bonds will not occur as soon as indicated.



It is assumed that the net proceeds of the limited tax General Obligation Bonds will be used to reimburse the Developer for a portion of the infrastructure costs expected to be originally funded by the Developer (as presented on Exhibit IV).

The key assumptions with respect to future commercial and residential buildout, and related assessed valuation buildup, within the boundaries of the Financing Districts are presented in detail on Schedules 1 and 2. These assumptions were provided by officials of the Developer. The assessed valuation estimates assume an average annual inflationary increase of approximately 1% (2% biennially - this assumption was provided by Pinnacle Consulting Group, Inc.).

The Financial Model is based upon a total of 30,000 square feet of commercial space being completed by the end of 2023 (Financing District #2) and 1,700 residential units completed by the end of 2030 (Financing District #3). The Developer has provided the information contained in Schedules 1 and 2, and believes these assumptions to be reasonable and appropriate to use for financial modeling purposes at this time.

#### **FINANCING DISTRICT #2 – CASH FLOW – EXHIBIT II**

Exhibit II presents the estimated revenues and expenditures for Financing District #2 (Commercial).

The primary revenue source consists of property tax revenues generated from a 30.0 mill levy. Other sources of revenue include specific ownership tax revenues (estimated to be 8.0% of property tax revenues per Pinnacle Consulting Group, Inc.) and interest earnings.

Exhibit II expenditures include an annual transfer of 10.0 mills beginning in 2020 to the Service District's General Fund and an annual transfer of 20.0 mills beginning in 2020 to District #3. A 1.5% County Treasurer's collection fee has also been assumed.

#### **FINANCING DISTRICT #3 – CASH FLOW – EXHIBIT III**

Exhibit III presents the estimated revenues and expenditures for Financing District #3 (residential).

The primary revenue source consists of property tax revenues generated from a 50.0 mill levy. Other sources of revenue include specific ownership tax revenues (estimated to be 8.0% of property tax revenues per Pinnacle Consulting Group, Inc.) and interest earnings.

Exhibit II expenditures include an annual transfer of 10.0 mills beginning in 2018 to the Service District's General Fund. A 1.5% County Treasurer's collection fee has also been assumed. The annual debt service requirements relating to the Series 2019, 2022, 2025, 2028, 2031 and 2035 limited tax General Obligation Bonds are also presented on this Exhibit (and are shown in detail on Schedule 3). Average interest rates of 6.0% and 30-year amortization have been assumed.

**SERVICE DISTRICT GENERAL FUND - CASH FLOW – EXHIBIT I**

Exhibit I presents the estimated revenues and expenditures for the Service District's General Fund (Service District #1).

The primary ongoing general fund revenue source is assumed to be property tax revenue transfers of 10.0 mills from Financing District #2 and 10.0 mills from Financing District #3.

Additional revenue sources include (i) Developer Contributions during 2016 - 2017 totaling \$45,000 and interest income.

Service District General Fund expenditures are assumed to be equal to the sum of the 10.0 mill transfer from District #2 and the 10.0 mill transfer from District #3.

**SERVICE DISTRICT CAPITAL PROJECTS FUND – CASH FLOW – EXHIBIT IV**

Exhibit IV presents the capital infrastructure requirements, and the funding plan, for the public infrastructure required to service property within the boundaries of the Combined Financing Districts. Pursuant to an Intergovernmental Agreement (IGA) the Service District, through its Capital Projects Fund, will account for these capital expenditures and related funding sources.

The detailed capital expenditure requirements are presented by year. It is assumed that all capital expenditures will initially be funded from Developer Contributions (i.e., Loans). It is assumed that these Developer Contributions/Loans (the cumulative amount of the Developer Contributions/Loans without interest appears on the bottom line of Exhibit IV) will be reimbursed to the Developer from net general obligation bond proceeds.

**DISCLAIMER AND LIMITATIONS**

The assumptions disclosed in the Financial Model are those of the Developer and have not been independently reviewed by Stan Bernstein and Associates, Inc. Those assumptions identified are believed to be the significant factors in determining financial feasibility; however, they are likely not to be all-inclusive. There will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Key assumptions – like those relating to market values of real property improvements and the buildout schedule of such property – are particularly sensitive in terms of the timing necessary to create the tax base for the Financing Districts. A small variation in these variables, and to their timing, can have a large effect on the forecasted results. There is a high probability that the forecasted results will differ from realized future tax base factors. Additionally, other key assumptions relating to inflation, assessment ratios,

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interest rates, debt service coverage requirements, and infrastructure, administrative and operating costs may, and likely will, vary from those assumed.

Because Stan Bernstein and Associates, Inc. has not independently evaluated or reviewed the assumptions that the Financial Model is based upon, we do not vouch for the achievability of the information presented on Exhibits I - IV and on Schedules 1 - 3. Furthermore, because of the inherent nature of future events, which are subject to change and variation as events and circumstances change, the actual results may vary materially from the results presented on Exhibits I - IV and on Schedules 1 - 3. Stan Bernstein and Associates, Inc. has no responsibility or obligation to update this information or these Financial Models for events occurring after the date of this memorandum.

The actual amount of General Obligation Bonds that could be supported by the Districts will depend on the rate of buildout and the related increases in assessed valuation, interest rates and debt service coverage requirements, and the actual amounts needed to pay for the Districts' administrative and operating costs. In the event that the Districts' actual operating and administrative expenses are more than anticipated on Exhibit I, the amount of General Obligation Bonds that could actually be supported by the Districts could be less than shown, and if assessed valuation levels are more than anticipated it could be possible for the Districts to issue additional General Obligation Bonds than shown.

TAILHOLT METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2039

FINAL DRAFT 9-2-2015  
 SUBJECT TO CHANGE & REVISION

EXHIBIT I - CASH FLOW FORECAST - GENERAL FUND

	2015	2016	2017	2018	2019	2020	2021	2022
1 INCREMENTAL COMMERCIAL SQUARE FEET ADDED (SCHEDULE 1)	0	0	0	5,000	5,000	5,000	5,000	5,000
2 CUMULATIVE COMMERCIAL SQUARE FEET ADDED	0	0	0	5,000	10,000	15,000	20,000	25,000
3 INCREMENTAL RESIDENTIAL UNITS ADDED (SCHEDULE 3)	0	112	114	112	114	112	114	112
4 CUMULATIVE RESIDENTIAL UNITS ADDED	0	112	226	338	452	564	678	790
5								
6 ASSUMED MILL LEVY TRANSFER FROM TMD #2 (COMMERCIAL)	0	0	0	0	0	10	10	10
7 ASSUMED MILL LEVY TRANSFER FROM TMD #3 (RESIDENTIAL)	0	0	0	10	10	10	10	10
8 ASSESSED VALUATION TMD #2 (COMMERCIAL)	0	0	0	0	0	145,000	290,000	435,000
9 ASSESSED VALUATION TMD #3 (RESIDENTIAL)	0	0	0	3,172,983	6,393,058	9,757,362	13,041,838	16,603,847
10								
11 REVENUES:								
12 DEVELOPER CONTRIBUTION (REPAYMENT)	0	20,000	25,000	0	0	0	0	0
13 TRANSFER FROM TMD #2	0	0	0	0	0	1,450	2,900	4,350
14 TRANSFER FROM TMD #3	0	0	0	31,730	63,931	97,574	130,418	166,038
15 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0	0
16 TOTAL REVENUES	0	20,000	25,000	31,730	63,931	99,024	133,318	170,388
17								
18 EXPENDITURES - (PER PINNACLE CONSULTING)								
19 OPERATING & MAINTENANCE COSTS (10.0 MILLS FROM TMD#2; 10.0 MILLS FROM TMD#3)	0	20,000	25,000	31,730	63,931	99,024	133,318	170,388
20 TRANSFER TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0
21 TOTAL EXPENDITURES	0	20,000	25,000	31,730	63,931	99,024	133,318	170,388
22								
23 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0	0
24								
25 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0
26								
27 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2039

EXHIBIT I - CASH FLOW FORECAST - GENERAL FUND

	2023	2024	2025	2026	2027	2028	2029
1 INCREMENTAL COMMERCIAL SQUARE FEET ADDED (SCHEDULE 1)	5,000	0	0	0	0	0	0
2 CUMULATIVE COMMERCIAL SQUARE FEET ADDED	30,000	30,000	30,000	30,000	30,000	30,000	30,000
3 INCREMENTAL RESIDENTIAL UNITS ADDED (SCHEDULE 3)	114	112	114	114	114	114	114
4 CUMULATIVE RESIDENTIAL UNITS ADDED	904	1,016	1,130	1,244	1,358	1,472	1,586
5							
6 ASSUMED MILL LEVY TRANSFER FROM TMD #2 (COMMERCIAL)	10	10	10	10	10	10	10
7 ASSUMED MILL LEVY TRANSFER FROM TMD #3 (RESIDENTIAL)	10	10	10	10	10	10	10
8 ASSESSED VALUATION TMD #2 (COMMERCIAL)	580,000	725,000	870,000	870,000	870,000	870,000	870,000
9 ASSESSED VALUATION TMD #3 (RESIDENTIAL)	19,954,013	23,720,288	27,137,458	31,114,746	34,600,258	38,847,486	42,402,709
10							
11 REVENUES:							
12 DEVELOPER CONTRIBUTION (REPAYMENT)	0	0	0	0	0	0	0
13 TRANSFER FROM TMD #2	5,800	7,250	8,700	8,700	8,700	8,700	8,700
14 TRANSFER FROM TMD #3	199,540	237,203	271,375	311,147	346,003	388,475	424,027
15 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0
16 TOTAL REVENUES	205,340	244,453	280,075	319,847	354,703	397,175	432,727
17							
18 EXPENDITURES - (PER PINNACLE CONSULTING)							
19 OPERATING & MAINTENANCE COSTS (10.0 MILLS FROM TMD#2; 10.0 MILLS FROM TMD#3)	205,340	244,453	280,075	319,847	354,703	397,175	432,727
20 TRANSFER TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0
21 TOTAL EXPENDITURES	205,340	244,453	280,075	319,847	354,703	397,175	432,727
22							
23 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0
24							
25 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0
26							
27 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2016 - 2039

EXHIBIT I - CASH FLOW FORECAST - GENERAL FUND

	2030	2031	2032	2033	2034	2035	2036
1 INCREMENTAL COMMERCIAL SQUARE FEET ADDED (SCHEDULE 1)	0	0	0	0	0	0	0
2 CUMULATIVE COMMERCIAL SQUARE FEET ADDED	30,000	30,000	30,000	30,000	30,000	30,000	30,000
3 INCREMENTAL RESIDENTIAL UNITS ADDED (SCHEDULE 3)	114	0	0	0	0	0	0
4 CUMULATIVE RESIDENTIAL UNITS ADDED	1,700	1,700	1,700	1,700	1,700	1,700	1,700
5							
6 ASSUMED MILL LEVY TRANSFER FROM TMD #2 (COMMERCIAL)	10	10	10	10	10	10	10
7 ASSUMED MILL LEVY TRANSFER FROM TMD #3 (RESIDENTIAL)	10	10	10	10	10	10	10
8 ASSESSED VALUATION TMD #2 (COMMERCIAL)	870,000	870,000	870,000	870,000	870,000	870,000	870,000
9 ASSESSED VALUATION TMD #3 (RESIDENTIAL)	46,877,090	50,503,417	55,212,339	59,212,339	56,316,586	56,316,586	57,442,918
10							
11 REVENUES:							
12 DEVELOPER CONTRIBUTION (REPAYMENT)	0	0	0	0	0	0	0
13 TRANSFER FROM TMD #2	8,700	8,700	8,700	8,700	8,700	8,700	8,700
14 TRANSFER FROM TMD #3	468,771	505,034	552,123	552,123	563,166	563,166	574,429
15 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0
16 TOTAL REVENUES	477,471	513,734	560,823	560,823	571,866	571,866	583,129
17							
18 EXPENDITURES - (PER PINNACLE CONSULTING)							
19 OPERATING & MAINTENANCE COSTS (10.0 MILLS FROM TMD#2; 10.0 MILLS FROM TMD#3)	477,471	513,734	560,823	560,823	571,866	571,866	583,129
20 TRANSFER TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0
21 TOTAL EXPENDITURES	477,471	513,734	560,823	560,823	571,866	571,866	583,129
22							
23 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0
24							
25 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0
26							
27 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0

SEE CONSULTANTS REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2039

EXHIBIT I - CASH FLOW FORECAST - GENERAL FUND

	2037	2038	2039	TOTALS
1 INCREMENTAL COMMERCIAL SQUARE FEET ADDED (SCHEDULE 1)	0	0	0	30,000
2 CUMULATIVE COMMERCIAL SQUARE FEET ADDED	30,000	30,000	30,000	30,000
3 INCREMENTAL RESIDENTIAL UNITS ADDED (SCHEDULE 3)	0	0	0	1,700
4 CUMULATIVE RESIDENTIAL UNITS ADDED	1,700	1,700	1,700	1,700
5				
6 ASSUMED MILL LEVY TRANSFER FROM TMD #2 (COMMERCIAL)	10	10	10	10
7 ASSUMED MILL LEVY TRANSFER FROM TMD #3 (RESIDENTIAL)	10	10	10	10
8 ASSESSED VALUATION TMD #2 (COMMERCIAL)	870,000	870,000	870,000	870,000
9 ASSESSED VALUATION TMD #3 (RESIDENTIAL)	57,442,918	58,591,776	58,591,776	58,591,776
10				
11 REVENUES:				
12 DEVELOPER CONTRIBUTION (REPAYMENT)	0	0	0	45,000
13 TRANSFER FROM TMD #2	8,700	8,700	8,700	152,250
14 TRANSFER FROM TMD #3	574,429	585,918	585,918	8,192,538
15 INTEREST INCOME - OTHER @ .25%	0	0	0	0
16 TOTAL REVENUES	583,129	594,618	594,618	8,389,788
17				
18 EXPENDITURES - (PER PINNACLE CONSULTING)				
19 OPERATING & MAINTENANCE COSTS (10.0 MILLS FROM TMD#2; 10.0 MILLS FROM TMD#3)	583,129	594,618	594,618	8,389,788
20 TRANSFER TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0
21 TOTAL EXPENDITURES	583,129	594,618	594,618	8,389,788
22				
23 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0
24				
25 FUND BALANCE - JANUARY 1	0	0	0	0
26				
27 FUND BALANCE - DECEMBER 31	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 2 (Commercial)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

FINAL DRAFT 9-2-2015

EXHIBIT II - CASH FLOW FORECAST

	2015	2016	2017	2018	2019	2020	2021	2022
1 INCREMENTAL COMMERCIAL SQUARE FEET (SCHEDULE 1)	0	0	0	5,000	5,000	5,000	5,000	5,000
2 CUMULATIVE COMMERCIAL SQUARE FEET (SCH. 1)	0	0	0	5,000	10,000	15,000	20,000	25,000
3 ASSESSED VALUATION (SCH. 1)	0	0	0	0	0	145,000	290,000	435,000
4 MILL LEVY	0.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
5								
6 REVENUES:								
7 PROPERTY TAXES (30 MILLS)	0	0	0	0	0	4,350	8,700	13,050
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	0	0	0	0	0	348	696	1,044
9 DEVELOPER OPERATING CONTRIBUTION	0	0	0	0	0	0	0	0
10 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	1	2
11 TOTAL REVENUES	0	0	0	0	0	4,698	9,397	14,096
12								
13 EXPENDITURES:								
14 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	0	0	0	0	0	65	131	196
15 TRANSFER TO TMD #1 FOR O&M (10 MILLS)	0	0	0	0	0	1,450	2,900	4,350
16 TRANSFER TO TMD #3 FOR DEBT (20 MILLS)	0	0	0	0	0	2,900	5,800	8,700
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	0	0	0	0	0	4,415	8,831	13,246
19								
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	283	566	850
21								
22 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:								
23 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0
24 PROCEEDS FROM G.O. BONDS (SCH. 2)	0	0	0	0	0	0	0	0
25 COSTS OF BOND ISSUANCE	0	0	0	0	0	0	0	0
26 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0
27								
28 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	283	849
29								
30 FUND BALANCE - DECEMBER 31	0	0	0	0	0	283	849	1,699

SEE CONSULTANT'S REPORT AND DISCLAIMER.



TAILHOLT METROPOLITAN DISTRICT # 2 (Commercial)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

EXHIBIT II - CASH FLOW FORECAST

	2023	2024	2025	2026	2027	2028	2029	2030	2031
1 INCREMENTAL COMMERCIAL SQUARE FEET (SCHEDULE 1)	5,000	0	0	0	0	0	0	0	0
2 CUMULATIVE COMMERCIAL SQUARE FEET (SCH. 1)	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
3 ASSESSED VALUATION (SCH. 1)	580,000	725,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000
4 MILL LEVY	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
5									
6 REVENUES:									
7 PROPERTY TAXES (30 MILLS)	17,400	21,750	26,100	26,100	26,100	26,100	26,100	26,100	26,100
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	1,392	1,740	2,088	2,088	2,088	2,088	2,088	2,088	2,088
9 DEVELOPER OPERATING CONTRIBUTION	0	0	0	0	0	0	0	0	0
10 INTEREST INCOME - OTHER @ .25%	4	7	11	15	19	23	28	32	38
11 TOTAL REVENUES	18,796	23,497	28,199	28,203	28,207	28,211	28,216	28,220	28,224
12									
13 EXPENDITURES:									
14 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	261	326	392	392	392	392	392	392	392
15 TRANSFER TO TMD #1 FOR O&M (10 MILLS)	5,800	7,250	8,700	8,700	8,700	8,700	8,700	8,700	8,700
16 TRANSFER TO TMD #3 FOR DEBT (20 MILLS)	11,600	14,500	17,400	17,400	17,400	17,400	17,400	17,400	17,400
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	17,661	22,076	26,492	26,492	26,492	26,492	26,492	26,492	26,492
19									
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	1,135	1,421	1,707	1,711	1,716	1,720	1,724	1,729	1,733
21									
22 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:									
23 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0	0
24 PROCEEDS FROM G.O. BONDS (SCH. 2)	0	0	0	0	0	0	0	0	0
25 COSTS OF BOND ISSUANCE	0	0	0	0	0	0	0	0	0
26 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0	0
27									
28 FUND BALANCE - JANUARY 1	1,699	2,835	4,255	5,963	7,674	9,390	11,110	12,834	14,562
29									
30 FUND BALANCE - DECEMBER 31	2,835	4,255	5,963	7,674	9,390	11,110	12,834	14,562	16,295

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 2 (Commercial)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

EXHIBIT II - CASH FLOW FORECAST

	2032	2033	2034	2035	2036	2037	2038	2039
1	0	0	0	0	0	0	0	0
2	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
3	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000
4	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
5								
6	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100
7	2,088	2,088	2,088	2,088	2,088	2,088	2,088	2,088
8	0	0	0	0	0	0	0	0
9	41	45	49	54	58	63	67	71
10	28,229	28,233	28,237	28,242	28,246	28,251	28,255	28,259
11								
12								
13	392	392	392	392	392	392	392	392
14	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700
15	17,400	17,400	17,400	17,400	17,400	17,400	17,400	17,400
16	0	0	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0
18	26,492	26,492	26,492	26,492	26,492	26,492	26,492	26,492
19								
20	1,737	1,742	1,746	1,750	1,755	1,759	1,763	1,768
21								
22								
23	0	0	0	0	0	0	0	0
24	0	0	0	0	0	0	0	0
25	0	0	0	0	0	0	0	0
26	0	0	0	0	0	0	0	0
27								
28	16,295	18,033	19,774	21,520	23,270	25,025	26,784	28,548
29								
30	18,033	19,774	21,520	23,270	25,025	26,784	28,548	30,316

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 2 (Commercial)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

EXHIBIT II - CASH FLOW FORECAST

	2040	2041	2042	2043	2044	2045	2046	2047
1 INCREMENTAL COMMERCIAL SQUARE FEET (SCHEDULE 1)	0	0	0	0	0	0	0	0
2 CUMULATIVE COMMERCIAL SQUARE FEET (SCH. 1)	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
3 ASSESSED VALUATION (SCH. 1)	870,000	870,000	870,000	870,000	870,000	870,000	870,000	870,000
4 MILL LEVY	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
5								
6 REVENUES:								
7 PROPERTY TAXES (30 MILLS)	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	2,088	2,088	2,088	2,088	2,088	2,088	2,088	2,088
9 DEVELOPER OPERATING CONTRIBUTION	0	0	0	0	0	0	0	0
10 INTEREST INCOME - OTHER @ .25%	76	80	85	89	94	98	103	107
11 TOTAL REVENUES	28,264	28,268	28,273	28,277	28,282	28,286	28,291	28,295
12								
13 EXPENDITURES:								
14 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	392	392	392	392	392	392	392	392
15 TRANSFER TO TMD #1 FOR O&M (10 MILLS)	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700
16 TRANSFER TO TMD #3 FOR DEBT (20 MILLS)	17,400	17,400	17,400	17,400	17,400	17,400	17,400	17,400
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	26,492	26,492	26,492	26,492	26,492	26,492	26,492	26,492
19								
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	1,772	1,777	1,781	1,786	1,790	1,795	1,799	1,804
21								
22 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:								
23 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0
24 PROCEEDS FROM G.O. BONDS (SCH. 2)	0	0	0	0	0	0	0	0
25 COSTS OF BOND ISSUANCE	0	0	0	0	0	0	0	0
26 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0
27								
28 FUND BALANCE - JANUARY 1	30,316	32,088	33,865	35,646	37,431	39,221	41,016	42,815
29								
30 FUND BALANCE - DECEMBER 31	32,088	33,865	35,646	37,431	39,221	41,016	42,815	44,618

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 2 (Commercial)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

EXHIBIT II - CASH FLOW FORECAST

	2048	2049	2050	2051	TOTALS
1 INCREMENTAL COMMERCIAL SQUARE FEET (SCHEDULE 1)	0	0	0	0	30,000
2 CUMULATIVE COMMERCIAL SQUARE FEET (SCH. 1)	30,000	30,000	30,000	30,000	30,000
3 ASSESSED VALUATION (SCH. 1)	870,000	870,000	870,000	870,000	870,000
4 MILL LEVY	30.00	30.00	30.00	30.00	30.00
5					
6 REVENUES:					
7 PROPERTY TAXES (30 MILLS)	26,100	26,100	26,100	26,100	768,950
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	2,088	2,088	2,088	2,088	61,596
9 DEVELOPER OPERATING CONTRIBUTION	0	0	0	0	0
10 INTEREST INCOME - OTHER @ .25%	112	116	121	125	1,831
11 TOTAL REVENUES	28,300	28,304	28,309	28,313	833,377
12					
13 EXPENDITURES:					
14 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	392	392	392	392	11,549
15 TRANSFER TO TMD #1 FOR O&M (10 MILLS)	8,700	8,700	8,700	8,700	256,650
16 TRANSFER TO TMD #3 FOR DEBT (20 MILLS)	17,400	17,400	17,400	17,400	0
17 BOND PAYING AGENT FEES	0	0	0	0	0
18 TOTAL EXPENDITURES	26,492	26,492	26,492	26,492	781,499
19					
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	1,808	1,813	1,817	1,822	51,878
21					
22 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:					
23 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0
24 PROCEEDS FROM G.O. BONDS (SCH. 2)	0	0	0	0	0
25 COSTS OF BOND ISSUANCE	0	0	0	0	0
26 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0
27					
28 FUND BALANCE - JANUARY 1	44,518	46,427	48,239	50,056	0
29					
30 FUND BALANCE - DECEMBER 31	46,427	48,239	50,056	51,878	51,878

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 2 (Commercial)  
 FORECASTED BUILDOUT AND ASSESSED VALUATION  
 FOR THE YEARS ENDING DECEMBER 31, 2016 THROUGH 2024

FINAL DRAFT 9-2-2015  
 SUBJECT TO CHANGE & REVISION

SCHEDULE 1 - DEVELOPERS ESTIMATED BUILDOUT  
 AND ASSESSED VALUATION FROM BUILDOUT

Description of Units/Planning Area	Planned Number	Average Per Sq Foot	Total Gross	
			Sq. Ft.	Volume
Commercial				
Commercial Square Feet	30,000	100	3,000,000	3,000,000
Total Incremental Retail	<u>30,000</u>	<u>100</u>		<u>3,000,000</u>
Total Cumulative Retail				

SOURCE: TAILHOLT LAND & WATER INVESTMENTS, INC

Estimated Values (Uninflated):

Commercial Square Feet  
 Estimated Value Of Buildout - Entire Project (Uninflated)

Proj. Assessed Value - Incremental (29%):

Commercial Square Feet  
 Total Incremental Assessed Valuation - All Sources  
 Proj. Assessed Value By Year - Cumulative (Uninflated):  
 Proj. Assessed Value By Year - Cumulative (Inflated 0% Every Other Year Beg. 2018):

Year Assessed Valuation Certified To TMD #2

Year Taxes Received By TMD #2

SEE CONSULTANT'S REPORT AND DISCLAIMER.

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTALS
Commercial Square Feet	0	0	0	5,000	5,000	5,000	5,000	5,000	5,000	0	30,000
Total Incremental Retail	0	0	0	5,000	5,000	5,000	5,000	5,000	5,000	0	30,000
Total Cumulative Retail	0	0	0	5,000	10,000	15,000	20,000	25,000	30,000	30,000	30,000
Commercial Square Feet	0	0	0	500,000	500,000	500,000	500,000	500,000	500,000	0	3,000,000
Total Incremental Assessed Valuation - All Sources	0	0	0	500,000	500,000	500,000	500,000	500,000	500,000	0	3,000,000
Proj. Assessed Value - Incremental (29%)	0	0	0	145,000	145,000	145,000	145,000	145,000	145,000	0	870,000
Total Incremental Assessed Valuation - All Sources	0	0	0	145,000	145,000	145,000	145,000	145,000	145,000	0	870,000
Proj. Assessed Value By Year - Cumulative (Uninflated)	0	0	0	145,000	290,000	435,000	580,000	725,000	870,000	870,000	870,000
Proj. Assessed Value By Year - Cumulative (Inflated 0% Every Other Year Beg. 2018)	0	0	0	145,000	290,000	435,000	580,000	725,000	870,000	870,000	870,000
Year Assessed Valuation Certified To TMD #2	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Year Taxes Received By TMD #2	2008	2018	2019	2020	2021	2022	2023	2024	2025	2026	2026

TAILHOLT METROPOLITAN DISTRICT # 3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND ONLY  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

FINAL DRAFT 9-2-2015  
 SUBJECT TO CHANGE & REVISION

EXHIBIT III - CASH FLOW FORECAST AND DEBT SERVICE

	2015	2016	2017	2018	2019	2020	2021	2022
1	0	112	114	112	114	112	114	112
2	0	112	226	338	452	564	678	790
3	0	0	0	3,172,983	6,393,058	9,757,362	13,041,838	16,603,847
4	0.00	0.00	50.00	50.00	50.00	50.00	50.00	50.00
5								
6								
7	0	0	0	158,649	319,653	487,868	652,092	830,192
8	0	0	0	12,692	25,572	39,029	52,167	66,415
9	0	0	0	0	0	2,900	5,800	8,700
10	0	0	0	0	331	1,010	1,184	462
11	0	0	0	171,341	345,556	530,807	711,243	905,170
12								
13								
14	0	0	0	2,380	4,795	7,318	9,781	12,453
15	0	0	0	31,730	63,931	97,574	130,418	166,038
16	0	0	0	0	0	351,000	352,400	353,500
17	0	0	0	0	0	0	0	0
18	0	0	0	0	0	0	0	0
19	0	0	0	0	0	0	0	0
20	0	0	0	0	0	0	0	0
21	0	0	0	0	0	0	0	0
22	0	0	0	5,000	5,150	5,305	5,464	5,628
23	0	0	0	0	0	0	2,000	2,000
24	0	0	0	39,110	73,875	461,196	500,063	539,619
25								
26	0	0	0	132,232	271,680	69,611	211,180	366,151
27								
28								
29	0	0	0	0	(4,510,500)	0	0	(4,929,000)
30	0	0	0	0	4,850,000	0	0	5,300,000
31	0	0	0	0	(339,500)	0	0	(371,000)
32	0	0	0	0	0	0	(500,000)	0
33	0	0	0	0	(0)	0	(500,000)	(0)
34								
35	0	0	0	0	132,232	403,912	473,623	184,703
36								
37	0	0	0	132,232	403,912	473,623	184,703	550,863
38								
39	0	0	0	0	4,850,000	4,790,000	4,725,000	9,955,000
40	0.00%	0.00%	0.00%	0.00%	49.71%	36.73%	28.46%	49.89%

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND ONLY  
 FOR THE YEARS ENDING DECEMBER 31, 2016 - 2061

EXHIBIT III - CASH FLOW FORECAST AND DEBT SERVICE

	2023	2024	2025	2026	2027	2028	2029	2030
1 INCREMENTAL UNITS ADDED (SCHEDULE 2)	114	112	114	114	114	114	114	114
2 CUMULATIVE UNITS ADDED	904	1,016	1,130	1,244	1,358	1,472	1,586	1,700
3 ASSESSED VALUATION (SCH. 2)	19,854,013	23,720,288	27,137,458	31,114,746	34,600,258	38,847,486	42,402,708	46,877,090
4 MILL LEVY	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
5								
6 REVENUES:								
7 PROPERTY TAXES	997,701	1,186,014	1,356,873	1,555,737	1,730,013	1,942,374	2,120,135	2,343,855
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	79,816	94,881	108,550	124,459	138,401	155,390	169,611	187,508
9 TRANSFER FROM TMD #2 (20.0 MILLS)	11,600	14,500	17,400	17,400	17,400	17,400	17,400	17,400
10 INTEREST INCOME - OTHER @ .25%	1,377	1,687	1,171	2,289	246	1,073	2,349	350
11 TOTAL REVENUES	<u>1,090,494</u>	<u>1,297,082</u>	<u>1,483,993</u>	<u>1,699,866</u>	<u>1,886,060</u>	<u>2,116,237</u>	<u>2,309,495</u>	<u>2,549,113</u>
12 EXPENDITURES:								
13								
14 1.5% WELD COUNTY TREASURER'S COLLECTION FEE	14,866	17,760	20,353	23,336	25,950	29,136	31,802	35,158
15 TRANSFER TO TMD #1 (10 MILLS)	189,540	237,203	271,375	311,147	346,003	388,475	424,027	466,771
16 SERIES 2019 G.O. BONDS DEBT SERVICE (SCH. 3)	354,300	354,800	350,000	350,200	350,100	354,700	353,700	352,400
17 SERIES 2022 G.O. BONDS DEBT SERVICE (SCH. 3)	388,000	383,800	384,600	385,100	385,300	385,200	384,800	384,100
18 SERIES 2025 G.O. BONDS DEBT SERVICE (SCH. 3)	0	0	0	435,000	435,500	435,700	435,600	435,200
19 SERIES 2028 G.O. BONDS DEBT SERVICE (SCH. 3)	0	0	0	0	0	0	464,000	464,200
20 SERIES 2031 G.O. BONDS DEBT SERVICE (SCH. 3)	0	0	0	0	0	0	0	0
21 SERIES 2035 G.O. BONDS DEBT SERVICE (SCH. 3)	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,129
22 ADMINISTRATIVE ALLOWANCE	4,000	4,000	4,000	6,000	6,000	6,000	8,000	9,000
23 BOND PAYING AGENT FEES	<u>966,602</u>	<u>1,003,663</u>	<u>1,036,477</u>	<u>1,517,117</u>	<u>1,565,377</u>	<u>1,605,930</u>	<u>2,108,850</u>	<u>2,154,958</u>
24 TOTAL EXPENDITURES	<u>1,23,892</u>	<u>293,519</u>	<u>447,516</u>	<u>182,768</u>	<u>330,884</u>	<u>510,307</u>	<u>200,645</u>	<u>394,156</u>
25 EXCESS REVENUES OVER (UNDER) EXPENDITURES								
26								
27								
28 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:								
29 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	0	0	(5,580,000)	0	0	(5,952,000)	0	0
30 PROCEEDS FROM G.O. BONDS (SCH. 3)	0	0	6,000,000	0	0	6,400,000	0	0
31 COSTS OF BOND ISSUANCE	0	0	(420,000)	0	0	(448,000)	0	0
32 TRANSFER OF EXCESS REVENUE TO CAPITAL PROJECTS FUND	0	(500,000)	0	(1,000,000)	0	0	(1,000,000)	0
33 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	<u>0</u>	<u>(500,000)</u>	<u>(0)</u>	<u>(1,000,000)</u>	<u>0</u>	<u>(0)</u>	<u>(1,000,000)</u>	<u>0</u>
34 FUND BALANCE - JANUARY 1	<u>550,853</u>	<u>674,745</u>	<u>468,264</u>	<u>915,781</u>	<u>98,549</u>	<u>429,233</u>	<u>939,540</u>	<u>140,185</u>
35								
36 FUND BALANCE - DECEMBER 31	<u>674,745</u>	<u>468,264</u>	<u>915,781</u>	<u>98,549</u>	<u>429,233</u>	<u>939,540</u>	<u>140,185</u>	<u>534,341</u>
37								
38								
39 TOTAL NON-RATED G.O. BONDS OUTSTANDING @ 12/31	<u>9,810,000</u>	<u>9,660,000</u>	<u>15,505,000</u>	<u>15,285,000</u>	<u>15,010,000</u>	<u>21,135,000</u>	<u>20,765,000</u>	<u>20,375,000</u>
40 % OF NON-RATED G.O. BONDS OUTSTANDING/ASSESSED VALUE	<u>41.36%</u>	<u>36.60%</u>	<u>49.83%</u>	<u>44.12%</u>	<u>38.64%</u>	<u>49.84%</u>	<u>44.30%</u>	<u>40.34%</u>

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND ONLY  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

EXHIBIT III - CASH FLOW FORECAST AND DEBT SERVICE

	2031	2032	2033	2034	2035	2036	2037	2038
1 INCREMENTAL UNITS ADDED (SCHEDULE 2)	0	0	0	0	0	0	0	0
2 CUMULATIVE UNITS ADDED	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
3 ASSESSED VALUATION (SCH. 2)	50,503,417	55,212,339	55,212,339	56,316,586	56,316,586	57,442,918	57,442,918	58,591,776
4 MILL LEVY	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
5								
6 REVENUES:								
7 PROPERTY TAXES	2,525,171	2,760,617	2,760,617	2,815,829	2,815,829	2,872,146	2,872,146	2,929,589
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	202,014	220,849	220,849	225,266	225,266	229,772	229,772	234,367
9 TRANSFER FROM TMD #2 (20.0 MILLS)	17,400	17,400	17,400	17,400	17,400	17,400	17,400	17,400
10 INTEREST INCOME - OTHER @ .25%	1,336	2,724	3,215	1,226	1,835	2,436	2,544	2,647
11 TOTAL REVENUES	<u>2,745,920</u>	<u>3,001,590</u>	<u>3,002,082</u>	<u>3,059,722</u>	<u>3,060,331</u>	<u>3,121,754</u>	<u>3,121,861</u>	<u>3,184,003</u>
12								
13 EXPENDITURES:								
14 1.5% WELD COUNTY TREASURER'S COLLECTION FEE	37,878	41,409	41,409	42,237	42,237	43,082	43,082	43,944
15 TRANSFER TO TMD #1 (10 MILLS)	505,034	552,123	552,123	563,166	563,166	574,429	574,429	585,918
16 SERIES 2019 G.O. BONDS DEBT SERVICE (SCH. 3)	350,800	353,900	351,400	353,600	355,200	351,200	351,900	352,000
17 SERIES 2022 G.O. BONDS DEBT SERVICE (SCH. 3)	383,100	386,800	384,900	382,700	385,200	387,100	383,400	384,400
18 SERIES 2025 G.O. BONDS DEBT SERVICE (SCH. 3)	434,500	438,500	436,900	435,000	437,800	435,000	436,900	438,200
19 SERIES 2028 G.O. BONDS DEBT SERVICE (SCH. 3)	464,100	463,700	463,000	467,000	465,400	463,500	466,300	463,500
20 SERIES 2031 G.O. BONDS DEBT SERVICE (SCH. 3)	0	551,000	550,300	554,300	552,700	550,800	553,600	550,800
21 SERIES 2035 G.O. BONDS DEBT SERVICE (SCH. 3)	0	0	0	0	0	255,000	252,300	254,800
22 ADMINISTRATIVE ALLOWANCE	7,343	7,563	7,790	8,024	8,264	8,512	8,768	9,031
23 BOND PAYING AGENT FEES	8,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
24 TOTAL EXPENDITURES	<u>2,190,754</u>	<u>2,804,995</u>	<u>2,797,822</u>	<u>2,816,027</u>	<u>2,819,968</u>	<u>3,078,624</u>	<u>3,080,679</u>	<u>3,092,392</u>
25								
26 EXCESS REVENUES OVER (UNDER) EXPENDITURES	555,166	196,594	204,259	243,695	240,363	43,130	41,183	91,611
27								
28 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:								
29 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	(7,068,000)	0	0	0	(3,255,000)	0	0	0
30 PROCEEDS FROM G.O. BONDS (SCH. 3)	7,600,000	0	0	0	3,500,000	0	0	0
31 COSTS OF BOND ISSUANCE	(532,000)	0	0	0	(245,000)	0	0	0
32 TRANSFER OF EXCESS REVENUE TO CAPITAL PROJECTS FUND	0	0	(1,000,000)	0	0	0	0	0
33 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	0	0	(1,000,000)	0	0	0	0	0
34								
35 FUND BALANCE - JANUARY 1	534,341	1,089,507	1,286,101	490,360	734,055	974,418	1,017,548	1,058,731
36								
37 FUND BALANCE - DECEMBER 31	1,089,507	1,286,101	490,360	734,055	974,418	1,017,548	1,058,731	1,150,341
38								
39 TOTAL NON-RATED G.O. BONDS OUTSTANDING @ 12/31	27,555,000	27,025,000	26,460,000	25,955,000	28,710,000	27,990,000	27,225,000	26,415,000
40 % OF NON-RATED G.O. BONDS OUTSTANDING/ASSESSED VALUE	49.93%	48.95%	46.99%	45.91%	49.98%	48.73%	46.47%	45.08%

SEE CONSULTANT'S REPORT AND DISCLAIMER.



TAILHOLT METROPOLITAN DISTRICT # 3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND ONLY  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

EXHIBIT III - CASH FLOW FORECAST AND DEBT SERVICE

	2032	2040	2041	2042	2043	2044	2045	2046
1 INCREMENTAL UNITS ADDED (SCHEDULE 2)	0	0	0	0	0	0	0	0
2 CUMULATIVE UNITS ADDED	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
3 ASSESSED VALUATION (SCH. 2)	58,591,776	58,763,612	59,763,612	60,958,884	60,958,884	62,178,062	62,178,062	63,421,623
4 MILL LEVY	50.00	48.00	48.00	48.00	48.00	46.00	46.00	46.00
5								
6 REVENUES:								
7 PROPERTY TAXES	2,929,589	2,868,653	2,868,653	2,926,026	2,926,026	2,860,191	2,860,191	2,917,395
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	234,367	228,492	228,492	234,082	234,082	228,815	228,815	233,392
9 TRANSFER FROM TMD #2 (20.0 MILLS)	17,400	17,400	17,400	17,400	17,400	17,400	17,400	17,400
10 INTEREST INCOME - OTHER @ .25%	2,876	3,101	639	669	803	954	887	829
11 TOTAL REVENUES	<u>3,184,232</u>	<u>3,118,647</u>	<u>3,116,185</u>	<u>3,178,177</u>	<u>3,178,312</u>	<u>3,107,360</u>	<u>3,107,293</u>	<u>3,169,015</u>
12								
13 EXPENDITURES:								
14 1.5% WELD COUNTY TREASURER'S COLLECTION FEE	43,944	43,030	43,030	43,890	43,890	42,903	42,903	43,761
15 TRANSFER TO TMD #1 (10 MILLS)	585,918	597,636	597,636	609,589	609,589	621,781	621,781	634,216
16 SERIES 2018 G.O. BONDS DEBT SERVICE (SCH. 3)	351,500	350,400	353,700	351,100	352,900	353,800	353,800	352,900
17 SERIES 2022 G.O. BONDS DEBT SERVICE (SCH. 3)	384,800	384,600	383,800	387,400	385,100	387,200	383,400	384,000
18 SERIES 2025 G.O. BONDS DEBT SERVICE (SCH. 3)	433,900	434,300	434,100	438,300	436,600	434,300	436,400	437,600
19 SERIES 2028 G.O. BONDS DEBT SERVICE (SCH. 3)	465,400	466,700	467,400	467,500	467,000	465,900	464,200	466,900
20 SERIES 2031 G.O. BONDS DEBT SERVICE (SCH. 3)	552,700	554,000	549,700	550,100	549,900	554,100	552,400	550,100
21 SERIES 2035 G.O. BONDS DEBT SERVICE (SCH. 3)	256,600	253,300	255,000	256,400	252,500	253,600	254,400	254,900
22 ADMINISTRATIVE ALLOWANCE	9,301	9,581	9,868	10,164	10,468	10,783	11,106	11,440
23 BOND PAYING AGENT FEES	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
24 TOTAL EXPENDITURES	<u>3,094,063</u>	<u>3,103,646</u>	<u>3,104,234</u>	<u>3,124,443</u>	<u>3,117,948</u>	<u>3,134,366</u>	<u>3,130,390</u>	<u>3,145,817</u>
25								
26 EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>90,169</u>	<u>15,100</u>	<u>11,951</u>	<u>53,734</u>	<u>60,364</u>	<u>(27,006)</u>	<u>(23,097)</u>	<u>23,198</u>
27								
28 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:								
29 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0
30 PROCEEDS FROM G.O. BONDS (SCH. 3)	0	0	0	0	0	0	0	0
31 COSTS OF BOND ISSUANCE	0	0	0	0	0	0	0	0
32 TRANSFER OF EXCESS REVENUE TO CAPITAL PROJECTS FUND	0	(1,000,000)	0	0	0	0	0	0
33 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	<u>0</u>	<u>(1,000,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
34								
35 FUND BALANCE - JANUARY 1	<u>1,150,341</u>	<u>1,240,510</u>	<u>255,610</u>	<u>267,561</u>	<u>321,296</u>	<u>381,659</u>	<u>354,653</u>	<u>331,556</u>
36								
37 FUND BALANCE - DECEMBER 31	<u>1,240,510</u>	<u>255,610</u>	<u>267,561</u>	<u>321,296</u>	<u>381,659</u>	<u>354,653</u>	<u>331,556</u>	<u>354,754</u>
38								
39 TOTAL NON-RATED G.O. BONDS OUTSTANDING @ 12/31	<u>25,555,000</u>	<u>24,645,000</u>	<u>23,680,000</u>	<u>22,650,000</u>	<u>21,585,000</u>	<u>20,410,000</u>	<u>19,190,000</u>	<u>17,995,000</u>
40 % OF NON-RATED G.O. BONDS OUTSTANDING/ASSESSED VALUE	<u>42.76%</u>	<u>41.24%</u>	<u>39.85%</u>	<u>37.16%</u>	<u>34.68%</u>	<u>32.83%</u>	<u>30.26%</u>	<u>28.22%</u>

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT #3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND ONLY  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

EXHIBIT III - CASH FLOW FORECAST AND DEBT SERVICE

	2047	2048	2049	2050	2051	TOTALS
1 INCREMENTAL UNITS ADDED (SCHEDULE 2)	0	0	0	0	0	1,700
2 CUMULATIVE UNITS ADDED	1,700	1,700	1,700	1,700	1,700	1,700
3 ASSESSED VALUATION (SCH. 2)	63,421,623	64,690,055	64,690,055	65,983,856	65,983,856	
4 MILL LEVY	46.00	45.00	45.00	40.00	40.00	
5						
6 REVENUES:						
7 PROPERTY TAXES	2,917,395	2,911,052	2,911,052	2,639,354	2,639,354	75,208,034
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	233,392	232,884	232,884	211,148	211,148	6,016,643
9 TRANSFER FROM TMD #2 (20.0 MILLS)	17,400	17,400	17,400	17,400	17,400	513,300
10 INTEREST INCOME - OTHER @ .25%	887	951	946	972	1,101	47,107
11 TOTAL REVENUES	<u>3,169,073</u>	<u>3,162,288</u>	<u>3,162,283</u>	<u>2,868,875</u>	<u>2,869,004</u>	<u>81,785,083</u>
12						
13 EXPENDITURES:						
14 1.5% WELD COUNTY TREASURER'S COLLECTION FEE	43,761	43,666	43,666	39,590	39,590	1,128,121
15 TRANSFER TO TMD #1 (10 MILLS)	634,216	646,901	646,901	659,839	659,839	15,732,460
16 SERIES 2019 G.O. BONDS DEBT SERVICE (SCH. 3)	351,100	353,400	344,500	0	0	10,566,200
17 SERIES 2022 G.O. BONDS DEBT SERVICE (SCH. 3)	383,700	387,500	385,100	386,800	382,300	11,164,200
18 SERIES 2025 G.O. BONDS DEBT SERVICE (SCH. 3)	437,900	437,300	435,800	438,400	434,800	11,339,500
19 SERIES 2028 G.O. BONDS DEBT SERVICE (SCH. 3)	463,700	464,900	465,200	464,600	463,100	10,697,200
20 SERIES 2031 G.O. BONDS DEBT SERVICE (SCH. 3)	552,200	553,400	553,700	553,100	551,600	11,040,500
21 SERIES 2035 G.O. BONDS DEBT SERVICE (SCH. 3)	255,100	255,000	254,600	253,900	252,900	4,070,100
22 ADMINISTRATIVE ALLOWANCE	11,783	12,136	12,500	12,875	13,262	288,651
23 BOND PAYING AGENT FEES	10,000	10,000	10,000	8,000	9,000	254,000
24 TOTAL EXPENDITURES	<u>3,143,460</u>	<u>3,164,203</u>	<u>3,151,967</u>	<u>2,817,104</u>	<u>2,805,391</u>	<u>76,280,931</u>
25						
26 EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>25,613</u>	<u>(1,915)</u>	<u>10,316</u>	<u>51,770</u>	<u>63,613</u>	<u>5,504,152</u>
27						
28 BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND:						
29 TRANSFER OF NET G.O. BOND PROCEEDS TO TMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	(31,294,500)
30 PROCEEDS FROM G.O. BONDS (SCH. 3)	0	0	0	0	0	33,650,000
31 COSTS OF BOND ISSUANCE	0	0	0	0	0	(2,355,500)
32 TRANSFER OF EXCESS REVENUE TO CAPITAL PROJECTS FUND	0	0	0	0	0	(5,000,000)
33 TOTAL BOND PROCEEDS AND TRANSFERS TO TMD #1 CAPITAL PROJECTS FUND	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,000,000)</u>
34						
35 FUND BALANCE - JANUARY 1	<u>354,754</u>	<u>380,367</u>	<u>378,452</u>	<u>388,768</u>	<u>440,539</u>	<u>0</u>
36						
37 FUND BALANCE - DECEMBER 31	<u>380,367</u>	<u>378,462</u>	<u>388,768</u>	<u>440,539</u>	<u>504,152</u>	<u>504,152</u>
38						
39 TOTAL NON-RATED G.O. BONDS OUTSTANDING @ 12/31	<u>16,525,000</u>	<u>16,065,000</u>	<u>13,530,000</u>	<u>12,245,000</u>	<u>10,895,000</u>	
40 % OF NON-RATED G.O. BONDS OUTSTANDING/ASSESSED VALUE	<u>25.54%</u>	<u>23.29%</u>	<u>20.51%</u>	<u>18.56%</u>	<u>9.00%</u>	

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 3  
 FORECASTED BUILDOUT AND ASSESSED VALUATION  
 FOR THE YEARS ENDING DECEMBER 31, 2016 THROUGH 2030

FINAL DRAFT 9-2-2015  
 SUBJECT TO CHANGE & REVISION

SCHEDULE 2 - DEVELOPERS ESTIMATED BUILDOUT  
 AND ASSESSED VALUATION FROM BUILDOUT

BUILDOUT/LANDUSE (INCLUDING LOT VALUES):			
Description of Units/Planning Area	Planned Number Units	Average Per Unit Price	Total Gross Volume
<b>Residential</b>			
Multi Family	400	180,000	72,000,000
Single Family	1,300	400,000	520,000,000
Total Incremental Residential	1,700	348,235	592,000,000
Total Cumulative Residential			

SOURCE: TAILHOLT LAND & WATER INVESTMENTS, INC

Estimated Values (Uninflated):

Multi Family	0	4,680,000	4,680,000	4,680,000	4,680,000	4,680,000	4,680,000	4,680,000	4,680,000
Single Family	0	34,400,000	34,400,000	34,400,000	34,400,000	34,400,000	34,400,000	34,400,000	34,400,000
Estimated Value Of Buildout - Entire Project (Uninflated)	0	39,080,000	39,080,000	39,080,000	39,080,000	39,080,000	39,080,000	39,080,000	39,080,000

Proj. Assessed Value - Incremental (7.96%):

Multi Family	0	372,528	386,856	372,528	386,856	372,528	386,856	372,528	386,856
Single Family	0	2,738,240	2,770,080	2,738,240	2,770,080	2,738,240	2,770,080	2,738,240	2,770,080
Total Incremental Assessed Valuation - All Sources	0	3,110,768	3,156,936	3,110,768	3,156,936	3,110,768	3,156,936	3,110,768	3,156,936
Proj. Assessed Value By Year - Cumulative (Uninflated):	0	3,110,768	6,287,704	9,378,472	12,535,408	15,646,176	18,803,112	21,913,880	25,070,816
Proj. Assessed Value By Year - Cumulative (inflated 2% Every Other Year Beg. In 2018):	0	3,172,983	6,393,058	9,757,362	13,041,838	16,603,847	19,954,013	23,720,288	27,137,458

Year Assessed Valuation Certified To TMD #3

2016	2017	2018	2019	2020	2021	2022	2023	2024
2017	2018	2019	2020	2021	2022	2023	2024	2025

Year Taxes Received By TMD #3

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 3  
 FORECASTED BUILDOUT AND ASSESSED VALUATION  
 FOR THE YEARS ENDING DECEMBER 31, 2016 THROUGH 2030

SCHEDULE 2 - DEVELOPERS ESTIMATED BUILDOUT  
 AND ASSESSED VALUATION FROM BUILDOUT

BUILDOUT/LANDUSE (INCLUDING LOT VALUES):			
Description of Units/Planning Area	Planned Number Units	Average Per Unit Price	Total Gross Volume
Residential			
Multi Family	400	180,000	72,000,000
Single Family	1,300	400,000	520,000,000
Total Incremental Residential	1,700	348,235	592,000,000
Total Cumulative Residential			

SOURCE: TAILHOLT LAND & WATER INVESTMENTS, INC

Estimated Values (Uninflated):

Multi Family	4,860,000	4,860,000	4,860,000	4,860,000	4,860,000	4,860,000	4,860,000	4,860,000	4,860,000	4,860,000
Single Family	34,400,000	34,800,000	34,800,000	34,800,000	34,800,000	34,800,000	34,800,000	34,800,000	34,800,000	34,800,000
Estimated Value Of Buildout - Entire Project (Uninflated)	39,080,000	39,660,000	39,660,000	39,660,000	39,660,000	39,660,000	39,660,000	39,660,000	39,660,000	39,660,000

Proj. Assessed Value - Incremental (7.96%):

Multi Family	372,528	386,856	386,856	386,856	386,856	386,856	386,856	386,856	386,856	386,856
Single Family	2,738,240	2,770,080	2,770,080	2,770,080	2,770,080	2,770,080	2,770,080	2,770,080	2,770,080	2,770,080
Total Incremental Assessed Valuation - All Sources	3,110,768	3,156,936	3,156,936	3,156,936	3,156,936	3,156,936	3,156,936	3,156,936	3,156,936	3,156,936
Proj. Assessed Value By Year - Cumulative (Uninflated):	28,181,584	31,338,520	34,495,456	37,652,392	40,809,328	43,966,264	47,123,200	47,123,200	47,123,200	47,123,200
Proj. Assessed Value By Year - Cumulative (Inflated 2% Every Other Year Beg. In 2018):	31,114,746	34,600,258	38,847,486	42,402,709	46,877,090	50,503,417	55,212,339	55,212,339	55,212,339	55,212,339

Year Assessed Valuation Certified To TMD #3

2025	2026	2027	2028	2029	2030	2031
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Year Taxes Received By TMD #3

2026	2027	2028	2029	2030	2031	2032
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SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

FINAL DRAFT 9-2-2015  
 SUBJECT TO CHANGE & REVISION

SCHEDULE 3 - GENERAL OBLIGATION BOND ISSUES  
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

SIZE OF GENERAL OBLIGATION BOND ISSUES						GROSS BOND ISSUE
BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS			
12/01/2019 NON-RATED	4,510,500	0	339,500			4,850,000
12/01/2022 NON-RATED	4,929,000	0	371,000			5,300,000
12/01/2025 NON-RATED	5,580,000	0	420,000			6,000,000
12/01/2028 NON-RATED	5,952,000	0	448,000			6,400,000
12/01/2031 NON-RATED	7,068,000	0	532,000			7,600,000
12/01/2035 NON-RATED	3,255,000	0	245,000			3,500,000
<b>TOTALS</b>	<b>31,284,500</b>	<b>0</b>	<b>2,365,500</b>			<b>33,650,000</b>

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

BOND ISSUE DATE	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	ANNUAL DEBT SERVICE REQUIREMENTS						
				2016	2017	2018	2019	2020	2021	2022
12/01/2019 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	0	0	0	0	351,000	352,400	353,500
		TOTAL G.O. BONDS OUTSTANDING @ 12/31		0	0	0	4,850,000	4,790,000	4,725,000	4,655,000
12/01/2035 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	0	0	0	0	60,000	65,000	70,000
		TOTAL G.O. BONDS OUTSTANDING @ 12/31		0	0	0	0	281,000	287,400	293,500
12/01/2025 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	0	0	0	0	351,000	352,400	353,500
		TOTAL G.O. BONDS OUTSTANDING @ 12/31		0	0	0	0	4,790,000	4,725,000	4,655,000
12/01/2028 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	0	0	0	0	0	0	0
		TOTAL G.O. BONDS OUTSTANDING @ 12/31		0	0	0	0	0	0	0
12/01/2031 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	0	0	0	0	0	0	0
		TOTAL G.O. BONDS OUTSTANDING @ 12/31		0	0	0	0	0	0	0
12/01/2035 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	0	0	0	0	0	0	0
		TOTAL G.O. BONDS OUTSTANDING @ 12/31		0	0	0	0	0	0	0
<b>TOTALS</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>4,850,000</b>	<b>4,790,000</b>	<b>4,725,000</b>	<b>4,655,000</b>

Note 1: Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30.  
 SEE CONSULTANTS REPORT AND DISCLAIMER.

**TAILHOLT METROPOLITAN DISTRICT #3  
CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
DEBT SERVICE FUND  
FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051**

**SCHEDULE 3 - GENERAL OBLIGATION BOND ISSUES  
AND DEBT SERVICE REQUIREMENTS**

**BOND ISSUES**

SIZE OF GENERAL OBLIGATION BOND ISSUES				
BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE
12/01/2019 NON-RATED	4,510,500	0	339,500	4,850,000
12/01/2022 NON-RATED	4,929,000	0	371,000	5,300,000
12/01/2025 NON-RATED	5,580,000	0	420,000	6,000,000
12/01/2028 NON-RATED	5,952,000	0	448,000	6,400,000
12/01/2031 NON-RATED	7,068,000	0	532,000	7,600,000
12/01/2035 NON-RATED	3,255,000	0	245,000	3,500,000
<b>TOTALS</b>	<b>31,294,500</b>	<b>0</b>	<b>2,355,500</b>	<b>33,650,000</b>

**DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:**

BOND ISSUE DATE	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	2023	2024	2025	2026	2027	2028	2029	2030
					742,300	738,600	734,600	1,170,300	1,170,900	1,175,600	1,638,100	1,635,900
12/01/2019 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	75,000	80,000	80,000	85,000	90,000	100,000	105,000	110,000
					279,300	274,800	270,000	265,200	260,100	254,700	248,700	242,400
					354,300	354,800	350,000	350,200	350,100	354,700	353,700	352,400
					4,580,000	4,500,000	4,420,000	4,335,000	4,245,000	4,145,000	4,040,000	3,930,000
12/01/2025 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	70,000	70,000	75,000	80,000	85,000	90,000	95,000	100,000
					318,000	313,800	308,600	305,100	300,300	295,200	289,800	284,100
					388,000	383,800	384,600	385,100	385,300	385,200	384,800	384,100
					5,230,000	5,160,000	5,085,000	5,005,000	4,920,000	4,830,000	4,735,000	4,635,000
12/01/2025 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	75,000	80,000	85,000	90,000	95,000
					0	0	0	360,000	355,500	350,700	345,600	340,200
					0	0	0	435,000	435,500	435,700	435,600	435,200
					0	0	6,000,000	5,925,000	5,845,000	5,760,000	5,670,000	5,575,000
12/01/2028 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	80,000	85,000
					0	0	0	0	0	0	384,000	379,200
					0	0	0	0	0	0	464,000	464,200
					0	0	0	0	0	0	6,320,000	6,235,000
12/01/2031 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0
					0	0	0	0	0	0	0	0
					0	0	0	0	0	0	0	0
					0	0	0	0	0	0	0	0
12/01/2035 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0
					0	0	0	0	0	0	0	0
					0	0	0	0	0	0	0	0
					0	0	0	0	0	0	0	0
					9,810,000	9,660,000	15,505,000	15,265,000	15,010,000	21,135,000	20,765,000	20,375,000

*Note 1: Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30.  
SEE CONSULTANTS REPORT AND DISCLAIMER.*

TAILHOLT METROPOLITAN DISTRICT #3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

SCHEDULE 3 - GENERAL OBLIGATION BOND ISSUES  
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE
12/01/2019 NON-RATED	4,510,500	0	339,500	4,850,000
12/01/2022 NON-RATED	4,929,000	0	371,000	5,300,000
12/01/2025 NON-RATED	5,580,000	0	420,000	6,000,000
12/01/2028 NON-RATED	5,952,000	0	448,000	6,400,000
12/01/2031 NON-RATED	7,068,000	0	532,000	7,600,000
12/01/2035 NON-RATED	3,255,000	0	245,000	3,500,000
<b>TOTALS</b>	<b>31,284,500</b>	<b>0</b>	<b>2,355,500</b>	<b>33,650,000</b>

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

BOND ISSUE DATE	NEW \$ 30 YR	PRINCIPAL	INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	2031	2032	2033	2034	2035	2036	2037	2038
12/01/2019 NON-RATED	115,000	125,000	130,000	140,000	150,000	155,000	165,000	175,000	185,000	196,200	205,200	213,600	221,400
12/01/2025 NON-RATED	235,800	228,900	221,400	213,600	205,200	205,200	205,200	205,200	205,200	205,200	205,200	205,200	205,200
12/01/2028 NON-RATED	350,800	353,900	351,400	353,600	355,200	355,200	355,200	355,200	355,200	355,200	355,200	355,200	355,200
12/01/2031 NON-RATED	3,815,000	3,680,000	3,560,000	3,420,000	3,270,000	3,270,000	3,270,000	3,270,000	3,270,000	3,270,000	3,270,000	3,270,000	3,270,000
12/01/2035 NON-RATED	105,000	115,000	120,000	125,000	135,000	145,000	150,000	155,000	160,000	165,000	170,000	175,000	180,000
12/01/2025 NON-RATED	278,100	271,800	264,900	257,700	250,200	250,200	250,200	250,200	250,200	250,200	250,200	250,200	250,200
12/01/2028 NON-RATED	383,100	386,800	384,900	382,700	385,200	385,200	385,200	385,200	385,200	385,200	385,200	385,200	385,200
12/01/2031 NON-RATED	4,530,000	4,415,000	4,295,000	4,170,000	4,035,000	4,035,000	4,035,000	4,035,000	4,035,000	4,035,000	4,035,000	4,035,000	4,035,000
12/01/2035 NON-RATED	100,000	110,000	115,000	120,000	130,000	135,000	145,000	150,000	155,000	165,000	170,000	175,000	180,000
12/01/2025 NON-RATED	334,500	328,500	321,900	315,000	307,800	307,800	307,800	307,800	307,800	307,800	307,800	307,800	307,800
12/01/2028 NON-RATED	434,500	438,500	436,900	435,000	437,800	435,000	435,000	435,000	435,000	435,000	435,000	435,000	435,000
12/01/2031 NON-RATED	5,475,000	5,365,000	5,250,000	5,130,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
12/01/2035 NON-RATED	90,000	95,000	100,000	110,000	115,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
12/01/2025 NON-RATED	374,100	368,700	363,000	357,000	350,400	343,500	336,300	328,500	320,000	311,000	301,000	291,000	283,200
12/01/2028 NON-RATED	464,100	463,700	463,000	467,000	465,400	465,400	465,400	465,400	465,400	465,400	465,400	465,400	465,400
12/01/2031 NON-RATED	6,145,000	6,050,000	5,950,000	5,840,000	5,725,000	5,605,000	5,475,000	5,340,000	5,200,000	5,065,000	4,930,000	4,795,000	4,660,000
12/01/2035 NON-RATED	0	95,000	100,000	110,000	115,000	120,000	130,000	135,000	145,000	155,000	165,000	175,000	185,000
12/01/2025 NON-RATED	0	456,000	450,300	444,300	437,700	430,800	423,600	415,800	408,000	400,000	391,000	382,000	373,000
12/01/2028 NON-RATED	0	551,000	550,300	554,300	552,700	550,800	548,000	545,000	542,000	539,000	536,000	533,000	530,000
12/01/2031 NON-RATED	7,600,000	7,505,000	7,405,000	7,295,000	7,180,000	7,060,000	6,930,000	6,795,000	6,660,000	6,530,000	6,400,000	6,270,000	6,140,000
12/01/2035 NON-RATED	0	0	0	0	0	0	0	0	0	0	0	0	0
12/01/2025 NON-RATED	0	0	0	0	0	0	0	0	0	0	0	0	0
12/01/2028 NON-RATED	0	0	0	0	0	0	0	0	0	0	0	0	0
12/01/2031 NON-RATED	27,565,000	27,025,000	26,460,000	25,865,000	25,210,000	24,555,000	23,900,000	23,245,000	22,590,000	21,935,000	21,280,000	20,625,000	19,970,000
12/01/2035 NON-RATED	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTALS</b>	<b>27,565,000</b>	<b>27,025,000</b>	<b>26,460,000</b>	<b>25,865,000</b>	<b>25,210,000</b>	<b>24,555,000</b>	<b>23,900,000</b>	<b>23,245,000</b>	<b>22,590,000</b>	<b>21,935,000</b>	<b>21,280,000</b>	<b>20,625,000</b>	<b>19,970,000</b>

Note 1: Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30.  
 SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT # 3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2016 - 2051

SCHEDULE 3 - GENERAL OBLIGATION BOND ISSUES  
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

SIZE OF GENERAL OBLIGATION BOND ISSUES					
BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE	
12/01/2019 NON-RATED	4,510,000	0	339,500	4,850,000	
12/01/2022 NON-RATED	4,929,000	0	371,000	5,300,000	
12/01/2025 NON-RATED	5,580,000	0	420,000	6,000,000	
12/01/2028 NON-RATED	5,952,000	0	448,000	6,400,000	
12/01/2031 NON-RATED	7,068,000	0	532,000	7,600,000	
12/01/2035 NON-RATED	3,255,000	0	245,000	3,500,000	
<b>TOTALS</b>	<b>31,284,500</b>	<b>0</b>	<b>2,355,500</b>	<b>33,650,000</b>	

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

BOND ISSUE DATE	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	2039	2040	2041	2042	2043	2044	2045	2046
12/01/2019 NON-RATED												
					351,500	383,800	383,800	387,400	385,100	353,800	353,800	352,900
					2,580,000	2,385,000	2,185,000	1,965,000	1,730,000	1,480,000	1,215,000	935,000
					185,000	195,400	210,000	220,000	235,000	250,000	265,000	280,000
					166,500	155,400	143,700	131,100	117,900	103,800	88,800	72,900
					351,500	350,400	353,700	351,100	352,900	353,800	353,800	352,900
					2,580,000	2,385,000	2,185,000	1,965,000	1,730,000	1,480,000	1,215,000	935,000
12/01/2035 NON-RATED					170,000	180,000	190,000	205,000	215,000	230,000	240,000	255,000
					214,800	204,600	193,800	182,400	170,100	157,200	143,400	129,000
					384,800	384,600	383,800	387,400	385,100	387,200	383,400	384,000
					3,410,000	3,230,000	3,040,000	2,835,000	2,620,000	2,380,000	2,150,000	1,895,000
12/01/2025 NON-RATED					160,000	170,000	180,000	195,000	205,000	215,000	230,000	245,000
					273,900	264,300	254,100	243,300	231,600	219,300	206,400	192,600
					433,900	434,300	434,100	438,300	436,600	434,300	436,400	437,800
					4,405,000	4,235,000	4,055,000	3,860,000	3,655,000	3,440,000	3,210,000	2,965,000
12/01/2028 NON-RATED					145,000	155,000	165,000	175,000	185,000	195,000	205,000	220,000
					320,400	311,700	302,400	292,500	282,000	270,900	259,200	246,900
					465,400	466,700	467,400	467,500	467,000	465,900	464,200	466,900
					5,195,000	5,040,000	4,875,000	4,700,000	4,515,000	4,320,000	4,115,000	3,895,000
12/01/2031 NON-RATED					145,000	155,000	160,000	170,000	180,000	195,000	205,000	215,000
					407,700	399,000	389,700	380,100	369,900	359,100	347,400	335,100
					552,700	554,000	549,700	550,100	549,900	554,100	552,400	550,100
					6,950,000	6,495,000	6,335,000	6,165,000	5,985,000	5,790,000	5,585,000	5,370,000
12/01/2035 NON-RATED					55,000	55,000	60,000	65,000	65,000	70,000	75,000	80,000
					201,600	198,300	195,000	191,400	187,500	183,600	179,400	174,900
					256,800	253,300	255,000	256,400	252,500	253,600	254,400	254,900
					3,305,000	3,250,000	3,190,000	3,125,000	3,060,000	2,990,000	2,915,000	2,835,000
					26,555,000	24,645,000	23,680,000	22,650,000	21,565,000	20,410,000	19,190,000	17,895,000

Note 1: Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30.

SEE CONSULTANTS REPORT AND DISCLAIMER.



TAILHOLT METROPOLITAN DISTRICT # 3  
 CASH FLOW FORECAST AND DEBT SERVICE - BUDGETARY BASIS  
 DEBT SERVICE FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

SCHEDULE 3 - GENERAL OBLIGATION BOND ISSUES  
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

SIZE OF GENERAL OBLIGATION BOND ISSUES						
BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE	2047	2048
12/01/2019 NON-RATED	4,510,500	0	339,500	4,850,000	351,100	353,400
12/01/2022 NON-RATED	4,929,000	0	371,000	5,300,000	383,700	387,500
12/01/2025 NON-RATED	5,580,000	0	420,000	6,000,000	437,900	437,300
12/01/2028 NON-RATED	5,952,000	0	448,000	6,400,000	463,700	464,900
12/01/2031 NON-RATED	7,088,000	0	532,000	7,600,000	552,200	553,100
12/01/2035 NON-RATED	3,255,000	0	245,000	3,500,000	255,100	255,000
<b>TOTALS</b>	<b>31,284,500</b>	<b>0</b>	<b>2,355,500</b>	<b>33,650,000</b>	<b>2,443,700</b>	<b>2,451,500</b>

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

BOND ISSUE DATE	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	2047	2048	2049	2050	2051	TOTALS
12/01/2019 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	295,000	315,000	325,000	0	0	4,850,000
					56,100	38,400	19,500	0	0	5,716,200
					351,100	353,400	344,500	0	0	10,566,200
					640,000	325,000	0	0	0	0
12/01/2035 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	270,000	290,000	305,000	325,000	340,000	4,935,000
					113,700	97,500	80,100	61,800	42,300	6,229,200
					383,700	387,500	385,100	386,800	382,300	11,164,200
					1,625,000	1,335,000	1,030,000	705,000	365,000	365,000
12/01/2025 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	260,000	275,000	290,000	310,000	325,000	4,495,000
					177,900	162,300	145,800	128,400	109,800	6,844,500
					437,900	437,300	438,800	438,400	434,800	11,339,500
					2,705,000	2,430,000	2,140,000	1,830,000	1,505,000	1,505,000
12/01/2028 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	230,000	245,000	260,000	275,000	290,000	3,805,000
					233,700	219,900	205,200	189,600	173,100	6,892,200
					463,700	464,900	465,200	464,600	463,100	10,697,200
					3,665,000	3,420,000	3,160,000	2,885,000	2,595,000	2,595,000
12/01/2031 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	230,000	245,000	260,000	275,000	290,000	3,530,000
					322,200	308,400	293,700	278,100	261,600	7,510,500
					552,200	553,400	553,700	553,100	551,600	11,040,500
					5,140,000	4,895,000	4,635,000	4,380,000	4,070,000	4,070,000
12/01/2035 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	85,000	90,000	95,000	100,000	105,000	1,140,000
					170,100	165,000	159,600	153,900	147,900	2,930,100
					255,100	255,000	254,600	253,900	252,900	4,070,100
					2,750,000	2,660,000	2,565,000	2,465,000	2,360,000	2,360,000
					16,625,000	15,065,000	13,530,000	12,245,000	10,895,000	10,895,000

Note 1: Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30.

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 CAPITAL PROJECTS FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2040

FINAL DRAFT 9-2-2015  
 SUBJECT TO CHANGE & REVISION

EXHIBIT IV - CAPITAL PROJECTS FUND  
 UNINFLATED

	Totals	2015	2016	2017	2018	2019	2020	2021	2022	2023
1 CAPITAL EXPENDITURES: (Source: Pinnacle Consulting Group, Inc.)										
2 UNINFLATED										
3 INDIRECT CONSTRUCTION COSTS										
4 PERMITS AND FEES	160,000	0	0	0	0	0	0	0	0	0
5 LEGAL AND ACCOUNTING	80,000	0	0	0	0	0	0	0	0	0
6 ENGINEERING AND DESIGN	4,938,707	0	0	0	0	0	0	0	0	0
7 SUBTOTAL INDIRECT CONSTRUCTION COSTS	5,178,707	0	0	0	0	0	0	0	0	0
8										
9 FORMATION AND ORGANIZATION										
10 LEGAL	50,000	0	0	0	0	0	0	0	0	0
11 ENGINEERING	15,000	0	0	0	0	0	0	0	0	0
12 FINANCIAL	10,000	0	0	0	0	0	0	0	0	0
13 MANAGEMENT/ADMINISTRATIVE	35,000	0	0	0	0	0	0	0	0	0
14 SUBTOTAL FORMATION AND ORGANIZATION	110,000	0	0	0	0	0	0	0	0	0
15										
16 DIRECT CONSTRUCTION COSTS										
17 REMOVALS	663,159	0	0	0	0	0	0	0	0	0
18 EARTHWORK	3,784,412	0	0	0	0	0	0	0	0	0
19 SANITARY SEWER	8,877,485	0	0	0	0	0	0	0	0	0
20 SITE PERIMETER DRAIN	487,656	0	0	0	0	0	0	0	0	0
21 DOMESTIC WATER	6,853,963	0	0	0	0	0	0	0	0	0
22 STORM SEWER	225,937	0	0	0	0	0	0	0	0	0
23 STREETS (CONCRETE/ASHPALT)	8,080,417	0	0	0	0	0	0	0	0	0
24 IRRIGATION SYSTEM	6,300,000	0	0	0	0	0	0	0	0	0
25 LANDSCAPING	3,200,000	0	0	0	0	0	0	0	0	0
26 PARK AMENITIES	1,340,000	0	0	0	0	0	0	0	0	0
27 DRY UTILITIES	110,000	0	0	0	0	0	0	0	0	0
28 STREET SIGNS, MARKINGS, TRAFFIC CONTROL	85,000	0	0	0	0	0	0	0	0	0
29 MISCELLANEOUS	400,000	0	0	0	0	0	0	0	0	0
30 CONSTRUCTION CONTINGENCY	5,508,441	0	0	0	0	0	0	0	0	0
31 OFF-SITE IMPROVEMENTS	1,678,223	0	0	0	0	0	0	0	0	0
32 SUBTOTAL PUBLIC PROJECTS	47,625,672	0	0	0	0	0	0	0	0	0
33										
34 TOTAL CAPITAL EXPENDITURES BY YEAR	52,914,379	0	10,582,876	0	0	10,582,876	0	0	10,582,876	0
35										
36 CAPITAL EXPENDITURE FUNDING SOURCES:										
37 DEVELOPER CAPITAL LOANS	52,914,379	0	10,582,876	0	0	10,582,876	0	0	10,582,876	0
38 REPAYMENT OF DEVELOPER CAPITAL LOANS	(36,284,500)	0	0	0	0	(4,510,500)	0	(500,000)	(4,929,000)	0
39 NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 2	0	0	0	0	0	0	0	0	0	0
40 NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 3	31,294,500	0	0	0	0	4,510,500	0	0	4,929,000	0
41 TRANSFER OF EXCESS REVENUE FROM DIST. 3	5,000,000	0	0	0	0	0	0	500,000	0	0
42 DEVELOPER PERMANENT CONTRIBUTION	0	0	0	0	0	0	0	0	0	0
43 TOTAL CAPITAL EXPENDITURE FUNDING SOURCES	52,914,379	0	10,582,876	0	0	10,582,876	0	0	10,582,876	0
44										
45 EXCESS FUNDING SOURCES OVER CAPITAL EXPENDITURES	0	0	0	0	0	0	0	0	0	0
46										
47 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0	0
48										
49 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0	0
50										
51										
52 CUMULATIVE DEVELOPER CAPITAL LOANS OUTSTANDING (w/o Interest)	16,619,879	0	10,582,876	10,582,876	10,582,876	19,655,251	19,655,251	16,155,251	21,809,127	21,809,127
53										

SEE CONSULTANT'S REPORT AND DISCLAIMER.

TAILHOLT METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 CAPITAL PROJECTS FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2040

EXHIBIT IV - CAPITAL PROJECTS FUND  
 UNINFLATED

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1 CAPITAL EXPENDITURES: (Source: Pinnacle Consulting Group, Inc.)										
2										
3 INDIRECT CONSTRUCTION COSTS										
4 PERMITS AND FEES	0	0	0	0	0	0	0	0	0	0
5 LEGAL AND ACCOUNTING	0	0	0	0	0	0	0	0	0	0
6 ENGINEERING AND DESIGN	0	0	0	0	0	0	0	0	0	0
7 SUBTOTAL INDIRECT CONSTRUCTION COSTS	0	0	0	0	0	0	0	0	0	0
8										
9 FORMATION AND ORGANIZATION										
10 LEGAL	0	0	0	0	0	0	0	0	0	0
11 ENGINEERING	0	0	0	0	0	0	0	0	0	0
12 FINANCIAL	0	0	0	0	0	0	0	0	0	0
13 MANAGEMENT/ADMINISTRATIVE	0	0	0	0	0	0	0	0	0	0
14 SUBTOTAL FORMATION AND ORGANIZATION	0	0	0	0	0	0	0	0	0	0
15										
16 DIRECT CONSTRUCTION COSTS										
17 REMOVALS	0	0	0	0	0	0	0	0	0	0
18 EARTHWORK	0	0	0	0	0	0	0	0	0	0
19 SANITARY SEWER	0	0	0	0	0	0	0	0	0	0
20 SITE PERIMETER DRAIN	0	0	0	0	0	0	0	0	0	0
21 DOMESTIC WATER	0	0	0	0	0	0	0	0	0	0
22 STORM SEWER	0	0	0	0	0	0	0	0	0	0
23 STREETS (CONCRETE/ASHPALT)	0	0	0	0	0	0	0	0	0	0
24 IRRIGATION SYSTEM	0	0	0	0	0	0	0	0	0	0
25 LANDSCAPING	0	0	0	0	0	0	0	0	0	0
26 PARK AMENITIES	0	0	0	0	0	0	0	0	0	0
27 DRY UTILITIES	0	0	0	0	0	0	0	0	0	0
28 STREET SIGNS, MARKINGS, TRAFFIC CONTROL	0	0	0	0	0	0	0	0	0	0
29 MISCELLANEOUS	0	0	0	0	0	0	0	0	0	0
30 CONSTRUCTION CONTINGENCY	0	0	0	0	0	0	0	0	0	0
31 OFFSITE IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0
32 SUBTOTAL PUBLIC PROJECTS	0	0	0	0	0	0	0	0	0	0
33										
34 TOTAL CAPITAL EXPENDITURES BY YEAR	0	10,582,876	0	0	10,582,876	0	0	0	0	0
35										
36 CAPITAL EXPENDITURE FUNDING SOURCES:										
37 DEVELOPER CAPITAL LOANS	0	10,582,876	0	0	10,582,876	0	0	0	0	0
38 REPAYMENT OF DEVELOPER CAPITAL LOANS	(500,000)	(5,580,000)	(1,000,000)	0	(5,952,000)	(1,000,000)	0	(7,068,000)	0	(1,000,000)
39 NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 2	0	0	0	0	0	0	0	0	0	0
40 NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 3	0	5,580,000	0	0	5,952,000	0	0	7,068,000	0	0
41 TRANSFER OF EXCESS REVENUE FROM DIST. 3	500,000	0	1,000,000	0	0	1,000,000	0	0	0	1,000,000
42 DEVELOPER PERMANENT CONTRIBUTION	0	0	0	0	0	0	0	0	0	0
43 TOTAL CAPITAL EXPENDITURE FUNDING SOURCES	0	10,582,876	0	0	10,582,876	0	0	0	0	0
44										
45 EXCESS FUNDING SOURCES OVER CAPITAL EXPENDITURES	0	0	0	0	0	0	0	0	0	0
46										
47 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0	0
48										
49 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0	0
50										
51										
52										
53 CUMULATIVE DEVELOPER CAPITAL LOANS OUTSTANDING (w/o interest)	21,309,127	26,312,003	25,312,003	25,312,003	29,942,879	29,942,879	29,942,879	21,874,879	21,874,879	20,874,879

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TAILHOLT METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 CAPITAL PROJECTS FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2040

	2034	2035	2036	2037	2038	2039	2040	TOTALS
EXHIBIT IV - CAPITAL PROJECTS FUND UNINFLATED								
1 CAPITAL EXPENDITURES: (Source: Pinnacle Consulting Group, Inc.)								
2								
3 INDIRECT CONSTRUCTION COSTS								
4 PERMITS AND FEES	0	0	0	0	0	0	0	160,000
5 LEGAL AND ACCOUNTING	0	0	0	0	0	0	0	4,938,707
6 ENGINEERING AND DESIGN	0	0	0	0	0	0	0	5,098,707
7 SUBTOTAL INDIRECT CONSTRUCTION COSTS	0	0	0	0	0	0	0	
8								
9 FORMATION AND ORGANIZATION								
10 LEGAL	0	0	0	0	0	0	0	50,000
11 ENGINEERING	0	0	0	0	0	0	0	15,000
12 FINANCIAL								
13 MANAGEMENT/ADMINISTRATIVE	0	0	0	0	0	0	0	35,000
14 SUBTOTAL FORMATION AND ORGANIZATION	0	0	0	0	0	0	0	110,000
15								
16 DIRECT CONSTRUCTION COSTS								
17 REMOVALS	0	0	0	0	0	0	0	663,159
18 EARTHWORK	0	0	0	0	0	0	0	3,794,412
19 SANITARY SEWER	0	0	0	0	0	0	0	8,877,465
20 SITE PERIMETER DRAIN								
21 DOMESTIC WATER	0	0	0	0	0	0	0	6,853,963
22 STORM SEWER	0	0	0	0	0	0	0	225,937
23 STREETS (CONCRETE/ASHPALT)	0	0	0	0	0	0	0	8,090,417
24 IRRIGATION SYSTEM	0	0	0	0	0	0	0	6,300,000
25 LANDSCAPING	0	0	0	0	0	0	0	3,200,000
26 PARK AMENITIES								
27 DRY UTILITIES	0	0	0	0	0	0	0	110,000
28 STREET SIGNS, MARKINGS, TRAFFIC CONTROL								
29 MISCELLANEOUS	0	0	0	0	0	0	0	400,000
30 CONSTRUCTION CONTINGENCY	0	0	0	0	0	0	0	
31 OFFSITE IMPROVEMENTS	0	0	0	0	0	0	0	1,678,223
32 SUBTOTAL PUBLIC PROJECTS	0	0	0	0	0	0	0	47,625,672
33								
34 TOTAL CAPITAL EXPENDITURES BY YEAR	0	0	0	0	0	0	0	52,914,379
35								
36 CAPITAL EXPENDITURE FUNDING SOURCES:								
37 DEVELOPER CAPITAL LOANS	0	0	0	0	0	0	0	52,914,379
38 REPAYMENT OF DEVELOPER CAPITAL LOANS	0	(3,255,000)	0	0	0	0	(1,000,000)	(36,294,500)
39 NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 2	0	0	0	0	0	0	0	0
40 NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 3	0	3,255,000	0	0	0	0	0	31,294,500
41 TRANSFER OF EXCESS REVENUE FROM DIST. 3	0	0	0	0	0	0	1,000,000	5,000,000
42 DEVELOPER PERMANENT CONTRIBUTION	0	0	0	0	0	0	0	0
43 TOTAL CAPITAL EXPENDITURE FUNDING SOURCES	0	0	0	0	0	0	0	52,914,379
44								
45 EXCESS FUNDING SOURCES OVER CAPITAL EXPENDITURES	0	0	0	0	0	0	0	0
46								
47 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0
48								
49 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0
50								
51								
52								
53 CUMULATIVE DEVELOPER CAPITAL LOANS OUTSTANDING (w/o interest)	20,874,879	17,619,879	17,619,879	17,619,879	17,619,879	17,619,879	16,619,879	16,619,879

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