

Metropolitan District

Should We Build Additional Facilities in TrailMark?

Data Package and Ballot

Calendar of Significant Dates

April 27th – Data packages are mailed to homeowners

May 6th – A Tent Meeting will be held at the Basketball Court to answer questions on the Data Package. This meeting will be from 6:30 – 8:30PM.
A ballot drop box will also be available at this event.

May 15th – Ballots due at Community Resource Services.
Ballots MUST be received at CRS by 5:00 PM Friday to be valid.
Mail-in ballots must be received by CRS in Friday's mail.

May 18th – Ballots will be counted and results provided to the Metro Board.

May 19th – Ballot results will be posted on the TrailMarkHOA.com website and will be provided for publication in the TrailMark *Tracks* Newsletter.

Ballot Data

Included in this package is a ballot to vote for your preferences and share your desires with the TMMD Board. Please complete the ballot per the included instructions and return them to Community Resource Services in the provided envelope (required) or by hand-delivering them to the CRS facility at 3855 N. Lewiston St., Suite 140, Aurora, CO.

Ballots must be received by 5:00PM on Friday May 15th to be valid and counted.

Replacement Ballot Information:

If you spoil, deface, lose or have never received your ballot, you may obtain a replacement ballot. Contact Sue Blair at (303) 381-4960 to obtain an application for a replacement ballot.

Additional Data on the Website

In addition to the data presented in this package, there is also information on the official TrailMark Website at www.trailmarkhoa.org under the Area Development Committee section. Of particular note on the website is the extensive "Frequently Asked Questions" or FAQ's section. This is also the place to find the poll results. The results are expected to be posted on Tuesday May 19th after 2:00PM.

Index

Forward

- Index
- Reference Data
- Letter from the TrailMark Metro Board

Section 1 – Executive Summaries

- Open Area Summary
- Community Center Summary
- Community Center with Pool Summary

Section 2 – Open Area Data

- Open Area Evaluation & benefits

Section 3 – Community Center Data

- Community Center
 - General Description
 - Building Finishes
 - Operations and Security
 - Landscaping
 - Usage
- Community Center Layouts
- Community Center Cost Data

Section 4 – Community Center with Pool Data

- Pool Facility
 - General Description
 - Operations and Security
 - Landscaping
 - Usage
- Pool Layouts
- Pool Cost Data

Section 5 – Basics, Financing Plan and Options

- TrailMark Metro District Budget Basics
- Community Center Financing Plan
- Community Center and Pool Financing Plan
- Long Term Financial Plans

Section 6 – Proposed Timeline for Construction

Data from the following sources has been used in the preparation of this Data Package:

Arapahoe Pools & Equipment Company - 5246 S. Washington Street, Littleton, CO.

Bruce Roscoe PE, Civil Engineer – 11203 W. 102nd Drive, Westminster, CO.

Bradberry Ranch HOA - 5619 DTC Parkway, Suite 900, Greenwood Village, CO

Chaparral Metro District - 7124 South Chaparral Circle E., Centennial, CO

Community Resource Services - 3855 North Lewiston Street, #140, Aurora, CO.

Copperleaf HOA (Arapahoe County) - 13700 Troon Court, Broomfield, CO.

Idyllwilde Development - 22040 E. Idyllwilde Drive, Parker, CO

Ken-Caryl Ranch Metro District - 6 Killdeer Lane, Littleton, CO

Larry French, French Custom Building – 10543 N. Roxborough Park Rd., Littleton, CO.

Prairie Walk on Cherry Creek HOA - 7936 E. Arapahoe Court, #2100, Englewood, CO.

Additional sources of data were used by those listed above, in the preparation of the provided data.

Letter from the TrailMark Metropolitan District Board

Hello TrailMark Neighbors,

The TrailMark Metro Board Members have spent more than two and one-half years getting to the point where we are today. In the documents that follow, the options to add additional facilities in TrailMark or to leave the school site as it is today are discussed. The Board and its consultants have put forth the best data we can based on the prototypical options presented. It is, and has always been, the desire of the board to proceed with the option that a majority of the community supports. While the official vote to proceed or not to proceed is a vote of only the Board, the Board has agreed to proceed with the option that receives the highest percentage in the upcoming polling process.

With this in mind the board implores every homeowner to please return your completed ballot so your voice can be heard.

The Board has tried to be fair and accurate in presenting each option. During the process it has become clear that we cannot please everyone and accommodate every desire; but we have tried to do our best to be fair to all points of view. Remember that this entire process was not the result of the Board's desires, but rather a response to voices in the community that wanted to add amenities in TrailMark. It became clear early in the process that the Metro District was the only entity that had the ability to actually make it happen. The Board has been able to secure an agreement with the City of Littleton and the Jefferson County School District to share what is now designated the "school site". This agreement was a critical step in allowing the possibility of development. Now it is time to decide on the next step.

The polling process will be conducted by Community Resource Services, a state certified election provider. The poll will be conducted under the rules governing a state certified election. After collection of the ballots, Independent Election Judges will count the ballots and provide a "certification of election results" to the TrailMark Metro Board for publication. This process was selected to ensure that the voting process would be fair and that the results would be reliable and accurate. Replacement ballots can be provided, if necessary and so that any ability to "game the system" is eliminated.

In closing, the Board would like to thank those who have volunteered their time to help with the process. We know that all too often the work has been frustrating and confrontational, rather than fun. Of special note, we would like to recognize and thank the Chairperson, the Sub-Committee Chairs and the members of the Area Development Committee. Thank you for your help and support.

Board of Directors,
TrailMark Metropolitan District

Open Area Executive Summary

TrailMark was founded on an open space concept. It is a unique community due to the integration of open space within its boundaries and the fact that it is surrounded by additional open space. The current recreation facilities in TrailMark consist mainly of a soccer field, basketball court and an extensive trail system that opens up the open space for all to enjoy.

It is hard to place a dollar value on open space. It certainly has a significant intrinsic value as to the feeling of the community and as to the feeling of each resident within it.

While the school site is not technically open space, it is an open area. A decision to leave the area as it is today, does not guarantee that it will remain as it is today. This is due to the fact that it is owned and controlled by the City of Littleton. However, we do not know of any current or long-term plans that the City has to develop the site in TrailMark.

This option contains no significant cost to the homeowners of TrailMark and does not require any new debt obligations to the District.

For more detailed information please see the **Open Area Section** later in this package.

Community Center Executive Summary

Description

The proposed Community Center is a walk-out design with approximately 3500 square feet on each level. The ground level would consist of a Great Room, restrooms, kitchen, storage and an elevated walkout deck. This level is envisioned as a meeting/party facility. The lower walk-out level is dominated by a Fitness Facility with locker rooms and would also include an office, small conference room and some storage. The facility would be located on the west end of the school site approximately 200 yards west of the soccer field.

Operations

The concept of operations is to use electronic means to control access to each level. Access to the meeting facility would be through a key pad/key code system unique to each user/renter. The Fitness Facility would use a key card/key fob system registered to each homeowner. Electronic/video monitoring is also included to provide security.

Financial Data

The estimated cost to build the facility and associated infrastructure described above is just under \$2.0M with an annual operating budget of approximately \$39,000. Construction would be funded using the \$525,000 Capital Improvement Reserve Account that the Metro District has accumulated and financing the remainder of the cost. Payoff of the construction loan is expected to take five to seven years depending on the exact amount borrowed and the terms of the financing.

The Metro District currently collects sufficient funds to finance and operate a Community Center with no increase in Metro District Taxes. This option costs the average homeowner \$375/year for seven years and \$100/year there after.

Future of the Site

If additional facilities are built, the community (through the Metro Board) would have significant input for future development on the site. Additional amenities such as tennis courts, fitness trails, flower parks, etc. could be added in the future with basic approval from the City of Littleton. If no development is approved, the site would remain as it is today under the total control of the City of Littleton. They could develop the land and add two more soccer fields as an example. While it is likely that nothing would change, the City of Littleton has the authority to do so as they see fit.

For more detailed information please see the **Community Center Section** later in this package.

Community Center with Pool Executive Summary

In addition to the Community Center described on the previous page, the following Pool facilities could be added.

Description

The proposed Pool Facilities include an 80 foot X 45 foot outdoor Junior Olympic Pool with a solar/safety cover, a 20 X 20 foot wading pool, an office/locker rooms/mechanical room structure, sun shades, sunning area, concrete decking and fencing.

Operations

The concept of operations for the pool is to staff it with lifeguards who would also operate and maintain the pool and pool area. The electronic/video monitoring system from the Community Center would be extended to cover the pool facility for security and access control purposes.

Financial Data

The estimated cost to construct the pool and associated facilities is \$1.1M with an annual operating budget of approximately \$91,000. Construction of the Pool Facilities would be through a construction loan for the full amount. Payoff of the combined construction loan for a Community Center and Pool is expected to take 12 years under the current level of Metro District taxes. This plan includes the continuation of the Debt Service Fund for two and one-half years following the payoff of the current bonds.

The Metro District currently collects sufficient funds to finance and operate a Community Center with Pool, with no increase in Metro District Taxes. This option costs the average homeowner \$406/year for nine years, \$1250/year on average for years ten, eleven and twelve and \$315/year there after.

For more detailed information please see the **Community Center with Pool Section** later in this package.

Open Area Data

Open Area Evaluation & Benefits

A key feature of TrailMark is its Open Space, its location and design is certainly part of the reason each homeowner decided to purchase a home in TrailMark.

Value of Open Space

Leaving the school site as it is today would provide benefits such as:

- 1) Continuation of the existing passive and active recreation activities like walking, hiking, bird and wildlife watching and sledding.
- 2) Psychological benefits such as relief from congestion and other negative effects of development in a rapidly growing metropolitan area.
- 3) Scarcity of suburban neighborhoods in this price range with large expanses of open space facing a major geologic feature such as the Hogback.
- 4) Ecological benefits such as wildlife habitats, wildlife corridors and an undisturbed ecosystem in this area.

Placing a dollar value on open space is impossible. Few, if any, would disagree that TrailMark's open spaces add value to our community.

From a financial point of view this is by far the least cost option of the poll. There would be no construction loans or operating costs in leaving the site as it is today.

It is important to note that this option leaves control of the site in the hands of the City of Littleton and, to a lesser degree, in the hands of the Jefferson County Schools. TrailMark would have limited say, if these entities decided to develop on the site. The Metro Board would be the first to state that it knows of no current or long-term plans to develop this site, but it is possible and therefore deserves mention here.

Community Center Data

Community Center General Description

The proposed facility is an approximately 3500 square foot building with a walk-out basement (totaling 7000square feet). The facility is sited on the west end of the School Site to take advantage of the great views and separate it from homes to the greatest extent possible. The main floor consists of a Great Room with restrooms, kitchen, some storage and a walkout deck. The lower level consists of a Fitness Facility, small conference room, office, locker rooms, mechanical room and storage.

The walkout design was picked for several reasons: it keeps the scale of the building consistent with home designs in TrailMark; it costs less to build and operate a walk-out design and it provides separate areas for separate functions.

Building Finishes

The building would be finished to blend in with the architecture of the homes within TrailMark, using stucco and cultured stone. Inside the finishes would be of substantial quality without being excessive. On the main level we envision hardwood flooring, a fireplace, many windows, drywall walls, hardwood cabinetry, granite tile counters and stainless steel appliances. On the lower level it is intended to use an acid stained concrete floor, drywall walls and nice but basic amenities. During the design phase of the project, it is intended that the Area Development Committee would be involved in selecting the exact finishes within the cost parameters.

Operations and Security

Plans include using electronic means to both operate and secure the facility. An electronic access system will be used to allow access to the Great Room. A homeowner would receive a code (like that on your garage door key pad) that would only work during the time you have the facility reserved/rented. For the Fitness Facility each household would get an access card or key fob registered to just one address. As for security, there would be cameras and a security system to protect against vandalism and unauthorized access. This approach was selected to allow the facility to be operated without needing a staff person on site to run and secure it. The operations budget includes these costs as well as utilities, management fees, regular cleanings, minor maintenance and operating supplies.

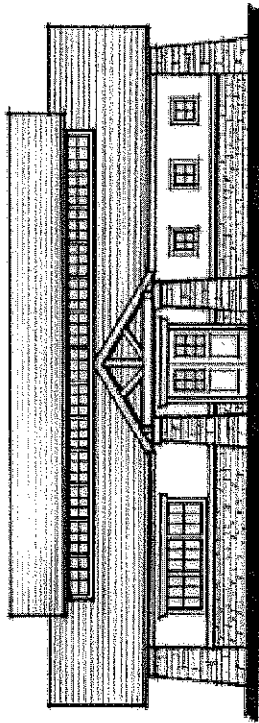
Landscaping

The landscape is intended to be a xeriscape concept to be consistent with the open space feel within TrailMark and to minimize the amount of watering and maintenance required to keep it looking good.

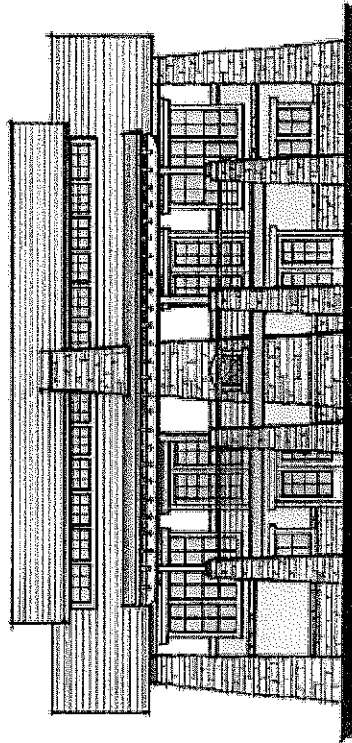
Usage

Uses are many. While no formal study has been performed, there are a number of activities and groups that have expressed great interest. Boy/Girl Scouts, TrailMark Halloween and Christmas parties, Casino nights, winter concerts, board and committee meetings, fitness classes, craft clubs and other uses have been mentioned. Rental options could also be available for birthday parties, weddings, anniversaries, craft sales, church services and others. While the Board believes renting out the facility is a financially smart option, it is the intention of the Board to gather community input through the Area

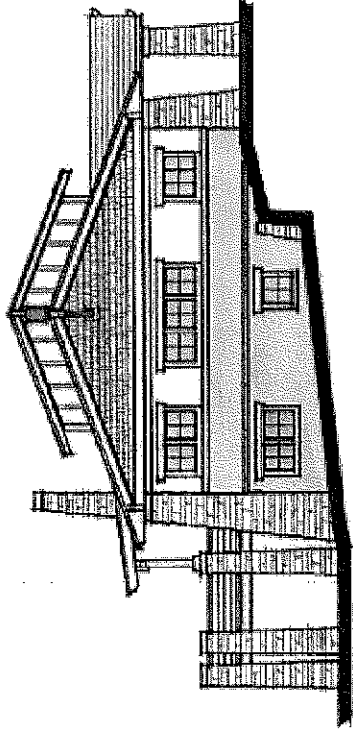
Development Committee as to whether to limit the access to TrailMark as much as is legally possible or to open it up for rental options to help defer operating and financing costs.



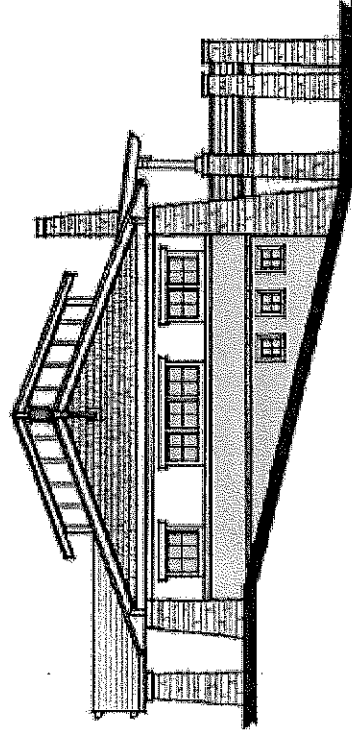
South Elevation Scale: 1/8" = 1'-0"



North Elevation Scale: 1/8" = 1'-0"



West Elevation Scale: 1/8" = 1'-0"



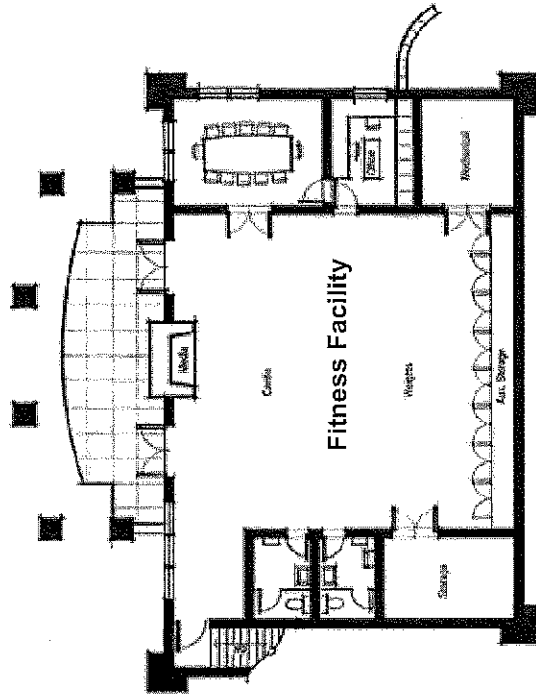
East Elevation Scale: 1/8" = 1'-0"

TRAILMARK COMMUNITY CENTER
 Preliminary Elevations

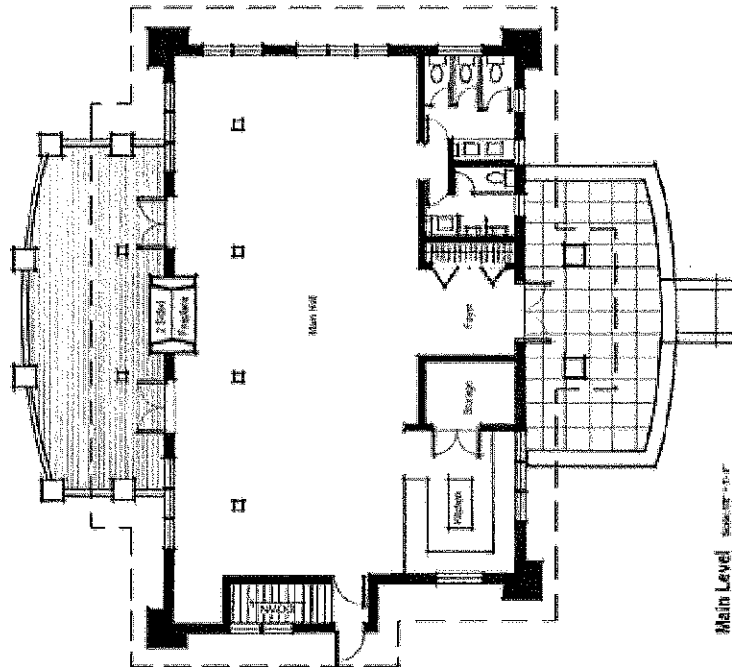
March 16, 2010

CONCEPTUAL DRAFT ONLY
 NOT FOR CONSTRUCTION





Lower Level Scale: 1/8" = 1'-0"



Main Level Scale: 1/8" = 1'-0"

CONCEPTUAL DRAFT ONLY
NOT FOR CONSTRUCTION

TRAILMARK COMMUNITY CENTER
Preliminary Floor Plans
Apr 21, 2009

Community Center Construction Cost Data

The construction cost estimates in this section were prepared by Bruce Roscoe, PE (Civil Engineer), Larry French (French Custom Building) and Joel Meggers (Community Resource Services).

The construction cost data represents the "best estimates" and researched data available to the District using a conservative estimating process. The Metro District is committed to building a Community Center at or below these estimates.

Community Center Building & Site Improvements	Estimate
Construction	
Structure (7,000 sqft. X \$165)	\$1,155,000
Security - Access / Alarms / Web Cameras	\$15,000
Sub-Total	\$1,170,000
Site Improvements and Land Costs	
Overlot Grading	\$20,328
Erosion Control	\$20,000
Bad Soil R&R	\$27,265
Curb & Gutter (Parking Perimeter & Islands)	\$21,480
Curb Cut for Entrance	\$10,000
HC Ramps & Signs	\$6,750
Pave Parking Lot (75 spaces, 6" of asphalt)	\$163,895
Striping	\$2,972
Water Tap Fee	\$18,750
Water Line	\$23,100
Fire Line	\$10,000
Water Services	\$7,500
Sewer Tap	\$9,750
Sewer Line	\$21,000
Sewer Service	\$7,500
Electrical Service	\$7,500
Transformer	\$25,000
Gas Service	\$7,500
Lighting - (Parking Lot & Pedestrian)	\$33,750
Strom Drainage (Inlets, Pipes & Drains)	\$42,500
Construction Staking	\$18,565
Topographic/Boundary Survey	\$5,000
Geotechnical Boring, Reporting and Analysis	\$10,000
Landscaping - Parking	\$33,750
Landscaping - Building	\$50,000
Flatwork Sidewalks	\$30,000
Trash Enclosure	\$5,000
Use Tax	\$0
Land Purchase Costs	\$0
Sub-Total	\$638,855

Design & Management Fees	
Architect (7% of Structure)	\$80,850
Construction Management (2% of Structure)	\$23,100
Civil Engineer (5% of Site Work)	\$31,943
Landscape Architect (5% of Landscaping)	\$7,625
Overall Project Management / Coordination (1% of entire project)	\$18,089
Permitting (1.5% of entire project)	\$27,133
Sub-Total	\$188,739
Community Center Building & Site Improvements Total	\$1,997,594

Community Center Operations Cost Data

The Operations Budget presented below is consistent with information provided by the Ken-Caryl Ranch Metro District and Prairie Walk on Cherry Creek HOA. Both parties run facilities similar to the plan we are proposing. As with the Construction Budget, a conservative approach was taken in arriving at these numbers to help ensure that the District can operate the proposed facility within budget.

Community Center Operations Budget

Insurance	\$4,800.00
Electric - Xcel	\$6,000.00
Gas - Xcel	\$4,000.00
Qwest/Comcast	\$2,460.00
Janitorial Service	\$7,800.00
Janitorial Supplies	\$500.00
Management Service	\$2,000.00
Water Bill	\$3,000.00
Sewer	\$1,250.00
Video/Security Monitoring	\$1,800.00
General Maintenance	\$2,500.00
Contingency Fund	\$3,000.00
Total Operating Budget	\$39,110.00

Community Center with Pool Data

Pool Facility General Description

The main pool is an outdoor Junior Olympic pool 80 feet long and 45 feet wide, constructed of Gunite/Shotcrete with a Diamond Brite blue finish and a solar/safety cover. A 20 foot X 20 foot wading pool is also part of the design. The pool area would include an operations building, sun screens, concrete deck, artificial turf sunning area and a 6-7 foot metal fence. The building would be finished to blend in with the architecture of the homes within TrailMark, using stucco and cultured stone.

Operations and Security

The Board is proposing a lifeguard-operated facility. When the Board researched organizations that operated pools like the one we are proposing, the other pool operators determined that having lifeguards was both the safest and most cost-effective option. The “lifeguard company” is basically in charge of the pool; the cleaning and chemical testing; opening and closing the pool and cover; cleaning up the pool area at the end of the day; and opening and locking up. Paying an individual or company to perform the maintenance, cleaning and operating functions along with the increased liability insurance make lifeguards the most cost-effective way to operate a pool.

The proposal includes a solar/safety cover for several reasons. In addition to providing enhanced safety when the facility is closed, it also reduces heating and chemical costs, reduces evaporation and reduces cleaning requirements as well. The advertised return on investment is that the cover will pay for itself in three to four years.

Exact pool rules and hours of operations would be part of the Lifeguard Contract. However, the basic rules for pool operations at the facilities that provided input for our requests for information were: 8 hour days (11:30 AM to 6:30 PM daily with 30 minute set-up and clean-up times) and children 12 years of age and younger must be accompanied by an adult. Also each of the facilities had options to rent the pool facility for private parties, such as birthdays and some of them rented to local swim teams. These rental options were before and/or after normal operating hours.

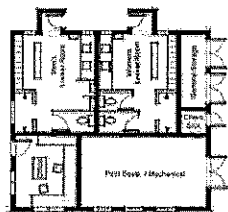
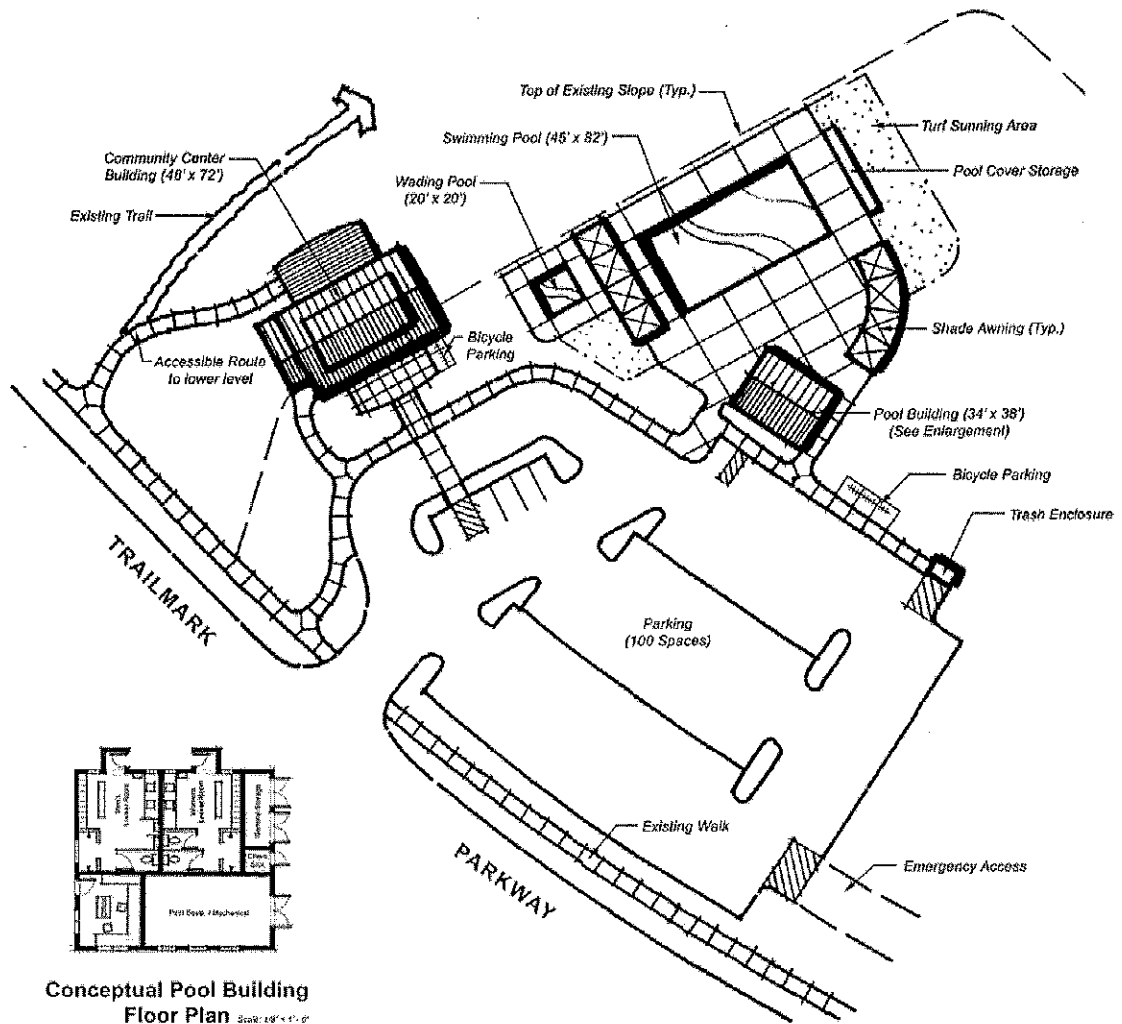
Access to the facility would be through use of the same access card/key fob system used for the Fitness Facility and overall security would be provided by extending the electronic/video monitoring system from the Community Center to cover this area as well.

Landscaping

The landscape is intended to be a xeriscape concept to be consistent with the open space feel within TrailMark and to minimize the amount of watering and maintenance required to keep it looking good.

Usage

Certainly a pool would provide a summer recreational facility for the families of TrailMark. In talking with other communities, they supplement the operating cost of their pools through renting out their pools to birthday parties, swim teams and selling memberships to people outside of their community. If a pool facility is built, the Board would look to the Area Development Committee to help decide if we wish to pursue these options and, if so, at what price.

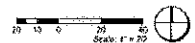


Conceptual Pool Building Floor Plan Scale: 1/8" = 1'-0"

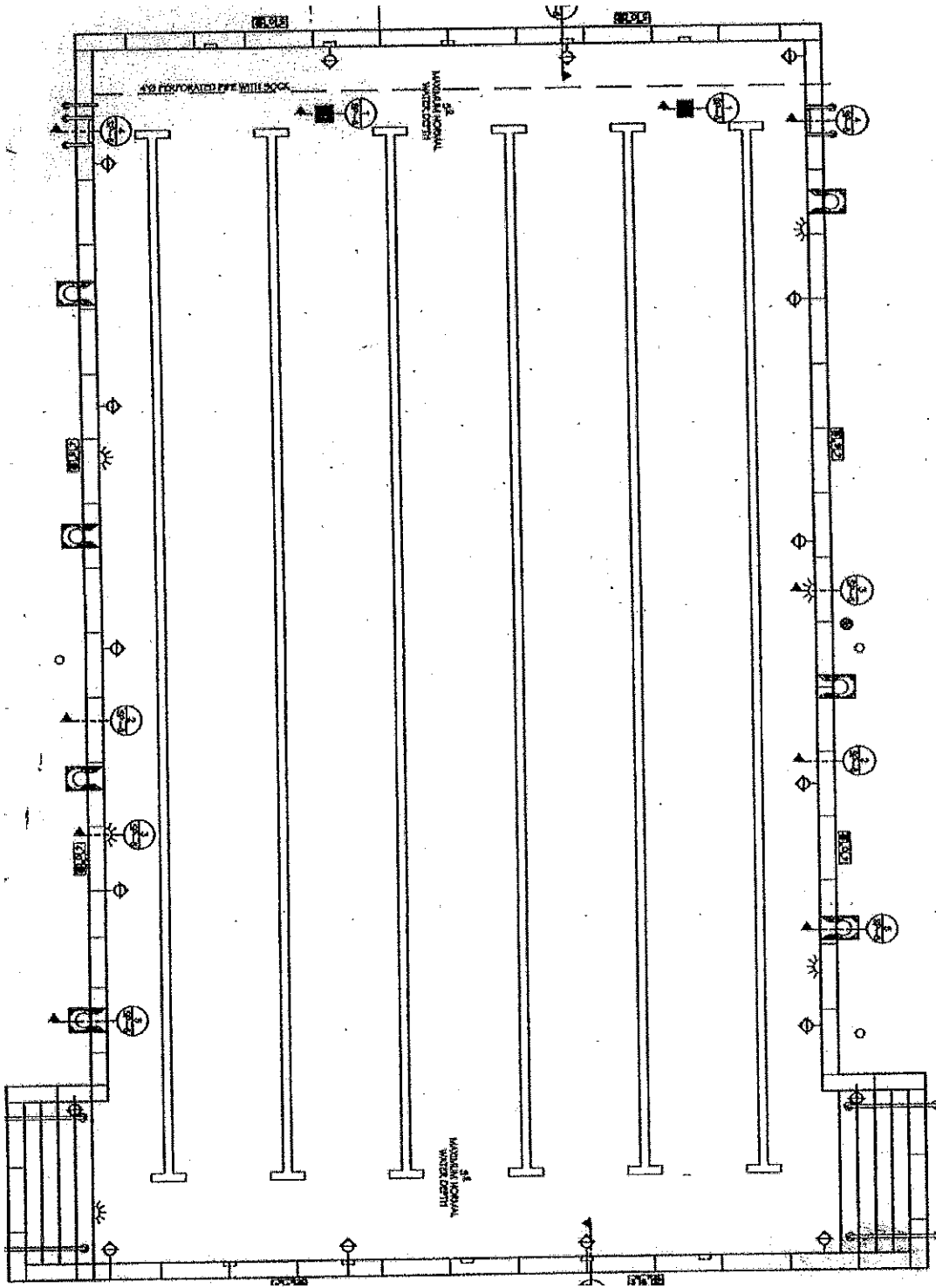
CONCEPTUAL DRAFT ONLY
NOT FOR CONSTRUCTION

TRAILMARK Community Center & Pool Facility

Preliminary Site Plan April 26, 2009



Junior Olympic Pool – 80' long by 45' wide, with five 7' wide swimming lanes. The pool varies from 3 1/2' to 5' in depth and holds 109,000 gallons of water.



Pool Cost Data

Construction Cost Data

The base estimate for the pool was provided by Bob Giammanco of Arapahoe Pool & Equipment Company, LLC in a nine-page formal estimate. The additional estimates necessary to complete the Pool Facility were provided by Bruce Roscoe, PE (Civil Engineer), Larry French (French Custom Building) and Joel Meggers (Community Resource Services).

These cost estimates are consistent with data provided by organizations that the Metro Board talked with and/or visited.

Pool Facilities Construction Budget

Pool / Pool Facilities & Site Improvements	
Construction	
Junior Olympic Pool with Wading Pool (Includes Solar/Safety Cover) - Base Estimate	\$551,000
Pool Concrete - 9,000 sqft. X \$15	\$135,000
Pool Building - 1,292 sqft X \$130	\$167,960
Shade Sail Structures (3)	\$20,000
Fencing 6' High (Rod Iron)	\$29,610
Security - Access / Alarms / Web Cameras	\$5,000
Sub-Total	\$908,570
Site Improvements and Land Costs	
Overlot Grading	\$6,776
Curb & Gutter (Parking Perimeter & Islands)	\$7,160
HC Ramps & Signs	\$2,250
Pave Parking Lot (Additional 25 spaces, 6" of asphalt)	\$54,632
Striping	\$991
Water Tap Fee	\$6,250
Water Services	\$2,500
Sewer Tap	\$3,250
Sewer Service	\$2,500
Electrical Service	\$2,500
Gas Service	\$2,500
Lighting - (Parking Lot, Pedestrian & Facility)	\$11,250
Geotechnical Boring, Reporting and Analysis	\$9,500
Landscaping - Parking	\$11,250
Landscaping - Pool	\$15,500
Flatwork Sidewalks	\$15,000
Use Tax	\$0
Land Purchase Costs	\$0
Sub-Total	\$153,808

Design & Management Fees	
Architect (4% of structures)	\$8,703
Construction Management (4% of structures)	\$8,703
Civil Engineer (5% of Site Work)	\$7,690
Landscape Architect (5% of Landscaping)	\$3,125
Overall Project Management / Coordination (1%of entire project)	\$10,624
Permitting (1.5% of entire project)	\$15,936
Sub-Total	\$54,781
Pool / Pool Facilities and Site Improvements Total	\$1,117,159

Pool Facility Operations Budget

The Operations Budget is consistent with that of the Chaparral Metro District Pool. Their pool is of the same size and depth as the pool we are proposing. The Board believes that the inclusion of the solar/safety cover will reduce the heating, evaporation and chemical costs but has chosen a conservative approach and reported the actual numbers provided to us.

Pool Facility Operating Budget

Pool Management/Lifeguards	\$40,000.00
Electric - Xcel	\$7,000.00
Gas - Xcel	\$17,000.00
Maintenance	\$3,500.00
Pool Opening/Closing	\$500.00
Pool Chemicals	\$7,000.00
County Health Inspection Fee	\$500.00
Qwest	\$700.00
Water Bill - Pool	\$3,000.00
Janitorial Supplies	\$1,000.00
Insurance	\$5,000.00
Video/Security Monitoring	\$1,500.00
Wading Pool operations	\$1,000.00
Yearly Contingency fund	\$3,500.00
Total Operating Budget	\$91,200.00

The cost data in the tables represents the “best estimates” and researched data available to the District using a conservative estimating process. The Metro District is committed to building a Community Center with Pool at or below these estimates.

Basics, Financing Plan and Options

TrailMark Metro District Budget Basics

The budget basics for the Metro District consist of two funds, Operations and Debt Service. The Debt Service Fund is used to pay off the bonds that built TrailMark's infrastructure. This fund collects and distributes \$770,000 per year in tax dollars through 2018 at which time the bonds will be paid off. These bonds are at 3.375% and there is no option to pay them off early. The Operations Fund collects \$500,000 a year in taxes and an additional \$100,000 from other sources. The \$500,000 in Operations taxes is limited to this maximum amount by the Metro District's governing documents.

Each year, the District Board sets its mill levy to collect these amounts. What this means to the individual homeowner is that if property values go up the mill levy goes down. And, if property values go down, the mill levy goes up. At the end of the year, the Metro District collects \$1.27M through taxes and this number is not expected to change. Hence the Board position is no new taxes.

For an average home, these numbers work out as follows:
 $\$1.27\text{M} / 799 \text{ homes} = \1589.49 in TMDM taxes per year. See your Jefferson County Tax Statement for your exact numbers.

Metro District Financial Position

Debt Service Fund	
Income	\$770,000
Expenses	\$770,000
Year End Balance	\$0
General Fund	
Income	\$600,000
Base Budgeted Expenses	-\$200,000
Special Projects Budget	-\$60,000
Un-Budgeted Expense Reserve	-\$40,000
Year End Balance	\$300,000
Current Capital Improvement Reserve	+\$225,000
Total Capital Imp. Reserve, year end 2009	\$525,000

In future years, this \$300,000 would be used to finance and operate the proposed facilities. On average then, each homeowner pays \$375 per year ($\$300,000 / 799 \text{ homes} = \375.47 per year).

The budgets in this section do not include any revenue generated by renting out the proposed facilities. While the Board believes there will be revenue generated through rentals internal to TrailMark and possibly external to TrailMark, the Board has chosen to present the most conservative case and assume no rental income.

The conservative cost estimating strategy used throughout this document means that each cost estimate has its own risk factor included in the number provided. Therefore no additional risk factors have been applied to the aggregate totals.

If the option to leave the school site as it is today is selected, the Metro Board in the fall of 2009 will evaluate the Districts financial position and determine how best to utilize the funds currently allocated to the Capital Improvement Reserve. Certainly, a tax reduction will be considered, but other potential/possible options that would benefit the community, will also be considered. This process is gone through each year as part of the Metro District's budgeting process and, at the end of the process in December, the District is required to certify the Mill Levy for the following year. All of these facts together are why the Metro District has never stated that taxes will go down if the community chooses to leave the school site as it is today.

Community Center Financing Plan

Total Construction Cost	\$1,998,000
Minus Capital Improvement Reserve	-\$525,000
Amount to Finance	\$1,473,000
Available Budget	\$300,000
Minus Community Center Operating Costs	-\$39,000
Fund available for Financing	\$261,000
Financing \$1.47M @ 5.5% for 7 years Cost per year (Principle & Interest)	\$254,000
Available for unplanned cost/reserves	\$7,000

Community Center with Pool Financing Plan

Total Construction Cost	\$3,115,000
Minus Capital Improvement Reserve	-\$525,000
Amount to Finance	\$2,590,000
Available Budget	\$300,000
Minus Community Center & Pool Operating Costs per year	-\$130,000
Funds available for Financing	\$170,000
Transfer in from Un-Budgeted Expense Reserve	+\$25,000
Financing \$2.6M @ 5.5% for 25 years Cost per Year (Principle & Interest)	\$191,000
Available for unplanned cost/reserves	\$4,000

The long term plan for a Community Center with Pool would be to continue the Debt Service Fund currently used to pay off the bonds into 2019 and 2020 and some of 2021 to pay off the remaining 15 years on the 25-year note.

Using the same philosophy that the Metro District has used to pay off the loans to Shea Homes, the Board proposes that any monies that were to come available through cost reductions and/or increased revenues (such as rental incomes) would be used to pay down debt service on the facilities as quickly as possible.

Long Term Financial Plans

No Additional Facilities

If no additional facilities are to be built, the Metro District will continue to collect \$300,000 in excess of our expected expenses. The Board would then consider its options to best use this income for the good of the community. While tax reductions will be considered, other options will also be considered.

Build a Community Center 20-Year Projection

Using the numbers from the tables and information earlier in this section, below are the 20-year projections for a Community Center.

We have used the average homeowner paying \$375 per year to produce the \$300,000 budget used to pay for and operate a Community Center. This is the 20 year projected cost.

Community Center 20 Year Cost/Average Homeowner Projection	Per Year Cost	Extended Cost
Funds Paid into Capital Improvement Reserve (\$525,000/799 homes = \$657)		\$657
Years 1-7 to pay operations and financing	\$375	\$2,625
Year 8-20 Operating Budget	\$50	\$650
Year 8-20 Maintenance/Replacement Reserve	\$50	\$650
Total 20 Year Cost		\$4,582

In the scenario above, the Community Center would be paid off just before, or at the same time, as the existing bonds. In the 13 years of the Maintenance /Replacement Reserve, the account would generate approximately \$519,000 to be used for Maintenance of the Facility and replacement of the associated equipment.

Again the Board has chosen the most conservative approach and has not included any rental income to reduce the amount of money necessary from homeowners to fund the Operations and/or Maintenance/Replacement Reserve account.

Build a Community Center and Pool 20-Year Projection

Using the numbers from the tables and information earlier in this section, below are the 20 year projections for a Community Center and Pool.

We have used the average homeowner paying \$375 per year to produce the \$300,000 budget used to pay for and operate a Community Center and Pool. This is the 20-year projected cost.

Community Center and Pool 20 Year Cost/Average Homeowner Projection	Per Year Cost	Extended Cost
Funds Paid into Capital Improvement Reserve (\$525,000/799 homes = \$657)		\$657
Years 1-11 to pay operations and financing	\$375	\$4,125
Years 1-11 transfer in from Un-Budgeted Expense Reserve (\$25,000/799 = \$31)	\$31	\$341
Year -10 & 11 Pay down remaining Note with continued debt service funding (after the Bonds are paid off)	\$964	\$1,928
Year -12 (half year) Pay off remaining Note with continued debt service funding	\$370	\$370
Year 12-20 Operating Budget	\$165	\$1,485
Year 12-20 Maintenance/Replacement Reserve	\$150	\$1,350
Total 20 Year Cost		\$10,261

In the scenario above, the Community Center and Pool would be paid off approximately 2 1/2 years after the bonds.

In the 9 years of the Maintenance /Replacement Reserve, the account would generate approximately \$1.08M to be used for Maintenance of the Facility and Pool and replacement of the associated equipment.

Again the Board has chosen the most conservative approach and has not included any rental income to reduce the amount of money necessary from homeowners to fund the Operations and/or Maintenance/Replacement Reserve account

Proposed Timeline for Construction if additional Facilities are Approved

TASK	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	
Conduct Election																				
Preliminary Facility & Site Plans																				
City Plat & Zoning Process																				
Final Facility & Site Plans																				
Construction Docs / Building Dept. Review																				
Bidding / Contractor Selection																				
Site Work / Facility Construction																				

The timeline presented above is for a typical construction project of the general size and scope of the project proposed in this data package. The large number of variables makes a more definitive schedule impossible at this time. In short, a best case scenario would be approximately 14 months the expected timeline is approximately 17 months and the worst case approximately 20 months. The largest variables are the City Plat & Zoning process, Construction Plan Approval process and the weather during site preparation and construction.

