



**2009 CONSOLIDATED SERVICE PLAN**

**FOR**

**BUCKHORN VALLEY METROPOLITAN DISTRICTS NOS. 1 AND 2**

83/416-

Dated  
July 14, 2009

Prepared for

Buckhorn Valley Metropolitan Districts Nos. 1 and 2

By

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<b>EXHIBIT A</b>	Town Council Resolution of Approval
<b>EXHIBIT B</b>	Legal Descriptions
<b>EXHIBIT C</b>	Boundary Map
<b>EXHIBIT D</b>	Statutory Contents of Service Plan
<b>EXHIBIT E</b>	Conceptual Proposed Storage
<b>EXHIBIT F</b>	Amended Estimated Capital Costs
<b>EXHIBIT G</b>	Amended Financing Plan

## I. INTRODUCTION

This 2009 Consolidated Service Plan (“Service Plan”) for Buckhorn Valley Metropolitan District Nos. 1 and 2 (the “Districts”) is submitted in accordance with the requirements of Section 32-1-207(2), Colorado Revised Statutes. This Service Plan replaces and supersedes all prior versions of the Buckhorn Valley Metropolitan Districts Nos. 1 and 2 Service Plan.

This Service Plan is for two special districts organized to serve the needs of a community known as “Buckhorn Valley.” The Districts are generally located in Lots 1, 3 and 4 in Section 10 and Lots 2 and 3 in Section 11, all in Township 5 South, Range 85 West of the 6th Principal Meridian, County of Eagle, State of Colorado. The site is bounded on the North by Holy Cross Electric and Cooley Mesa Road, on the West by private open lands, the South is bounded by private pasture lands and BLM, and on the East by private residents and BLM land. The site consists of 368 acres divided into several areas planned for development of single-family residential, multi-family residential, potential neighborhood commercial areas, and recreational open spaces. Amended Figure 1, next page, contains a general “Development Plan” for the community, followed by Table 1 containing the phased development projections.

The primary purpose of the Districts is to provide public improvements to be dedicated to the Town of Gypsum (“Gypsum” or “Town”) or retained by the Districts for the use and benefit of the Districts’ inhabitants and taxpayers. The Districts will retain responsibility for maintenance of the raw water system and will agree with Gypsum on an acceptable standard of maintenance. This will eliminate the potential burden on the Town for maintenance of improvements, and will reduce homeowner association costs for property owners. Improvements to be provided by the Districts shall include the types of facilities and improvements generally described in Section II.C. below, consisting of streets, drainage improvements, traffic and safety controls, transportation, park and recreation facilities, water, sewer, television relay and translators and pest control as needed for the area. The Town will maintain and operate the sanitary sewer, potable water, streets and drainage improvements once the improvements have been constructed and accepted by Gypsum.

It is hoped that the Districts’ structure set forth herein can serve as a method by which development could occur in Gypsum in such a way as to eliminate economic risk to Gypsum, provide economic benefits to property owners, and place the risk of development on property developers.

This Service Plan consists of a financial analysis and engineering information showing how the facilities and services of the Districts can be provided and financed economically. Numerous items are addressed in this Service Plan in order to satisfy the requirements of law governing special districts. Those items are listed in Exhibit D attached hereto. This Service Plan satisfies each of the requirements of Colorado law.



**TABLE 1**

**Phased Development Projections (Based on the Land Use Summary)**

Planning Area	Gypsum Zoning	Phase 1		Phase 2		Phase 3		Phase 4		Phase 5		Phase 6		Phase 7		Phase 8	
		Units	Acres	Units	Acres	Units	Acres	Units	Acres	Units	Acres	Units	Acres	Units	Acres	Units	Acres
A	SF/HD	55.0	13.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	SF/HD	-	-	66.0	16.7	-	-	-	-	-	-	-	-	-	-	-	-
D	MF	-	-	-	-	51.0	7.4	-	-	-	-	-	-	-	-	-	-
E	MF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
F	SF/HD	-	-	-	-	-	-	57.0	8.2	-	-	-	-	-	-	-	-
G	SF/HD	-	-	-	-	-	-	-	-	67.0	19.4	-	-	-	-	-	-
H	SF/HD	-	-	-	-	-	-	-	-	-	-	40.0	10.2	-	-	-	-
I	SF/HD	-	-	-	-	-	-	-	-	-	-	-	-	24.0	6.1	-	-
J	SF/HD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38.0	12.9
K	MF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
L	MF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
M	SF/HD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
N	SF/HD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
O	SF/HD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
P	SF/HD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Q	SF/HD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Enemies Based on Project Phasing</b>																	
Overlook Park	PA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Athletic Fields Park	PA	n/a	7.1	n/a	7.1	-	-	-	-	-	-	-	-	-	-	n/a	5.2
Lake Activity Zone	PA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pocket Park 1	PA	-	-	-	-	-	-	-	-	-	-	n/a	2.3	-	-	-	-
Pocket Park 2	PA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parcel C	PA	-	-	n/a	1.5	-	-	-	-	-	-	-	-	-	-	-	-
Open Space	PA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HOA Triage Parcel	n/a	-	-	-	-	-	-	-	-	-	-	n/a	85.4	-	-	-	-
Elementary School site	PA	-	-	-	-	-	-	-	-	-	-	-	-	n/a	4.0	-	-
Community Center	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire Dept.	PA	n/a	0.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Daycare	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SF/HD - Town of Gypsum Zoning of 3.0-4.0 units/gross acre (zoning can vary per Town of Gypsum P.U.D. regulations)

MF - Town of Gypsum Zoning for all multi-family density (7.0 units/gross acre)

NC - Town of Gypsum Zoning of Neighborhood Commercial

PA - Public Area (Open Space, Recreation facilities, School site, Parks, etc.)

For the Open Space dedication it assumes a portion of the 85.4 acres as depicted in the acreage section of spreadsheet





**TABLE 1A**  
Development Projections

Planning Area	Gypsum Zoning	Units per Planning Area (du/acre)	Units	Acres	Percentage
A	SF/HD	4.0	55.0	13.9	0.04
B	SF/HD	4.0	66.0	16.7	0.05
D	MF	7.0	51.0	7.4	0.02
E	MF	7.0	57.0	8.2	0.02
F	SF/HD	3.5	67.0	19.4	0.05
G	SF/HD	4.0	40.0	10.2	0.03
H	SF/HD	4.0	24.0	6.1	0.02
I	SF/HD	3.0	38.0	12.9	0.04
J	SF/HD	3.5	64.0	18.5	0.05
K	MF	7.0	60.0	8.7	0.02
L	MF	7.0	118.0	16.9	0.05
M	SF/HD	4.0	115.0	28.9	0.08
N	SF/HD	4.0	14.0	5.9	0.02
O	SF/HD	2.5	88.0	34.0	0.09
P	SF/HD	2.6	28.0	8.5	0.02
Q	SF/HD	3.0	17.0	6.8	0.02
		2.5	17.0	6.8	0.02
		Total	899.0	223.1	0.606
Overlook Park	PA	n/a	-	5.2	0.01
Athletic Fields Park	PA	n/a	-	7.1	0.02
Lake Activity Zone	PA	n/a	-	7.1	0.02
Pocket Park 1	PA	n/a	-	2.3	0.01
Pocket Park 2	PA	n/a	-	2.3	0.01
Parcel C	PA	n/a	-	1.5	0.00
Multi Use Site	PA	n/a	-	4.0	0.01
Open Space	PA	n/a	-	85.4	0.23
Elementary School site	n/a	n/a	-	6.0	0.02
Community Center	PA	n/a	-	2.4	0.01
Fire Dept.	n/a	n/a	-	0.25	0.00
Daycare	NC	n/a	-	1.4	0.00
Utility Parcel	PA	n/a	-	0.8	0.00
50' and 70' ROW	n/a	n/a	-	19.2	0.05
		Total	-	145.0	0.394

The remainder of the acreage and percentages are calculated for street rights of ways.

The Amended Financing Plan discussed herein has been designed to assure that at no time will obligations of the Districts ever be in risk of default, and that Gypsum will never have any legal responsibility for any of the Districts' obligations. This Service Plan is designed to assure that the risk of development remains with the developer until a sufficient tax base has been achieved to pay the Districts' debt with reasonable mill levies. Debt service mill levies are proposed to be capped, initial bond issues will be purchased by the developer, and public sale of the Districts' obligations will not occur until the requirements of this Service Plan have been met.

This Service Plan has been prepared with sufficient flexibility to enable the Districts to provide required services and facilities under evolving circumstances to meet the needs of the community. While the assumptions upon which this Service Plan are generally based are reflective of the anticipated initial zoning for the property upon annexation to Gypsum within the Districts, the cost estimates and the Amended Financing Plan are sufficiently flexible to enable the Districts to provide necessary services and facilities without the need for repeated amendments to this Service Plan. Modification of the proposed configuration of improvements, scheduling of construction of such improvements, as well as the locations and dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with zoning and future development approvals for the property. The Districts shall not exercise any powers, including powers pursuant to Section 31-23-209, C.R.S., to avoid meeting development requirements, timing, or construction standards imposed on the property improvements by Gypsum pursuant to the Annexation Agreement, zoning or subdivision approvals, or subdivision improvements agreements.

Construction of Buckhorn Valley is scheduled to continue over the next several years. Considerable public infrastructure will be constructed to provide the required water, wastewater, streets and other improvements needed for the area. This Service Plan addresses the improvements which will be provided by the special districts and demonstrates how the two special districts in Buckhorn Valley will work in tandem to provide the necessary public improvements. All "Exhibits" referred to herein are attached to the end of this Service Plan. Various "Tables" and "Figures" are inserted throughout this Service Plan for reference purposes.

#### **A. Multiple District Structure.**

This Service Plan is submitted in accordance with Part 2 of the Special District Act (§§ 32-1-201, *et seq.*, C.R.S.). It defines the powers and authorities of: as well as the limitations and restrictions on, Buckhorn Valley Metropolitan District No. 1 which shall be referred to as "the Service District" and Buckhorn Valley Metropolitan District No. 2 which shall be referred to as "the Financing District." The Service District and the Financing District are sometimes collectively referred to as "the Districts" and individually as "District".

The use of a consolidated Service Plan for the Districts will help assure proper coordination of the powers and authorities of the independent Districts, and will help avoid confusion regarding the separate, but coordinated, purposes of the Districts which could arise if separate service plans were used. Unless otherwise specifically noted herein, general provisions of this Service Plan apply to both Districts. Where possible, however, specific reference is made

to an individual District to help distinguish the powers and authorities of each District. The “Amended Financing Plan” discussed in Section V refers to financial plan for the Districts as of the date hereof, which plan may be subject to change as described herein.

The Service District will be responsible for managing the construction and operation of facilities and improvements needed for Buckhorn Valley. The Financing District will be responsible for providing the funding and tax base needed to support the Amended Financing Plan for capital improvements. Various agreements are expected to be executed by the Districts clarifying the nature of the functions and services to be provided by each District. The agreements will be designed to help assure the orderly development of essential services and facilities resulting in a community which will be both an aesthetic and economic asset to Gypsum. Additionally, an intergovernmental agreement (“Town IGA”) is proposed to be entered into between the Service District and Gypsum setting forth how the two entities will work together to provide long term operations and maintenance of all facilities, and how they will work in tandem to streamline the review and approval of each phase of development within Buckhorn Valley.

The establishment of Buckhorn Valley Metropolitan District No. 1 as the Service District, which will own and operate the public facilities throughout Buckhorn Valley that are not conveyed to Gypsum or other entities, and the establishment of Buckhorn Valley Metropolitan District No. 2 as the Financing District, which will generate the tax revenue sufficient to pay the costs of the capital improvements, will create several benefits for the inhabitants of the community and Gypsum. In general, those benefits are: (a) coordinated administration of construction and operation of public improvements, and delivery of those improvements in a timely manner; (b) maintenance of reasonably uniform mill levies and reasonable tax burdens on all residential and commercial areas of Buckhorn Valley through proper management of the financing and operation of public improvements; and (c) assured compliance with state laws regarding taxation in a manner which permits the issuance of tax exempt debt at the most favorable interest rates possible. Each of these concepts is addressed in greater detail in the following paragraphs;

## **B. Benefits of Multiple District Structure.**

1. Coordinated Services. As presently planned, development of Buckhorn Valley will proceed in several phases, each of which will require the extension of public services and facilities. The multiple district structure will assure that the construction and operation of each phase of public facilities will be primarily administered by a single board of directors consistent with a long term construction and operations program. Use of the Service District as the entity responsible for construction of each phase of improvements and for management of operations will facilitate a well-planned financing effort through all phases of construction and will assist in assuring coordinated extension of services.

The multiple district structure will also help assure that facilities and services needed for future build-out of Buckhorn Valley will be provided when they are needed, and not sooner. Absent an appropriate mechanism to assure timely completion of future improvements, the developer might be influenced to cause improvements to be completed well before they are

needed simply to assure that they can be provided with tax exempt financing. Appropriate development agreements between the Service District and the developer will allow the postponement of financing for improvements which are not needed until well into the future. This, in turn, allows the full costs of public improvements to be allocated over the full build-out of Buckhorn Valley and helps avoid disproportionate cost burdens being imposed on the early phases of development.

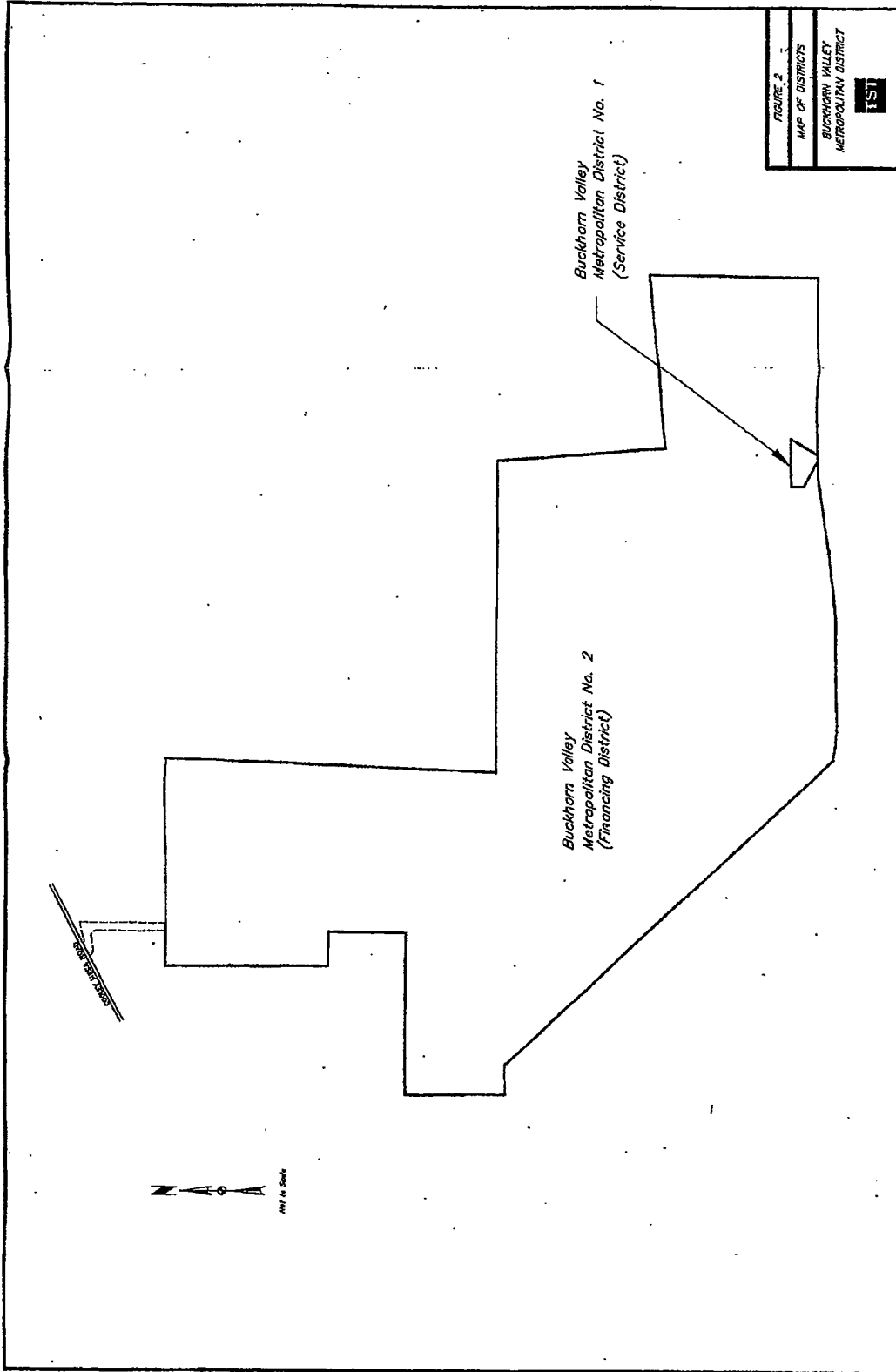
2. Bond Interest Rates. Some have asserted that Colorado law may require that before the Financing District may raise mill levies or increase other revenues to pay debt service on bonds, it must fully exhaust its operating revenue. This has the potential result of rendering a district operationally bankrupt before it can raise mill levies for payment of debt service. This requirement, if ultimately upheld by the Colorado courts, adversely affects the ability of a district to issue bonds at attractive rates since the bond markets may dictate unreasonably high interest rates in a single district structure to compensate for this risk. Separation of the financing and service functions of the Districts into both districts will help eliminate this problem. Consequently, the multiple district structure is less risky and will allow bonds to be issued to finance public improvements at lower rates than if a single special district is organized.

3. Configuration of Districts. In order to implement the multiple district structure, the boundaries of the Service District (Metropolitan District No. 1) and the Financing District (Metropolitan District No. 2) need to be carefully configured. A map showing the boundaries of the Districts is provided in Amended Figure 2, next page. The Service District contains approximately 1.22 acres, and the Financing District contains approximately 366.78 acres. The combined acreage of the Districts covers all acreage within Buckhorn Valley. Legal descriptions of the property within the boundaries of the Districts are attached to the end of this Service Plan as Exhibit B.

The “service area” (the area legally permitted to be served) for the Service District consists of the majority of the Buckhorn Valley community, including the property within the Financing District’s boundaries. The Service District will have power to impose taxes only within its legal boundaries, but will be permitted to provide public services to the entire community as well as to property or individuals outside of Buckhorn Valley. The Financing District will have power to assess taxes only within its boundaries, and other charges permitted by law.

It is possible that additional property may be included in the Districts. Under Colorado law, the fee owner or owners of one hundred percent of any property proposed for inclusion may petition the boards of directors of the Districts for inclusion, or annexation, of property into the Districts. Additionally, less than one hundred percent of the owners of an area may petition the Districts for inclusion, or the boards may adopt a resolution calling for an election on inclusion of the property. The Boards of Directors will have discretion to permit inclusions without amending this Service Plan.

4. Long-Term District Plan. After all bonds or other debt instruments have been issued by the Districts and adequate provision has been made for payment of all debt of the



Service District and the Financing District, the electorate of the Districts will have the opportunity to consider either the consolidation of the Service District and the Financing District into a single entity, or the dissolution of the Service District and/or the Financing District in accordance with state law. The Service District and the Financing District will consider consolidation and/or dissolution at the time each District's debt has been paid and adequate provision has been made for operation of all the Service District's facilities. Ultimately, control of these decisions will rest with the electorate in each District.

In order to minimize the proliferation of new governmental structures and personnel, the Service District intends to utilize existing entities as much as possible for operations and maintenance of public improvements. Operations and maintenance of certain water and sewer improvements, not including individual service connections and lines, or the raw water irrigation system, will be the responsibility of Gypsum after completed water and sewer improvements are conveyed to the Town by the Service District. The timing for conveyance of improvements to Gypsum have been set forth in the Annexation Agreement for the property, and a subdivision improvements agreement, as amended, entered into between Gypsum and the Developer.

It is possible that other key operations and maintenance services may be provided by other entities by appropriate agreements with the Service District. Consequently, while the Service District and the Financing District exist to finance capital improvements and coordinate the provision of services, they are expected to utilize existing entities and personnel as much as possible.

5. Property Owner Associations. Certain services will be provided within Buckhorn Valley by property owner associations expected to be organized as Colorado non-profit, private membership organizations comprised of all property owners in Buckhorn Valley. The associations are expected to provide architectural control services, community organizations, community events and activities, community marketing, animal control, security, common area maintenance, and other programs which may be beyond the scope of the Districts.

This Service Plan was prepared by White, Bear & Ankele Professional Corporation, 1805 Shea Center Drive, Suite 100, Highlands Ranch, Colorado 80129; telephone (303) 858-1800, with the assistance of Stan Bernstein and Associates of Denver, and J.K.A. Engineering, consulting Engineers of Eagle, Colorado.

## **II. PURPOSE OF AND NEED FOR THE DISTRICTS**

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

It is intended that the Districts will provide certain essential public-purpose facilities for the use and benefit of all the anticipated owners of real property contained within the boundaries of the Districts which are wholly located within Gypsum. It is not the intent of the Districts to provide ongoing services other than as specifically set forth in Section IV hereof. The Districts acknowledge the need and intent to cooperate with Gypsum to serve and promote the health, safety, prosperity, security and general welfare of its inhabitants. As evidence of such cooperation and need to coordinate activities with Gypsum, the Districts shall obtain a resolution

approving this Service Plan from Gypsum in the form to be attached hereto as Exhibit A. Should the purposes of the Districts change materially from what is stated herein, it shall be considered to be a material modification of this Service Plan which shall require advance approval by Gypsum. It is the Districts' intention to construct capital facilities, and where possible, to convey those facilities to existing governments for operations and maintenance. In this manner, Gypsum can be assured that property owners within the Districts will not pay for duplicated efforts of overlapping jurisdictions.

**B. Need for District.**

There are currently no other entities in existence in the area of the Districts, which have the ability and/or desire to undertake the design, financing and construction of improvements needed for the project. It is the petitioners' understanding that Gypsum does not consider it feasible or practicable for it to provide the necessary services and facilities for the project depicted in amended figure 1 through amended figure 9, hereof and described herein. Inasmuch as existing entities are unable or unwilling to construct capital facilities, formation of the Districts are necessary for the provision of public improvements needed for the project in the most economic manner possible.

**C. Water System.**

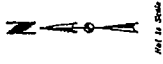
1. General. The Service District proposes to provide a water system to service the entire Buckhorn Valley P.U.D. The water system will provide a potable supply from Gypsum's municipal water supply for residential and commercial customers. Development that may be served by the Service District is discussed in Section III hereof. The phasing plan for development is contained in Amended Figure 3, next page.

The proposed elements of the potable water system provide a hydraulically balanced network of transmission lines and distribution lines for the supply of treated water. All facilities will be designed and installed in accordance with applicable regulatory standards, the Annexation Agreement, future subdivision agreements, the Gypsum Municipal Code and the Gypsum Public Works Manual and construction specifications. The proposed development plan for the Districts' potable water system is illustrated in Amended Figure 4, page 13.

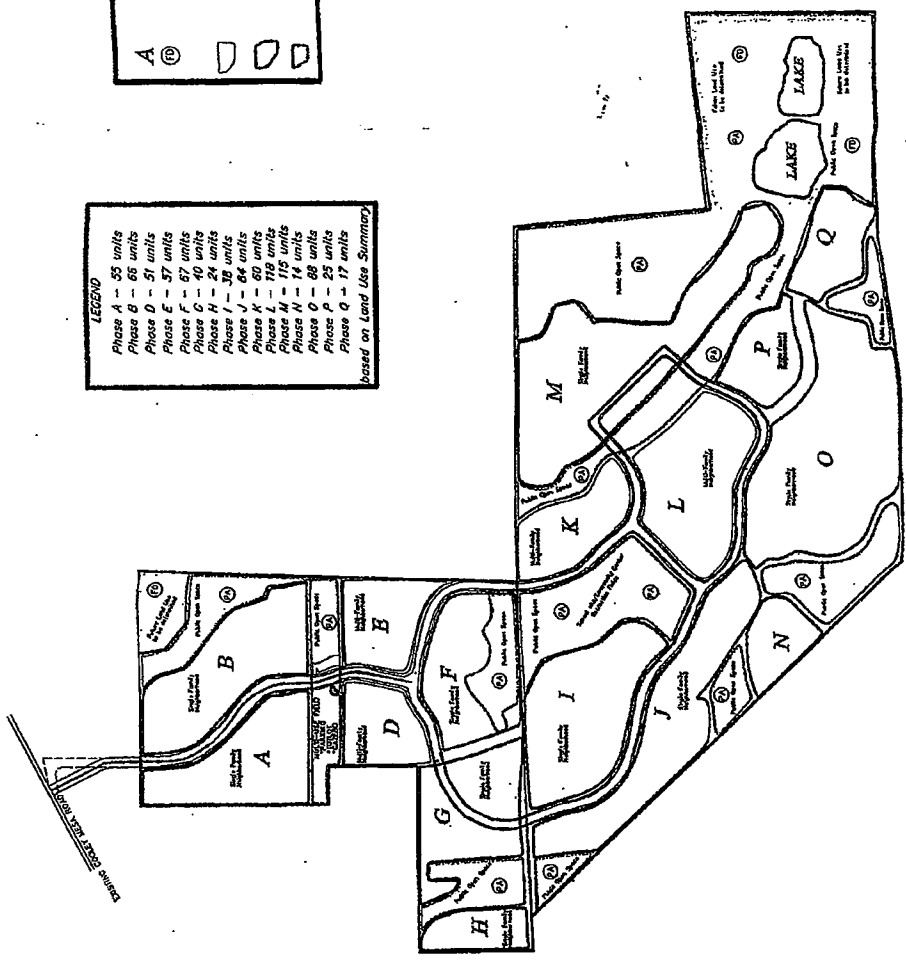
All major elements of the potable water system required for proper operation will be designed and installed by the Service District. The system will be designed according to Gypsum's standards and will be connected to the Town's system during the construction of the "First Phase" (see Amended Figure 3 for phase map). The developers of each phase of development will be responsible for construction of the distribution lines within the development parcels, and to meters. The homeowner will be responsible for construction of the service line from the meter to the house. All individual services will be metered.

2. Water Demand. Demands placed on the water system will fluctuate with use. Potable demand will be that required to satisfy the needs of the Service District's customers for domestic uses and fire protection. Provision of water service to the water system constructed and financed by the Districts will be subject to the terms of the Annexation Agreement. It is the





APR 11, 1968



**LEGEND**

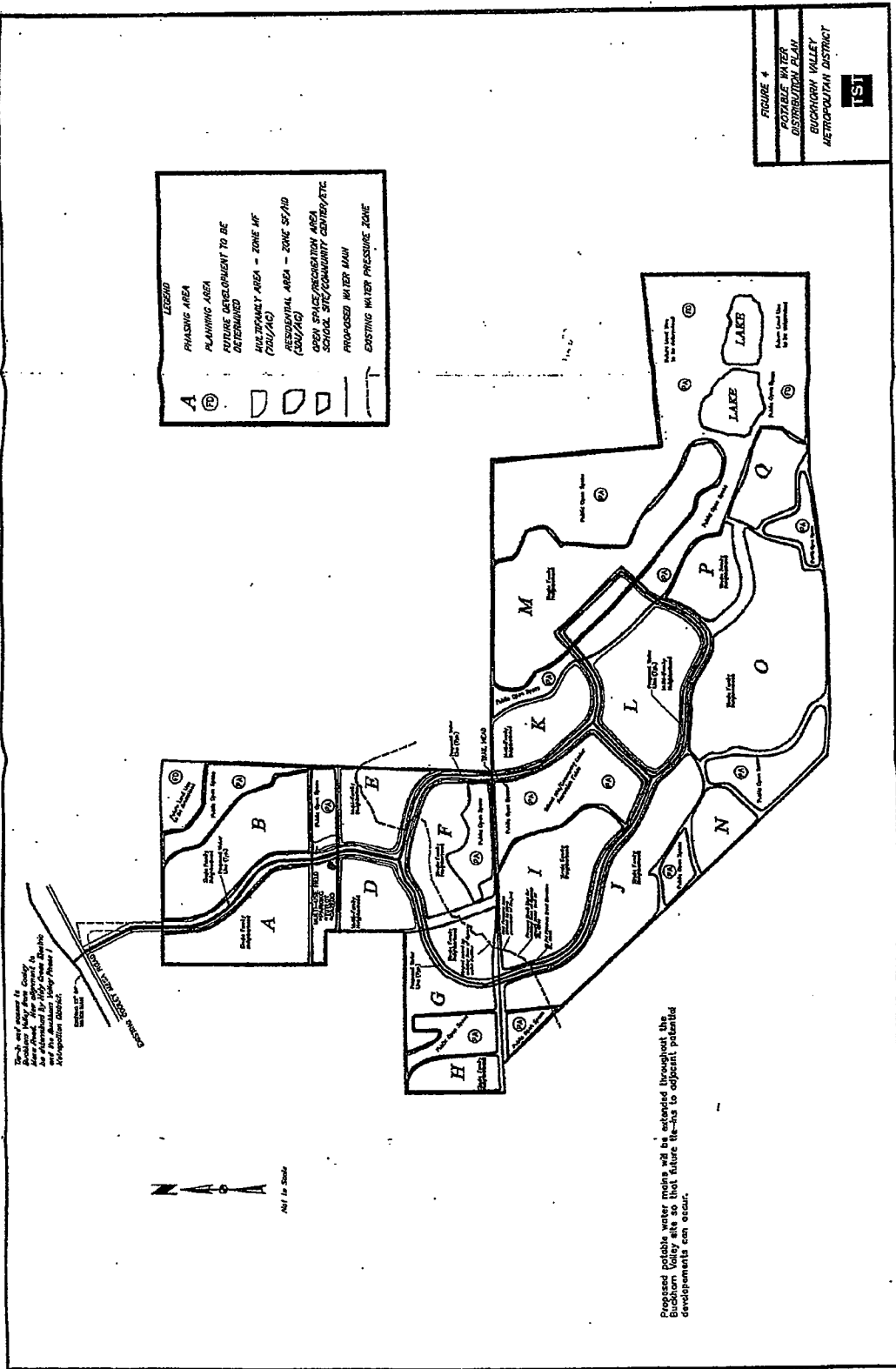
Phase A	- 55 units
Phase B	- 66 units
Phase D	- 51 units
Phase E	- 57 units
Phase F	- 67 units
Phase G	- 40 units
Phase H	- 24 units
Phase I	- 38 units
Phase J	- 84 units
Phase K	- 60 units
Phase L	- 712 units
Phase M	- 14 units
Phase N	- 14 units
Phase O	- 88 units
Phase P	- 25 units
Phase Q	- 17 units

based on Land Use Summary

**LEGEND**

A	PHASING AREA
Ⓢ	PLANNING AREA
□	FUTURE DEVELOPMENT TO BE DETERMINED
□	MULTIFAMILY AREA - ZONE MF (700/140)
□	RESIDENTIAL AREA - ZONE SF740 (300/140)
□	OPEN SPACE/RECREATION AREA
□	SCHOOL SITE/COMMUNITY CENTER, ETC.

FIGURE J  
PHASING PLAN  
BUCKHORN VALLEY  
METROPOLITAN DISTRICT  
TST



Plans of Eastern Water Main System, along with County of Boulder, are shown in this plan. All work shown is to be completed by 1975. (See District and the Buckhorn Valley Water Main System.)

N  
A  
S  
1/4" = 100'

Proposed potable water mains will be extended throughout the Buckhorn Valley site so that future tie-in to adjacent potential developments can occur.

FIGURE 4  
EASTERN WATER  
DISTRIBUTION PLAN  
BUCKHORN VALLEY  
METROPOLITAN DISTRICT

intent that all irrigation shall be provided by a raw water irrigation system. The Service District will construct a raw water distribution system that will reduce the amount of potable water required. By utilizing a raw water system, the potable water demand will decrease and fire flow will become the controlling factor in the potable system design. Raw water systems will not be conveyed to Gypsum nor become Gypsum's responsibility for operations and maintenance.

Potable water system demands for domestic uses have been estimated by applying typically accepted unit flow rates to land use designations and demographic information established by the Service District. Calculations are presented in Table 2, Page 15.

Potable water system demands proposed for fire protection are based on standards currently recommended by the Insurance Services Office (ISO) and Gypsum. Fire flows are to be provided, over and above maximum daily demands, will be 2,500 gpm for two hours in single family residential tracts and 3,500 gpm for three hours in commercial tracts.

Annual projections of the potable water system demands have been prepared. The results are presented in Table 3, Page 16. However, the Service District intends to review actual usage and adjust actual water requirements as required only upon execution of agreement with the Town. The Service District will also install, operate, and maintain a separate raw water line for irrigation purposes.

3. Water Transmission and Storage. The potable water transmission system will distribute potable water from Gypsum's transmission lines, and will transport the treated water in a network that is accessible by each development parcel. The Districts will not provide any storage for treated water. All storage of treated water will be provided by Gypsum. The transmission lines will be sized to deliver either the maximum day demand, plus fire flow or the peak hour demand, as appropriate.

4. Water Distribution. The potable water system will provide treated water through a network of transmission and distribution lines. Distribution lines will be sized based on the Gypsum Municipal Code, Public Works Manual and construction specifications. All lines are to be looped where practical to maximize capacity and improve circulation. Fire hydrants will be installed throughout the Districts based on requirements of the 1997 Uniform Fire Code, as interpreted by Gypsum, reasonably.

5. Raw Water. A plan for distribution of raw water is illustrated in Amended Figure 5, Page 17. Detailed analysis of potable and consumptive uses, along with water rights and storage requirements are depicted in Exhibit E, provided by Jehn Water Consultants, Inc.

#### **D. Wastewater System.**

1. General. The Service District proposes to provide a wastewater collection system to serve Buckhorn Valley. The proposed elements of the wastewater system will provide a network of laterals, trunk sewers, potential lift stations, and interceptor sewers, for the sanitary disposal of liquid borne wastes. All facilities will be designed and installed in accordance with applicable regulatory standards, the Annexation Agreement, future subdivision agreements, the

<b>Table 2</b> <b>ULTIMATE WATER DEMAND CALCULATIONS</b> <b>BUCKHORN VALLEY</b> <b>METROPOLITAN DISTRICT</b>		
<b>POTABLE DEMAND</b>	<b>FLOW</b>	
	<b>gpd</b>	<b>af/y</b>
<b>RESIDENTIAL</b> In-House Potable Use 899 du x 3.5 ppu x 100 gpcd	314,650.0	352.5
<b>COMMUNITY/CIVIC</b> In-House Potable Use 10.7 ac x 1000 gpad	10,700.0	12.0
<b>TOTAL</b>	<b>325,350.0</b>	<b>364.5</b>

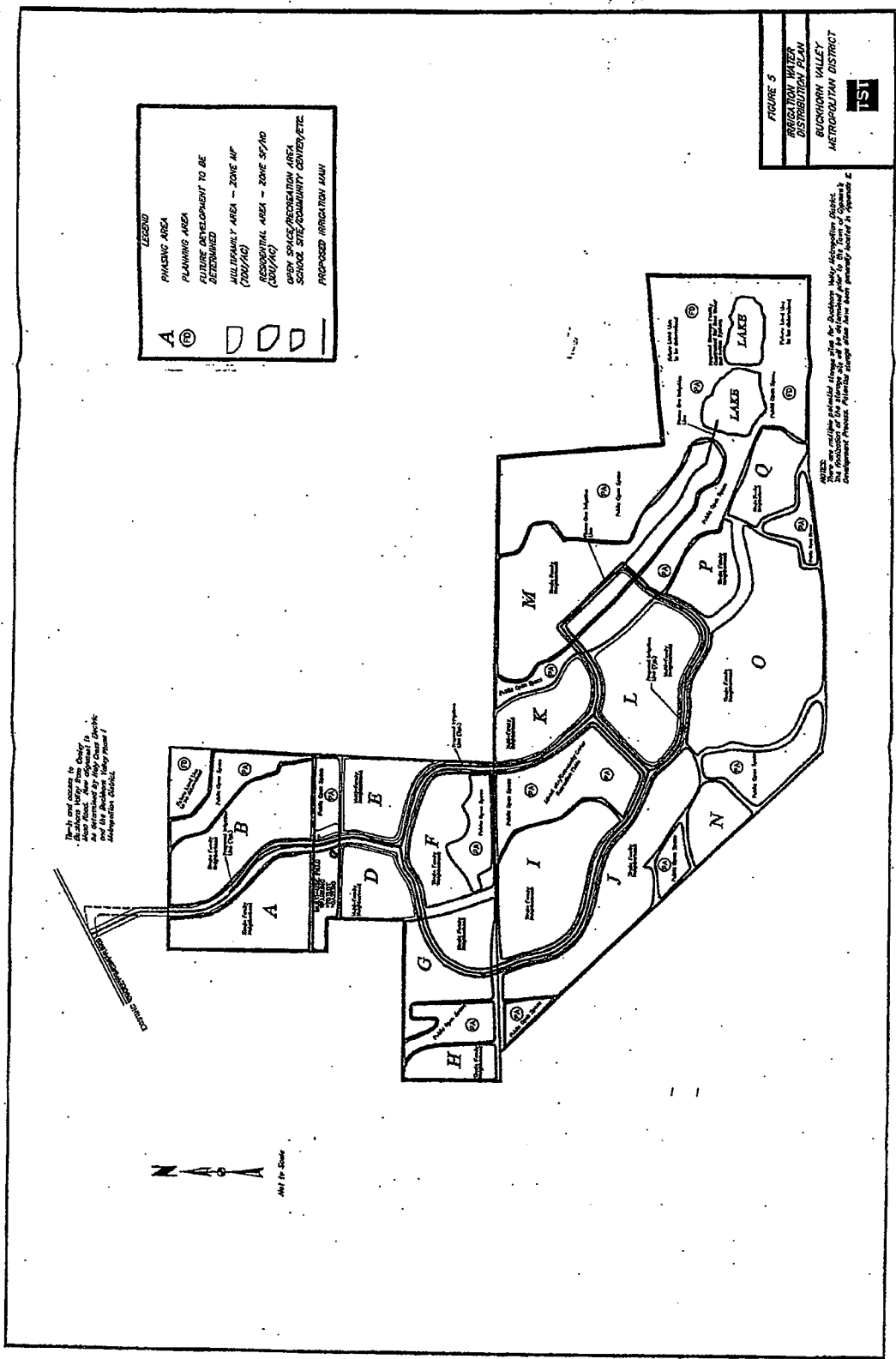
**TST, INC.**  
 Consulting Engineers

**Table 3  
Projected Water Requirements**

Year	Development Demands															
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Annual Total Units	50	52	51	57	56	45	71	63	60	60	59	59	65	67	45	39
Single Family Units	50	52	0	0	56	45	71	63	60	0	0	0	65	67	45	39
Multi-Family Units	0	0	51	57	0	0	0	0	0	60	59	59	0	0	0	0
Accumulative Units	50	102	153	210	266	311	382	445	505	565	624	683	748	815	860	899
Treated Water Demand	25.00	26.00	19.38	21.66	28.00	22.50	35.50	31.50	30.00	22.80	22.42	22.42	32.50	33.50	22.50	19.50
Annual (EOR) (1.)	25.00	26.00	19.38	21.66	28.00	22.50	35.50	31.50	30.00	22.80	22.42	22.42	32.50	33.50	22.50	19.50
Treated Water Demand	25.00	51.00	70.38	92.04	120.04	142.54	178.04	209.54	239.54	262.34	284.76	307.18	339.68	373.18	395.68	415.18

1. Treated Water used 0.5sdDe to calculate EQR for Single Family and 0.38xDe to calculate EQR for Multi-Family due to the fact a Raw Water system will be implemented.

17



Gypsum Municipal Code, the Gypsum Public Works Manual and construction specifications. The proposed development plan for the wastewater collection system is illustrated in Amended Figure 6, Page 19 and off site sewer is illustrated on page 20.

All major elements of the wastewater collection system required for proper operation will be designed, and installed by the Service District. Individual developers will be responsible for collection sewers, which serve each development parcel, and for the service laterals extended from the sewer lines to each property.

2. Wastewater Flows. Wastewater flows generated by the Buckhorn Valley will fluctuate with use. Flows determined in this section are from residential, industrial and commercial sources. These flows have been estimated by applying typically accepted unit flow rates to the land use designations and demographic information established in the Master Use Plan. Calculations are shown in Table 4, Page 21.

Ultimately, the average annual wastewater flow is projected to reach 325,350 gd (3.8 gpm) with a peak flow projected to reach 813,375 gd (9.4 gpm).

Annual projections of the wastewater flow from Buckhorn Valley have been prepared. The results are presented in Table 5, Page 22. However, the Districts intend to review actual wastewater flows and adjust the annual projections as required.

3. Wastewater Collection. The wastewater collection system will collect sanitary sewage generated by customers and convey it to Gypsum's wastewater treatment plant. Laterals will be located in the streets, along back lot lines and in utility easements to serve Buckhorn Valley.

#### **E. General Powers.**

The Districts will have power and authority to provide the services and facilities generally described in this Service Plan.

#### **F. Specific Powers.**

The Districts shall have authority to construct, operate and maintain the services and facilities described below. Necessary funding will be provided by the issuance of general obligation bonds by the Districts as described in the Amended Financing Plan contained herein. The following general descriptions of the powers of the Districts are intended to define the scope of activities which may be undertaken by the Districts. Section IV below contains more detailed descriptions of the specific improvements, design criteria and dedication requirements for these facilities.

1. Streets. The design, acquisition, installation, construction, operation, and maintenance of street and roadway improvements, including but not limited to curbs, gutters, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting, grading,

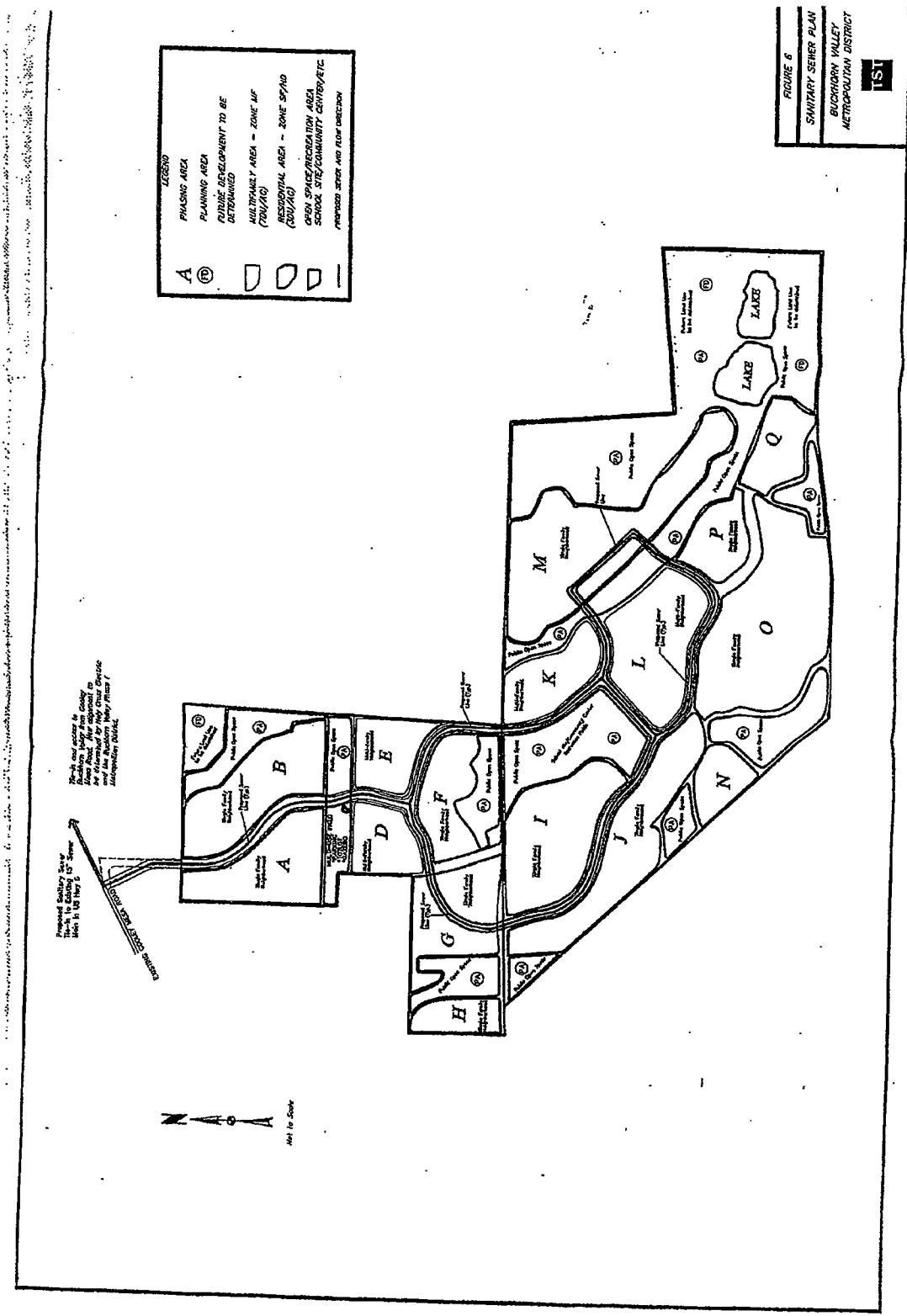


FIGURE 6  
 SANITARY SEWER PLAN  
 BUCKHORN VALLEY  
 METROPOLITAN DISTRICT

TST





<b>Table 4</b> <b>WASTEWATER FLOW CALCULATIONS</b> <b>BUCKHORN VALLEY PHASE I</b> <b>METROPOLITAN DISTRICT</b>	
	<b>TOTAL GPD</b>
<b>RESIDENTIAL</b>  899 du x 3.5 ppu x 100 gpcd	314,650
<b>COMMERCIAL</b>  10.7 ac x 1000 gpad	10,700
<b>TOTAL</b>	<b>325,350</b>

**Table 5**  
**Projected Wastewater and Irrigation Requirements**

<b>Waste Water Development Demands</b>																
Client: Roark Partners LLLP												Dates Dec. 15, 1999				
Project: Buckhorn Valley Metropolitan District												Job No. 0821-017				
Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Annual Total Units	50	52	51	57	56	45	71	63	60	60	59	59	65	67	45	39
Single Family Units	50	52	0	0	56	45	71	63	60	0	0	0	65	67	45	39
Multi-Family Units	0	0	51	57	0	0	0	0	0	60	59	59	0	0	0	0
Accumulative Units	50	102	153	210	266	311	382	445	505	565	624	683	748	815	860	899
Blue Grass Irrigation	2.5	0.2	2.5	0.0	0.0	1.2	0.3	1.1	0.0	3.4	2.4	0.3	0.8	0.1	0.0	0.0
Native Grass Irrigation	0.6	0.1	0.8	0.0	0.5	0.6	0.3	1.1	0.0	0.4	1.2	0.2	0.1	0.3	0.0	0.5
Sanitary Sewer Demand Annual (EQR) (2.)	50.00	52.00	38.25	42.75	56.00	45.00	71.00	63.00	60.00	45.00	44.25	44.25	65.00	67.00	45.00	39.00
Sanitary Sewer Demand Accumulative (EQR)	50.00	102.00	140.25	183.00	239.00	284.00	355.00	418.00	478.00	523.00	567.25	611.50	676.50	743.50	788.50	827.50
Residential Raw Water Demand Annual (Ac-ft./yr)	6.31	6.57	6.44	7.20	7.07	5.68	8.97	7.95	7.58	7.58	7.45	7.45	8.21	8.46	5.68	4.92
Residential Raw Water Demand Accum. (Ac-ft./yr)	7.46	15.22	20.93	27.31	35.66	42.38	52.97	62.37	71.33	78.04	84.64	91.25	100.95	110.94	117.66	123.48
Blue Grass Raw Water Annual (Ac-ft./yr)	6.50	0.52	6.50	0.00	0.00	3.12	0.78	2.86	0.00	8.84	6.24	0.78	2.08	0.26	0.00	0.00
Native Grass Raw Water Annual (Ac-ft./yr)	1.56	0.26	2.08	0.00	1.30	1.56	0.78	2.86	0.00	1.04	3.12	0.52	0.26	0.78	0.00	1.30
Irrigation Open Space Demand Accum. (Ac-ft./yr)	8.06	8.84	17.42	17.42	18.72	23.40	24.96	30.68	30.68	40.56	49.92	51.22	53.56	54.60	54.60	55.90
<b>Total Irrigation Demand</b>	<b>15.52</b>	<b>24.06</b>	<b>38.35</b>	<b>44.73</b>	<b>54.38</b>	<b>65.78</b>	<b>77.93</b>	<b>93.05</b>	<b>102.01</b>	<b>118.60</b>	<b>134.56</b>	<b>142.47</b>	<b>154.51</b>	<b>165.54</b>	<b>172.26</b>	<b>179.38</b>

1. Sanitary Sewer used 1.0xDu to calculate EQR for Single Family and 0.75xDu to calculate EQR for Multi-Family.  
 2. Residential Raw Water assumes 2,500 S.F. of irrigation.  
 3. Blue Grass Raw Water assumes 2.6 ac-ft/ae/yr.  
 4. Native Grass Raw Water assumes 2.6 ac-ft/ae/yr.

landscaping, tunnels and other street improvements, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities.

2. Parks and Recreation. The design, acquisition, installation, construction, operation and maintenance of public park and recreation facilities or programs including, but not limited to, swimming pools and spas, tennis courts, exercise facilities, bike paths, public fountains, snowshoe trails, botanical gardens, equestrian trails, hiking trails, pedestrian trails, picnic areas, skating areas and facilities, common area landscaping and weed control, outdoor lighting of all types, community events and other facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

3. Traffic and Safety Controls. The design, acquisition, installation, construction, operation, and maintenance of traffic and safety protection facilities and services through traffic and safety controls and devices on streets and highways, environmental monitoring, and rodent and pest controls necessary for public safety, as well as other facilities and improvements including but not limited to, main entry building, access gates, signalization at intersections, traffic signs, area identification signs, directional assistance, and driver information signs, together with all necessary, incidental, and appurtenant facilities, land easements, together with extensions of and improvements to said facilities.

4. Transportation. The design, acquisition, installation, construction, operation and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, parking structures, roofs, covers, and facilities, including but not limited to facilities for the commercial structures, and for the conveyance of the public consisting of public restrooms, buses automobiles, bicycles, and other means of conveyance, and structures for repair, operations and maintenance as such facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

5. Sanitation. The design, acquisition, installation, construction, operation and maintenance of storm or sanitary sewers, or both, flood and surface drainage, treatment and disposal works and facilities, lift stations, and all necessary or proper equipment and appurtenances incident thereto, together with an necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

6. Water. The design, acquisition, installation, construction, operation, and maintenance of a complete water and irrigation water system, including but not limited to, water rights, water supply, treatment, storage, transmission and distribution systems for domestic and other public or private purposes, together with ail necessary and proper reservoirs, treatment works and facilities, wells, water rights, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, storage facilities, land and easements, together with extensions of and improvements to said systems.

7. Television Relay and Translator. The acquisition, construction, completion, installation and/or operation and maintenance of television relay and translator facilities, including but not limited to cable television and communication facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities.

8. Mosquito and Pest Control. The design, acquisition, installation, construction, operation, and maintenance of systems and methods for the elimination and control of mosquitoes, rodents and other pests.

**G. Miscellaneous Powers.**

The powers of the Districts will be exercised by its board of directors to the extent necessary to provide the services contemplated in this Service Plan. The foregoing improvements and services, along with all other activities permitted by law, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act contained in Title 32, C.R.S., other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

In addition to the powers enumerated above, the board of directors of the Districts shall have authority to exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the board of directors of the Districts.

The Districts shall have no powers to override or overrule Gypsum pursuant to Section 31-23-209, C.R.S., and all District facilities and activities shall be subject to Gypsum zoning, subdivision, development and land use requirements applicable generally within Gypsum.

**III. BOUNDARIES; POPULATION AND ASSESSED VALUATION ESTIMATES**

**A. General.**

The service area of the Districts shall include all real property within the boundaries of the Districts, as more particularly depicted in the map contained in Amended Figure 2, Page 9. A legal description of the Districts' boundaries is attached as Exhibit B.

**B. Changes in Boundaries.**

The Districts shall obtain written approval from Gypsum prior to seeking a change in their boundaries. Changes may be approved by Gypsum and shall not be considered to be a material modification of this Service Plan if approved by the Gypsum Town Council.

**C. Population and Assessed Valuation Estimates.**

An estimate of projected assessed valuation within the Districts is set forth in Exhibit G, which contains the Amended Financing Plan for the Districts. The Buckhorn Valley

development will consist of residential development, with a buildout population of the Districts estimated to be 2,625 persons. The 2004 assessed valuation for all property within the boundaries of the Districts was approximately \$2.6 million.

#### **IV. DESCRIPTION OF PROPOSED FACILITIES**

This section describes the key facilities and improvements expected to be provided by the Districts. The following general descriptions of improvements are preliminary only and will be subject to modification and revision as engineering plans, financial factors and construction scheduling and costs may require, and subject to the overall limitations on the powers of the Districts set forth in Section II hereof. All improvements to be operated, or maintained by, or conveyed or dedicated to Gypsum shall be constructed and installed pursuant to the Annexation Agreement, future subdivisions improvements agreements, the Gypsum Municipal Code, and the Gypsum Public Works Manual and the construction specifications. Improvements not specifically described herein shall be permitted as long as they are generally contemplated in Section II hereof. Should the types of improvements materially change from what is stated in Section II of this Service Plan, it shall be considered a material modification of this Service Plan. No improvements shall be constructed outside the Districts' boundaries, except as contemplated by the Annexation Agreement, without prior approval of the Gypsum Town Council. In addition, the Districts shall not exercise any powers of eminent domain, within or outside of the Districts' boundaries, without prior approval of the Gypsum Town Council.

Amended Figure 1 through Amended Figure 9 contain general layouts of the key proposed improvements. Exhibit F sets forth the projected amended capital costs by phase for the Districts. Cost estimates for such improvements are depicted in the Amended Financing Plan, as shown in Exhibit G. The total estimated cost of improvements is approximately \$29,561,232, exclusive of inflation and contingencies. Gypsum shall not be responsible for assuming any of the costs of the improvements. All facilities described herein will be designed in such a way as to assure that the facility and service standards will be compatible with those of Gypsum and other government entities and special districts which may be affected thereby. All descriptions of the specific facilities and improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, Gypsum's requirements, and as construction scheduling may require.

##### **A. Street Improvements.**

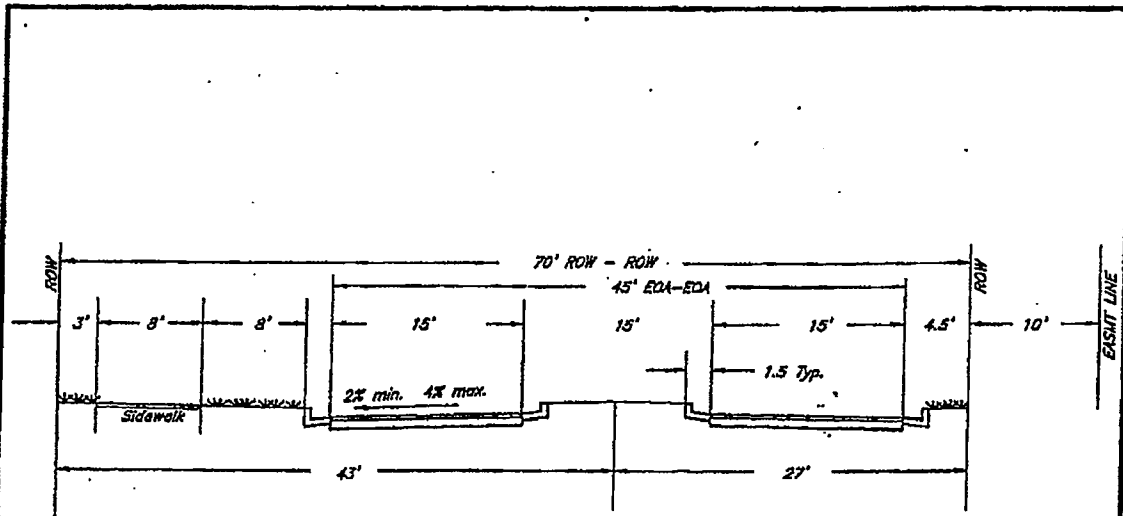
Street improvements include the local and collector streets shown in Amended Figure 7 and Amended Figure 9, together with a drainage plan shown in Amended Figure 8, on the following pages. After conveyance by the developer of the street rights-of-way or appropriate easements to the Districts, the Districts are expected to construct street curbs, gutters, culverts, drainage ditches, sidewalks, box culverts, tunnels, paving, lighting, landscaping and other road, street and drainage facility improvements which the project will require, as well as necessary traffic and safety protection devices and controls.

1. Roadway Infrastructure. All public streets and streets dedicated by plat within the

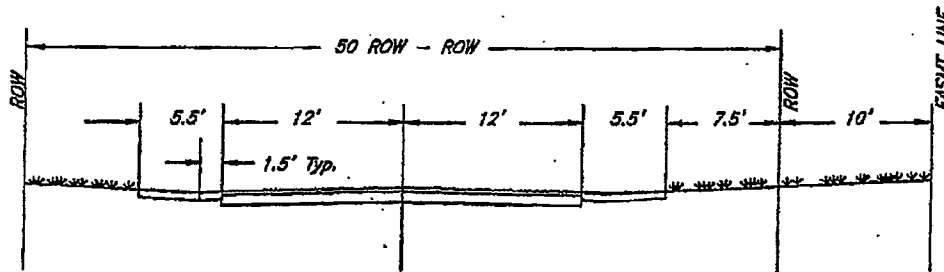








TYPICAL MINOR COLLECTOR STREET SECTION



TYPICAL LOCAL RESIDENTIAL STREET SECTION

FIGURE 9
STREET SECTIONS
BUCKHORN VALLEY METROPOLITAN DISTRICT
<b>TST</b>

Districts will be maintained by Gypsum, upon their completion and acceptance by Gypsum. Amended Figure 10 shows proposed street cross-sections with approximate proposed potable water, raw water and sanitary sewer main locations within the roadway infrastructure.

2. Drainage Facilities. All storm drainage facilities outside the street rights-of-way will be owned, operated and maintained by the Districts thus eliminating any potential burden on Gypsum for these costs. The developers shall be responsible for the construction of storm drainage facilities within street rights-of-way although the facilities will be turned over to and operated by Gypsum. The proposed elements of the storm drainage system will provide a network of culverts, and curb and gutter designed and installed in accordance with applicable regulatory standards, the Annexation Agreement, future subdivision agreements, the Gypsum Municipal Code and the Gypsum Public Works Manual and construction specifications. The conceptual development plan for the proposed storm drainage system within the project is illustrated in Amended Figure 8.

3. Cost Estimates. The estimated construction costs for the development of the roadway system and drainage facilities for the project are shown on Exhibit F.

4. Signals and Signage. Signals and signage will be installed by the Districts as required by traffic studies, the District's Rules and Regulations, and by Gypsum.

## **B. Park and Recreation Improvements; Landscaping.**

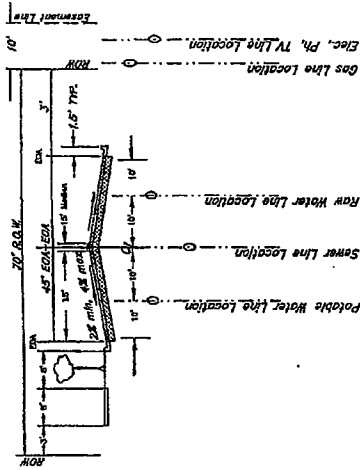
All park and recreational facilities and/or services will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall be consistent with the standards approved by Gypsum, as appropriate. The park and recreation improvements expected to be constructed and maintained by the Districts within Buckhorn Valley include but are not limited to, botanical gardens, skating rink, general purpose ball fields, trails, landscaping, basketball courts, etc.

1. Parks. The park improvements anticipated to be constructed are parking lots, grading, drainage facilities, irrigation system, playground equipment, sports field equipment, lighting, concessions, restrooms and may consist of irrigated turf, hardscape, walkways, shrubs, mulch beds, amenity features such as picnic tables, signage, etc., and other uses consistent with neighborhood parks.

2. Recreation. Recreation improvements will be built to Gypsum's development requirements pursuant to SIA, consistent with Annexation Agreement, Gypsum Municipal Code and Buckhorn Valley P.U.D. Preliminary Plan, but will generally consist of a skating rink, general purpose fields, basketball courts and related amenities.

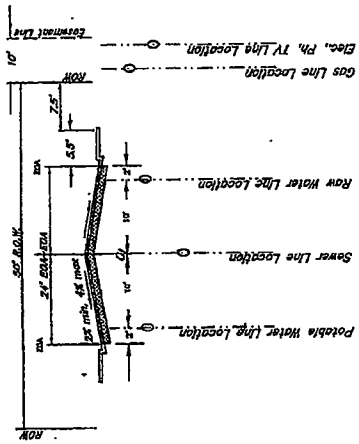
3. Trails. The trails are proposed to provide linkage between the major development parcels and other major roadways or other features within the property or immediately adjacent thereto. The trail system is anticipated to include a combination of concrete walkways, gravel trails, necessary signage and identification markers and other ancillary trail hardscape such as benches and tables.

Minor Collector with Median

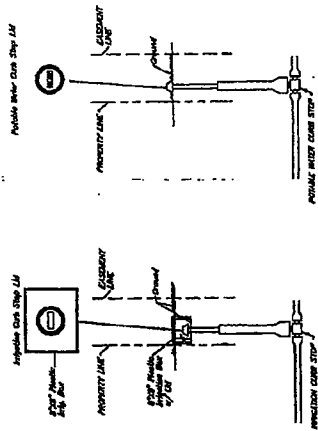


**STREET CROSS SECTION WITH INFRASTRUCTURE LINE LOCATION (TYP)**  
N.T.S.

Local Residential



**STREET CROSS SECTION WITH INFRASTRUCTURE LINE LOCATION (TYP)**  
N.T.S.



**RAW WATER SERVICE VS. POTABLE WATER SERVICE (TYP)**  
N.T.S.

**FIGURE 10**

**STREETS WITH UTILITIES**

**BUCKHORN VALLEY METROPOLITAN DISTRICT**

4. Street Landscaping. The major streets are anticipated to have landscaping along both sides and any medians. This landscaping may consist of required fencing, identification markers, shrub and flower beds, mulch beds, irrigated and non-irrigated turf and native grasses, subdivision identification markers, trees, and other landscape features commonly associated with streetscape design.

5. Cost Estimates. The estimated construction costs for the development of the park and recreation improvements are shown on Exhibit F.

**C. Transportation.**

The Districts contemplate that at some future date it may be prudent to participate in a public transit system to serve Buckhorn Valley. The Districts may at the appropriate time, fund studies or improvements which are intended to provide mass transit for the population of the Districts.

**D. Sanitation.**

The sanitary sewer lines will be designed and installed to conform to the current standards and recommendations of the Colorado Department of Health, the Annexation Agreement, future subdivision agreements, the Gypsum Municipal Code and the Gypsum Public Works Manual and construction specifications. The development plan for the proposed sanitary sewer lines is shown in Amended Figure 4.

All major elements of the sanitary sewer lines required for proper operation will be designed, and installed by the Districts.

**E. Water.**

The potable water system will deliver water from Gypsum's water system, and will be designed and installed to conform to the current standards and recommendations of the Colorado Department of Health, Annexation Agreement, future subdivision agreements, the Gypsum Municipal Code and the Gypsum Public Works Manual and construction specifications.

**F. Television Relay and Translator.**

The television relay and translator lines will be designed and installed to conform to the current standards and recommendations of the local Gypsum supplier, Gypsum and Rules and Regulations adopted by the Districts.

**G. Mosquito and Pest Control.**

The Service District contemplates that at some future date it may be prudent to participate in a mosquito and pest control program for the area. The Service District may, at the appropriate time, fund studies or improvements which are intended to provide mosquito and pest control for the Districts.

**H. Cost Estimate Summary.**

The cost estimates for all improvements summarized in Exhibit F are based on quantities taken from preliminary development plans and preliminary utility and drainage plans. The unit prices, based on recent bids or contracts, were multiplied by the individual quantities. A 15% contingency was added to the subtotal to arrive at the total cost estimates.

**I. Construction Standards.**

The Districts shall ensure that any proposed improvements set forth in this Section IV will be designed and constructed in accordance with the standards and specifications set forth by the entity to who the facilities will be dedicated for operations and maintenance, including the Districts. The Districts will obtain approval of civil engineering plans and a permit for construction and installation of improvements from Gypsum. In the event of any conflicts, the Gypsum Municipal Code, Public Works Manual and construction specifications shall govern.

**J. Dedication of Improvements.**

The Districts shall dedicate or cause all of the public water and wastewater improvements, all public streets and streets dedicated by plat and all public sidewalks as well as all rights-of-way and easements necessary for access to these facilities to be conveyed to the entity responsible for operations and maintenance upon completion of construction and installation. All storm drainage facilities outside the public streets will be owned, operated and maintained by the Districts. Failure to comply with the dedication of improvements set forth in this section shall be deemed to be a material modification of this Service Plan.

**K. Ownership/Operation of Facilities by District.**

Except for facilities and improvements described in this Section IV, the Districts shall not be authorized to own or operate facilities to be provided pursuant to this Service Plan except through approval by Gypsum of an amendment to this Service Plan. The Districts shall have authority to operate and maintain the improvements described in this Section IV. Some of the improvements are expected to be turned over to Gypsum, for operations and maintenance.

**L. Services of Districts.**

The Districts will require funds to plan and cause the facilities contemplated herein to be completed. Such costs are expected to include reimbursement of organizational costs, legal, engineering, accounting, bond issuance costs and compliance with state reporting and other administrative requirements. An overall amended financing plan showing the anticipated operating costs, phasing of bond issues, and related matters is attached as Exhibit G.

**V. AMENDED FINANCIAL PLAN**

**A. General Plan of Finance.**

The total estimated cost of the facilities is approximately \$29,561,232 in 2005 dollars. The Districts bonded general obligation debt limitation (“debt limitation”) as described herein will be \$26,000,000 to account for inflation, costs of issuance and other similar expenses. Increases in debt necessary to accomplish a refunding, reissuance or restructuring of debt, the principle and interest of any refunding bonds and bonds payable from sources other than *ad valorem* taxes, shall not count against the debt limitation. The debt limitations discussed herein shall apply only to bonded general obligation debt. Contractual general obligation debt represented by the Master IGA between the Districts shall not count against the bonded general obligation debt limitation. Further, the obligations of the Districts set forth in any future intergovernmental agreement between the Districts shall not count against any bonded debt limitation or restriction on the Districts. Any other change in the debt limitation shall be considered a material modification of the Service Plan. The debt limitation shall not be increased unless approved by Gypsum and as permitted by statute.

It is currently anticipated that the Districts will issue general obligation bonds in amounts sufficient to permit the Districts to construct needed facilities. The initial bond issuance occurred in 2003 in the amount of \$2,500,000 in a private placement. Capital improvements will be funded through loans from the Developer and the Districts’ obligation to repay the same shall be evidenced by promissory notes issued to the Developer, as set forth in the Amended Financing Plan attached as Exhibit G. Such loans and notes will be refunded with additional series of bonds as feasible, as set forth in Exhibit G. At the time at which the credit quality within the Financing District is sufficient to market a publicly offered limited general obligation bond issue, the Financing District may issue bonds and utilize the proceeds as necessary to refund the principle and interest due on such promissory notes and privately placed bonds or to finance the construction of authorized public improvements. Refunding of the promissory notes shall not count against the debt limit. Payment of debt service requirements on the promissory notes and for all subsequent limited general obligation bonds issued by the Financing District will be paid subject to debt service mill levy caps discussed below. The mill levy cap will remain in place in perpetuity thus protecting property owners from unreasonable debt service mill levy increases. The timing of issuance of bonds will be adjusted from time to time to meet development requirements. All bonds will be issued in compliance with applicable state law. Attached to this Service Plan as Amended Exhibit G is a consolidated Amended Financing Plan of the Districts which shows how the proposed services and facilities may be financed and operated by the Districts. The Amended Financing Plan identifies the proposed debt issuance schedules of the Districts.

All bonds issued by the Districts will be payable from general *ad valorem* debt service taxes to be imposed upon all taxable property within the Districts which may not exceed 40 mills, subject to adjustments, from the year 2000, to take into account the impact of the Gallagher Amendment to the Colorado Constitution.

The 40 mill debt service levy limit has since the Districts’ organization in the year 2000, and shall continue to be, subject to adjustment if the laws of the State change with respect to the assessment of property for taxation purposes, the ratio for determining assessed valuation changes, or other similar changes occur which would alter the revenue received based on such 40 mill debt service levy limit. In these events, the cap will be automatically adjusted so that the tax

liability of individual property owners neither increases nor decreases as a result of any such changes thereby maintaining a constant level of tax receipts of the Districts and overall tax payments from property owners.

The Amended Financing Plan demonstrates one method that might be used by the Districts to finance the cost of infrastructure. At the time bonds are proposed to be issued, alternative financing plans may be employed and utilized by the Districts so long as the constraints of this Service Plan have been met. Due to the support expected to be received from the developer, the Amended Financing Plan demonstrates that the cost of infrastructure described herein can be provided with reasonable mill levies assuming reasonable increases in assessed valuation and assuming the rate of build-out estimated in the Amended Financing Plan. In no event will bondholders be entitled to payments in excess of what the debt service mill levy cap will produce, thus permitting the Districts to be viable in all circumstances.

**B. Operating Costs.**

In addition to showing the anticipated bond issues of the Districts discussed in the preceding section, the Amended Financing Plan includes the proposed operating revenue derived from *ad valorem* property taxes beginning in 2003. Other operating costs will be assumed and paid only as cash flow permits. The operations mill levy will not exceed what is set forth in the Amended Financing Plan, unless the increase is approved by Gypsum, except for “Gallagher” adjustments, dating from the year 2000, when the Districts were originally organized.

**C. Other Financial Information.**

Upon approval of this Service Plan, the Districts will continue to develop and refine cost estimates contained herein and prepare for bond issues. All cost estimates will be inflated to then-current dollars at the time of bond issuance and construction. All construction cost estimates assume construction to applicable local, state or federal requirements.

In addition to *ad valorem* property taxes, and in order to offset the expenses of the anticipated construction as well as operations and maintenance, the Districts will also rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(1), C.R.S., as amended from time to time. The Amended Financing Plan assumes various sources of revenue, including *ad valorem* property taxes, specific ownership taxes, facilities fees, and user charges, together with interest earnings on retained amounts. No fees, rates, tolls or charges shall be imposed for use of facilities conveyed or dedicated to, or operated or maintained by Gypsum.

The Amended Financing Plan does not project any significant accumulation of fund balances which might represent receipt of revenues in excess of expenditures under the TABOR Amendment. To the extent annual district revenues exceed expenditures in this manner, the Districts will comply with the provisions of TABOR and either refund the excess or obtain voter approval to retain such amounts. Initial spending and revenue limits of the Districts, as well as mill levies, were established by elections which satisfy TABOR requirements.

The estimated costs of the facilities and improvements to be constructed and installed by the Districts, including the costs of engineering services, legal services, administrative services, initial proposed indebtedness, and other major expenses related to the facilities and improvements to be constructed and installed, are set forth in Exhibit F of this Service Plan. The maximum voted interest rate on bonds will be 18%. The proposed maximum underwriting discount will be 5%. All general obligation bonds, when issued, will mature within a term as is permitted at the time of issuance by Article 57, Title 11, Colorado Revised Statutes, as amended. The Districts, out of its initial revenue sources including bond issue proceeds, will reimburse organizational costs to the developer. The Districts are also expected to acquire completed improvements from the developer with bond proceeds.

**D. Elections and Conditions on Exercise of Financial Powers.**

The Districts may obtain authorization from its electorate at elections scheduled on legally permitted dates for general obligation bonds and other matters summarized below.

**VI. GENERAL MATTERS**

**A. Elections.**

All elections will be conducted as provided by the Uniform Election Code of 1992 (as amended) and the TABOR Amendment. The election questions may include TABOR Amendment ballot issues and questions. The ballot may deal with the following topics (in several questions, but not necessarily using the exact divisions shown here):

1. Approval of new taxes;
2. Approval of maximum operational mill levies;
3. Approval of bond and other indebtedness limits;
4. Approval of property tax revenue limit;
5. Approval of total revenue limit;
6. Approval of fiscal year spending limits; and
7. Approval of a four-year delay in voting on ballot issues.

Future elections to comply with the TABOR Amendment are anticipated and may be held as determined by the elected Board of Directors of the Districts.

**B. Modification of Service Plan.**

The Districts shall obtain the prior approval of Gypsum before making any material modifications to this Service Plan. Material modifications shall include modifications of a basic



or essential nature including any additions to the types of services initially provided by the Districts, change in debt limit, change in revenue type, change in the debt service mill levy limit, change of boundaries, construction of facilities or provision of services outside boundaries not contemplated by Annexation Agreement. The examples above are only examples and are not an exclusive list of all actions which may be identified as a material modification. Gypsum approval shall not be required for mechanical modifications to this Service Plan necessary for the execution of the Amended Financing Plan for public improvements previously outlined herein.

**C. Resolution of Approval.**

The Districts agree to incorporate the Gypsum Town Council's Resolution of Approval, including any conditions on such approval, into the Service Plan presented to the appropriate District Court. Such resolution shall be attached as Exhibit A.

**D. Disclosure.**

The petitioners for organization of the Districts will make a good faith effort to assure that the developers of the property located within the Districts provide adequate written notice to purchasers of land in the Districts regarding taxes, charges, or assessments which may be imposed in connection with the Districts. For purposes of this section, a good faith effort shall mean that the directors of the Districts shall notify homebuilders as to the existence of the Districts, present tax levy, average expected tax levy, maximum expected tax levy, and maximum allowed tax levy, and shall request such homebuilders to provide such information to home purchasers.

**VII. CONCLUSION**

It is submitted that this Service Plan for the District, as required by § 32-1- 203(2), C.R.S., has established that:

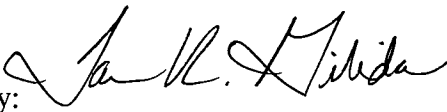
- (a) There is sufficient existing and projected need for organized service in the area to be serviced by the Districts;
- (b) The existing service in the area to be served by the Districts is inadequate for present and projected needs;
- (c) The Districts are capable of providing economical and sufficient service to the area within its boundaries;
- (d) 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;
- (e) Adequate service is not, and will not be, available to the area through Gypsum, or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

- (f) The facility and service standards of the Districts are compatible with the facility and service standards of Gypsum within which the Districts are to be located and each municipality which is an interested party under § 32-1-204(1) C.R.S.;
- (g) The proposal is in substantial compliance with a master plan adopted pursuant to § 30-28-108, C.R.S.;
- (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 Districts is in the best interests of the area proposed to be served.

Therefore, it is requested that the Gypsum Town Council, which has jurisdiction to approve this Service Plan by virtue of §§ 32-1-201, C.R.S., et seq., as amended, adopt a resolution which approves this Service Plan for the Districts as submitted.

Respectfully submitted,

ICENOGLE ♦ NORTON  
SMITH ♦ GILIDA ♦ POGUE  
A Professional Corporation

By:   
\_\_\_\_\_  
Tamara K. Gilida  
Counsel to Petitioners

**EXHIBIT A**  
Town Council Resolution of Approval

**TOWN COUNCIL TOWN OF GYPSUM, STATE OF COLORADO**

**RESOLUTION NO. 2009-30**

**RESOLUTION OF THE TOWN OF GYPSUM, COLORADO,  
APPROVING THE AMENDED AND RESTATED CONSOLIDATED SERVICE  
PLAN FOR BUCKHORN VALLEY METROPOLITAN DISTRICTS NOS. 1 and 2**

WHEREAS, pursuant to Sections 32-1-204.5 and 32-1-205, C.R.S., the Amended and Restated Consolidated Service Plan ("Service Plan") for Buckhorn Valley Metropolitan Districts Nos. 1 and 2 ("Districts") has been submitted to the Town Council of the Town of Gypsum (the "Council"); and

WHEREAS, notice of the hearing before the Town Council of the Town of Gypsum, Colorado was duly published in the Eagle Valley Enterprise on July 2, 2009, and provided by postcard mailing to the landowners within the Districts; and

WHEREAS, pursuant to the provisions of Title 32, Article 1, C.R.S., the Council held a public hearing on the Service Plan for Buckhorn Valley Metropolitan Districts Nos. 1 and 2 on July 14, 2009; and

WHEREAS, the Council has considered the Service Plan, and all testimony and evidence presented at the hearing;

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF GYPSUM, COLORADO:

1. The hearing before the Council was extensive and complete; all pertinent facts, matters and issues were submitted; all interested parties were heard or had the opportunity to be heard; and as proposed in the Service Plan evidence satisfactory to the Council of each of the following was presented:

(a) There is sufficient existing and projected need for organized service in the area to be served by the proposed special districts.

(b) Existing service in the area to be served by the proposed special districts is inadequate for present and projected needs.

(c) The proposed special districts are capable of providing economical and sufficient service to the areas they intend to serve.

(d) The areas to be included within the proposed special districts have or will have the financial ability to discharge the proposed indebtedness on a reasonable basis.

2. That the Town Council of the Town of Gypsum, Colorado, does hereby determine that the requirements of Sections 32-1-207(2), 32-1-202(2) and 32-1-203(2), C.R.S., relating to the filing of the Amended and Restated Consolidated Service Plan for Buckhorn Valley Metropolitan Districts Nos. 1 and 2, and the requirements of Section 32-1-204.5, C.R.S., relating to the hearing by the Council, have been fulfilled in a timely manner, and also determines that the requirements of Section 32-1-107(3)(b)(III), C.R.S. are met.

3. That the Town Council of the Town of Gypsum, Colorado, does hereby approve the Amended and Restated Consolidated Service Plan for Buckhorn Valley Metropolitan Districts Nos. 1 and 2 as presented to Council on July 14, 2009.

4. 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 Eagle County.

5. That all resolutions or parts thereof in conflict with the provisions hereof shall be and the same are hereby repealed.


INTRODUCED, READ AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF GYPSUM, COLORADO AT ITS REGULAR MEETING HELD AT THE TOWN OF GYPSUM ON THE 14 DAY OF July, 2009 BY A VOTE OF 7 IN FAVOR, \_\_\_\_\_ AGAINST.

TOWN OF GYPSUM, COLORADO

By: 

Stephen M. Carver, Mayor

ATTEST:

  
Danette Schlegel  
Town Clerk



It is hereby certified that the attached is a true and correct copy of the Resolution of the Town of Gypsum, Colorado, approving the Amended and Restated Consolidated Service Plan for Buckhorn Valley Metropolitan Districts Nos. 1 and 2, duly adopted by the Town Council of the Town of Gypsum, Colorado, at a meeting of the Town Council held on July 14, 2009.

By: *Danette Schlegel*  
Danette Schlegel, Town Clerk



**EXHIBIT B**  
Legal Descriptions

**BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 1  
LEGAL DESCRIPTION**

A PARCEL OF LAND LOCATED IN LOTS 1, 3 AND 4 IN SECTION 10 AND LOTS 2 AND 3 IN SECTION 11, ALL IN TOWNSHIP 5 SOUTH, RANGE 85 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF EAGLE, STATE OF COLORADO MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN EXISTING BRASS CAP MONUMENT MARKING A.P. 3 OF TRACT 54 AS DESCRIBED IN BOOK 701 AT PAGE 373 RECORDED JULY 31, 1996 OF THE EAGLE COUNTY RECORDS; THENCE N89°28'27"E 1303.25 FEET; THENCE S02°30'08"W, 2595.76 FEET TO A USGLO BRASS CAP BEING ANGLE POINT 5 OF TRACT 54; THENCE ALONG THE NORTHERLY LINE OF SAID TRACT 82, N 89°49'56"W, 1454.50 FEET TO A BRASS CAP; THENCE ALONG THE NORTHERLY LINE OF SAID TRACT 82, N89°54'00"W, 1007.48 FEET TO A BRASS CAP AT A.P.1 OF SAID TRACT 82; THENCE S04°21'32"E, 1332.54 FEET TO AN ALUMINUM CAP AT A.P. 8 OF SAID TRACT 82; THENCE N84°19'43"E; 1354.29 FEET TO A.P. 7 OF TRACT 82; THENCE S00°39'56"W, 1319.52 FEET TO A.P. 6 OF TRACT 82; THENCE ALONG THE SOUTHERLY LINE S89°47'30"W, 205.30 FEET TO A.P. 1 OF TRACT 84; THENCE N89°43'55"W, 1168.33 FEET TO THE POINT OF BEGINNING; THENCE N30°51'29"E 242.23 FEET; THENCE N90°00'00"W 369.09 FEET; THENCE S00°00'00"E 98.94 FEET; THENCE S60°11'16"E 218.72 FEET; THENCE S89°43'55"E 55.08 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 1.22 ACRES MORE OR LESS.



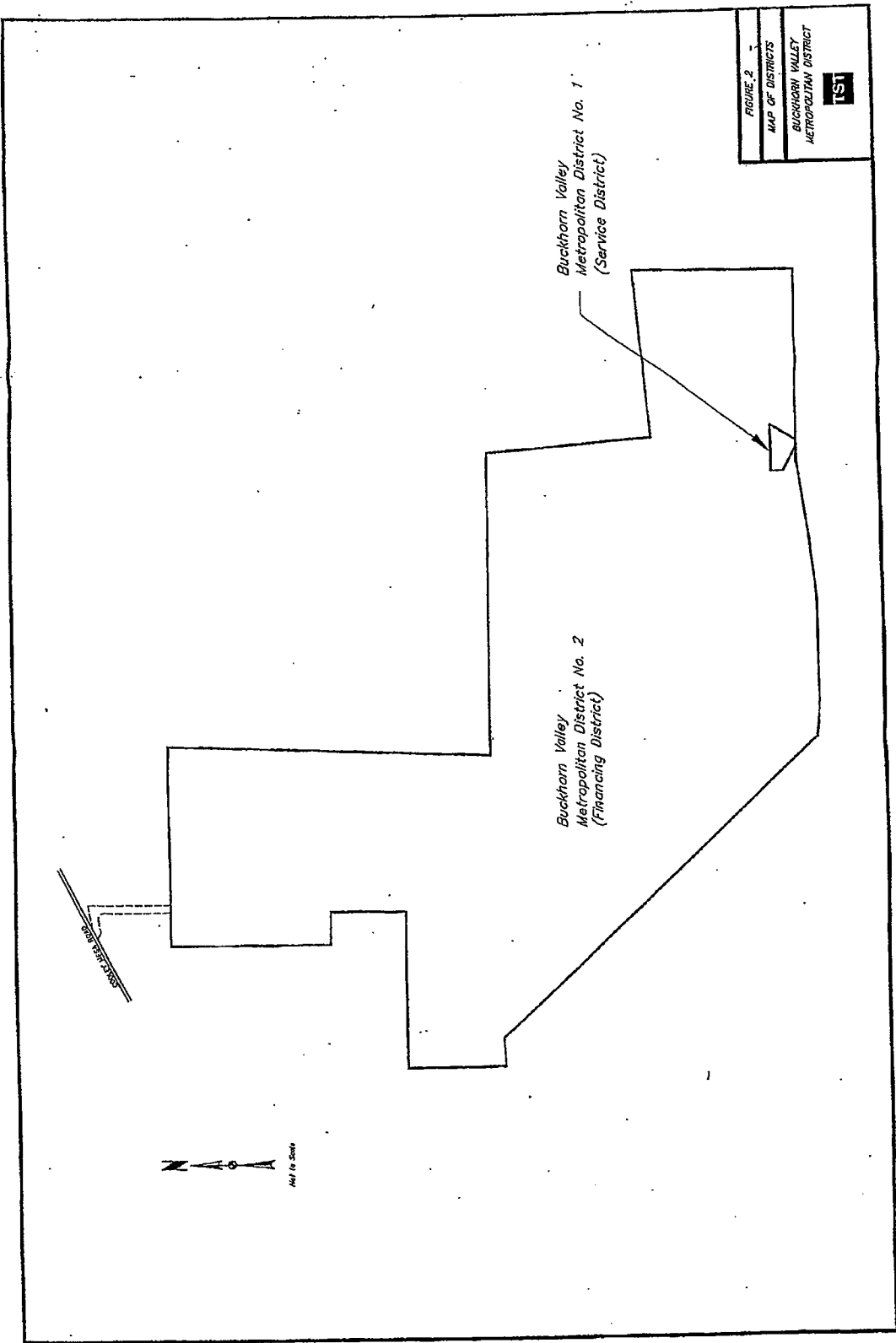
**BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2  
LEGAL DESCRIPTION**

A PARCEL OF LAND LOCATED IN LOTS 1, 3 AND 4 IN SECTION 10 AND LOTS 2 AND 3 IN SECTION 11, ALL IN TOWNSHIP 5 SOUTH, RANGE 85 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF EAGLE, STATE OF COLORADO MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN EXISTING BRASS CAP MONUMENT MARKING A.P. 3 OF TRACT 54 AS DESCRIBED IN BOOK 701 AT PAGE 373 RECORDED JULY 31, 1996 IN THE EAGLE COUNTY RECORDS; THENCE N89°28'27"E 1303.25 FEET; THENCE S02°30'08"W, 2595.76 FEET TO A USGLO BRASS CAP BEING ANGLE POINT 5 OF TRACT 54; THENCE ALONG THE NORTHERLY LINE OF SAID TRACT 82, N89°49'56"E, 1454.50 FEET TO A BRASS CAP; THENCE ALONG THE NORTHERLY LINE OF SAID TRACT 82, N89°54'00"E, 1007.48 FEET TO A BRASS CAP AT A.P.1 OF SAID TRACT 82; THENCE S04°21'32"E, 1332.54 FEET TO AN ALUMINUM CAP AT A.P. 8 OF SAID TRACT 82; THENCE N84°19'43"E, 1354.29 FEET TO A.P. 7 OF TRACT 82; THENCE S00°39'56"W, 1319.52 FEET TO A.P. 6 OF TRACT 82; THENCE ALONG THE SOUTHERLY LINE S89°47'30"W, 205.30 FEET TO A.P. 1 OF TRACT 84; THENCE N89°43'55"W, 1168.33 FEET; THENCE N30°51'29"E 242.23 FEET; THENCE N90°00'00"W 369.09 FEET; THENCE S00°00'00"E 98.94 FEET; THENCE S60°11'16"E 218.72 FEET; THENCE N89°43'55"W 94.92 FEET TO A.P. 2 OF TRACT 84; THENCE S83°13'24"W, 1120.40 FEET TO A.P. 5 OF TRACT 82, WHICH IS ALSO A.P. 6 OF TRACT 81; THENCE S89°52'33"W, 1148.71 FEET TO A.P. 5 OF TRACT 81; THENCE N42°59'41"W, 1787.32 FEET TO AN ALUMINUM CAP LS 9337; THENCE N42°59'51"W, 1725.78 FEET TO AN ALUMINUM CAP LS 9337; THENCE S87°49'22"W, 228.85 FEET TO A.P. 6 OF TRACT 57; THENCE N00°04'16"W, 784.53 FEET ALONG THE EASTERLY LINE OF TRACT 57 TO AN ALUMINUM CAP LS 9337; THENCE N89°59'53"E, 1264.67 FEET TO AN ALUMINUM CAP LS 9337; THENCE N00°01'39"W, 607.01 FEET TO AN ALUMINUM CAP LS 9337; THENCE S89°49'53"W, 265.39 FEET, WITH IS THE SOUTHEAST CORNER OF THE PARCEL OF LAND DESCRIBED IN BOOK 243 AT PAGE 411 OF THE EAGLE COUNTY RECORDS, BEING AN ALUMINUM CAP LS 9337; THENCE N00°04'37"W, 1276.64 FEET TO THE NORTHEAST CORNER OF SAID PARCEL BEING AN ALUMINUM CAP LS 9337; THENCE N89°33'29"E, 327.53 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 366.78 ACRES MORE OR LESS.

**EXHIBIT C**  
Boundary Map



EX. C

**EXHIBIT D**  
Statutory Contents of Service Plan

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the districts' boundaries and an estimate of the population and valuation for assessment of the districts;
5. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the districts are compatible with facility and service standards of Gypsum and of special districts which are interested parties pursuant to §32-1-204(1), C.R.S.;
6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the districts;
7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the districts and such other political subdivision;
8. Information satisfactory to establish that each of the following criteria as set forth in §32-1-203, C.R.S., has been met:
  - (a) That there is sufficient existing and projected need for organized service in the area to be serviced by the districts;
  - (b) That the existing service in the area to be served by the districts is inadequate for the present and projected needs;
  - (c) That the districts are capable of providing economical and sufficient service to the area within their boundaries;
  - (d) That the area included in the districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;

(e) That adequate service is not, or will not be available to the area through Gypsum or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

(f) That the facility and service standards of the districts are compatible with the facility and service standards of Gypsum within which the districts are to be located and each interested party under §32-1-204(1), C.R.S.;

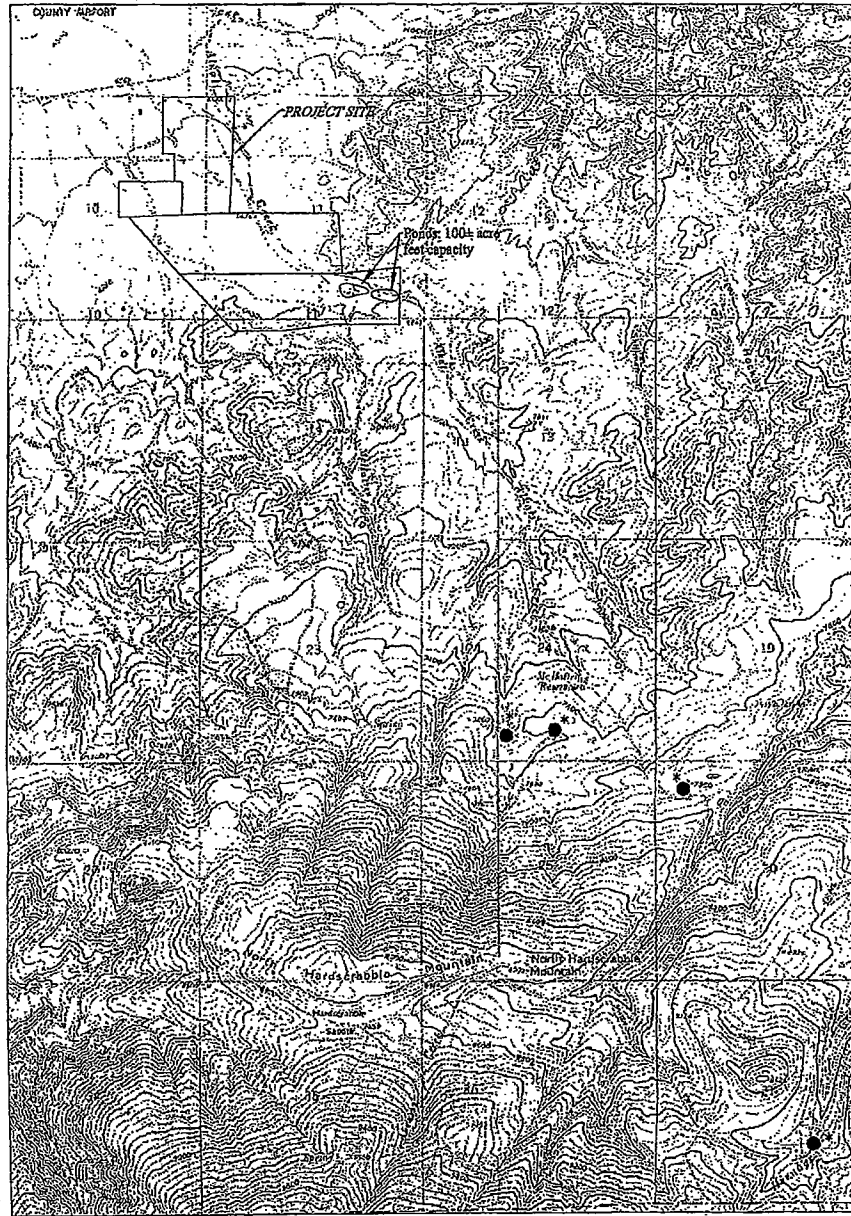
(g) The proposal is in substantial compliance with any master plan adopted pursuant to §32-28-106, C.R.S.;

(h) That the proposal is in compliance with any duly adopted town, county, regional, or state long-range water quality management plan for the area; and

(i) The creation of the Districts is in the best interests of the area proposed to be served.

**EXHIBIT E**  
Conceptual Proposed Storage

ENC 1



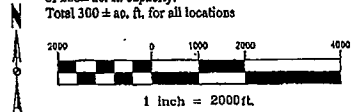
Conceptual Proposed Storage Locations

Figure 11



TST, Inc., Consulting Engineers  
 748 Whalers Way Bldg. D  
 Ft. Collins, CO 80525  
 July 19, 1999

Note:  
 \* Four Proposed Storage Pond Facilities to have a total  
 of 280± ac. ft. capacity.  
 Total 300 ± ac. ft. for all locations



**EXHIBIT F**  
Amended Estimated Capital Costs



**PRELIMINARY ENGINEERING ESTIMATE**

SUBMITTED

BY: CV

DATE: 3-9-2005

Revised: 6-7-2005

PROJECT NAME: BUCKHORN VALLEY METRO District  
 CONSTRUCTION OF ROADS & STORM DRAIN  
 CONSTRUCTION OF WATER & SEWER  
 CONSTRUCTION OF RAW WATER  
 JKA PROJECT: EA005078

COST CATEGORY	ITEM NO.	DESCRIPTION	ENGINEER CITY	EST	UNIT	ENGINEER UNIT PRICE	ESTIMATED AMOUNT	REMARKS
		<b>ROAD SUBGRADE</b>						
		Road Unclassified Excavation	36,000.00		CY	\$3.50	\$126,000.00	
		Road Embankment (5% shrinkage)	36,000.00		CY	\$3.50	\$126,000.00	
		Grade Subgrade Platform	24,000.00		SY	\$2.55	\$61,200.00	
		<b>TOTAL - ROAD SUBGRADE</b>					<b>\$313,200.00</b>	
		<b>STREETS</b>						
		9" Base Course	24,000.00		L.F.	\$130.00	\$3,120,000.00	2,000' COLLECTOR
		3" Asphalt						22,000' RESIDENTIAL
		Curb & Gutter, Sloewalk 4' With						
		Fine Grading						
		Accel-Decel Slopelight @ Cooley Mess		1	LS		\$1,000,000.00	
		MF Parcels					\$1,103,423.00	
		Phase 1, 2A, and 3, etc. Actuals					\$2,554,200.00	
		<b>TOTAL - STREETS</b>					<b>\$7,777,623.00</b>	
		<b>TREATED WATER SYSTEM</b>						
		Trench, Pipe Water Main -(6' to 10' depth)	24,000.00		L.F.	\$40.00	\$960,000.00	
		Water Fittings	900.00		EACH	\$700.00	\$672,000.00	
		Fire Hydrants	50.00		EACH	\$3,000.00	\$150,000.00	
		Water Services	734.00		EACH	\$1,000.00	\$734,000.00	
		Water Vaults	50.00		EACH	\$2,500.00	\$125,000.00	
		Water Engineering					\$350,000	
		MF Parcels					\$815,527	
		Phase 1, 2A, and 3, etc. Actuals					\$845,070	
		<b>TOTAL - TREATED WATER</b>					<b>\$4,651,597.00</b>	

COST CATEGORY	ITEM NO.	DESCRIPTION	ENGINEER QTY	EST	UNIT	ENGINEER UNIT PRICE	ESTIMATED AMOUNT	REMARKS
		<b>SANITARY SEWER SYSTEM</b>						
		Trench/PIPE Sewer Main (5' to 15' depth)	24,000.00		L.F.	\$33.50	\$804,000.00	8"
		Manhole, Standard	1,600.00		VF	\$200.00	\$320,000.00	4' D.in.
		Pipe, Sewer Service, SDR-35 - 4"	734.00		EACH	\$600.00	\$440,400.00	
		MF Parcels					\$392,507.00	
		Phase 1, 2A, and 3, etc. Actuals					\$805,635.00	
		<b>TOTAL - SANITARY SEWER SYSTEM</b>					<b>\$2,762,942.00</b>	
		<b>STORM DRAINAGE SYSTEM</b>						
		Trench, Storm Drain pipe (5' to 9' depth)	24,000.00		L.F.	\$12.00	\$288,000.00	
		MF Parcels					\$593,382.00	
		Phase 1, 2A, and 3, etc. Actuals					\$303,475.00	
		<b>TOTAL - STORM DRAINAGE SYSTEM</b>					<b>\$1,184,857.00</b>	
		<b>RAW WATER IRRIGATION SYSTEM</b>						
		Trench, Raw Water Main (5' to 8' depth)	24,000.00		L.F.	\$30.00	\$720,000.00	
		MF Parcels					\$350,000	
		Phase 1, 2A, and 3, etc. Actuals					\$904,500	
		<b>TOTAL - RAW WATER IRRIGATION SYSTEM</b>					<b>\$1,954,500.00</b>	
		<b>PARKS AND RECREATION</b>						
		PARK & RECREATION FACILITIES	1.00		LS	\$1,613,304.00	\$1,613,304.00	
		<b>CONSTRUCTION SUBTOTAL</b>					<b>\$20,258,023.00</b>	
		<b>PLANNING AND LANDSCAPE DESIGN (10%)</b>					<b>\$2,025,802.30</b>	
		<b>LEGAL AND ACCOUNTING</b>					<b>\$1,200,000.00</b>	
		<b>ENGINEERING/SURVEYING (15%)</b>					<b>\$3,038,703.45</b>	
		<b>CONTINGENCY (15%)</b>					<b>\$3,038,703.45</b>	
		<b>GRAND TOTAL</b>					<b>\$29,561,232.20</b>	

**EXHIBIT G**  
Amended Financing Plan

**Stan Bernstein and Associates, Inc.**  
*Financial Planners and Consultants*  
*For Local Governments, Municipal Bond Underwriters, and Real Estate Developers*  
8400 East Prentice Ave., Penthouse  
Greenwood Village, Colorado 80111  
Telephone: 303-409-7611; Fax: 303-409-7612; Email: [stanplan@earthlink.net](mailto:stanplan@earthlink.net)

June 7, 2005

Mr. David Garton  
Roark Partners LLP  
P.O. Box 480  
Gypsum, Colorado 81637

**RE: AMENDED FINANCING PLAN FOR BUCKHORN VALLEY  
METROPOLITAN DISTRICT (COMBINED DISTRICTS #1 AND #2)**

Dear David:

Enclosed is an amended Financing Plan that demonstrates how the Buckhorn Valley Metropolitan Districts (the "Districts") could be able to (A) fund their operating and administrative costs and (B) pay the debt service costs associated with the issuance of approximately \$26,000,000 of general obligation bonds. The Financing Plan assumes a general fund mill levy of 5.375 and a debt service mill levy of 37.625 which, on a combined basis, will result in property taxes of approximately \$100.00 per month for the owner of a residence valued at \$350,000.

The following paragraphs will help you to understand the information that is presented on the attached Exhibits I – III and on Schedules 1 and 2.

**ASSESSED VALUATION – SCHEDULES 1 AND 2**

Assessed Valuation within District #2 boundaries is based upon the phased construction of 899 residential living units with a total market value of approximately \$407 million at full-buildout assuming average annual appreciation/inflation of approximately 4%. Based on the assumed rate of buildout, and 4% net biennial inflation (above assumed Gallagher caused 2% decreases in assessed valuation), assessed valuation within the District #2 boundaries is projected to increase from its current value of \$2.6 million for tax collection year 2005 to approximately \$27.6 million for tax collection year 2017 when full-buildout is expected to occur.

**THE DISTRICTS' GENERAL FUND CASH FLOW FORECASTS – EXHIBIT I**

Exhibit I (page 1) presents the combined forecasted general fund revenues and expenditures (including key assumptions) for District #1 and #2.

Operating Revenues

The Districts' operating revenues are assumed to consist of two primary revenue sources. These revenue sources include (A) water usage fees of \$204 annually per unit that will be assessed one year after construction is complete and will be used to pay water system operating costs and; (B) property tax transfers from the debt service fund based on a levy of 5.375 mills. The Financing Plan for the Districts' general funds does not indicate the need for an operating mill levy in excess of 5.375 mills, although it is possible that a higher operating mill levy may in fact be needed and implemented.

Operating Expenditures

The Districts' operating expenditures are assumed to consist of Administrative, Legal, Water System Operating Costs and an allowance for Contingencies. Water System Operating Costs are assumed to be 75% of Water Usage Fee Revenues. All expenditures are inflated 3% beginning in 2007.

**DISTRICT #2 DEBT SERVICE FUND CASH FLOW FORECASTS – EXHIBIT II**

Exhibit II (page 5) assumes that District #2 debt service mill levy will be 37.625 mills and will generate approximately \$1,038,758 once full-buildout occurs, and is forecast to increase 4% every other year as a result of inflation. It is assumed that general obligation bonds (with serial maturities as long as 40-years for some bond issues) with assumed average coupon interest rates of 7.00%, will be issued by District #2 in the following years and amounts:

<u>YEAR</u>	<u>AMOUNT</u>
December 1, 2003	\$2,500,000
December 1, 2009	4,000,000
December 1, 2012	4,000,000
December 1, 2016	3,500,000
December 1, 2021	3,000,000
December 1, 2028	4,000,000
December 1, 2038	<u>5,000,000</u>
<b>Total Bonds Issued</b>	<b><u>\$26,000,000</u></b>

Mr. David Garton  
June 7, 2005  
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It is assumed that the above bond issues will be issued as unenhanced general obligation bonds, although the Districts may decide to issue Developer enhanced revenue or general obligation bonds which would subsequently be refunded by the above general obligation bond issues. It is also possible that the Developer may decide to purchase the Districts' limited general obligation bonds or cash flow bonds.

It is assumed that the proceeds of the Districts' bonds will be used to (A) pay the direct costs of the Districts' infrastructure improvements, or (B) reimburse the Developer for costs previously incurred for the Districts' infrastructure improvements.

**DISTRICT #1 CAPITAL PROJECTS FUND CASH FLOW FORECASTS –  
EXHIBIT III**

Exhibit III (page 15) presents how District #1 is planning to fund its road, drainage, water, wastewater, raw water irrigation system, and other capital improvements that are estimated to cost in excess of \$29.6 million. Exhibit III indicates that District #1 infrastructure costs are planned to be funded from a combination of advances from Roark Partners, and from the proceeds of the District #2 general obligation bonds. The construction advances by Roark Partners are assumed to accrue interest at a simple rate of 7% per year.

In the event that buildout and assessed valuation does not occur as quickly as currently anticipated by Roark Partners, the anticipated timing and amount of general obligation bonds will lag estimated issuance dates and bond issue amounts and, consequently, Roark Partners will be required to provide additional infrastructure funding than anticipated in this Financing Plan.

**LIMITING FACTORS**

The Financing Plan (as summarized on Exhibits I – III and on Schedules 1 and 2) was based on key assumptions which were provided to Stan Bernstein and Associates, Inc. by officials of Roark Partners. These assumptions have not been independently reviewed or audited or tested by Stan Bernstein and Associates, Inc. and, consequently, Stan Bernstein and Associates, Inc. does not vouch for the accuracy or achievability of the results contained in the Financial Plan. Furthermore, the assumptions upon which the Financial Plan is based are inherently subject to change and variation and such variation could be material and result in significant differences between actual and forecasted results.

Very truly yours,

*Stan Bernstein, President*  
Stan Bernstein and Associates, Inc.

BUCKHORN VALLEY METRO DISTRICTS (#1 AND #2 COMBINED)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2033

EXHIBIT 1 - CASH FLOW FORECASTS - GENERAL FUNDS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>ASSUMPTIONS:</b>										
ASSESSED VALUATION	1,195,860	2,445,580	2,564,580	2,918,772	4,789,681	7,452,215	10,422,505	13,928,507	17,017,609	20,198,605
OPERATING MILL LEVY	5.000	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	50	42	80	100	120	120	120	85	48	35
CUMULATIVE RESIDENTIAL LIVING UNITS COMPLETED	50	92	172	272	392	512	632	717	765	800
UTILITY LOT RENTAL FEE	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
AVE. ANNUAL WATER USAGE FEE PER UNIT	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204
<b>REVENUES</b>										
PROPERTY TAX TRANSFERS FROM DEBT SERVICE FUND	5,979	13,161	13,785	15,688	25,745	40,056	56,021	74,866	91,470	108,568
TRANSFER FROM #2 FOR SERVICES	1,435	3,159	10,000	0	0	0	0	0	0	0
WATER USAGE FEES	0	25,000	13,668	31,579	49,939	71,971	94,003	116,036	131,641	140,454
UTILITY LOT RENTAL	0	1,800	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
INTEREST EARNINGS @ 2% OF ENDING FUNDS AVAILABLE	33	72	55	387	358	575	143	782	291	101
<b>TOTAL OPERATING REVENUES</b>	<u>7,447</u>	<u>43,192</u>	<u>41,108</u>	<u>51,255</u>	<u>79,642</u>	<u>116,202</u>	<u>153,767</u>	<u>195,283</u>	<u>226,952</u>	<u>252,722</u>
<b>EXPENDITURES (3% INFLATION BEG. IN 2007)</b>										
AUDIT FEES	5,350	9,100	11,000	12,000	12,960	12,791	13,113	13,506	13,911	14,329
ACCOUNTING/ADMIN	8,972	9,000	12,000	15,000	15,450	15,914	16,391	16,883	17,389	17,911
ELECTIONS, NOTICES, PUBLICATIONS		167	0	1,000	1,030	1,061	1,093	1,126	1,159	1,194
INSURANCE	2,191	3,335	4,000	5,000	5,150	5,305	5,464	5,628	5,796	5,970
LEGAL	20,231	12,000	45,000	20,000	20,600	21,218	21,855	22,510	23,185	23,881
LEGAL - WATER	56,488	26,000	50,000	20,000	20,600	21,218	21,855	22,510	23,185	23,881
OFFICE SUPPLIES	424	525	320	1,000	1,030	1,061	1,093	1,126	1,159	1,194
WATER SYSTEM OPERATING COSTS @ 75% OF REVENUES	0		12,000	23,684	37,454	53,978	70,502	87,026	98,731	105,341
CAPITALIZED OVERHEAD	(86,425)	(39,223)	(88,560)	(50,000)	(50,000)	0	(35,000)	0	0	0
CONTINGENCY	0	1,000	2,000	5,000	5,150	5,305	5,464	5,628	5,796	5,970
<b>TOTAL EXPENDITURES</b>	<u>7,211</u>	<u>20,904</u>	<u>47,760</u>	<u>52,684</u>	<u>68,824</u>	<u>137,790</u>	<u>121,828</u>	<u>220,314</u>	<u>236,017</u>	<u>246,745</u>
<b>EXCESS ANNUAL REVENUES OVER EXPENDITURES</b>	<u>236</u>	<u>22,288</u>	<u>(6,652)</u>	<u>(1,430)</u>	<u>10,818</u>	<u>(21,588)</u>	<u>31,939</u>	<u>(25,031)</u>	<u>(9,025)</u>	<u>5,977</u>
<b>BEGINNING FUNDS AVAILABLE - JANUARY 1</b>	<u>3,477</u>	<u>3,713</u>	<u>26,001</u>	<u>19,349</u>	<u>17,919</u>	<u>28,737</u>	<u>7,149</u>	<u>39,088</u>	<u>14,057</u>	<u>5,031</u>
<b>ENDING FUND BALANCE - DECEMBER 31</b>	<u>3,713</u>	<u>26,001</u>	<u>19,349</u>	<u>17,919</u>	<u>28,737</u>	<u>7,149</u>	<u>39,088</u>	<u>14,057</u>	<u>5,031</u>	<u>11,008</u>

BUCKHORN VALLEY METRO DISTRICTS (#1 AND #2 COMBINED)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2033

EXHIBIT I - CASH FLOW FORECASTS - GENERAL FUNDS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>ASSUMPTIONS:</b>										
ASSESSED VALUATION	21,735,097	23,824,755	25,045,009	27,316,874	27,508,193	28,712,521	28,712,521	29,861,022	29,861,022	31,055,482
OPERATING MILL LEVY	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	35	35	29	0	0	0	0	0	0	0
CUMULATIVE RESIDENTIAL LIVING UNITS COMPLETED	835	870	899	899	899	899	899	899	899	899
UTILITY LOT RENTAL FEE	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
AVE. ANNUAL WATER USAGE FEE PER UNIT	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204
<b>REVENUES</b>										
PROPERTY TAX TRANSFERS FROM DEBT SERVICE FUND	116,826	128,058	134,617	146,823	148,394	154,330	154,330	160,503	160,503	166,923
TRANSFER FROM #2 FOR SERVICES	0	0	0	0	0	0	0	0	0	0
WATER USAGE FEES	146,880	153,306	159,732	165,056	183,396	183,396	183,396	183,396	183,396	183,396
UTILITY LOT RENTAL	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
INTEREST EARNINGS @ 2% OF ENDING FUNDS AVAILABLE	220	455	863	1,353	2,031	2,750	3,508	4,171	4,871	4,881
<b>TOTAL OPERATING REVENUES</b>	<u>267,526</u>	<u>285,419</u>	<u>298,812</u>	<u>316,832</u>	<u>337,421</u>	<u>344,075</u>	<u>344,929</u>	<u>351,670</u>	<u>352,370</u>	<u>359,730</u>
<b>EXPENDITURES (3% INFLATION BEG. IN 2007)</b>										
AUDIT FEES	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696	19,256
ACCOUNTING/ADMIN	18,448	19,002	19,572	20,159	20,764	21,386	22,028	22,689	23,370	24,071
ELECTIONS, NOTICES, PUBLICATIONS	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558	1,605
INSURANCE	6,149	6,384	6,524	6,720	6,921	7,129	7,343	7,563	7,790	8,024
LEGAL	24,597	25,335	26,095	26,878	27,685	28,515	29,371	30,252	31,159	32,094
LEGAL - WATER	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558	1,605
OFFICE SUPPLIES	110,160	114,980	119,799	123,792	137,547	137,547	137,547	137,547	137,547	137,547
WATER SYSTEM OPERATING COSTS @ 75% OF REVENUES	0	0	0	0	0	0	0	0	0	0
CAPITALIZED OVERHEAD	54,536	56,275	57,964	59,703	61,494	63,339	65,239	67,196	69,200	71,260
CONTINGENCY	255,807	264,995	274,316	282,945	301,474	309,392	311,457	316,674	362,837	356,295
<b>TOTAL EXPENDITURES</b>										
<b>EXCESS ANNUAL REVENUES OVER EXPENDITURES</b>										
	11,719	20,423	24,495	33,887	35,947	37,684	33,372	34,995	(467)	2,485
<b>BEGINNING FUNDS AVAILABLE - JANUARY 1</b>										
	11,008	22,727	43,150	97,646	101,534	137,480	175,164	208,536	243,531	243,064
<b>ENDING FUND BALANCE - DECEMBER 31</b>										
	22,727	43,150	67,646	101,534	137,480	175,164	208,536	243,531	243,064	245,549



BUCKHORN VALLEY METRO DISTRICTS (#1 AND #2 COMBINED)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2033

EXHIBIT I - CASH FLOW FORECASTS - GENERAL FUNDS

ASSUMPTIONS:

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ASSESSED VALUATION	31,055,462	32,297,661	32,297,661	33,589,586	33,589,586	34,933,172	34,933,172	36,330,499	36,330,499	37,783,719
OPERATING MILL LEVY	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	0	0	0	0	0	0	0	0	0	0
CUMULATIVE RESIDENTIAL LIVING UNITS COMPLETED	899	899	899	899	899	899	899	899	899	899
UTILITY LOT RENTAL FEE	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
AVE. ANNUAL WATER USAGE FEE PER UNIT	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$204

REVENUES

PROPERTY TAX TRANSFERS FROM DEBT SERVICE FUND	166,923	173,600	173,600	180,544	180,544	187,766	187,766	195,276	195,276	203,087
TRANSFER FROM #2 FOR SERVICES	0	0	0	0	0	0	0	0	0	0
WATER USAGE FEES	163,396	183,396	183,396	183,396	183,396	183,396	183,396	183,396	183,396	183,396
UTILITY LOT RENTAL	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
INTEREST EARNINGS @ 2% OF ENDING FUNDS AVAILABLE	4,911	4,890	4,890	4,894	4,919	4,864	4,869	4,790	4,772	4,663
<b>TOTAL OPERATING REVENUES</b>	<b>358,830</b>	<b>365,486</b>	<b>365,486</b>	<b>372,434</b>	<b>372,459</b>	<b>379,625</b>	<b>379,631</b>	<b>387,063</b>	<b>387,044</b>	<b>394,747</b>

EXPENDITURES (3% INFLATION BEG. IN 2007)

AUDIT FEES	19,884	20,429	21,042	21,673	22,324	22,993	23,683	24,384	25,125	25,879
ACCOUNTING/ADMIN	24,793	25,536	26,303	27,092	27,904	28,742	29,604	30,492	31,407	32,349
ELECTIONS, NOTICES, PUBLICATIONS	1,653	1,702	1,754	1,806	1,860	1,916	1,974	2,033	2,094	2,157
INSURANCE	8,264	8,512	8,768	9,031	9,301	9,581	9,868	10,164	10,469	10,783
LEGAL	33,057	34,049	35,070	36,122	37,206	38,322	39,472	40,656	41,876	43,132
LEGAL - WATER	1,853	1,702	1,764	1,806	1,860	1,916	1,974	2,033	2,094	2,157
OFFICE SUPPLIES	137,547	137,547	137,547	137,547	137,547	137,547	137,547	137,547	137,547	137,547
WATER SYSTEM OPERATING COSTS @ 75% OF REVENUES	0	0	0	0	0	0	0	0	0	0
CAPITALIZED OVERHEAD	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
CONTINGENCY	359,858	369,527	387,306	371,199	375,209	379,339	383,592	387,974	392,487	397,135
<b>TOTAL EXPENDITURES</b>	<b>(1,028)</b>	<b>1,959</b>	<b>(1,781)</b>	<b>1,295</b>	<b>(2,750)</b>	<b>287</b>	<b>(3,961)</b>	<b>(911)</b>	<b>(5,442)</b>	<b>(2,388)</b>

EXCESS ANNUAL REVENUES OVER EXPENDITURES

EXCESS ANNUAL REVENUES OVER EXPENDITURES	360,858	363,527	367,267	371,139	375,209	379,338	383,592	387,974	392,487	397,135
<b>BEGINNING FUNDS AVAILABLE - JANUARY 1</b>	<b>245,549</b>	<b>244,522</b>	<b>246,481</b>	<b>244,700</b>	<b>245,935</b>	<b>243,185</b>	<b>243,472</b>	<b>239,511</b>	<b>238,599</b>	<b>233,157</b>
<b>ENDING FUND BALANCE - DECEMBER 31</b>	<b>244,522</b>	<b>246,481</b>	<b>244,700</b>	<b>245,935</b>	<b>243,185</b>	<b>243,472</b>	<b>239,511</b>	<b>238,599</b>	<b>233,157</b>	<b>230,769</b>

BUCKHORN VALLEY METRO DISTRICTS (#1 AND #2 COMBINED)  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2033

EXHIBIT I - CASH FLOW FORECASTS - GENERAL FUNDS

	<u>2033</u>	<u>TOTALS</u>
ASSUMPTIONS:		
ASSESSED VALUATION	37,783,719	
OPERATING MILL LEVY	5.375	
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	0	
CUMULATIVE RESIDENTIAL LIVING UNITS COMPLETED	899	
UTILITY LOT RENTAL FEE	\$240	
AVE. ANNUAL WATER USAGE FEE PER UNIT	\$204	
REVENUES		
PROPERTY TAX TRANSFERS FROM DEBT SERVICE FUND	203,087	3,964,114
TRANSFER FROM #2 FOR SERVICES	0	14,594
WATER USAGE FEES	183,396	4,416,998
UTILITY LOT RENTAL	3,600	106,200
INTEREST EARNINGS @ 2% OF ENDING FUNDS AVAILABLE	4,615	90,951
TOTAL OPERATING REVENUES	<u>394,699</u>	<u>8,582,857</u>
EXPENDITURES (3% INFLATION BEG. IN 2007)		
AUDIT FEES	28,655	540,621
ACCOUNTING/ADMIN	33,319	673,936
ELECTIONS, NOTICES, PUBLICATIONS	2,221	43,088
INSURANCE	11,105	224,181
LEGAL	44,426	935,849
LEGAL - WATER	44,426	990,086
OFFICE SUPPLIES	2,221	44,200
WATER SYSTEM OPERATING COSTS @ 75% OF REVENUES	137,547	3,295,747
CAPITALIZED OVERHEAD	0	(349,208)
CONTINGENCY	100,000	1,964,308
TOTAL EXPENDITURES	<u>401,922</u>	<u>8,362,818</u>
EXCESS ANNUAL REVENUES OVER EXPENDITURES	<u>(7,224)</u>	<u>220,069</u>
BEGINNING FUNDS AVAILABLE - JANUARY 1	<u>230,769</u>	<u>3,477</u>
ENDING FUND BALANCE - DECEMBER 31	<u>223,546</u>	<u>223,546</u>

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2056

EXHIBIT II - CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
ASSESSED VALUATION	1,195,660	2,448,580	2,564,580	2,918,772	4,789,691	7,452,215	10,423,505	13,908,507	17,017,609	20,198,602	21,735,097	23,824,755	25,045,009	
DEBT SERVICE MILL LEVY	35,000	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625
ICA SERVICE MILL LEVY	6,000	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	50	42	80	100	120	120	120	85	48	35	35	35	29	29
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31	2,500,000	2,500,000	2,500,000	2,500,000	2,600,000	2,500,000	6,500,000	6,480,000	6,460,000	10,430,000	10,360,000	10,270,000	10,160,000	37%
% OF G.O. BONDS TO ASSESSED VALUATION	0%	9%	96%	52%	34%	24%	47%	38%	32%	48%	43%	41%		

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,387,059	112,941	2,500,000
12/1/2008	3,860,000	120,000	4,000,000
12/1/2012	3,860,000	120,000	4,000,000
12/1/2016	3,395,000	105,000	3,500,000
12/1/2021	2,910,000	90,000	3,000,000
12/1/2028	3,860,000	120,000	4,000,000
12/1/2038	4,650,000	150,000	5,000,000
Totals	25,182,059	817,941	26,000,000

DEBT SERVICE FUND CASH FLOW

REVENUES:	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PROPERTY TAXES (SEE ABOVE MILL LEVY)	41,855	92,128	96,488	109,819	180,212	290,390	392,147	524,080	640,298	759,973	817,763	866,406	942,318	
PROPERTY TAXES - IGA SERVICES	5,979	13,161	13,785	15,988	25,745	40,066	55,021	74,366	91,470	108,568	116,828	123,058	134,617	
SPECIFIC OWNERSHIP TAXES @ 5% OF PROPERTY TAXES	2,776	6,317	6,916	7,930	12,357	19,227	26,890	35,936	43,905	52,112	56,077	61,468	64,616	
BOND PROCEEDS	2,600,000	0	0	0	0	0	4,000,000	0	0	4,000,000	0	0	0	
INTEREST EARNINGS @ 2% OF BEGINNING FUNDS	21,903	29,650	10,114	13,491	122	342	2,639	7,284	8,740	12,848	18,938	20,171	22,753	
TOTAL DEBT SERVICE FUND REVENUE	2,672,513	133,256	127,003	146,522	218,435	340,014	4,477,697	642,155	784,403	4,933,300	1,009,623	1,406,103	1,164,304	
EXPENDITURES:														
3% EAGLE COUNTY TREASURER'S COLLECTION FEE	1,266	3,160	3,308	3,765	6,179	9,613	13,445	17,968	21,953	26,056	28,038	30,734	32,308	
PAYING AGENT FEE	0	500	500	500	500	500	500	500	500	500	500	500	500	
COST OF ISSUANCE	112,941	0	0	0	0	0	120,000	0	0	120,000	0	0	0	
TRANSFER TO GENERAL FUND	1,435	3,159	10,000	0	0	0	0	0	0	0	0	0	0	
PAYMENT TO BOND #1 FOR SERVICE COSTS	5,979	13,161	13,785	15,988	25,745	40,066	55,021	74,366	91,470	108,568	116,828	123,058	134,617	
PAYMENT TO BOND #1 FOR CAPITAL COSTS	7,125,500	181,500	665,000	820,000	0	0	3,860,000	0	0	3,860,000	0	0	0	
TOTAL	834,111	181,500	932,593	939,954	92,423	59,169	4,089,969	94,833	115,422	4,139,624	147,864	181,792	169,925	
TOTAL DEBT SERVICE (EXHIBIT II A)	131,400	176,000	175,000	175,000	175,000	175,000	175,000	475,000	473,600	482,200	800,100	815,200	828,900	
TOTAL DEBT SERVICE FUND EXPENDITURES	965,511	355,500	897,593	914,954	207,423	225,169	4,244,965	559,633	589,022	4,618,924	947,964	976,992	998,825	
EXCESS ANNUAL REVENUES OVER EXPENDITURES	1,607,003	(218,244)	(740,590)	(668,425)	11,013	114,845	232,731	72,322	165,381	314,477	84,659	128,111	165,470	
BEGINNING FUNDS AVAILABLE - JANUARY 1	26,364	1,633,367	1,415,123	674,693	6,107	17,120	131,969	364,697	437,019	552,359	946,876	1,008,655	1,137,646	
ENDING FUNDS AVAILABLE - DECEMBER 31	1,633,367	1,415,123	974,533	5,107	17,120	131,969	364,697	437,019	532,399	846,876	1,009,635	1,137,646	1,303,125	

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2066

EXHIBIT II - CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:  
ASSESSED VALUATION  
DEBT SERVICE MILL LEVY  
IGA SERVICE MILL LEVY  
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED  
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31  
% OF G.O. BONDS TO ASSESSED VALUATION

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	SIZE OF BOND ISSUE	COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,997,059	2,997,059	112,841	2,500,000
12/1/2009	3,880,000	3,880,000	120,000	4,000,000
12/1/2012	3,860,000	3,860,000	120,000	4,000,000
12/1/2016	3,395,000	3,395,000	105,000	3,500,000
12/1/2021	2,910,000	2,910,000	80,000	3,000,000
12/1/2028	3,880,000	3,880,000	120,000	4,000,000
12/1/2038	4,850,000	4,850,000	150,000	5,000,000
Total	25,182,059	25,182,059	817,841	25,000,000

DEBT SERVICE FUND CASH FLOW

REVENUES:

PROPERTY TAXES (SEE ABOVE MILL LEVY)	1,027,780	1,038,758	1,050,309	1,123,521	1,168,462	1,188,462	1,215,200	1,245,200	1,263,608
PROPERTY TAXES - IGA SERVICES	146,823	146,384	154,330	160,503	166,923	168,923	173,600	173,600	180,544
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	70,475	71,229	74,078	77,041	80,123	80,123	83,328	83,328	86,661
BOND PROCEEDS	3,500,000	0	0	0	0	0	0	0	0
INTEREST EARNINGS @ 2% OF BEGINNING FUNDS	25,083	31,150	34,234	38,169	38,745	35,012	37,178	3,178	6,498
TOTAL DEBT SERVICE FUND REVENUE	4,771,121	1,289,541	1,339,951	1,339,234	1,452,263	1,450,620	1,472,195	1,475,305	1,537,472

EXPENDITURES:

3% EAGLE COUNTY TREASURER'S COLLECTION FEE	35,237	35,615	37,039	38,521	40,062	40,062	41,664	41,664	43,331
PAYING AGENT FEE	3,000	4,000	4,000	4,000	5,000	5,000	4,000	4,000	4,000
COST OF ISSUANCE	105,000	0	0	0	0	0	0	0	0
TRANSFER TO GENERAL FUND	0	0	0	0	0	0	0	0	0
PAYMENT TO BVMD #1 FOR SERVICE COSTS	146,823	146,384	154,330	160,503	166,923	168,923	173,600	173,600	180,544
PAYMENT TO BVMD #1 FOR CAPITAL COSTS	3,895,000	0	0	0	0	0	0	0	0
TOTAL	3,685,060	188,000	195,369	203,024	211,985	211,985	219,264	219,264	227,875

TOTAL DEBT SERVICE (EXHIBIT II A)

TOTAL DEBT SERVICE FUND EXPENDITURES	4,516,260	1,265,809	1,292,959	1,302,224	1,538,985	1,597,785	1,316,714	1,311,214	1,322,429
EXCESS ANNUAL REVENUES OVER EXPENDITURES	254,861	3,733	47,282	92,010	86,800	88,632	155,481	184,091	219,417
BEGINNING FUNDS AVAILABLE - JANUARY 1	1,303,125	1,357,885	1,561,717	1,659,427	1,837,238	1,837,238	1,760,608	1,88,823	322,919
ENDING FUNDS AVAILABLE - DECEMBER 31	1,557,985	1,561,717	1,609,000	1,750,438	1,837,238	1,760,608	3,341	158,923	541,410

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2058

EXHIBIT II - CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:

ASSESSED VALUATION  
DEBT SERVICE MILL LEVY  
IGA SERVICE MILL LEVY  
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED  
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31  
% OF G.O. BONDS TO ASSESSED VALUATION

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
ASSESSED VALUATION	34,933,172	34,933,172	36,330,469	36,330,469	37,763,719	37,763,719	38,639,393	38,598,939	39,410,181	38,310,181	40,096,384	40,096,384
DEBT SERVICE MILL LEVY	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625
IGA SERVICE MILL LEVY	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	0	0	0	0	0	0	0	0	0	0	0	0
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31	16,695,000	16,425,000	19,140,000	15,830,000	15,605,000	15,195,000	14,780,000	14,375,000	13,945,000	13,480,000	17,985,000	17,465,000
% OF G.O. BONDS TO ASSESSED VALUATION	48%	45%	44%	42%	41%	39%	38%	37%	35%	34%	45%	43%

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	NET COSTS OF ISSUANCE	SIZE OF BOND ISSUE	GROSS BOND ISSUE
12/1/2003	112,941	112,941	2,500,000	2,500,000
12/1/2009	3,860,000	120,000	4,000,000	4,000,000
12/1/2012	3,880,000	105,000	3,500,000	4,000,000
12/1/2016	2,910,000	90,000	3,000,000	3,000,000
12/1/2021	3,880,000	120,000	4,000,000	4,000,000
12/1/2028	4,850,000	150,000	5,000,000	5,000,000
Totals	25,182,069	517,941	25,000,000	25,000,000

DEBT SERVICE FUND CASH FLOW

REVENUES:	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
PROPERTY TAXES (SEE ABOVE MILL LEVY)	1,314,361	1,314,361	1,366,635	1,366,635	1,421,612	1,421,612	1,450,045	1,450,045	1,479,046	1,479,046	1,509,626	1,509,626
PROPERTY TAXES - IGA SERVICES	187,768	187,768	195,276	195,276	203,087	203,087	207,149	207,149	211,292	211,292	215,518	215,518
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	4,000,000	4,000,000	93,733	93,733	97,482	97,482	99,432	98,432	101,420	101,420	103,449	103,449
BOND PROCEEDS	15,217	20,789	19,522	19,393	19,161	20,189	21,193	22,795	24,354	25,612	28,816	31,727
INTEREST EARNINGS @ 2% OF BEGINNING FUNDS	5,607,471	1,613,044	1,675,466	1,675,337	1,741,343	1,742,371	1,777,819	1,779,421	1,816,112	1,819,370	1,866,409	1,859,320
TOTAL DEBT SERVICE FUND REVENUE	10,911,950	10,911,950	11,236,632	11,236,632	11,741,343	11,742,371	12,105,332	12,106,943	12,520,265	12,521,293	12,943,820	12,944,848
EXPENDITURES:												
3% EAGLE COUNTY TREASURERS COLLECTION FEE	45,064	45,064	46,866	46,866	48,741	48,741	49,716	49,716	50,710	50,710	51,724	51,724
PAYING AGENT FEE	4,000	4,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
COST OF ISSUANCE	120,000	0	0	0	0	0	0	0	0	0	160,000	0
TRANSFER TO GENERAL FUND	0	0	0	0	0	0	0	0	0	0	0	0
PAYMENT TO BOND #1 FOR SERVICE COSTS	187,768	187,768	195,276	195,276	203,087	203,087	207,149	207,149	211,292	211,292	215,518	215,518
PAYMENT TO BOND #1 FOR CAPITAL COSTS	3,880,000	0	0	0	0	0	0	0	0	0	4,850,000	0
TOTAL	4,286,830	237,830	247,143	247,143	255,828	255,828	251,865	251,865	257,002	257,002	272,242	272,242
TOTAL DEBT SERVICE (EXHIBIT II A)	1,081,950	1,436,650	1,434,750	1,439,800	1,433,100	1,435,350	1,435,650	1,439,600	1,438,250	1,441,150	1,438,600	1,789,950
TOTAL DEBT SERVICE FUND EXPENDITURES	5,328,760	1,676,480	1,681,693	1,686,943	1,692,928	1,692,178	1,697,715	1,701,465	1,703,252	1,708,162	1,710,842	2,062,192
EXCESS ANNUAL REVENUES OVER EXPENDITURES	278,691	(63,638)	(6,427)	(11,669)	51,414	50,193	90,104	77,936	112,860	110,217	145,667	(202,872)
BEGINNING FUNDS AVAILABLE - JANUARY 1	760,827	1,039,618	976,082	969,659	959,051	1,009,495	1,059,659	1,139,761	1,247,717	1,330,577	1,440,794	1,589,991
ENDING FUNDS AVAILABLE - DECEMBER 31	1,039,518	976,082	969,659	959,051	1,009,465	1,059,659	1,139,761	1,247,717	1,330,577	1,440,794	1,589,361	1,789,469

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2046

EXHIBIT II - CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSETTIONS:	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
ASSESSED VALUATION	40,899,312	40,899,312	41,716,278	41,716,278	42,550,604	43,401,616	44,269,648	45,155,041	45,155,041	45,155,041	45,155,041
DEBT SERVICE MILL LEVY	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625
IGA SERVICE MILL LEVY	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	0	0	0	0	0	0	0	0	0	0	0
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31	16,895,000	16,305,000	15,895,000	14,970,000	14,235,000	13,445,000	12,800,000	11,985,000	10,725,000	9,735,000	7,610,000
% OF G.O. BONDS TO ASSESSED VALUATION	41%	39%	38%	35%	33%	31%	29%	26%	24%	22%	18%

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,387,059	112,941	2,500,000
12/1/2009	3,880,000	120,000	4,000,000
12/1/2012	3,880,000	120,000	4,000,000
12/1/2016	3,395,000	105,000	3,500,000
12/1/2021	2,910,000	80,000	3,000,000
12/1/2028	3,880,000	120,000	4,000,000
12/1/2038	4,850,000	150,000	5,000,000
Totals	25,182,059	817,941	26,000,000

DEBT SERVICE FUND CASH FLOW

REVENUES:	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
PROPERTY TAXES (SEE ABOVE MILL LEVY)	1,538,799	1,538,799	1,569,575	1,569,576	1,600,866	1,600,966	1,632,886	1,632,986	1,665,646	1,665,646	1,698,958
PROPERTY TAXES - IGA SERVICES	219,828	219,828	224,225	224,225	228,709	228,709	233,284	233,284	237,949	237,949	242,708
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	105,518	105,518	107,628	107,628	109,781	109,781	111,976	111,976	114,218	114,218	116,500
BOND PROCEEDS	0	0	0	0	0	0	0	0	0	0	0
INTEREST EARNINGS @ 2% OF BEGINNING FUNDS	27,670	24,297	21,041	18,183	15,083	12,704	10,296	8,387	6,454	5,145	4,079
TOTAL DEBT SERVICE FUND REVENUE	1,881,815	1,888,442	1,922,469	1,918,611	1,954,620	1,952,160	1,988,472	1,986,613	2,024,264	2,022,959	2,064,245
EXPENDITURES:											
3% EAGLE COUNTY TREASURER'S COLLECTION FEE	52,759	52,759	53,814	53,814	54,880	54,880	55,988	55,988	57,108	57,108	58,260
PAYING AGENT FEE	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
COST OF ISSUANCE	0	0	0	0	0	0	0	0	0	0	0
TRANSFER TO GENERAL FUND	219,828	219,828	224,225	224,225	228,709	228,709	233,284	233,284	237,949	237,949	242,708
PAYMENT TO BVM #1 FOR SERVICE COSTS	0	0	0	0	0	0	0	0	0	0	0
PAYMENT TO BVM #1 FOR CAPITAL COSTS	278,587	278,587	284,039	284,039	289,600	289,600	295,272	295,272	301,057	301,057	305,958
TOTAL	1,781,650	1,772,650	1,781,350	1,781,350	1,782,900	1,786,450	1,786,150	1,787,000	1,788,650	1,740,750	1,726,750
TOTAL DEBT SERVICE (EXHIBIT II A)	2,060,437	2,061,237	2,065,383	2,075,559	2,072,500	2,076,050	2,081,422	2,082,272	2,089,707	2,041,807	2,031,708
EXCESS ANNUAL REVENUES OVER EXPENDITURES	(169,622)	(162,795)	(142,820)	(165,978)	(117,880)	(123,891)	(92,950)	(95,663)	(65,443)	(18,852)	32,587
BEGINNING FUNDS AVAILABLE - JANUARY 1	1,899,489	1,214,865	1,052,072	909,152	753,174	655,194	511,305	419,355	322,699	257,253	238,402
ENDING FUNDS AVAILABLE - DECEMBER 31	1,214,865	1,052,072	909,152	753,174	635,184	511,305	419,355	322,699	257,253	238,402	336,465

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2056

EXHIBIT II - CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:  
 ASSESSED VALUATION  
 DEBT SERVICE MILL LEVY  
 IGA SERVICE MILL LEVY  
 INCREMENTAL PRESIDENTIAL LIVING UNITS COMPLETED  
 AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31  
 % OF G.O. BONDS TO ASSESSED VALUATION

	2052	2053	2054	2055	2056	TOTAL
46,058,142	46,058,142	46,979,305	48,979,305	49,979,305	47,918,891	
37.625	37.625	37.625	37.625	37.625	37.625	
5.375	5.375	5.375	5.375	5.375	5.375	
0	0	0	0	0	0	899
6,485,000	5,200,000	3,805,000	2,300,000	150,000	150,000	
14%	11%	8%	8%	5%		

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET COSTS OF		GROSS BOND ISSUE
	PROCEEDS	ISSUANCE	
12/1/2003	2,887,059	112,941	2,500,000
12/1/2009	3,880,000	120,000	4,000,000
12/1/2012	3,880,000	120,000	4,000,000
12/1/2016	3,885,000	105,000	3,800,000
12/1/2021	2,910,000	80,000	3,000,000
12/1/2028	3,880,000	120,000	4,000,000
12/1/2038	4,850,000	150,000	5,000,000
Totals	25,182,059	817,941	26,000,000

DEBT SERVICE FUND CASH FLOW

	2052	2053	2054	2055	2056	TOTAL
REVENUES:						
PROPERTY TAXES (SEE ABOVE MILL LEVY)	1,732,938	1,732,938	1,767,596	1,767,596	1,602,948	64,842,110
PROPERTY TAXES - IGA SERVICES	247,563	247,563	252,514	252,514	237,064	9,263,159
SPECIFIC OWNERSHIP TAXES @ 0% OF PROPERTY TAXES	116,350	116,350	121,207	121,207	123,631	4,446,221
BOND PROCEEDS	0	0	0	0	0	26,000,000
INTEREST EARNINGS @ 2% OF BEGINNING FUNDS	6,723	8,457	10,684	12,202	15,103	529,547
TOTAL DEBT SERVICE FUND REVENUE	2,106,559	2,107,787	2,152,001	2,153,519	2,189,246	105,481,338
EXPENDITURES:						
3% EAGLE COUNTY TREASURER'S COLLECTION FEE	59,415	59,415	60,603	60,603	61,815	2,223,000
PAYING AGENT FEE	5,000	4,000	4,000	4,000	4,000	218,000
COST OF ISSUANCE	0	0	0	0	0	817,941
TRANSFER TO GENERAL FUND	0	0	0	0	0	14,594
PAYMENT TO BOND #1 FOR SERVICE COSTS	247,563	247,563	252,514	252,514	237,064	9,263,159
PAYMENT TO BOND #1 FOR CAPITAL COSTS	311,978	310,978	317,117	317,117	323,379	24,954,090
TOTAL	1,107,700	1,095,450	1,159,000	1,159,000	1,188,262	37,490,694
TOTAL DEBT SERVICE (EXHIBIT II A)	2,019,978	1,996,428	2,078,117	2,008,467	2,719,979	105,273,294
EXCESS ANNUAL REVENUES OVER EXPENDITURES	88,382	111,360	75,884	145,051	(620,734)	208,044
BEGINNING FUNDS AVAILABLE - JANUARY 1	936,465	422,847	534,206	610,000	765,142	28,384
ENDING FUNDS AVAILABLE - DECEMBER 31	422,847	534,206	610,000	765,142	284,408	284,408

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2035

EXHIBIT II A- CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:

ASSESSED VALUATION	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
DEBT SERVICE MILL LEVY	1,185,860	2,448,860	2,564,550	2,618,772	4,789,891	7,452,215	10,422,505	13,928,507	17,017,608	20,188,505	21,735,097	23,824,765	25,045,009
IGA SERVICE MILL LEVY	35,000	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	6,000	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31	50	42	80	100	120	120	120	85	48	35	35	35	29
% OF G.O. BONDS TO ASSESSED VALUATION	0%	0%	86%	52%	34%	24%	47%	38%	32%	48%	43%	41%	37%

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	SIZE OF BOND ISSUE	COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,697,059	112,841	112,841	2,500,000
12/1/2009	3,890,000	120,000	120,000	4,000,000
12/1/2012	3,890,000	120,000	120,000	4,000,000
12/1/2016	3,385,000	105,000	105,000	3,500,000
12/1/2021	2,910,000	90,000	90,000	3,000,000
12/1/2026	3,890,000	120,000	120,000	4,000,000
12/1/2038	4,850,000	150,000	150,000	5,000,000
Totals	25,182,059	817,841	817,841	28,000,000

DETAILED DEBT SERVICE:

DATE	PRINCIPAL REDUCTION	INTEREST @ 7%	TOTAL DEBT SERVICE REQUIREMENTS	BONDS OUTSTANDING END OF YEAR
12/1/2003	0	0	0	0
12/1/2009	131,400	175,000	306,400	131,400
12/1/2012	131,400	175,000	306,400	131,400
12/1/2016	131,400	175,000	306,400	131,400
12/1/2021	131,400	175,000	306,400	131,400
12/1/2026	131,400	175,000	306,400	131,400
12/1/2038	131,400	175,000	306,400	131,400
TOTAL DEBT SERVICE	131,400	175,000	306,400	131,400



BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2066

EXHIBIT U A- CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:  
ASSESSED VALUATION  
DEBT SERVICE MILL LEVY  
IGA SERVICE MILL LEVY  
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED  
AMOUNT OF B.O. BONDS OUTSTANDING @ DECEMBER 31  
% OF G.O. BONDS TO ASSESSED VALUATION

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
27,315,874	27,609,193	28,712,521	28,712,521	29,861,022	29,861,022	29,861,022	31,055,462	31,055,462	32,297,681	32,297,681	33,569,568	33,569,568
37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625
5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375
0	0	0	0	0	0	0	0	0	0	0	0	0
13,540,000	13,350,000	13,230,000	13,060,000	12,875,000	15,670,000	15,440,000	13,585,000	13,230,000	13,230,000	13,065,000	13,065,000	12,885,000
49%	47%	46%	44%	43%	50%	50%	42%	41%	39%	39%	39%	37%

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	NET COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,387,059	112,941	2,500,000
12/1/2008	3,880,000	120,000	4,000,000
12/1/2012	3,385,000	105,000	3,500,000
12/1/2016	2,810,000	90,000	3,000,000
12/1/2021	3,860,000	120,000	4,000,000
12/1/2028	4,590,000	150,000	5,000,000
Totals	25,982,059	817,941	29,000,000

DETAILED DEBT SERVICE:

DATE	PRINCIPAL REDUCTION	INTEREST @ 7%	TOTAL DEBT SERVICE REQUIREMENTS	BONDS OUTSTANDING END OF YEAR
12/1/2003	65,000	165,000	230,000	2,305,000
12/1/2009	30,000	267,850	3,000,000	3,715,000
12/1/2012	25,000	273,700	3,000,000	3,855,000
12/1/2016	20,000	245,000	2,650,000	3,460,000
12/1/2021	20,000	245,000	2,650,000	3,460,000
12/1/2028	20,000	245,000	2,650,000	3,460,000
12/1/2038	20,000	245,000	2,650,000	3,460,000
TOTAL DEBT SERVICE	881,200	1,097,800	1,099,200	1,094,550

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2066

EXHIBIT II A- CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:  
ASSESSED VALUATION  
DEBT SERVICE MILL LEVY  
IGA SERVICE MILL LEVY  
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED  
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31  
% OF G.O. BONDS TO ASSESSED VALUATION

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
34,933,172	34,933,172	36,300,489	36,300,489	37,783,719	37,783,719	38,539,393	38,539,393	39,310,181	39,310,181	40,086,384	40,086,384	
37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	37,625	
5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	
0	0	0	0	0	0	0	0	0	0	0	0	
16,695,000	16,425,000	16,140,000	15,830,000	15,505,000	15,155,000	14,780,000	14,375,000	13,945,000	13,480,000	12,985,000	12,455,000	11,885,000
48%	45%	44%	42%	41%	39%	38%	37%	35%	34%	32%	29%	25%

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	SIZE OF BOND ISSUE	COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,387,059	112,941	120,000	2,500,000
12/1/2009	3,890,000	120,000	4,000,000	4,000,000
12/1/2012	3,890,000	105,000	4,000,000	4,000,000
12/1/2021	2,910,000	50,000	3,000,000	3,000,000
12/1/2028	3,890,000	120,000	4,000,000	4,000,000
12/1/2038	4,850,000	150,000	5,000,000	5,000,000
TOTAL	25,192,059	817,941	25,000,000	25,000,000

DETAILED DEBT SERVICE:

12/1/2008	PRINCIPAL REDUCTION	0	0	0	0	0	0	0	0	0	0	0
	INTEREST @ 7%	0	0	0	0	0	0	0	0	0	0	0
	TOTAL DEBT SERVICE REQUIREMENTS	0	0	0	0	0	0	0	0	0	0	0
	BONDS OUTSTANDING END OF YEAR	0	0	0	0	0	0	0	0	0	0	0
12/1/2009	PRINCIPAL REDUCTION	70,000	90,000	90,000	90,000	95,000	105,000	110,000	120,000	125,000	135,000	145,000
	INTEREST @ 7%	231,350	226,450	221,200	209,650	203,950	198,700	193,950	181,650	173,250	164,500	155,050
	TOTAL DEBT SERVICE REQUIREMENTS	301,350	300,450	300,200	299,650	298,950	298,350	293,950	271,650	258,250	249,500	240,050
	BONDS OUTSTANDING END OF YEAR	3,235,000	3,160,000	3,080,000	2,995,000	2,910,000	2,825,000	2,740,000	2,655,000	2,570,000	2,485,000	2,400,000
12/1/2012	PRINCIPAL REDUCTION	55,000	60,000	65,000	70,000	75,000	80,000	85,000	90,000	95,000	100,000	105,000
	INTEREST @ 7%	249,950	240,100	235,000	226,450	219,200	213,850	209,650	203,950	198,700	193,950	189,500
	TOTAL DEBT SERVICE REQUIREMENTS	304,950	300,100	300,000	296,450	294,200	293,850	288,650	283,950	279,650	275,900	271,000
	BONDS OUTSTANDING END OF YEAR	3,430,000	3,370,000	3,305,000	3,235,000	3,160,000	3,085,000	3,010,000	2,935,000	2,860,000	2,785,000	2,710,000
12/1/2016	PRINCIPAL REDUCTION	35,000	40,000	45,000	50,000	55,000	60,000	65,000	70,000	75,000	80,000	85,000
	INTEREST @ 7%	225,400	222,650	220,150	214,200	211,050	207,550	203,700	199,500	195,000	190,250	185,250
	TOTAL DEBT SERVICE REQUIREMENTS	260,400	262,650	265,150	264,200	266,050	267,550	268,700	269,500	270,000	270,250	270,250
	BONDS OUTSTANDING END OF YEAR	3,185,000	3,146,000	3,105,000	3,060,000	3,015,000	2,965,000	2,910,000	2,850,000	2,790,000	2,725,000	2,660,000
12/1/2021	PRINCIPAL REDUCTION	30,000	35,000	40,000	40,000	45,000	45,000	50,000	55,000	60,000	65,000	65,000
	INTEREST @ 7%	201,250	199,150	196,700	194,250	191,450	188,650	185,500	182,350	178,850	175,000	170,800
	TOTAL DEBT SERVICE REQUIREMENTS	231,250	234,150	236,700	234,250	236,450	233,650	230,500	227,350	223,850	220,000	216,250
	BONDS OUTSTANDING END OF YEAR	2,845,000	2,810,000	2,775,000	2,735,000	2,695,000	2,650,000	2,605,000	2,555,000	2,500,000	2,440,000	2,375,000
12/1/2028	PRINCIPAL REDUCTION	0	60,000	65,000	70,000	75,000	80,000	85,000	90,000	95,000	100,000	105,000
	INTEREST @ 7%	0	280,000	275,800	271,250	266,350	261,100	255,500	249,550	243,200	236,500	229,500
	TOTAL DEBT SERVICE REQUIREMENTS	0	340,000	340,800	341,250	341,350	341,100	340,800	340,550	340,200	339,700	339,000
	BONDS OUTSTANDING END OF YEAR	4,000,000	3,940,000	3,875,000	3,805,000	3,730,000	3,650,000	3,565,000	3,470,000	3,370,000	3,260,000	3,140,000
12/1/2038	PRINCIPAL REDUCTION	0	0	0	0	0	0	0	0	0	0	0
	INTEREST @ 7%	0	0	0	0	0	0	0	0	0	0	0
	TOTAL DEBT SERVICE REQUIREMENTS	0	0	0	0	0	0	0	0	0	0	0
	BONDS OUTSTANDING END OF YEAR	0	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE		1,091,950	1,438,650	1,434,750	1,439,800	1,433,100	1,435,850	1,439,800	1,435,250	1,441,150	1,438,600	1,438,950

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2056

EXHIBIT II A - CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:  
ASSESSED VALUATION  
DEBT SERVICE MILL LEVY  
IGA SERVICE MILL LEVY  
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED  
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31  
% OF G.O. BONDS TO ASSESSED VALUATION

	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
ASSESSED VALUATION	40,898,312	40,898,312	41,716,278	41,716,278	42,550,604	42,550,604	43,401,618	43,401,618	44,269,648	44,269,648	46,155,041	45,155,041
DEBT SERVICE MILL LEVY	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625	37.625
IGA SERVICE MILL LEVY	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375	5.375
INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED	0	0	0	0	0	0	0	0	0	0	0	0
AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31	16,895,000	16,305,000	15,665,000	14,970,000	14,235,000	13,445,000	12,600,000	11,685,000	10,725,000	9,795,000	8,725,000	7,610,000
% OF G.O. BONDS TO ASSESSED VALUATION	44%	39%	38%	35%	33%	31%	29%	26%	24%	22%	19%	17%

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,387,059	112,841	2,500,000
12/1/2009	3,680,000	120,000	4,000,000
12/1/2012	3,880,000	105,000	3,500,000
12/1/2016	2,910,000	90,000	3,000,000
12/1/2021	3,880,000	120,000	4,000,000
12/1/2038	4,650,000	150,000	5,000,000
Totals	25,182,059	817,841	26,000,000

DETAILED DEBT SERVICE:

DATE	PRINCIPAL REDUCTION	INTEREST @ 7%	TOTAL DEBT SERVICE REQUIREMENTS	BONDS OUTSTANDING END OF YEAR
12/1/2003	0	0	0	0
12/1/2009	155,000	144,800	299,800	1,915,000
12/1/2012	175,000	164,600	339,600	1,585,000
12/1/2016	180,000	173,200	353,200	1,231,000
12/1/2021	145,000	134,000	279,000	800,000
12/1/2026	110,000	102,000	212,000	400,000
12/1/2031	80,000	75,000	155,000	200,000
12/1/2038	350,000	350,000	700,000	0
TOTAL DEBT SERVICE	1,281,850	1,272,650	2,554,500	1,786,450

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2056

EXHIBIT II A - CASH FLOW FORECASTS - DEBT SERVICE FUND

ASSUMPTIONS:  
 ASSESSED VALUATION 49,059,142 46,069,142 46,979,305 46,979,305 47,918,891  
 DEBT SERVICE MILL LEVY 37.625 37.625 37.625 37.625 37.625  
 IGA SERVICE MILL LEVY 5.375 5.375 5.375 5.375 5.375  
 INCREMENTAL RESIDENTIAL LIVING UNITS COMPLETED 889  
 AMOUNT OF G.O. BONDS OUTSTANDING @ DECEMBER 31 0 0 0 0 0  
 % OF G.O. BONDS TO ASSESSED VALUATION 14% 11% 8% 5%

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

	2052	2053	2054	2055	TOTAL
49,059,142	46,069,142	46,979,305	46,979,305	47,918,891	
37,625	37,625	37,625	37,625	37,625	
5,375	5,375	5,375	5,375	5,375	
0	0	0	0	0	889
6,435,000	5,200,000	3,805,000	2,380,000	150,000	
14%	11%	8%	5%		

BOND ISSUES AND DEBT SERVICE REQUIREMENTS:

DATE OF BOND ISSUE	NET PROCEEDS	NET COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2003	2,387,059	112,941	2,500,000
12/1/2009	3,880,000	120,000	4,000,000
12/1/2012	3,880,000	120,000	4,000,000
12/1/2016	3,880,000	105,000	4,000,000
12/1/2021	2,910,000	90,000	3,000,000
12/1/2028	3,880,000	120,000	4,000,000
12/1/2038	4,850,000	150,000	5,000,000
Totals	25,182,059	817,941	26,000,000

DETAILED DEBT SERVICE:

DATE	PRINCIPAL REDUCTION	INTEREST @ 7%	TOTAL DEBT SERVICE REQUIREMENTS	BONDS OUTSTANDING END OF YEAR
12/1/2003	0	0	0	0
12/1/2009	0	0	0	0
12/1/2012	235,000	10,450	245,450	0
12/1/2016	180,000	79,100	259,100	0
12/1/2021	180,000	60,900	240,900	0
12/1/2028	306,000	46,550	352,550	0
12/1/2038	46,550	23,650	70,200	0
TOTAL DEBT SERVICE	1,707,700	1,685,450	3,393,150	1,681,350

BUCKHORN VALLEY METRO DISTRICT #1  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2023

EXHIBIT III - FORECASTED CAPITAL IMPROVEMENTS COSTS AND FUNDING SOURCES

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>REVENUES</b>									
INTEREST INCOME	12	0	0	0	0	0	0	0	0
CONTRIBUTION WECDMRD FOR PARK	37,500	0	0	0	0	0	0	0	0
<b>TOTAL REVENUES</b>	<u>37,512</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES</b>									
ENGINEERING	0	0	100,000	0	0	0	0	0	0
IRRIGATION (RAW WATER)	77,854	65,000	333,000	0	0	0	0	0	0
RAW WATER IRRIGATION SYSTEM CONNECTION	0	0	150,000	0	0	0	0	0	0
PARKS AND REC FACILITIES	229,031	40,000	10,000	0	0	0	0	0	0
WATER RIGHTS LEGAL & ENGINEERING	0	23,000	0	0	0	0	0	0	0
WATER DEDICATION FEE	0	0	210,000	0	0	0	0	0	0
PHASE 3									
POTABLE WATER	0	100,000	203,000	0	0	0	0	0	0
SANITARY SEWER	0	100,000	41,000	0	0	0	0	0	0
STORM SEWER	0	0	20,000	0	0	0	0	0	0
STREETS	0	115,000	326,000	0	0	0	0	0	0
FUTURE PHASES IMPROVEMENTS - ROARK (inflated @ 3%)	0	0	0	1,030,000	1,060,900	0	1,125,509	0	1,194,052
BUCKHORN VALLEY BLVD EXTENSION									
SANITARY SEWER	0	0	70,000	0	0	0	0	0	0
STREETS	0	0	446,000	0	0	0	0	0	0
CABLE	0	0	0	0	0	0	0	0	0
CAPITALIZED OVERHEAD	86,425	39,223	88,560	50,000	50,000	0	35,000	0	0
CONTINGENCY	0	0	150,000	0	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>393,310</u>	<u>482,223</u>	<u>2,146,560</u>	<u>1,080,000</u>	<u>1,110,900</u>	<u>0</u>	<u>1,160,509</u>	<u>0</u>	<u>1,194,052</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>(355,798)</u>	<u>(482,223)</u>	<u>(2,146,560)</u>	<u>(1,080,000)</u>	<u>(1,110,900)</u>	<u>0</u>	<u>(1,160,509)</u>	<u>0</u>	<u>(1,194,052)</u>
<b>OTHER FINANCING SOURCES &amp; USES</b>									
DEVELOPER ADVANCES ROARK	398,099	482,223	2,145,560	1,080,000	1,110,800	0	0	0	0
BOND PROCEEDS FROM BVMID #2	712,500	181,500	665,000	620,000	0	0	3,860,000	0	0
REPAYMENT OF DEVELOPER ADVANCES & INTEREST	(712,500)	(161,500)	(665,000)	(620,000)	0	0	(1,525,439)	0	0
<b>TOTAL OTHER FINANCING SOURCES &amp; USES</b>	<u>398,099</u>	<u>482,223</u>	<u>2,145,560</u>	<u>1,080,000</u>	<u>1,110,900</u>	<u>0</u>	<u>2,394,561</u>	<u>0</u>	<u>0</u>
<b>REVENUE &amp; OTHER SOURCES OVER (UNDER) EXPENDITURES &amp; OTHER USES</b>	<u>42,301</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,194,052</u>	<u>0</u>	<u>(1,194,052)</u>
<b>BEGINNING FUND BALANCE</b>	<u>20,321</u>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>1,256,674</u>	<u>1,256,674</u>
<b>ENDING FUND BALANCE</b>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>62,622</u>	<u>1,256,674</u>	<u>1,256,674</u>	<u>62,622</u>
<b>ACCRUED LOAN &amp; INTEREST DUE TO ROARK</b>	<u>5,380,679</u>	<u>6,078,050</u>	<u>7,985,073</u>	<u>9,004,028</u>	<u>10,745,210</u>	<u>11,497,375</u>	<u>10,776,752</u>	<u>11,531,125</u>	<u>12,338,304</u>

Source for Capital Improvements After 2006: Roark Partners

Stan Bernstein and Associates, Inc.  
 See Consultant's Report and Disclaimer

BUCKHORN VALLEY METRO DISTRICT #1  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2023

EXHIBIT III - FORECASTED CAPITAL IMPROVEMENTS COSTS AND

	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>REVENUES</b>									
INTEREST INCOME	0	0	0	0	0	0	0	0	0
CONTRIBUTION WECMRD FOR PARK	0	0	0	0	0	0	0	0	0
<b>TOTAL REVENUES</b>	0	0	0	0	0	0	0	0	0
<b>EXPENDITURES</b>									
ENGINEERING	0	0	0	0	0	0	0	0	0
IRRIGATION (RAW WATER)	0	0	0	0	0	0	0	0	0
RAW WATER IRRIGATION SYSTEM CONNECTION	0	0	0	0	0	0	0	0	0
PARKS AND REC FACILITIES	0	0	0	0	0	0	0	0	0
WATER RIGHTS LEGAL & ENGINEERING	0	0	0	0	0	0	0	0	0
WATER DEDICATION FEE	0	0	0	0	0	0	0	0	0
PHASE 3									
POTABLE WATER	0	0	0	0	0	0	0	0	0
SANITARY SEWER	0	0	0	0	0	0	0	0	0
STORM SEWER	0	0	0	0	0	0	0	0	0
STREETS	0	0	0	0	0	0	0	0	0
BUCKHORN VALLEY BLVD EXTENSION	1,229,874	0	1,304,773	1,343,916	0	3,000,000	3,000,000	3,000,000	3,000,000
SANITARY SEWER	0	0	0	0	0	0	0	0	0
STREETS	0	0	0	0	0	0	0	0	0
CABLE	0	0	0	0	0	0	0	0	0
CAPITALIZED OVERHEAD	0	0	0	0	0	0	0	0	0
CONTINGENCY	0	0	0	0	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	1,229,874	0	1,304,773	1,343,916	0	3,000,000	3,000,000	3,000,000	3,000,000
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	(1,229,874)	0	(1,304,773)	(1,343,916)	0	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
<b>OTHER FINANCING SOURCES &amp; USES</b>									
DEVELOPER ADVANCES ROARK	0	0	0	0	0	3,000,000	3,000,000	3,000,000	3,000,000
BOND PROCEEDS FROM BYMD #2	3,880,000	0	0	0	3,385,000	0	0	0	0
REPAYMENT OF DEVELOPER ADVANCES & INTEREST	(1,437)	0	0	0	(3,385,000)	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES &amp; USES</b>	3,878,563	0	0	0	0	3,000,000	3,000,000	3,000,000	3,000,000
<b>REVENUE &amp; OTHER SOURCES OVER (UNDER) EXPENDITURES &amp; OTHER USES</b>	2,648,689	0	(1,304,773)	(1,343,916)	0	0	0	0	0
<b>BEGINNING FUND BALANCE</b>	62,622	2,711,312	2,711,312	1,406,538	62,622	62,622	62,622	62,622	62,622
<b>ENDING FUND BALANCE</b>	2,711,312	2,711,312	1,406,538	62,622	62,622	62,622	62,622	62,622	62,622
<b>ACCRUED LOAN &amp; INTEREST DUE TO ROARK</b>	13,200,548	14,124,587	15,113,308	16,171,239	13,908,226	17,881,802	22,133,528	26,682,875	31,550,676

Source for Capital Improvements After 2005: Roark Partners

Stan Bernstein and Associates, Inc.  
 See Consultant's Report and Disclaimer

BUCKHORN VALLEY METRO DISTRICT #1  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2003 THROUGH 2023

EXHIBIT III - FORECASTED CAPITAL IMPROVEMENTS COSTS AND REVENUES

	2021	2022	2023	TOTALS
<b>REVENUES</b>				
INTEREST INCOME	0	0	0	12
CONTRIBUTION WECMRD FOR PARK	0	0	0	37,500
<b>TOTAL REVENUES</b>	0	0	0	37,512
<b>EXPENDITURES</b>				
ENGINEERING	0	0	0	100,000
IRRIGATION (RAW WATER)	0	0	0	475,864
RAW WATER IRRIGATION SYSTEM CONNECTION	0	0	0	150,000
PARKS AND REC FACILITIES	0	0	0	279,031
WATER RIGHTS LEGAL & ENGINEERING	0	0	0	23,000
WATER DEDICATION FEE	0	0	0	210,000
PHASE 3				
POTABLE WATER	0	0	0	303,000
SANITARY SEWER	0	0	0	141,000
STORM SEWER	0	0	0	20,000
STREETS	0	0	0	440,000
FUTURE PHASES IMPROVEMENTS - ROARK (inflated @ 3%)	5,000,000	1,115,114	0	26,404,139
BUCKHORN VALLEY BLVD EXTENSION				
SANITARY SEWER	0	0	0	70,000
STREETS	0	0	0	446,000
CABLE	0	0	0	0
CAPITALIZED OVERHEAD	0	0	0	349,208
CONTINGENCY	0	0	0	150,000
<b>TOTAL EXPENDITURES</b>	5,000,000	1,115,114	0	29,551,232
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	(5,000,000)	(1,115,114)	0	(29,523,720)
<b>OTHER FINANCING SOURCES &amp; USES</b>				
DEVELOPER ADVANCES ROARK	5,000,000	1,115,114	0	23,332,886
BOND PROCEEDS FROM BVMD #2	2,910,000	0	0	16,224,000
REPAYMENT OF DEVELOPER ADVANCES & INTEREST	(2,910,000)	0	0	(9,990,875)
<b>TOTAL OTHER FINANCING SOURCES &amp; USES</b>	5,000,000	1,115,114	0	29,566,021
<b>REVENUE &amp; OTHER SOURCES OVER (UNDER) EXPENDITURES &amp; OTHER USES</b>	0	0	0	42,301
<b>BEGINNING FUND BALANCE</b>	52,622	52,622	52,622	20,321
<b>ENDING FUND BALANCE</b>	52,622	52,622	52,622	52,622
<b>ACCRUED LOAN &amp; INTEREST DUE TO ROARK</b>	35,849,223	39,473,783	42,236,948	42,236,948

Source for Capital Improvements After 2005: Roark Partners

Stan Barnstein and Associates, Inc.

See Consultant's Report and Disclaimer

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
CASH FLOW FORECAST - BUDGETARY BASIS  
FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2017

SCHEDULE 1 - DEVELOPER'S ESTIMATED LOT PLANTING SCHEDULE, AND PROJECTION OF ASSESSED VALUATION GENERATED FROM LOT PLANTING

Description of Lot	Planned Number of Lots	Average Per Lot Price	Total Gross Land Volume	
			Number of Lots	Volume
RESIDENTIAL				
Multi-Family Homes	285	87,600	24,937,500	
Manufactured Homes	303	112,600	34,087,600	
Site Built Homes	311	137,500	42,762,500	
<b>TOTAL RESIDENTIAL</b>	<b>899</b>	<b>113,233</b>	<b>101,787,600</b>	

Estimated Gross Land Plantings By Year:

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Estimated Value Of Mid. Economy Home Lots	0	3,500,000	4,375,000	5,250,000	6,125,000	7,000,000	7,875,000	8,750,000	9,625,000	10,500,000	11,375,000	12,250,000	13,125,000	14,000,000	14,875,000	15,750,000	24,937,600
Estimated Value Of Mid. Premium Home Lots	0	3,125,000	3,750,000	4,375,000	5,000,000	5,625,000	6,250,000	6,875,000	7,500,000	8,125,000	8,750,000	9,375,000	10,000,000	10,625,000	11,250,000	11,875,000	34,087,600
Estimated Value Of Site Built Home Lots	0	2,750,000	3,375,000	4,000,000	4,625,000	5,250,000	5,875,000	6,500,000	7,125,000	7,750,000	8,375,000	9,000,000	9,625,000	10,250,000	10,875,000	11,500,000	42,762,500
<b>Estimated Value Of All Residential Lot Plantings By Year</b>	<b>0</b>	<b>9,375,000</b>	<b>11,500,000</b>	<b>13,625,000</b>	<b>15,750,000</b>	<b>17,875,000</b>	<b>19,900,000</b>	<b>21,925,000</b>	<b>23,950,000</b>	<b>25,975,000</b>	<b>27,900,000</b>	<b>29,925,000</b>	<b>31,950,000</b>	<b>33,975,000</b>	<b>35,900,000</b>	<b>37,925,000</b>	<b>101,787,600</b>

Net Assess. Value by Year - Incremental (All Residential Lots)

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Projected Value Of Land Acquired Value By Year (Excludes By-Buildout)	0	3,500,000	4,375,000	5,250,000	6,125,000	7,000,000	7,875,000	8,750,000	9,625,000	10,500,000	11,375,000	12,250,000	13,125,000	14,000,000	14,875,000	15,750,000
Projected Value Of Land Built Upon (All Residential Lots)	0	3,125,000	3,750,000	4,375,000	5,000,000	5,625,000	6,250,000	6,875,000	7,500,000	8,125,000	8,750,000	9,375,000	10,000,000	10,625,000	11,250,000	11,875,000
Mid. Economy Home Lots	0	3,125,000	3,750,000	4,375,000	5,000,000	5,625,000	6,250,000	6,875,000	7,500,000	8,125,000	8,750,000	9,375,000	10,000,000	10,625,000	11,250,000	11,875,000
Mid. Premium Home Lots	0	2,750,000	3,375,000	4,000,000	4,625,000	5,250,000	5,875,000	6,500,000	7,125,000	7,750,000	8,375,000	9,000,000	9,625,000	10,250,000	10,875,000	11,500,000
Site Built Homes	0	2,375,000	2,875,000	3,375,000	3,875,000	4,375,000	4,875,000	5,375,000	5,875,000	6,375,000	6,875,000	7,375,000	7,875,000	8,375,000	8,875,000	9,375,000
Projected Value Of Land Built Upon	0	8,250,000	10,000,000	11,750,000	13,500,000	15,250,000	17,000,000	18,750,000	20,500,000	22,250,000	24,000,000	25,750,000	27,500,000	29,250,000	31,000,000	32,750,000
Projected Assessed Valuation Of Such Land @ 28%	0	2,312,500	2,812,500	3,312,500	3,812,500	4,312,500	4,812,500	5,312,500	5,812,500	6,312,500	6,812,500	7,312,500	7,812,500	8,312,500	8,812,500	9,312,500
Projected Net Increase (decrease) In Land A.V.	0	1,187,500	1,462,500	1,737,500	2,012,500	2,287,500	2,562,500	2,837,500	3,112,500	3,387,500	3,662,500	3,937,500	4,212,500	4,487,500	4,762,500	5,037,500
<b>Proj. Assessed Value By Year - Land Only - Cumulative</b>	<b>0</b>	<b>1,187,500</b>	<b>2,375,000</b>	<b>4,112,500</b>	<b>6,125,000</b>	<b>8,412,500</b>	<b>10,975,000</b>	<b>13,812,500</b>	<b>16,925,000</b>	<b>20,312,500</b>	<b>23,975,000</b>	<b>27,912,500</b>	<b>32,125,000</b>	<b>36,612,500</b>	<b>41,375,000</b>	<b>46,412,500</b>

Proj. Assessed Value By Year - Land Only - Cumulative

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Year Assessed Valuation Certified To District	0	1,187,500	2,375,000	4,112,500	6,125,000	8,412,500	10,975,000	13,812,500	16,925,000	20,312,500	23,975,000	27,912,500	32,125,000	36,612,500	41,375,000	46,412,500
Year Taxes Received By District	0	336,250	662,500	988,750	1,315,000	1,641,250	1,967,500	2,293,750	2,620,000	2,946,250	3,272,500	3,598,750	3,925,000	4,251,250	4,577,500	4,903,750

Source for Land Sales: Ronk Partners, LLP

Note: The assessed valuation calculations assume that lots are planted by the developer in the year in which they are sold.



BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
 BUDGET FOR FISCAL YEAR 2017  
 FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2017

SCHEDULE 1 - DEVELOPER'S ESTIMATED LOT PLATTING SCHEDULE, A\*

Description of Lot	Platted Number of Lots	Average Per Lot Price	Total Gross Land Volume
RESIDENTIAL	285	87,500	24,937,500
Multi-Family Homes	303	112,500	34,087,500
Manufactured Homes	311	137,500	42,762,500
Site Built Homes	889	113,523	101,187,300
<b>TOTAL RESIDENTIAL</b>			

Estimated Gross Land Plattings By Year:  
 Estimated Value Of Mid. Economy Home Lots  
 Estimated Value Of Mid. Premium Home Lots  
 Estimated Value Of Site Built Home Lots  
 Estimated Value Of All Residential Lot Plattings By Year  
 Net Assesst. Value By Year - Incremental (All Residential Lots)  
 Proj. Decrease In Land Assessed Value By Year Caused By Buildout  
 Projected Value Of Land Built Upon (All Residential Lots)  
 Mid. Economy Home Lots  
 Mid. Premium Home Lots  
 Site Built Homes  
 Projected Value Of Land Built Upon  
 Projected Assessed Valuation Of Such Land @ 29%  
 Projected Net Increase (decrease) In Land A.V.  
 Proj. Assessed Value By Year - Land Only - Cumulative  
 Year Assessed Valuation Carried To District  
 Year Taxes Received By District

Source for Land Sales: Reark Partners LLP  
 Note: The assessed valuation calculations assume that lots are platted by the d

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2004 THROUGH 2017

SCHEDULE 2 - DEVELOPER'S ESTIMATED BUILDOUT SCHEDULE, AND PROJECTION OF ASSESSED VALUATION GENERATED FROM BUILDOUT

Description of Unit	Planned Number of Unit	Average Per Unit Price	Total Gross Unit	
			Volume	Value
RESIDENTIAL				
Multi-Family Homes	285	250,000	71,250,000	
Manufactured Homes	303	300,000	90,900,000	
Site Built Homes	311	350,000	111,960,000	
<b>TOTAL RESIDENTIAL</b>	<b>899</b>	<b>304,905</b>	<b>274,110,000</b>	

EXISTING	BUILDOUT - INCLUDES UNIT LOT VALUES PER SCHEDULE 1:									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
0	10,000,000	12,500,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
27,000,000	9,000,000	9,000,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
720,000	3,600,000	7,200,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
27,720,000	22,600,000	28,700,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000

Estimated Gross Sales By Year:	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Estimated Value Of Mid. Economy Home Lots	0	10,000,000	12,500,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Estimated Value Of Mid. Premium Home Lots	27,000,000	9,000,000	9,000,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Estimated Value Of Site Built Homes	720,000	3,600,000	7,200,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Estimated Value Of All Residential Units	27,720,000	22,600,000	28,700,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000	34,500,000

Proj. Assessed Value - Incremental:	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Residential Property @ 7.96% Of Market Value	2,208,512	1,798,950	2,284,520	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200
Total Proj. Assessed Value From Buildout	2,208,512	1,798,950	2,284,520	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200
Total Proj. Assessed Value From Land	600,000	0	0	0	0	0	0	0	0	0	0	0
Total Proj. Ass. Value From Land & Buildout - 100%	2,808,512	1,798,950	2,284,520	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200
Total Assessed Value - Existing	2,808,512	0	0	0	0	0	0	0	0	0	0	0
Total Incremental Assessed Valuation - All Sources	0	1,798,950	2,284,520	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200	2,746,200
Proj. Assessed Value By Year - Cumulative:	2,808,512	4,607,462	6,891,982	9,638,182	12,384,382	15,130,582	17,876,782	20,622,982	23,369,182	26,115,382	28,861,582	31,607,782
Year Assessed Valuation Certified To Districts	2,813,772	4,739,831	7,452,215	10,422,505	13,388,705	16,354,905	19,321,105	22,287,305	25,253,505	28,219,705	31,185,905	34,152,105
Year Taxes Received By District	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	

Source for Values and Buildout: Rosak Partners LLP

BUCKHORN VALLEY METROPOLITAN DISTRICT #2  
 CASH FLOW FORECAST - BUDGETARY BASIS  
 FOR THE YEARS ENDING DECEMBER 31, 2004 THROUGH 2017

SCHEDULE 2 - DEVELOPER'S ESTIMATED BUILDOUT SCHEDULE, AND PROJE

Description of Un.	Planned Number of Units	Average Price Per Unit	Total Gross Unit	
			Volume	Value
RESIDENTIAL				
Multi-Family Homes	285	250,000	71,250,000	285
Manufactured Homes	303	300,000	90,900,000	303
Site Built Homes	311	390,000	111,960,000	311
<b>TOTAL RESIDENTIAL</b>	<b>899</b>	<b>304,905</b>	<b>274,110,000</b>	<b>899</b>

	2014	2015	2016	2017	TOTAL
0	0	0	0	0	285
0	0	0	0	0	303
35	29	0	0	0	311
35	29	0	0	0	899

**Estimated Gross Sales By Year:**

Estimated Value Of Mid, Economy Home Lots	0	0	0	0	71,250,000
Estimated Value Of Mid, Premium Home Lots	0	0	0	0	90,900,000
Estimated Value Of Site Built Homes	12,600,000	10,440,000	0	0	111,960,000
Estimated Value Of All Residential Units	12,600,000	10,440,000	0	0	274,110,000

**Proj. Assessed Value - Incremental:**

Residential Property @ 7.98% Of Market Value	1,002,960	981,024	0	0	21,819,156
Total Proj. Assessed Value From Buildout	1,002,960	981,024	0	0	21,819,156
Total Proj. Assessed Value From Land	0	(600,000)	0	0	0
Total Proj. Ass. Value From Land & Buildout - 100%	1,002,960	381,024	0	0	21,819,156
Total Proj. Ass. Value From Land & Buildout - Lag 9%	1,002,960	381,024	0	0	21,819,156
Total Assessed Value - Existing	0	0	0	0	0
Total Incremental Assessed Valuation - All Sources	1,002,960	381,024	0	0	21,819,156
Proj. Assessed Value By Year - Cumulative:	21,688,132	21,819,156	21,819,156	21,819,156	21,819,156
Proj. Assessed Value By Year - Cum. with 4% biennial inc. above Gallagher	27,315,874	27,608,193	28,742,521	29,742,521	29,742,521
Year Assessed Valuation Certified To District	2015	2016	2017	2018	2019
Year Taxes Received By District	2016	2017	2018	2019	

Source for Values and Buildout: Roark Partners LLP