

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
James R. Einolf	President	2023/May 2023
Jeffrey L. Nading	Treasurer	2022/May 2022
Michael A. Clay	Assistant Secretary	2023/May 2023
Phillip A. Johnson	Assistant Secretary	2023/May 2023
Christy L. Tigges	Assistant Secretary	2022/May 2022
David Solin	Secretary	

DATE January 29, 2021 (Friday)

TIME: 1:00 P.M.

PLACE: **Zoom Meeting: Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, this meeting is being held via Zoom and may be joined at the following:**

Join Zoom Meeting

<https://us02web.zoom.us/j/83369780125?pwd=d09BTEN5QzNHWUdIMDA3ekRRVVd3dz09>

Meeting ID: 833 6978 0125

Passcode: 483541

Dial in 1-253-215-8782

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Confirm quorum. Confirm location of the meeting and posting of meeting notices and designate 24-hour posting location. Approve agenda.

C. Review and approve minutes of the October 29, 2020 Special Meeting (enclosure).

II. PUBLIC COMMENTS

A. _____

III. FINANCIAL MATTERS

- A. Ratify approval of payment of claims for the period beginning October 1, 2020 through January 21, 2021 totaling \$30,465.33 (enclosure).

- B. Review and accept unaudited financial statements for the period ending September 30, 2020 (enclosure).

- C. Discuss status of refinancing of Series 2016 Bonds.

1. Conduct interviews of two Municipal Advisor firms, and consider engagement of a Municipal Advisor (enclosures).

2. Review and consider acceptance of Arbitrage Rebate Calculation Report prepared by Simmons & Wheeler, P.C. (enclosure).

3. Review and discuss proposals for Bond Counsel services and consider engagement of Bond Counsel (enclosure).

IV. LEGAL MATTERS

- A. _____

VI. OTHER BUSINESS

- A. _____

VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 10, 2021.**

Informational Enclosure:

- Ehlers Debt Review

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2 HELD OCTOBER 29, 2020

A Special Meeting of the Board of Directors of the Great Western Park Metropolitan District No. 2 (referred to hereafter as "Board") was convened on Friday, the 29th day of October, 2020, at 1:00 p.m. Due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by via Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James R. Einolf
Jeffrey L. Nading
Michael A. Clay
Phillip A. Johnson
Christy L. Tigges

Also In Attendance Were:

David Solin, Matt Cohrs and Peggy Ripko; Special District Management Services, Inc.

Megan Becher, Esq.; McGeady Becher P.C. (for a portion of the meeting)

Joy Tatton; Simmons & Wheeler, P.C.

Melissa Buck; Ehlers and Associates, Inc. (for a portion of the meeting)

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Mr. Solin noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Becher noted that a conflict disclosure statement for Director Nading has been filed, and no additional conflicts were disclosed at the meeting.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: The Board reviewed the proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Clay and, upon vote, unanimously carried, the Agenda was approved, as amended.

Meeting Location/Manner and Posting of Meeting Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Clay and, upon vote, unanimously carried, the Board determined that due to concerns regarding the spread of COVID-19 and the benefit to the control of the spread of the virus by limiting in-person contact, the Board determined to conduct this meeting by video/teleconference and encouraged public participation via Zoom. The Board further noted that notice of the video/teleconference via Zoom was duly posted and that it had not received any objections to the format of the meeting or any requests that the meeting format be changed by taxpaying electors within the District's boundaries.

Minutes: The Board reviewed the Minutes from the June 26, 2020 Special Meeting, the July 21, 2020 Work Session Meeting, and the October 9, 2020 Special Meeting.

Following discussion, upon motion duly made by Director Johnson, seconded by Director Clay and, upon vote, unanimously carried, the Minutes from the June 26, 2020 Special Meeting, the July 21, 2020 Work Session Meeting, and the October 9, 2020 Special Meeting were approved.

Resolution No. 2020-11-01, Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices: The Board considered Resolution No. 2020-11-01, Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2021 to meet the statutory compliance requirements. The Board, determined to meet on June 10, 2021 and November 10, 2021 at 1:00 p.m. at the Skyestone Lodge, 11097 N. Montane Drive, Broomfield, Colorado.

Following review, upon motion duly made by Director Clay, seconded by Director Tigges and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-10-01, Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices, as amended.

RECORD OF PROCEEDINGS

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2021: The Board discussed §32-1-809 reporting requirements and mode of eligible elector notification for 2021.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the Board determined to post the required transparency notice information to the Special District Association's website.

PUBLIC COMMENT There were no public comments.

FINANCIAL MATTERS

Presentation by Ehlers and Associates, Inc.: Ms. Buck of Ehlers and Associates, Inc. provided a presentation to the Board relative to Ehlers' recommendation for refinancing of the District's Series 2016 Bonds. Extensive discussion ensued.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the Board directed Mr. Solin to obtain an Arbitrage Rebate Calculation Report. The Board further directed Mr. Solin to obtain proposals for Bond Counsel services and to arrange interviews with potential Municipal Advisors. Review of proposals and interviews are to take place at a special meeting to be scheduled in January, 2021.

Claims: The Board considered ratifying the approval of the payment of claims for the period beginning June 1, 2020 through September 30, 2020 totaling \$20,975.60.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the Board ratified approval of the payment of claims for the period beginning June 1, 2020 through September 30, 2020 totaling \$20,975.60.

Schedule of Cash Position: Ms. Tatton reviewed with the Board the schedule of Cash Position for the period ending October 10, 2020.

Following review, upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the schedule of Cash Position for the period ending October 10, 2020 was accepted.

2020 Audit: The Board reviewed the proposal from Wipfli LLP to perform the 2020 Audit.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Tigges, seconded by Director Johnson and, upon vote, unanimously carried, the Board approved the engagement of Wipfli LLP to perform the 2020 Audit, for an amount not to exceed \$5,250.

2020 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Einolf moved to adopt Resolution No. 2020-10-02, Resolution to Amend the 2020 Budget, Director Clay seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-10-02, Resolution to Amend the 2020 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2021 Budget: The President opened the public hearing to consider the proposed 2021 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the Budget and the date, time and place of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received, and the Public Hearing was closed.

Ms. Tatton reviewed the estimated 2020 expenditures and the proposed 2021 expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2020-10-03, Resolution to Adopt the 2021 Budget and Appropriate Sums of Money, and Resolution No. 2020-10-04, Resolution to Set Mill Levies (for the General Fund at 6.740 mills, the Debt Service Fund at 47.182 mills, for a total mill levy of 53.922 mills). Upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the Resolutions were adopted, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the City & County on or before December 10, 2020. Mr. Solin was authorized to transmit the Certification of Mill Levy to the City and County of Broomfield and the Division of Local Government, not later than December 15, 2020. Mr. Solin was also authorized to

RECORD OF PROCEEDINGS

transmit the Certification of Budget to the Division of Local Government not later than January 30, 2021. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: The Board reviewed Resolution No. 2020-10-05, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-10-05, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Preparation of the 2022 Budget: The Board discussed the preparation of the 2022 Budget.

Following discussion, upon motion duly made by Director Einolf, seconded by Director Clay and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2021 Budget and set the date for the public hearing for November 10, 2021.

Proposal for Debt Review / Municipal Advisor Disclosure: The Board reviewed the proposal from Ehlers and Associates, Inc. to prepare a debt review, in the amount of \$5,000.

Following discussion, upon motion duly made by Director Tigges, seconded by Director Clay and, upon vote, unanimously carried, the Board ratified approval of the proposal from Ehlers and Associates, Inc. to prepare a debt review, in the amount of \$5,000.

The Board further reviewed the Written Amended Municipal Advisor Client Disclosure for Debt Review between the District and Ehlers and Associates, Inc.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Tigges, seconded by Director Clay and, upon vote, unanimously carried, the Board ratified approval of the Written Amended Municipal Advisor Client Disclosure for Debt Review between the District and Ehlers and Associates, Inc.

Refinancing of Series 2016 Bonds: Following discussion, upon motion duly made by Director Einolf, seconded by Director Tigges and, upon vote, unanimously carried, the Board authorized any necessary actions required in connection with the refinancing of the Series 2016 Bonds.

LEGAL MATTERS

There were no legal matters.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Johnson, seconded by Director Tigges and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

Account	PO/Cont	Check #	Invoice	Date	Date Paid	Description	Amount
01-000-06750	0	2433	937B 08	08/31/2020	10/27/2020	August Legal	185.00
01-000-06750	0	2433	937B 09	09/30/2020	10/27/2020	September Legal	438.00
**** TOTAL ****							623.00
McGeady Becher P.C.							
01-000-06100	0	2434	Aug 20	08/31/2020	10/27/2020	August Management	1,134.18
01-000-06100	0	2434	June 06	06/30/2020	10/27/2020	June Management	1,701.00
01-000-06100	0	2434	Sept 20	09/30/2020	10/27/2020	September Management	799.60
**** TOTAL ****							3,634.78
Special District Management							
01-000-01380	0	2435	POL4251	09/09/2020	10/27/2020	Workers' Comp 2021	450.00
**** TOTAL ****							450.00
Colorado Spec Dist P&L Pool							
01-000-06170	0	2436	27171	08/31/2020	10/27/2020	August Accounting	1,868.75
01-000-06170	0	2436	27339	09/30/2020	10/27/2020	September Accounting	3,551.25
**** TOTAL ****							5,420.00
Simmons & Wheeler							
01-000-06850	0	2437	1698403	04/09/2020	10/27/2020	Publication- D2	47.08
**** TOTAL ****							47.08
Prairie Mountain Media							
01-000-06150	0	2438	1685068	09/30/2020	10/27/2020	2019 Audit	5,250.00
**** TOTAL ****							5,250.00
Wipfli LLP							
01-000-06750	0	2439	10 937B	10/31/2020	11/30/2020	October Legal	4,886.00
**** TOTAL ****							4,886.00
McGeady Becher P.C.							
01-000-06100	0	2440	10.20 Mgmt	10/31/2020	11/30/2020	October Management Fee	3,043.44
**** TOTAL ****							3,043.44
Special District Management							
01-000-01380	0	2441	POL4929	09/22/2020	11/30/2020	2021 Property & Liability	2,032.00
**** TOTAL ****							2,032.00
Colorado Spec Dist P&L Pool							
01-000-01380	0	2442	9187	10/13/2020	11/30/2020	2021 Agency Fee	495.00
**** TOTAL ****							495.00
T Charles Wilson							
01-000-06750	0	2443	11. 937B	11/30/2020	12/29/2020	November Legal	797.00
**** TOTAL ****							797.00
McGeady Becher P.C.							
01-000-06100	0	2444	11 GWP2	11/30/2020	12/29/2020	November Management	121.10
**** TOTAL ****							121.10
Special District Management							
01-000-06170	0	2445	27522	10/31/2020	12/29/2020	October Accounting	1,665.00
**** TOTAL ****							1,665.00
Simmons & Wheeler							
01-000-06750	0	2446	12.20 937B	12/31/2020	01/21/2021	12.20 Legal	135.83
**** TOTAL ****							135.83
McGeady Becher P.C.							
01-000-06100	0	2447	12 20	12/31/2020	01/21/2021	12.20 Management	559.10
**** TOTAL ****							559.10
Special District Management							
01-000-06170	0	2448	27717	11/30/2020	01/21/2021	11.20 Accounting	626.25
01-000-06170	0	2448	27920	12/31/2020	01/21/2021	12.20 Accounting	679.75

Account	PO/Cont Check # Invoice	Date	Date Paid	Description	Amount
	**** TOTAL ****			Simmons & Wheeler	1,306.00
	*** GRAND TOTAL ***				30,465.33

Great Western Park Metropolitan District No. 2
Financial Statements

September 30, 2020

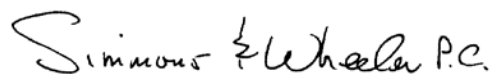
ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Great Western Park Metropolitan District No. 2

Management is responsible for the accompanying financial statements of each major fund of Great Western Park Metropolitan District No. 2, as of and for the period ended September 30, 2020, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the nine months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Great Western Park Metropolitan District No. 2 because we performed certain accounting services that impaired our independence.



November 5, 2020
Englewood, Colorado

Great Western Park Metropolitan District No.2
Combined Balance Sheet
September 30, 2020

See Accountant's Compilation Report

	<u>General</u>	<u>Capital</u>	<u>Debt</u>	<u>Account</u>	<u>Total</u>
<u>Assets</u>	<u>Fund</u>	<u>Projects</u>	<u>Service</u>	<u>Groups</u>	<u>All Funds</u>
Current assets					
Cash checking	\$ 11,620	\$ (948)	\$ 234	\$ -	\$ 10,906
Cash - Colotrust	102,445	-	18,645	-	121,090
Cash - Trustee	-	948	2,504,350	-	2,505,298
Cash with County Treasurer	475	-	4,174	-	4,649
Prepaid insurance	450	-	-	-	450
	114,990	-	2,527,403	-	2,642,393
Other assets					
Fixed assets	-	-	-	665,178	665,178
Amount available in debt service fund	-	-	-	2,527,403	2,527,403
Amount to be provided for retirement of debt	-	-	-	19,858,081	19,858,081
	-	-	-	23,050,662	23,050,662
	\$ 114,990	\$ -	\$ 2,527,403	\$ 23,050,662	\$ 25,693,055
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 15,425	\$ -	\$ -	\$ -	\$ 15,425
	15,425	-	-	-	15,425
GO Bonds, Series 2016A	-	-	-	11,045,000	11,045,000
GO Bonds, Series 2016B	-	-	-	1,555,000	1,555,000
GO Bonds, Series 2016B Accrued Interest	-	-	-	417,025	417,025
Developer Advances - FFA	-	-	-	8,049,453	8,049,453
Accrued Interest - FFA	-	-	-	1,281,467	1,281,467
Developer Advances - Operations	-	-	-	29,451	29,451
Accrued Interest - Operations	-	-	-	8,088	8,088
	-	-	-	22,385,484	22,385,484
Total liabilities	15,425	-	-	22,385,484	22,400,909
Fund equity and other credits					
Investment in fixed assets	-	-	-	665,178	665,178
Fund balance - Reserve Fund	-	-	871,750	-	871,750
Fund balance - Surplus Fund - \$1.3 mil max	-	-	1,104,500	-	1,104,500
Fund balance	99,565	-	551,153	-	650,718
	99,565	-	2,527,403	665,178	3,292,146
	\$ 114,990	\$ -	\$ 2,527,403	\$ 23,050,662	\$ 25,693,055

Great Western Park Metropolitan District No.2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Nine Months Ended September 30, 2020
General Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	Actual <u>Quarter</u>	Actual Year to <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 98,076	\$ 925	\$ 97,977	\$ (99)
Specific ownership taxes	5,800	1,670	4,088	(1,712)
Forgiveness of debt	-	371,417	371,417	371,417
Interest income	500	181	1,547	1,047
	<u>104,376</u>	<u>374,193</u>	<u>475,029</u>	<u>370,653</u>
Expenditures				
Accounting	7,500	6,194	15,588	(8,088)
Audit	5,500	5,250	5,250	250
Election expense	1,500	-	57	1,443
Insurance	3,800	-	3,203	597
Legal	11,000	2,972	20,244	(9,244)
Management fees	10,000	5,055	12,156	(2,156)
Miscellaneous	1,500	47	374	1,126
Treasurer fees	1,471	14	1,470	1
Repay developer advances - reconciliation agreement	-	16,273	16,273	(16,273)
Write off operations advances	-	371,417	371,417	(371,417)
Transfer to Capital Projects Fund	-	4,181	4,181	(4,181)
Emergency reserve	3,131	-	-	3,131
	<u>45,402</u>	<u>411,403</u>	<u>450,213</u>	<u>(404,811)</u>
Excess (deficiency) of revenues over expenditures	58,974	\$ <u>(37,210)</u>	24,816	(34,158)
Fund balance beginning	<u>67,528</u>		<u>74,749</u>	<u>7,221</u>
Fund balance ending	\$ <u>126,502</u>		\$ <u>99,565</u>	\$ <u>(26,937)</u>

Great Western Park Metropolitan District No.2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Nine Months Ended September 30, 2020
Capital Projects Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	Actual <u>Quarter</u>	Actual Year to <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Transfer from General Fund	\$ -	\$ 4,181	\$ 4,181	\$ 4,181
Interest income	25,000	1	2,899	(22,101)
Developer advances	<u>2,756,079</u>	<u>-</u>	<u>-</u>	<u>(2,756,079)</u>
	<u>2,781,079</u>	<u>4,182</u>	<u>7,080</u>	<u>(2,773,999)</u>
Expenditures				
Accounting	11,500	-	-	11,500
Legal	12,000	-	-	12,000
Capital outlay	4,000,000	-	-	4,000,000
Management	7,500	-	-	7,500
Project Management	-	(1)	3,623	(3,623)
Miscellaneous	3,500	-	-	3,500
Repay developer advances - reconciliation agreement	-	34,787	34,787	(34,787)
Repay developer advances - interest	<u>-</u>	<u>-</u>	<u>1,412,564</u>	<u>(1,412,564)</u>
	<u>4,034,500</u>	<u>34,786</u>	<u>1,450,974</u>	<u>2,583,526</u>
Excess (deficiency) of revenues over expenditures	(1,253,421)	\$ <u><u>(30,604)</u></u>	(1,443,894)	(190,473)
Fund balance beginning	<u>1,465,076</u>		<u>1,443,894</u>	<u>(21,182)</u>
Fund balance ending	\$ <u><u>211,655</u></u>		\$ <u><u>-</u></u>	\$ <u><u>(211,655)</u></u>

Great Western Park Metropolitan District No.2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Nine Months Ended September 30, 2020
Debt Service Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	Actual <u>Quarter</u>	Actual Year to <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 861,152	\$ 8,118	\$ 860,284	\$ (868)
Specific ownership taxes	30,000	14,666	35,896	5,896
Interest income	30,000	1,961	13,513	(16,487)
	<u>921,152</u>	<u>24,745</u>	<u>909,693</u>	<u>(11,459)</u>
Expenditures				
Series 2016A Interest	540,600	-	270,300	270,300
Series 2016A Principal	55,000	-	-	55,000
Series 2016B Interest	112,738	-	-	112,738
Miscellaneous	2,500	-	-	2,500
Paying agent fees	5,500	-	-	5,500
Treasurer's fees	12,917	124	12,908	9
	<u>729,255</u>	<u>124</u>	<u>283,208</u>	<u>446,047</u>
Excess (deficiency) of revenues over expenditures	191,897	\$ <u><u>24,621</u></u>	626,485	434,588
Fund balance beginning	<u>1,700,445</u>		<u>1,900,918</u>	<u>200,473</u>
Fund balance ending	\$ <u><u>1,892,342</u></u>		\$ <u><u>2,527,403</u></u>	\$ <u><u>635,061</u></u>

Proposal to Provide Municipal Advisory Services

Great Western Park Metropolitan District No. 2

January 19, 2021



CONTACT:

Jason Simmons, Managing Director
Jason.Simmons@hilltopsecurities.com

8055 E. Tufts Avenue, Ste. 500,
Denver, Colorado 80237

Phone: 303.771.0217

Creig Veldhuizen, Managing Director
Creig.veldhuizen@hilltopsecurities.com

8055 E. Tufts Avenue, Ste. 500
Denver, Colorado 80237

Phone: 303.248.2521

January 19, 2021
HilltopSecurities Inc.
Request for Proposals
Great Western Park Metropolitan District No. 2

Jason Simmons
Managing Director
8055 E. Tufts Avenue, Suite 500
Denver, CO 80237
303.771.0217 Direct
303.771.1633 Fax
Jason.Simmons@hilltopsecurities.com

January 19, 2021

Great Western Park Metropolitan District No. 2
c/o David Solin
Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898

Re: Proposal to Provide Municipal Advisory Services

Dear Mr. Solin:

On behalf of Hilltop Securities Inc. (“HilltopSecurities”), we are pleased to submit our qualifications to serve as Municipal Advisor to the Great Western Park Metropolitan District No. 2 (the “District”). *The Denver-based HilltopSecurities team has a track record of serving as a municipal advisor to Colorado governmental borrowers, including metropolitan districts, and we are dedicated to providing superior client service to those who engage us in that capacity.*

A Municipal Advisor has a fiduciary duty to their clients to ensure that each transaction is executed to best meet the identified needs. We appreciate that the District is looking to engage a firm as their Municipal Advisor and feel this role is very important for Colorado metropolitan districts.


As demonstrated throughout our proposal, HilltopSecurities is a leading provider of Municipal Advisory services both in Colorado and across the nation. Based on our commitment to the advisory role and our track record of advisory engagements, we believe HilltopSecurities is extremely well-suited to meet the needs of the District for the contemplated transaction. Several of the advantages we offer are:

- **Top Colorado Financial Advisory Professionals** – In 2020, HilltopSecurities ranked as the number one Municipal Advisor in the State of Colorado by number of transactions and number two by par amount. Over the prior five years, Hilltop Securities ranked as the number one Municipal Advisor in the State of Colorado by both number of transactions and par amount according to Ipreo MuniAnalytics.
- **Metro District Work** – With the addition of Creig Veldhuizen to the HilltopSecurities team, the firm has significant recent experience working with Colorado metropolitan districts. We also monitor every metro district transaction that is executed via public sale in Colorado to ensure we have a complete understanding of the market when advising our clients.

- **Strong Colorado Commitment** – Each of the core members of HilltopSecurities’ Municipal Advisory team is located in the firm’s Denver office. Our team represents many local governments and metropolitan districts across the Front Range and have worked with many different issuers on various capital plans and financings.
- **Full-Service Firm** - HilltopSecurities is a diversified investment banking firm focused on providing superior financial advisory and related services to public and non-profit entities in Colorado and nationwide. As a full-service investment banking firm HilltopSecurities has a fully-staffed municipal underwriting, sales and trading desk.

HilltopSecurities very much appreciates the opportunity to present our credentials to serve as the Municipal Advisor to the District. Should you have any questions or desire additional information, please do not hesitate to contact us.

Sincerely yours,



Jason Simmons
Managing Director



Creig Veldhuizen
Managing Director

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Required Proposal Responses

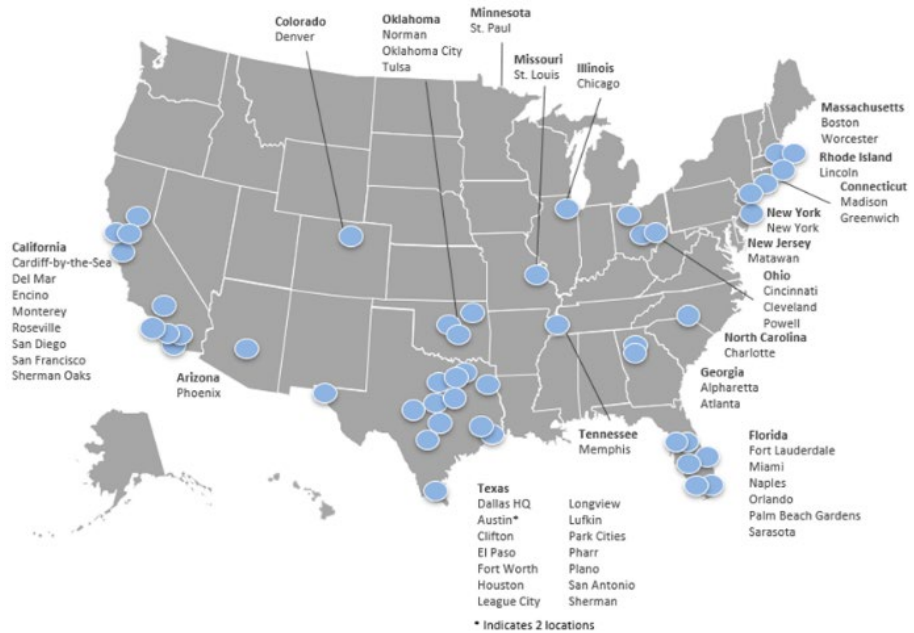
1. General firm profile information (e.g. firm background, practice areas, description of employees/staff, office locations, etc.).
2. Your firm's experience in Colorado Municipal Finance issuances, particularly working with Special Districts in Colorado. Please include information on the underwriters and commercial banks with whom you have worked on these issuances.
3. Your firm's experience with Colorado Municipal Advisory work, particularly work with Special Districts in Colorado.

Overview of HilltopSecurities

HilltopSecurities is a full-service, diversified investment banking firm focused on one mission: to provide superior financial advisory and related services to public entities nationwide. Previously under the name of FirstSouthwest, our firm began serving the financing needs of local municipalities in Texas when it was founded in 1946, and financial advisory services have continued to be the firm's primary business as it has grown into a national firm with demonstrated expertise in every sector of public finance.

On January 22, 2016, FirstSouthwest was merged into HilltopSecurities with another Texas-based firm, Southwest Securities, Inc., creating a stronger firm with complementary business liens and a shared history representing more than 112 years of industry experience.

HilltopSecurities is headquartered in Dallas, Texas, and maintains 50 offices in 18 states. Nationwide, HilltopSecurities currently employs approximately 763 people. Currently, HilltopSecurities has 203 public finance professionals who are involved in providing financial advisory services which is the mainstay of our firm. The District will be covered by the four financial advisory team members based in the firm's Denver office. Other areas of our firm, including swap advisory, arbitrage rebate compliance, asset management, and continuing disclosure services, are available to support our Denver-based advisory team in our engagement with the District. The following map illustrates our office locations throughout the United States; addresses for these locations as well as the headquarters in Dallas can be provided upon request.



National Experience

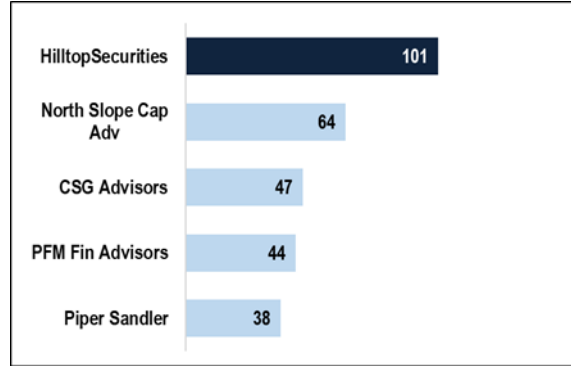
HilltopSecurities is a recognized leader in providing Financial Advisory services throughout the nation. Our firm is currently contracted to provide financial advisory services to approximately 1,600 public sector clients. For the period January 1, 2016 through December 31, 2020, HilltopSecurities has acted as Municipal Advisor on 4,304 transactions with a par volume of \$184.5 billion, which **ranks second by number of issues among all Municipal Advisors in the nation**, according to Ipreo MuniAnalytics.

We are consistently ranked among the top two or three financial advisors nationally in the rankings published by Ipreo MuniAnalytics. HilltopSecurities offers the resources, experience, and market expertise of a national firm, while serving a broad cross-section of governmental borrowers in every region and market sector.

Colorado Financial Advisory Experience

Since HilltopSecurities entered the Colorado market with locally based advisors in 2012, the firm has built the most experienced team of financial advisors in the State. Our Denver office specializes in providing Financial Advisory Services to public entities throughout Colorado. According to Ipreo MuniAnalytics, for the period of January 1, 2016, to December 31, 2020, HilltopSecurities ranked as the number one financial advisor in Colorado for the number of deals and aggregate par amount, totaling 101 transactions with a par amount of over \$7.95 billion based on proportionate share for transactions where we served as co-advisor.

Colorado Municipal Advisory Rankings
Number of Colorado Transactions
January 1, 2016 to December 31, 2020



Source: Ipreo MuniAnalytics

The experience of the Hilltop Securities team covers all types of transactions sold by Colorado local governments as detailed in the table below. The benefit of the broad experience of the Hilltop team is that we are actively involved in many communities along the Front Range of Colorado which gives us direct knowledge and insight into each community.

The team that will serve as Municipal Advisor to the District has significant recent experience working with Colorado metropolitan districts, particularly in the advisory role as illustrated in the table below.

Metropolitan District Experience of Hilltops Securities Team

Closing	District	Par Value	Type	Role
12/19/2019	Vauxmont Metropolitan District*	\$132,620	Bonds	Municipal Advisor
11/7/2019	Sky Ranch Community Advisory Board*	\$13,195	Bonds	Municipal Advisor
12/19/2019	Erie Commons Metropolitan District No. 2*	\$32,650	Bonds	Municipal Advisor
1/29/2020	Spring Valley Metropolitan District No. 3*	\$6,736	Bonds	Municipal Advisor
4/8/2020	Southshore Metropolitan District No. 2*	\$62,045	Bonds	Municipal Advisor
4/16/20	Indy Oak TOD Metropolitan District	\$3,936	Bonds	External Financial Advisor
5/5/2020	Wyndham Hill Metropolitan District No. 1*	\$29,670	Bonds	Municipal Advisor
7/28/2020	Jefferson Center Metropolitan District No. 1*	\$128,745	Bonds	Municipal Advisor
6/30/2020	The Aurora Highlands Community Authority Board*	\$168,000	Bonds	Municipal Advisor
9/2/2020	Castle Oaks Metropolitan District No. 3*	\$34,250	Bonds	Municipal Advisor
8/5/2020	Spring Valley Metropolitan District No. 4*	\$14,761	Bonds	Municipal Advisor
7/31/2020	Spring Valley Metropolitan District No. 2*	\$11,000	Bank Loan	Municipal Advisor
9/30/2020	Sorrel Ranch Metropolitan District*	\$13,425	Bonds	Municipal Advisor
9/4/2020	Johnstown Farms Metropolitan District*	\$2,100	Bonds	Underwriter
7/29/2020	Prairie Center Metropolitan District No. 7*	\$12,225	Bonds	Municipal Advisor
8/27/20	Belleview Village Metropolitan District	\$3,470	Bonds	External Financial Advisor
9/17/2020	Crystal Valley Ranch Metropolitan District No. 2*	\$56,660	Bonds	Municipal Advisor
11/17/2020	Erie Highlands Metropolitan District No. 1	\$8,930	Bonds	Municipal Advisor
12/11/2020	Three Springs Metropolitan District No. 1	\$19,000	Bank Loan	Municipal Advisor
12/11/2020	Three Springs Metropolitan District No. 4	\$3,600	Bank Loan	Municipal Advisor
12/22/2020	Three Springs Metropolitan District No. 1	\$6,750	Bonds	Municipal Advisor
10/29/2020	2000 Holly Metropolitan District*	\$5,112	Bonds	Municipal Advisor

*Represents experience of Creig Veldhuizen at his prior firm

Case Studies

4. Identify the individual(s) that would be directly responsible for working with the District and provide a resume for each individual that includes relevant education, training, and experience in municipal financial advising. Include the individual who would be primarily responsible for the District’s account and provide any additional information about the project team that you deem to be relevant.

The HilltopSecurities Advisory team will be led by Jason Simmons, Managing Director and Creig Veldhuizen, Managing Director. Pete Stare and Elizabeth Funk on the firms underwriting desk will provide market data and pricing support to the Advisory team.

Team		
Municipal Advisory Team		
<p>Jason Simmons Managing Director 8055 E. Tufts Avenue, Suite 500 Denver, CO 80237 303.771.0217 Jason.Simmons@hilltopsecurities.com</p>	<p>Creig Veldhuizen Managing Director 8055 E. Tufts Avenue, Suite 500 Denver, CO 80237 303.248.2521 Creig.Veldhuizen@hilltopsecurities.com</p>	<p>Chandler Larson Assistant Vice President Hilltop Securities Inc. 2398 East Camelback Rd. Suite 340, Phoenix, AZ 85016 Chandler.Larson@hilltopsecurities.com</p>
Underwriting/Market Support		
<p>Pete Stare Managing Director 700 Milam Street, Suite 500 Houston, TX 77002 713.654.8639 Peter.Stare@hilltopsecurities.com</p>	<p>Elizabeth Funk Managing Director 8055 E. Tufts Avenue, Suite 500 Denver, CO 80237 303.248.2502 Elizabeth.Funk@hilltopsecurities.com</p>	

Jason Simmons brings over 20-years of Colorado public finance to the District, including experience with large and small issuers across the State of Colorado. Jason’s financial advisory client’s include cities, counties, school districts, and special districts. Within Colorado Jason has worked on a broad range of financing structures including General Obligation Bonds, Utility Revenue Bonds, Sales and Use Tax Revenue Bonds and Certificates of Participation. He has served as financial advisor for three separate transaction that were recognized by The Bond Buyer as regional finalist for the “Deal of the Year”. Jason is currently working with Three Springs Metropolitan District in Durango to evaluate a refunding of their outstanding obligations and serves as advisor to the City and County of Denver for all of their metropolitan districts.

The addition of Creig Veldhuizen to the HilltopSecurities advisory team has bolstered our experience and capability in providing the best financial advisory services to the Colorado metropolitan district market. Creig’s 18 years of experience as a land developer in Colorado, and his more recent experience providing financial advisory services to Colorado metropolitan districts makes him valuable resource for our clients. Creig led 13 transactions as a financial advisor to metropolitan district clients in 2020. Most of those engagements were highly complex transactions involving several layers of senior and subordinate debt that had different refunding options available to them. Many of those engagements also involved resident controlled boards who benefitted from Creig’s deal structuring expertise, project management, and communications skills to achieve successful results.

Chandler Larson has provided financial modeling, credit analysis, and project management services for public finance transactions across the credit spectrum. Chandler has provided financial advisory or underwriting services on over \$4 billion of transactions for a wide variety of municipal issuer types, including housing projects, special taxing and assessment districts, tax increment financing districts, cities, counties, energy-related project finance borrowers, colleges and universities, transportation agencies, and residential and commercial Property Assessed Clean Energy (PACE) programs, among others. Chandler has experience working with and modeling a wide variety of transaction structures including tax-exempt and taxable fixed rate bonds, variable rate bonds, privately placed municipal

securities, bank loans, lines of credit, short-term notes, commercial paper, and public-private partnership concession agreements.

Pete Stare is a Managing Director on the firm's underwriting desk and, in that role, works with the firm's financial advisory clients throughout the pricing process in addition to serving as the underwriter on some of the firm's negotiated sales. Pete joined the firm in 1996 and has been involved in the securities industry since 1974 in the areas of sales, trading, underwriting, and portfolio management. Pete has worked with several regional and nationally recognized firms managing their trading desks, municipal bond departments, and investment divisions.

Elizabeth Funk is a Managing Director and lead High Yield Underwriter in the firm's Debt Capital Markets department. She has been in the securities industry for 15 years and joined the firm in 2019. Prior to joining HilltopSecurities she worked as a Director at Citi and prior to that at Stifel. She has priced a variety of municipal securities for issuers throughout the country. Elizabeth served as co-banker on Sterling Ranch CAB's 2017 financing, Dominion Water and Sanitation District's 2016 financing, and other metropolitan district clients such as Prairie Farm, Painted Prairie, Aerotropolis Regional Transportation District and Cobblestone Ranch.

5. Examples of projects for Special Districts in Colorado on which you worked.

6. Examples quantifying the value added by your firm through your municipal financial advising, particularly work with Special Districts in Colorado.

As summarized above, HilltopSecurities has worked with a wide range of special districts in Colorado including metropolitan districts, water utility districts, library districts, transportation districts and recreation districts. The objectives of a particular financing for each of those districts may be different but we always view our role as one that causes the outcome of the transaction to meet the specific needs of our client. The objective may purely be to achieve the lowest possible borrowing rate given market conditions, but it may also include structuring considerations for future borrowing needs or to affect tax or fee burdens within a community. The case studies below summarize our work with special districts in Colorado and the value added by HilltopSecurities as municipal advisor to those entities.

Crystal Valley Metropolitan District No. 2

While at his prior employer, Creig Veldhuizen acted as the lead municipal advisor to Crystal Valley Metropolitan District No. 2 ("District") to guide the resident-controlled board through a complex refunding of its \$72.3mm of outstanding debt. Closed in September 2020, Mr. Veldhuizen led the process and advised the District to achieve the following results and benefits for this District:

- Obtained service plan amendment from Town of Castle Rock on a unanimous vote
- Negotiated a \$6 million reduction in subordinate debt held by legacy developers Simplified total debt outstanding by collapsing all legacy debt and obligations into one rated and insured senior debt series
- Achieved a debt rating of Baa1 and secured bond insurance by Assured Guaranty
- Lowered annual total True Interest Cost (TIC%) of debt by 2.26% from 5.14% to 2.88%
- Lowered total outstanding debt by \$15.7 million from \$72.35 million vs. \$56.66 million
- Lowered total projected debt service by \$7.7 million over the term of the bonds
- Projected to save the typical District homeowner \$25,019 in debt service property taxes vs. projected legacy debt service properly tax payments'
- ***New debt structure will allow the District Board to reduce debt service ml/I levy by projected 51% within the next 10 years***

Erie Highlands Metropolitan District No. 1

Jason Simmons served as municipal advisor for the Erie Highlands Metropolitan District for a refunding of their outstanding bonds. The resident-controlled board was interested in engaging a municipal advisor to help them evaluate multiple refunding structures and provide guidance on which structure would best meet their goal of providing an immediate reduction in their mill levy which included the following services and results;

- Provided multiple scenarios in discussion with district board to demonstrate the impact on the mill levy and total debt service of extending the final maturity and different debt structures including level debt service and increasing debt service
- Worked with the underwriter to obtain bond insurance for the refunding bonds despite not achieving an investment grade rating
- The refunding bonds had a TIC of 2.43% and generated a present value savings of 51% which resulted in a projected cash flow savings of over \$7.2 million over the life of the bonds
- The refunding allowed the District to reduce the mill levy for the next fiscal year by over 21 mills from 56.333 to 33.815 mills for 2021 collections

**Three Springs Metropolitan District No. 1
Limited Tax General Obligation Refunding Bonds, Series 2020A
Subordinate Limited Tax General Obligation Refunding Bonds, Series 2020B
Three Springs Metropolitan District No. 4
Limited Tax General Obligation Refunding Bonds, Series 2020**

HilltopSecurities served as Municipal Advisor to Three Springs Metropolitan District No. 1 for a refunding of their Property Tax Supported Revenue Bonds, Series 2010 and a portion of the Series 2013 Junior Revenue Note and District No. 4 for a refunding of certain developer advances and a portion of the Series 2013 Junior Revenue Note. The initial expectation of the financing team was that the District No. 1 Senior bonds would receive an investment grade rating and to be insured by a municipal bond insurance company however due to continued reliance on developer advances to fund O&M expenses of the districts Moody's did not assign an investment grade rating. The finance team quickly moved to an alternate plan which included securing bank loans for both District No. 1 Senior bonds and the District No. 4 Senior bonds and provided the following benefits to the District.

- \$19 million Senior loan for District No. 1 with a 2.83% interest rate fixed for 15-years with a 30-year amortization
- \$6.75 million Subordinate publicly offered bonds for District No. 1 which with an interest rate of 7.125%
- Provided total funding for District No. 1 of \$27.5 million which refunded the Series 2010 bonds and repaid over \$9.9 million of the Series 2013 Junior Revenue Note
- \$3.6 million Senior draw-down loan for District No. 4 with a 3.04% interest rate fixed for 5-years with a 30-year amortization

**Belle Creek Metropolitan District No. 1
General Obligation Refunding Loan, Series 2020**

HilltopSecurities is currently serving as Financial Advisor to the District for the refunding of their General Obligation Refunding Bonds, Series 2011 and payoff of their Subordinate Cash Flow Note, Series 2016. The Series 2011 Bonds are callable December 1, 2020, and the Subordinate Note is callable at any time. The Subordinate Note was issued to the developer of the District and did not have an interest rate but required a minimum debt service mill levy that was higher than the District would like to levy. HilltopSecurities worked with the District Manager to calculate a discounted payoff amount for the Subordinate Note which the Manager negotiated with the developer directly. The District also had interest in generating additional funds for capital improvement projects throughout the District but did not have any voter authorization remaining. HilltopSecurities proposed that the District adjust the debt structure with the refunding to reduce debt payments in 2021 and 2022 to allow for an increase in the O&M mill levy to generate funds for capital improvements. HilltopSecurities assisted with an RFP for a direct loan with a bank and is working through the final documentation with an expectation to close on October 1, 2020.

7. A review of any potential conflicts of interest your firm would have in working with the District and how those conflicts would be addressed. A formal disclosure will be required prior to engagement.

HilltopSecurities has not identified any conflicts of interest for the potential engagement with the District. Our general municipal advisory disclosure is included in an exhibit to this proposal and a formal disclosure for the transaction will be included with the engagement agreement if HilltopSecurities is selected to provide advisory services to the District.

8. The fee structure under which your firm would propose to work with the District, and any out-of-pocket expenses to be reimbursed by the District.

All fees for work related specifically to a debt or financing issue are payable on a contingent basis and will only be paid by the District upon a successful issuance and closing. For the contemplated refunding transaction, HilltopSecurities proposes a fee of \$40,000.

9. A list of references.

Entity	Contact	Engagement Overview
Three Springs Metropolitan Districts	Tim Zink Board Member tzink@sugf.com	Hilltop Securities served as Municipal Advisor to the Districts for two bank loan transactions and an issue of publicly offered bonds subordinate bonds all of which closed in December of 2020.
Crystal Valley Metropolitan District No. 2	Linda Sweetman Board Member lsweetman@sweetmanconsulting.com	In September of 2020, Creig Veldhuizen, at is prior firm, served as Municipal Advisor to the District for a refinancing of ourstanding debt obligations.
Erie Highlands Metropolitan District	Jennifer Ivey District Counsel jivey@isp-law.com	Hilltop Securities served as Municipal Advisor for a refunding of the District's Series 2015 Bonds in October of 2020.

Our Approach to the Scope of Work

The Financial Advisory Role and Colorado Metropolitan Districts

While the term Financial Advisor has historically been used to describe the role of an individual or firm assisting an issuer with the issuance of municipal bonds, the term Municipal Advisor was introduced in the Dodd-Frank Act which was an outcome after the 2008 financial crisis. The Dodd-Frank Act put in place strict rules and regulations for individuals or firms serving as Municipal Advisors to issuers of municipal securities of financial products.

The use of Municipal Advisors is very common among Colorado cities and counties and is growing among Colorado school districts. Historically there has been very limited use of Municipal Advisors by Colorado Metropolitan Districts, however over the past year there has been an increase the number of districts that have hired a Municipal Advisor which is likely driven by several considerations which include:

Regulatory/Best Practices – A Municipal Advisor has a fiduciary duty to their clients and is required by the to represent the client's best interests and the Government Finance Officers Association (GFOA) recommends the hiring of a Municipal Advisor prior to the undertaking of a debt financing for entities that lack the direct knowledge and experience in issuing of municipal securities.

Market Knowledge and Financial Advisory Experience – A Municipal Advisor with a strong local presence that is a full-service municipal investment bank with an underwriting and trading desk provides our advisory clients real time access to market information that other non-broker dealer advisory firms cannot provide. Below are the details of some recent relevant transactions that the HilltopSecurities served as Municipal Advisor while at their prior firm.

\$34,250,000
Castle Oaks Metropolitan District No. 3 In Douglas County, Colorado
General Obligation Limited Tax Refunding and
Purpose: New Money and Refunding Offering Type: Negotiated Underwriter: D.A. Davidson Financial Advisor: Piper Sandler Callable: 12/1/2030 Underlying Rating: Baa2 (Insured Aa) Sale Date: 9/2/2020

\$56,660,000
Crystal Valley Metropolitan District No. 2 In Douglas County, Colorado
Limited Tax General Obligation Refunding and
Purpose: New Money and Refunding Offering Type: Negotiated Underwriter: Wells Fargo Secs Financial Advisor: Piper Sandler Callable: 12/1/2030 Underlying Rating: Baa1 (Insured Aa) Sale Date: 9/9/2020

\$13,425,000
Sorrel Ranch Metropolitan District In the City of Aurora, Arapahoe County, Colorado
Limited Tax General Obligation Refunding Bonds,
Purpose: Refunding Offering Type: Negotiated Underwriter: Stifel Financial Advisor: Piper Sandler Callable: 12/1/2030 Underlying Rating: Baa2 (Insured AA) Sale Date: 9/30/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2024	0.21	4.000	0.910	70.0
12/1/2025	0.27	4.000	0.990	72.0
12/1/2026	0.36	4.000	1.120	76.0
12/1/2027	0.49	4.000	1.320	83.0
12/1/2028	0.62	4.000	1.540	92.0
12/1/2029	0.73	4.000	1.690	96.0
12/1/2030	0.83	4.000	1.770	94.0
12/1/2035	1.16	4.000	2.050	89.0
12/1/2040	1.37	4.000	2.260	89.0
12/1/2045	1.52	4.000	2.410	89.0
12/1/2050	1.57	4.000	2.460	89.0

Maturity	MMD	Coupon	Yield	Spread
12/1/2020	0.14	5.000	0.540	40.0
12/1/2022	0.15	5.000	0.630	48.0
12/1/2023	0.16	5.000	0.680	52.0
12/1/2024	0.20	5.000	0.790	59.0
12/1/2025	0.26	5.000	0.890	63.0
12/1/2026	0.35	5.000	1.000	65.0
12/1/2027	0.49	5.000	1.210	72.0
12/1/2028	0.62	5.000	1.380	76.0
12/1/2029	0.73	5.000	1.520	79.0
12/1/2030	0.83	5.000	1.640	81.0
12/1/2031	0.90	5.000	1.710	81.0
12/1/2032	0.98	4.000	1.790	81.0
12/1/2033	1.06	4.000	1.870	81.0
12/1/2034	1.11	4.000	1.910	80.0
12/1/2035	1.16	4.000	1.960	80.0
12/1/2036	1.21	4.000	2.010	80.0
12/1/2037	1.25	4.000	2.050	80.0
12/1/2038	1.29	4.000	2.110	82.0
12/1/2039	1.33	4.000	2.160	83.0
12/1/2040	1.37	4.000	2.200	83.0
12/1/2044	1.49	4.000	2.320	83.0
12/1/2049	1.56	3.000	2.720	116.0

Maturity	MMD	Coupon	Yield	Spread
12/1/2021	0.12	2.000	0.550	43.0
12/1/2022	0.13	2.000	0.630	50.0
12/1/2023	0.14	2.000	0.750	61.0
12/1/2024	0.18	5.000	0.850	67.0
12/1/2025	0.26	5.000	0.930	67.0
12/1/2026	0.37	5.000	1.060	69.0
12/1/2027	0.50	5.000	1.250	75.0
12/1/2028	0.63	5.000	1.420	79.0
12/1/2029	0.77	5.000	1.570	80.0
12/1/2030	0.87	5.000	1.690	82.0
12/1/2031	0.94	4.000	1.760	82.0
12/1/2032	1.02	4.000	1.840	82.0
12/1/2033	1.10	4.000	1.920	82.0
12/1/2034	1.15	4.000	1.960	81.0
12/1/2035	1.20	4.000	2.010	81.0
12/1/2036	1.25	4.000	2.060	81.0
12/1/2037	1.29	4.000	2.100	81.0
12/1/2042	1.48	2.500	2.650	117.0

District Overview

The District has a relatively low debt profile with only the Series 2016A and 2016B Bonds (the “Series 2016 Bonds”) outstanding totaling \$12.6 million of par. The District made its first principal payment on the Series 2016A Bonds this past December, and the Series 2016 Bonds are callable in December 2021 with a call premium of 3%. The District has had substantial assessed value growth since the Series 2016 Bonds were issued, which has resulted in a decline in the District’s debt to AV from 424% to approximately 70% as of FY2019. Several transactions with similar debt ratios and project completions have priced in the market over the last few months and have received strong underlying credit ratings, have been able to obtain municipal bond insurance, and achieved strong pricing results.

When evaluating an upcoming refunding opportunity for our clients, we typically evaluate a few scenarios and provide a financing comparison and sensitivity analysis to ensure they are aware of all options when making a decision. In this instance, the District could execute a taxable advance refunding now, wait to execute a current refunding in the fall of 2021, or explore a bank transaction where the refunding bonds would be executed as taxable now but convert to tax-exempt on the call date. If hired to serve as Municipal Advisor to the District, HilltopSecurities will prepare the three refunding scenarios mentioned above and help evaluate the trade-offs of the savings generated from each refunding option and the interest rate risk exposure for each scenario. Our team has already prepared a preliminary set of refunding cash flows for a current refunding of the Series 2016 bonds in 2021 using current market rates. The projected cash flows for this refunding analysis are included as Exhibit II. Additionally, Hilltop Securities will work with the District to evaluate the benefits of refunding all or a portion of the developer advance notes as part of the aggregate financing.

Scope of Work

As a firm, we are client driven and not product driven. As a municipal advisor, we believe it is our responsibility to provide our clients with the information and data to help in making the most informed decisions possible and to become an extension of staff. We understand that debt issuance is only a small part of our clients’ daily activities, so we strive to become a trusted advisor that helps accomplish an issuers goals while minimizing the time commitment required by staff.

As a municipal advisor to public entities, our philosophy is to provide our clients with information and options that allow them to make informed decisions and present that information in a clear and concise manner that can be effectively communicated to elected official and constituents. We do this by engaging in discussions with our clients to understand what their needs and objectives are so that we may present several options to consider. We discuss the pros and cons of each option and provide further analysis as needed to address all of our clients' questions and concerns. Once a financing plan has been established, we keep our clients informed throughout the process and ensure the end result meets or exceeds the goals of our clients.

Based on our extensive and varied experience with public entities, HilltopSecurities provides a full-service approach to providing financial advisory services that ensures every aspect of a client's needs is addressed. The Denver office advises on an average of 25 transactions per year and our team is experienced with managing the transaction process to ensure a successful and timely outcome. The table below provides an overview of our role throughout the process of executing a transaction.

Step	HilltopSecurities' Approach to Managing Transactions
Review of Outstanding Obligations & Objectives	HilltopSecurities works closely with our clients to structure financings with different revenue streams, maturities and with varying constraints including outstanding legal covenants and annual debt service on outstanding debt. HilltopSecurities also develops financing calendars to ensure efficiency and communication between all parties involved in the bond issuance process.
Model Development	HilltopSecurities will develop a model to evaluate the anticipated bond issue and various structures. Our team will review the financial condition of the District including current assessed value as well as projections throughout the term of the financing. We discuss assumptions for our modeling such as expected development, changes in the Residential Assessment Rate, and economic sensitivity to the projected build out. This analysis will help form the anticipated structure of the issue.
Bond Document Development and Review	HilltopSecurities works closely with bond counsel in the early stages of a bond issuance to set up bond document review sessions with all parties involved. HilltopSecurities will also review each document to evaluate the factual contents and the structure of each document during a bond issuance.
Rating Agency Review and Preparation	Our team will analyze the existing financials of the District to determine whether we believe there would be a benefit to attaining a rating on the bond issue. For districts that benefit from a rating, HilltopSecurities leads the effort in scheduling rating agency calls and distributing documents to the rating agencies prior to calls. HilltopSecurities will work with the issuer to help develop a 'script' for the rating presentation if necessary and highlight the important credit features that should be discussed during the presentation.
Pricing Bond Issue	In the case of a negotiated sale, HilltopSecurities works very closely with the Underwriter(s) in the days leading up to pricing and will also seek guidance from our own underwriting desk to ensure that issuers are receiving appropriate market rates. On the day of pricing, HilltopSecurities will review all analysis and documents pertaining to the bond sale.
Bond Closing	HilltopSecurities coordinates with all parties and will produce a closing memorandum that will contain instructions on the closing process including closing dates, funds being transferred and the use of bond proceeds. HilltopSecurities also organizes a call with the Depository Trust Company (DTC) to formally close the bond issuance.
Special Meetings	HilltopSecurities attends any meeting at the request of the issuer. Our team has attended and coordinated meetings with a variety of parties involved in a bond issuance including internal staff and management, finance and audit committees, councils and boards, bond counsel, rating agencies, and underwriters.
Post Issuance Assistance	After the issuance of bonds, HilltopSecurities reviews the bond process with issuers and advises on the issuer's current debt profile and any changes in ratings and produces updated debt books with summary information about the issue and all other outstanding debt.
General	HilltopSecurities consistently monitors an issuer's outstanding debt to capitalize on any refunding opportunities that may be financially beneficial to the issuer. HilltopSecurities also monitors all federal and state laws that may influence debt issuances and will relay the information to the issuer.

Why HilltopSecurities?

As demonstrated throughout the proposal, HilltopSecurities is the most qualified firm to serve as the Financial Advisor to the District which is driven by the following two main factors.

- **Financial Advisory Focus** – The Colorado based team focuses on providing high quality Financial Advisory services to Colorado local governments and brings a client service driven approach when working with our clients.
- **Significant Metropolitan District Experience** - the Hilltop Securities team has significant recent experience working with Colorado metropolitan Districts which has been bolstered by the addition of Creig Veldhuizen to the Hilltop Team.
- **Most Colorado Advisory Experience** – The HilltopSecurities team has the broadest and most advisory experience in Colorado. This experience means that our team is aware of all financing options that may be available and can discuss the pros and cons of each option with the District.

Colorado Municipal Bond Knowledge

The professionals in HilltopSecurities' Denver office are always up to date on the market conditions for Colorado issuers. In addition to serving as Financial Advisor on an average of 25 deals per year, the team tracks every deal done in Colorado. We maintain a spreadsheet of every public transaction in the state including call features, final pricing information, and coupon structures. This allows us to provide immediate feedback to our clients when they consider various call options or structures. It also allows us to track changes in spreads to the MMD for similar credits and issuers. Included as Exhibit III are the pricing details for all public metropolitan district bonds priced in July and August.

For Metropolitan Districts, keeping track of recent transactions allows us to monitor yield differentials between senior and subordinate lien bonds as well as differences in rated districts and those that are not. It also allows us to track pricing trends when considering new money or refunding issuances for entities such as the District. We utilize this information, our experience working with other entities, as well as the market knowledge from our desk to discuss likely interest rates or beneficial structures for any contemplated financing.

Market Knowledge

We believe that the discipline of maintaining an active broker/dealer operation benefits our clients in numerous ways. The most important benefit to our municipal clients is that we are active participants in the marketplace every day, not merely observers. The underwriting desk at HilltopSecurities works in partnership with our financial advisors from the development of the financing structure through the establishment of the priority of orders and final allocation of bonds among the members of the underwriting syndicate. As much as 70% of our underwriting group's time is invested in working with our financial advisory clients.

In our role as financial advisor, HilltopSecurities' underwriting and trading desk will provide input and recommendations regarding key structural aspects of the financing such as call options, coupon structure, and underwriters' discount.

The advice and input from our underwriting desk assures financial advisory clients that their securities are priced and sold at market levels. It also assures that our client achieves the optimal structure and pricing of its debt issues, given market conditions at the time of sale.

The professionals at HilltopSecurities are able to negotiate as equals with underwriters and to speak with authority on market conditions. We strongly believe that this approach distinguishes our services from our competitors, but – more importantly – it provides a higher quality of service to our clients.

Advisory firms without underwriting capabilities do not have direct market participation or actual market involvement. They are merely observers versus participants in the bond market. They are dependent on and rely solely on outside

vendors and third parties to provide them with information regarding the bond market. These third parties may not be motivated to act in the best interests of the issuer. Therefore, reliance on information and pricing views from outside third parties may result in “loose” or inefficient pricing relative to the actual market, and may not be specifically related to the needed structure of the issuer.

Pricing

As a financial advisor, our clients rely on us to ensure they achieve the best pricing results given their objectives. While some clients are focused on achieving the lowest possible interest cost for a transaction, others are focused on achieving a particular structure to create future flexibility. Our primary focus throughout the pricing process is to understand our clients’ goals and help them achieve the best possible results while operating within parameters of our client’s goals.

Negotiated Process

For a negotiated sale, we will represent the District in all areas of pricing and sale. We will assist with the negotiation of coupons, expenses, takedowns, and yields to ensure that the District’s bonds are sold at market rates. Our professionals will conduct pre-pricing calls with the District and the underwriters, set marketing priorities, monitor all orders, and balance requests for re-pricing. We will recommend approval of final pricing only after our underwriting desk has assured the District that the borrowing has achieved a fair cost of capital for the sale date, based on to-the-minute market conditions for that type of security.

Prior to each transaction, we will discuss current market dynamics and give the District current market data and scales reflecting what our underwriting desk believes are the current trading values for the District’s new issue. This information will provide the basis of professional negotiations with the underwriters and will provide the District with a realistic expectation for the pricing.

Direct Placements

Guiding a client through the direct placement process is very different than a public sale to the market. Since direct placements are a private transaction between a bank and an issuer, the final terms or pricing of a direct placement are not readily available for comparison. However, since HilltopSecurities serves as financial advisor to several entities in Colorado, our team typically has recently executed placements that we can reference for comparison. We also advise our clients on various credit features or prepayment options that may help improve the interest rates quoted by banks. At the very initial stages of a transaction we always discuss the potential opportunity for a direct placement and discuss the pros and cons with our clients.

Great Western Park Metropolitan District No. 2

Exhibit I

Preliminary Cash Flow Model Refunding Results

Exhibit I



Great Western Park Metropolitan District No. 2
General Obligation Limited Tax Refunding Bonds, Series 2021
Projected Mill Levy Model

Collection Year	Assessed Value ⁽¹⁾ (\$1,000)	Assumed Assessed Value Growth	Debt Service				Series 2021 Bonds ⁽⁴⁾					Coverage at 47.678 Mills	General Fund				Total Mill Levy
			Bond Debt Service Mill Levy	Property Tax Collections ⁽²⁾	Specific Ownership Tax ⁽³⁾	Total Revenues For DS	Principal	Interest	DSRF	Total Debt Service	O&M Mill Levy ⁽⁵⁾		Property Tax Collections ⁽²⁾	Specific Ownership Tax ⁽³⁾	Revenues Available for O&M		
																O&M	
2020	18,062		47.678	848,235	50,894	899,129							5.430	96,605	5,796	102,401	53.108
2021	18,062	0.000%	47.678	848,235	50,894	899,129							5.430	96,605	5,796	102,401	53.108
2022	18,423	2.000%	36.308	658,874	39,532	698,407	205,000	493,407		698,407	1.24	5.430	98,537	5,912	104,449	41.738	
2023	18,423	0.000%	36.303	658,774	39,526	698,300	295,000	403,300		698,300	1.24	5.430	98,537	5,912	104,449	41.733	
2024	18,792	2.000%	35.545	657,925	39,475	697,400	300,000	397,400		697,400	1.27	5.430	100,507	6,030	106,538	40.975	
2025	18,792	0.000%	35.494	656,981	39,419	696,400	305,000	391,400		696,400	1.27	5.430	100,507	6,030	106,538	40.924	
2026	19,167	2.000%	34.743	655,943	39,357	695,300	310,000	385,300		695,300	1.30	5.430	102,518	6,151	108,669	40.173	
2027	19,167	0.000%	34.778	656,604	39,396	696,000	320,000	376,000		696,000	1.29	5.430	102,518	6,151	108,669	40.208	
2028	19,551	2.000%	34.116	656,981	39,419	696,400	330,000	366,400		696,400	1.32	5.430	104,568	6,274	110,842	39.546	
2029	19,551	0.000%	34.204	658,679	39,521	698,200	345,000	353,200		698,200	1.32	5.430	104,568	6,274	110,842	39.634	
2030	19,942	2.000%	33.591	659,811	39,589	699,400	360,000	339,400		699,400	1.34	5.430	106,659	6,400	113,059	39.021	
2031	19,942	0.000%	33.380	655,660	39,340	695,000	370,000	325,000		695,000	1.35	5.430	106,659	6,400	113,059	38.810	
2032	20,341	2.000%	32.734	655,849	39,351	695,200	385,000	310,200		695,200	1.38	5.430	108,793	6,528	115,320	38.164	
2033	20,341	0.000%	32.951	660,189	39,611	699,800	405,000	294,800		699,800	1.37	5.430	108,793	6,528	115,320	38.381	
2034	20,747	2.000%	32.250	659,057	39,543	698,600	420,000	278,600		698,600	1.40	5.430	110,968	6,658	117,626	37.680	
2035	20,747	0.000%	32.166	657,358	39,442	696,800	435,000	261,800		696,800	1.40	5.430	110,968	6,658	117,626	37.596	
2036	21,162	2.000%	31.653	659,811	39,589	699,400	455,000	244,400		699,400	1.42	5.430	113,188	6,791	119,979	37.083	
2037	21,162	0.000%	31.509	656,792	39,408	696,200	470,000	226,200		696,200	1.43	5.430	113,188	6,791	119,979	36.939	
2038	21,586	2.000%	30.944	657,925	39,475	697,400	490,000	207,400		697,400	1.46	5.430	115,451	6,927	122,379	36.374	
2039	21,586	0.000%	30.962	658,302	39,498	697,800	510,000	187,800		697,800	1.45	5.430	115,451	6,927	122,379	36.392	
2040	22,017	2.000%	30.337	657,925	39,475	697,400	530,000	167,400		697,400	1.49	5.430	117,761	7,066	124,826	35.767	
2041	22,017	0.000%	30.285	656,792	39,408	696,200	550,000	146,200		696,200	1.49	5.430	117,761	7,066	124,826	35.715	
2042	22,458	2.000%	29.819	659,623	39,577	699,200	575,000	124,200		699,200	1.51	5.430	120,116	7,207	127,323	35.249	
2043	22,458	0.000%	29.691	656,792	39,408	696,200	595,000	101,200		696,200	1.51	5.430	120,116	7,207	127,323	35.121	
2044	22,907	2.000%	29.159	657,925	39,475	697,400	620,000	77,400		697,400	1.55	5.430	122,518	7,351	129,869	34.589	
2045	22,907	0.000%	29.168	658,113	39,487	697,600	645,000	52,600		697,600	1.54	5.430	122,518	7,351	129,869	34.598	
2046	23,365	2.000%	28.563	657,358	39,442	696,800	670,000	26,800	699,800	(3,000)	-	5.430	124,968	7,498	132,466	33.993	
							\$ 10,895,000	\$ 6,537,807			\$ 16,733,007						

(1) Assumes assessed value for collection in 2020 from information in the District's FY2019 financial statements. Assumes 2% growth in reassessment years and no growth in non-reassessment years.

(2) Assumes collection rate of 98.5%.

(3) SOT revenues are calculated as 6% of property tax collections.

(4) Assumes tax-exempt market rates as of 8/31/2020 plus applicable credit spreads. Refunding assumes the District will not have made any interest payments on the Series 2016B Subordinate Cash Flow Bonds prior to the refunding. Assumes the Surplus Fund for the 2016 Bonds is full funded at the maximum amount of \$1,104,500 and that amount is contributed to the refunding. This does not assume the Series 2021 Bonds have a Surplus Fund.

(5) Assumes mill levy stays constant at the 5.430 mills levied by the District in 2019 for collection in 2020.

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General Obligation Refunding Bonds, Series 2021
Current Refunding of Series 2016AB
Level Debt Service
Market Rates as of 8/31/2020
Preliminary - for discussion only**

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SOURCES AND USES OF FUNDS

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

Dated Date 09/15/2021
 Delivery Date 09/15/2021

Sources:

Bond Proceeds:	
Par Amount	10,895,000.00
Premium	1,573,344.95
	12,468,344.95
Other Sources of Funds:	
2016A DSRF Release	884,591.87
2016A Surplus Fund	1,104,500.00
Full 12/1/2021 Payment	470,568.75
	2,459,660.62
	14,928,005.57

Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.42
SLGS Purchases	13,239,956.00
	13,239,956.42
Other Fund Deposits:	
Debt Service Reserve Fund	699,800.00
Delivery Date Expenses:	
Cost of Issuance	54,475.00
Underwriter's Discount	250,000.00
Bond Insurance	87,164.03
	391,639.03
Other Uses of Funds:	
Unpaid Interest on 2016B Bonds	592,088.25
Additional Proceeds	4,521.87
	596,610.12
	14,928,005.57

BOND DEBT SERVICE

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

Period Ending	Principal	Coupon	Interest	Debt Service
12/31/2022	205,000	2.000%	493,406.67	698,406.67
12/31/2023	295,000	2.000%	403,300.00	698,300.00
12/31/2024	300,000	2.000%	397,400.00	697,400.00
12/31/2025	305,000	2.000%	391,400.00	696,400.00
12/31/2026	310,000	3.000%	385,300.00	695,300.00
12/31/2027	320,000	3.000%	376,000.00	696,000.00
12/31/2028	330,000	4.000%	366,400.00	696,400.00
12/31/2029	345,000	4.000%	353,200.00	698,200.00
12/31/2030	360,000	4.000%	339,400.00	699,400.00
12/31/2031	370,000	4.000%	325,000.00	695,000.00
12/31/2032	385,000	4.000%	310,200.00	695,200.00
12/31/2033	405,000	4.000%	294,800.00	699,800.00
12/31/2034	420,000	4.000%	278,600.00	698,600.00
12/31/2035	435,000	4.000%	261,800.00	696,800.00
12/31/2036	455,000	4.000%	244,400.00	699,400.00
12/31/2037	470,000	4.000%	226,200.00	696,200.00
12/31/2038	490,000	4.000%	207,400.00	697,400.00
12/31/2039	510,000	4.000%	187,800.00	697,800.00
12/31/2040	530,000	4.000%	167,400.00	697,400.00
12/31/2041	550,000	4.000%	146,200.00	696,200.00
12/31/2042	575,000	4.000%	124,200.00	699,200.00
12/31/2043	595,000	4.000%	101,200.00	696,200.00
12/31/2044	620,000	4.000%	77,400.00	697,400.00
12/31/2045	645,000	4.000%	52,600.00	697,600.00
12/31/2046	670,000	4.000%	26,800.00	696,800.00
	10,895,000		6,537,806.67	17,432,806.67

BOND PRICING

**Great Western Park Metropolitan District
General Obligation Refunding Bonds, Series 2021
Current Refunding of Series 2016AB
Level Debt Service
Market Rates as of 8/31/2020
Preliminary - for discussion only**

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bond:									
	12/01/2022	205,000	2.000%	0.650%	101.625				3,331.25
	12/01/2023	295,000	2.000%	0.660%	102.936				8,661.20
	12/01/2024	300,000	2.000%	0.670%	104.217				12,651.00
	12/01/2025	305,000	2.000%	0.710%	105.342				16,293.10
	12/01/2026	310,000	3.000%	0.810%	111.151				34,568.10
	12/01/2027	320,000	3.000%	1.110%	111.312				36,198.40
	12/01/2028	330,000	4.000%	1.330%	118.299				60,386.70
	12/01/2029	345,000	4.000%	1.460%	119.585				67,568.25
	12/01/2030	360,000	4.000%	1.560%	120.857				75,085.20
	12/01/2031	370,000	4.000%	1.680%	121.683				80,227.10
		3,140,000							394,970.30
Term Bond:									
	12/01/2032	385,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	60,768.40
	12/01/2033	405,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	63,925.20
	12/01/2034	420,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	66,292.80
	12/01/2035	435,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	68,660.40
	12/01/2036	455,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	71,817.20
	12/01/2037	470,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	74,184.80
	12/01/2038	490,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	77,341.60
	12/01/2039	510,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	80,498.40
	12/01/2040	530,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	83,655.20
	12/01/2041	550,000	4.000%	2.260%	115.784 C	2.957%	12/01/2031	100.000	86,812.00
		4,650,000							733,956.00
Term Bond #2:									
	12/01/2042	575,000	4.000%	2.410%	114.313 C	3.171%	12/01/2031	100.000	82,299.75
	12/01/2043	595,000	4.000%	2.410%	114.313 C	3.171%	12/01/2031	100.000	85,162.35
	12/01/2044	620,000	4.000%	2.410%	114.313 C	3.171%	12/01/2031	100.000	88,740.60
	12/01/2045	645,000	4.000%	2.410%	114.313 C	3.171%	12/01/2031	100.000	92,318.85
	12/01/2046	670,000	4.000%	2.410%	114.313 C	3.171%	12/01/2031	100.000	95,897.10
		3,105,000							444,418.65
		10,895,000							1,573,344.95

Dated Date	09/15/2021	
Delivery Date	09/15/2021	
First Coupon	06/01/2022	
Par Amount	10,895,000.00	
Premium	1,573,344.95	
Production	12,468,344.95	114.440982%
Underwriter's Discount	-250,000.00	-2.294631%
Purchase Price	12,218,344.95	112.146351%
Accrued Interest		
Net Proceeds	12,218,344.95	

BOND SUMMARY STATISTICS

**Great Western Park Metropolitan District
General Obligation Refunding Bonds, Series 2021
Current Refunding of Series 2016AB
Level Debt Service**

Market Rates as of 8/31/2020

****Preliminary - for discussion only****

Dated Date	09/15/2021
Delivery Date	09/15/2021
Last Maturity	12/01/2046
Arbitrage Yield	2.204857%
True Interest Cost (TIC)	2.958373%
Net Interest Cost (NIC)	3.195289%
All-In TIC	2.997841%
Average Coupon	3.940335%
Average Life (years)	15.229
Weighted Average Maturity (years)	15.325
Duration of Issue (years)	11.583
Par Amount	10,895,000.00
Bond Proceeds	12,468,344.95
Total Interest	6,537,806.67
Net Interest	5,214,461.72
Bond Years from Dated Date	165,920,055.56
Bond Years from Delivery Date	165,920,055.56
Total Debt Service	17,432,806.67
Maximum Annual Debt Service	699,800.00
Average Annual Debt Service	691,473.16
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	22.946306
Total Underwriter's Discount	22.946306
Bid Price	112.146351

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	3,140,000.00	112.579	3.481%	6.069
Term Bond	4,650,000.00	115.784	4.000%	16.033
Term Bond #2	3,105,000.00	114.313	4.000%	23.288
	10,895,000.00			15.229

	TIC	All-In TIC	Arbitrage Yield
Par Value	10,895,000.00	10,895,000.00	10,895,000.00
+ Accrued Interest			
+ Premium (Discount)	1,573,344.95	1,573,344.95	1,573,344.95
- Underwriter's Discount	-250,000.00	-250,000.00	
- Cost of Issuance Expense		-54,475.00	
- Other Amounts	-87,164.03	-87,164.03	-87,164.03
Target Value	12,131,180.92	12,076,705.92	12,381,180.92
Target Date	09/15/2021	09/15/2021	09/15/2021
Yield	2.958373%	2.997841%	2.204857%

SAVINGS

**Great Western Park Metropolitan District
General Obligation Refunding Bonds, Series 2021
Current Refunding of Series 2016AB
Level Debt Service
Market Rates as of 8/31/2020
Preliminary - for discussion only**

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 09/15/2021 @ 2.2048568%
12/31/2021	470,568.75	470,568.75				-2,221.16
12/31/2022	810,337.50		810,337.50	698,406.67	111,930.83	109,257.16
12/31/2023	813,737.50		813,737.50	698,300.00	115,437.50	111,118.32
12/31/2024	826,737.50		826,737.50	697,400.00	129,337.50	121,657.51
12/31/2025	828,937.50		828,937.50	696,400.00	132,537.50	121,927.55
12/31/2026	840,737.50		840,737.50	695,300.00	145,437.50	130,779.74
12/31/2027	841,737.50		841,737.50	696,000.00	145,737.50	128,206.47
12/31/2028	854,987.50		854,987.50	696,400.00	158,587.50	136,386.25
12/31/2029	856,987.50		856,987.50	698,200.00	158,787.50	133,596.10
12/31/2030	868,237.50		868,237.50	699,400.00	168,837.50	138,910.69
12/31/2031	868,237.50		868,237.50	695,000.00	173,237.50	139,412.49
12/31/2032	887,487.50		887,487.50	695,200.00	192,287.50	151,282.70
12/31/2033	884,987.50		884,987.50	699,800.00	185,187.50	142,560.51
12/31/2034	901,737.50		901,737.50	698,600.00	203,137.50	152,895.49
12/31/2035	901,737.50		901,737.50	696,800.00	204,937.50	150,884.45
12/31/2036	915,737.50		915,737.50	699,400.00	216,337.50	155,764.37
12/31/2037	917,987.50		917,987.50	696,200.00	221,787.50	156,187.95
12/31/2038	933,987.50		933,987.50	697,400.00	236,587.50	162,928.16
12/31/2039	932,987.50		932,987.50	697,800.00	235,187.50	158,431.63
12/31/2040	950,737.50		950,737.50	697,400.00	253,337.50	166,880.98
12/31/2041	951,237.50		951,237.50	696,200.00	255,037.50	164,323.46
12/31/2042	965,237.50		965,237.50	699,200.00	266,037.50	167,636.94
12/31/2043	966,987.50		966,987.50	696,200.00	270,787.50	166,884.89
12/31/2044	981,987.50		981,987.50	697,400.00	284,587.50	171,523.54
12/31/2045	984,487.50		984,487.50	697,600.00	286,887.50	169,114.73
12/31/2046	2,554,987.50		2,554,987.50	696,800.00	1,858,187.50	1,068,642.57
	24,513,556.25	470,568.75	24,042,987.50	17,432,806.67	6,610,180.83	4,574,973.48

Savings Summary

PV of savings from cash flow	4,574,973.48
Less: Prior funds on hand	-1,989,091.87
Plus: Refunding funds on hand	1,296,410.12
Net PV Savings	<u>3,882,291.73</u>

SUMMARY OF REFUNDING RESULTS

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

Dated Date	09/15/2021
Delivery Date	09/15/2021
Arbitrage yield	2.204857%
Escrow yield	0.091366%
Value of Negative Arbitrage	59,955.60
Bond Par Amount	10,895,000.00
True Interest Cost	2.958373%
Net Interest Cost	3.195289%
Average Coupon	3.940335%
Average Life	15.229
Par amount of refunded bonds	12,545,000.00
Average coupon of refunded bonds	5.388982%
Average life of refunded bonds	17.432
PV of prior debt to 09/15/2021 @ 2.204857%	18,287,245.52
Net PV Savings	3,882,291.73
Percentage savings of refunded bonds	30.946925%
Percentage savings of refunding bonds	35.633701%

PRIOR BOND DEBT SERVICE

**Great Western Park Metropolitan District
General Obligation Refunding Bonds, Series 2021
Current Refunding of Series 2016AB**

Level Debt Service

Market Rates as of 8/31/2020

****Preliminary - for discussion only****

Period Ending	Principal	Coupon	Interest	Debt Service
12/31/2021	145,000	4.000%	325,568.75	470,568.75
12/31/2022	165,000	4.000%	645,337.50	810,337.50
12/31/2023	175,000	4.000%	638,737.50	813,737.50
12/31/2024	195,000	4.000%	631,737.50	826,737.50
12/31/2025	205,000	4.000%	623,937.50	828,937.50
12/31/2026	225,000	4.000%	615,737.50	840,737.50
12/31/2027	235,000	5.000%	606,737.50	841,737.50
12/31/2028	260,000	5.000%	594,987.50	854,987.50
12/31/2029	275,000	5.000%	581,987.50	856,987.50
12/31/2030	300,000	5.000%	568,237.50	868,237.50
12/31/2031	315,000	5.000%	553,237.50	868,237.50
12/31/2032	350,000	5.000%	537,487.50	887,487.50
12/31/2033	365,000	5.000%	519,987.50	884,987.50
12/31/2034	400,000	5.000%	501,737.50	901,737.50
12/31/2035	420,000	5.000%	481,737.50	901,737.50
12/31/2036	455,000	5.000%	460,737.50	915,737.50
12/31/2037	480,000	5.000%	437,987.50	917,987.50
12/31/2038	520,000	5.000%	413,987.50	933,987.50
12/31/2039	545,000	5.000%	387,987.50	932,987.50
12/31/2040	590,000	5.000%	360,737.50	950,737.50
12/31/2041	620,000	5.000%	331,237.50	951,237.50
12/31/2042	665,000	5.000%	300,237.50	965,237.50
12/31/2043	700,000	5.000%	266,987.50	966,987.50
12/31/2044	750,000	5.000%	231,987.50	981,987.50
12/31/2045	790,000	5.000%	194,487.50	984,487.50
12/31/2046	2,400,000	** %	154,987.50	2,554,987.50
	12,545,000		11,968,556.25	24,513,556.25

SUMMARY OF BONDS REFUNDED

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation Bonds, Series 2016A:					
TERM	12/01/2026	4.000%	145,000.00		
	12/01/2026	4.000%	965,000.00	12/01/2021	103.000
TERM02	12/01/2046	5.000%	9,880,000.00	12/01/2021	103.000
			10,990,000.00		
Subordiante General Obligation Bonds, Series 2016B:					
TERM	12/15/2046	7.250%	1,555,000.00	12/15/2021	103.000
			12,545,000.00		

ESCROW REQUIREMENTS

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

Period Ending	Principal	Interest	Principal Redeemed	Redemption Premium	Total
12/01/2021	145,000.00	269,200.00	10,845,000.00	325,350.00	11,584,550.00
12/15/2021		56,368.75	1,555,000.00	46,650.00	1,658,018.75
	145,000.00	325,568.75	12,400,000.00	372,000.00	13,242,568.75

ESCROW REQUIREMENTS

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

General Obligation Bonds, Series 2016A

Period Ending	Principal	Interest	Principal Redeemed	Redemption Premium	Total
12/01/2021	145,000.00	269,200.00	10,845,000.00	325,350.00	11,584,550.00
	145,000.00	269,200.00	10,845,000.00	325,350.00	11,584,550.00

ESCROW REQUIREMENTS

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

Subordiante General Obligation Bonds, Series 2016B

Period Ending	Interest	Principal Redeemed	Redemption Premium	Total
12/15/2021	56,368.75	1,555,000.00	46,650.00	1,658,018.75
	56,368.75	1,555,000.00	46,650.00	1,658,018.75

ESCROW DESCRIPTIONS

Great Western Park Metropolitan District
General Obligation Refunding Bonds, Series 2021
Current Refunding of Series 2016AB
Level Debt Service
Market Rates as of 8/31/2020
****Preliminary - for discussion only****

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Sep 15, 2021:						
SLGS	Certificate	12/01/2021	12/01/2021	11,582,351	0.090%	0.090%
SLGS	Certificate	12/15/2021	12/15/2021	1,657,605	0.100%	0.100%
				13,239,956		

SLGS Summary

SLGS Rates File	02SEP20
Total Certificates of Indebtedness	13,239,956.00

ESCROW SUFFICIENCY

**Great Western Park Metropolitan District
 General Obligation Refunding Bonds, Series 2021
 Current Refunding of Series 2016AB
 Level Debt Service
 Market Rates as of 8/31/2020
 Preliminary - for discussion only**

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
09/15/2021		0.42	0.42	0.42
12/01/2021	11,584,550.00	11,584,550.06	0.06	0.48
12/15/2021	1,658,018.75	1,658,018.27	-0.48	
	13,242,568.75	13,242,568.75	0.00	

Great Western Park Metropolitan District No. 2

Exhibit II

Colorado Metropolitan District Pricing Results

Exhibit II



Colorado Metropolitan District Transactions November 2020 Through YTD 2021

\$7,310,000
Woodmen Heights Metropolitan District No. 2 in the City of Colorado Springs, El Paso County, CO
Taxable Subordinate General Obligation Limited Tax Refunding Bonds, Series 2020B-1
Purpose: Refunding
Offering Type: Negotiated
Underwriter: D.A. Davidson
Financial Advisor: None
Callable: 12/15/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 11/3/2020

Maturity	Treas	Coupon	Yield	Spread
12/15/2040	1.65	6.250	6.247	459.3

\$6,714,000
Woodmen Heights Metropolitan District No. 2 in the City of Colorado Springs, El Paso County, CO
Subordinate General Obligation Limited Tax Refunding Bonds, Series 2020B-2
Purpose: Refunding
Offering Type: Negotiated
Underwriter: D.A. Davidson
Financial Advisor: None
Callable: 12/15/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 11/3/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2040	1.49	7.500	7.500	601.0

\$8,930,000
Erie Highlands Metropolitan District No. 1 in the Town of Erie, Weld County, Colorado
General Obligation Limited Tax Refunding Bonds, Series 2020
Purpose: Refunding
Offering Type: Negotiated
Underwriter: D.A. Davidson
Financial Advisor: Hilltop Securities
Callable: 12/1/2030
Underlying Rating: Not Rated (Insured AA)
Sale Date: 11/10/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2021	0.27	3.000	0.630	36.0
12/1/2022	0.20	3.000	0.700	50.0
12/1/2023	0.22	3.000	0.770	55.0
12/1/2024	0.24	3.000	0.840	60.0
12/1/2025	0.29	2.000	0.950	66.0
12/1/2026	0.43	2.000	1.130	70.0
12/1/2027	0.54	3.000	1.260	72.0
12/1/2028	0.65	3.000	1.400	75.0
12/1/2029	0.76	3.000	1.520	76.0
12/1/2030	0.86	3.000	1.640	78.0
12/1/2035	1.18	2.000	2.280	110.0
12/1/2040	1.39	2.250	2.440	105.0
12/1/2045	1.56	3.000	2.510	95.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$22,560,000
Sterling Ranch Metropolitan District No. 1 in Douglas County, Colorado
Limited Tax General Obligation Bonds, Series 2020
Purpose: New Money Offering Type: Negotiated Underwriter: D.A. Davidson Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 11/12/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2040	1.35	5.000	4.875	352.5
12/1/2050	1.57	5.125	5.125	355.5

\$12,400,000
Kinston Metropolitan District No. 5 in the City of Loveland, Colorado
Limited Tax General Obligation Bonds, Series 2020A
Purpose: New Money Offering Type: Negotiated Underwriter: Piper Sandler Financial Advisor: RBC Capital Markets Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 11/13/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2035	1.13	4.625	4.625	349.5
12/1/2050	1.55	5.125	5.125	357.5

\$11,500,000
Kinston Metropolitan District No. 5 in the City of Loveland, Colorado
Subordinate Limited Tax General Obligation Bonds, Series 2020B
Purpose: New Money Offering Type: Negotiated Underwriter: Piper Sandler Financial Advisor: RBC Capital Markets Callable: 12/15/2025 @ 103 Underlying Rating: Not Rated Sale Date: 11/13/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2052	1.55	7.500	7.500	595.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$5,810,000*
Northfield Metropolitan District No. 2 in the City of Fort Collins, Larimer County, Colorado
Senior Limited Tax General Obligation Bonds, Series 2020A
Purpose: New Money
Offering Type: Negotiated
Underwriter: MBS Capital Market
Financial Advisor: North Slope Capital Advisors
Callable: 12/1/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 11/18/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2050	1.48	5.000	5.050	357.0

\$865,000*
Northfield Metropolitan District No. 2 in the City of Fort Collins, Larimer County, Colorado
Subordinate Limited Tax General Obligation Bonds, Series 2020B
Purpose: New Money
Offering Type: Negotiated
Underwriter: MBS Capital Market
Financial Advisor: North Slope Capital Advisors
Callable: 12/1/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 11/18/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2050	1.48	7.500	7.500	602.0

\$8,960,000*
Evans Place Metropolitan District in the Town of Keenesburg, Colorado
Limited Tax General Obligation Bonds, Series 2020A
Purpose: New Money
Offering Type: Negotiated
Underwriter: D.A. Davidson
Financial Advisor: None
Callable: 12/1/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 11/19/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2040	1.21	5.000	4.750	354.0
12/1/2050	1.43	5.000	5.000	357.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$9,000,000
Paint Brush Hills Metropolitan Sub District in El Paso County, Colorado
Limited Tax General Obligation Bonds, Series 2020
Purpose: New Money
Offering Type: Negotiated
Underwriter: Stifel
Financial Advisor: None
Callable: Non-Callable
Underlying Rating: Not Rated
Sale Date: 11/30/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2040	1.19	5.200	5.200	401.0

\$2,375,000*
Hance Ranch Metropolitan District in the City of Wheat Ridge, Jefferson County, CO
Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 202A(3)
Purpose: New Money
Offering Type: Negotiated
Underwriter: D.A. Davidson
Financial Advisor: None
Callable: 12/1/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 12/2/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2040	1.20	5.000	4.875	367.5
12/1/2050	1.42	5.125	5.125	370.5

\$8,470,000
Banning Lewis Ranch Metro District No. 3 in the City of Colorado Springs, Colorado
General Obligation Limited Tax Refunding Bonds, Series 2020
Purpose: Refunding
Offering Type: Negotiated
Underwriter: D.A. Davidson
Financial Advisor: None
Callable: 12/1/2030
Underlying Rating: A3
Sale Date: 12/3/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2021	0.28	3.000	0.440	16.0
12/1/2022	0.15	3.000	0.470	32.0
12/1/2023	0.17	3.000	0.520	35.0
12/1/2024	0.19	3.000	0.560	37.0
12/1/2025	0.24	2.250	0.640	40.0
12/1/2026	0.32	2.250	0.770	45.0
12/1/2027	0.42	2.250	0.920	50.0
12/1/2028	0.54	3.000	1.090	55.0
12/1/2029	0.64	3.000	1.240	60.0
12/1/2030	0.72	3.000	1.370	65.0
12/1/2032	0.87	3.000	1.570	70.0
12/1/2035	1.00	3.000	1.750	75.0
12/1/2040	1.20	3.000	2.010	81.0
12/1/2045	1.37	4.000	2.020	65.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$7,895,000*
Remuda Ranch Metropolitan District in Douglas County, Colorado
Limited Tax General Obligation Bonds, Series 2020A
Purpose: New Money Offering Type: Negotiated Underwriter: D.A. Davidson Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/9/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2050	1.40	5.000	5.000	360.0

\$1,147,000*
Remuda Ranch Metropolitan District in Douglas County, Colorado
Subordinate Limited Tax General Obligation Bonds, Series 2020B
Purpose: New Money Offering Type: Negotiated Underwriter: D.A. Davidson Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/9/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2050	1.40	7.625	7.625	622.5

\$17,320,000
Great Western Metropolitan District No. 5 in the Town of Windsor, Weld County, Colorado
Limited Tax General Obligation Refunding Bonds, Series 2020
Purpose: Refunding Offering Type: Negotiated Underwriter: Citigroup Financial Advisor: Piper Callable: 12/1/2025 @ 102 Underlying Rating: Not Rated Sale Date: 12/9/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2050	1.40	4.750	4.750	335.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$4,810,000*
Villages at Johnstown Metropolitan District No. 3 in the Town of Johnstown, Colorado
Limited Tax General Obligation Bonds, Series 2020A
Purpose: New Money Offering Type: Negotiated Underwriter: D.A. Davidson Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/15/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2040	1.16	5.000	4.500	334.0
12/1/2050	1.38	5.000	4.750	337.0

\$843,000*
Villages at Johnstown Metropolitan District No. 3 in the Town of Johnstown, Colorado
Subordinate Limited Tax General Obligation Bonds, Series 2020B
Purpose: New Money Offering Type: Negotiated Underwriter: D.A. Davidson Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/15/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2025	1.38	7.500	7.500	612.0

\$6,750,000
Three Springs Metropolitan District No. 1 in the City of Durango, La Plata County, Colorado
Subordinate Limited Tax General Obligation Refunding Bonds, Series 2020B
Purpose: Refunding Offering Type: Negotiated Underwriter: Wells Fargo Financial Advisor: Hilltop Securities Callable: 12/15/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/16/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2050	1.39	7.125	7.125	573.5

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$43,570,000
Brighton Crossing Metropolitan District No. 6 in the City of Brighton, Colorado
Limited Tax General Obligation Bonds, Series 2020A3
Purpose: New Money Offering Type: Negotiated Underwriter: D.A. Davidson Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/16/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2035	0.97	5.000	4.250	328.0
12/1/2040	1.17	5.000	4.500	333.0
12/1/2050	1.39	5.000	4.750	336.0

\$3,200,000*
Silver Peaks Metropolitan District No. 3 in the Town of Lochbuie, Colorado
Limited Tax (Convertible to Unlimited Tax) General Obligation Senior Bonds, Series 2020A
Purpose: New Money Offering Type: Negotiated Underwriter: Stifel Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/17/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2050	1.39	5.000	4.680	329.0

\$500,000*
Silver Peaks Metropolitan District No. 3 in the Town of Lochbuie, Colorado
Limited Tax General Obligation Subordinate Bonds, Series 2020B
Purpose: New Money Offering Type: Negotiated Underwriter: Stifel Financial Advisor: None Callable: 12/15/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/17/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2050	1.39	7.000	7.000	561.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$23,797,000
Colorado Crossing Metropolitan District No. 2 in the City of Colorado Springs, El Paso County, CO
Limited Tax General Obligation Refunding Bonds, Series 2020A-1
Purpose: Refunding
Offering Type: Negotiated
Underwriter: Piper
Financial Advisor: None
Callable: 12/1/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 12/17/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2029	0.63	3.900	3.900	327.0
12/1/2047	1.36	5.000	4.750	339.0

\$26,835,000
Colorado Crossing Metropolitan District No. 2 in the City of Colorado Springs, El Paso County, CO
Limited Tax General Obligation Bonds, Series 2020A-2
Purpose: New Money
Offering Type: Negotiated
Underwriter: Piper
Financial Advisor: None
Callable: 12/1/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 12/17/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2030	0.71	4.000	4.150	344.0
12/1/2050	1.39	5.000	5.000	361.0

\$6,985,000
Colorado Crossing Metropolitan District No. 2 in the City of Colorado Springs, El Paso County, CO
Subordinate Limited Tax General Obligation Bonds, Series 2020B-2
Purpose: New Money
Offering Type: Negotiated
Underwriter: Piper
Financial Advisor: None
Callable: 12/1/2025 @ 103
Underlying Rating: Not Rated
Sale Date: 12/17/2020

Maturity	MMD	Coupon	Yield	Spread
12/15/2050	1.39	7.500	7.500	611.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

\$13,500,000
Allison Valley Metropolitan District No. 2 in the City of Colorado Springs, Colorado
General Obligation Limited Tax Refunding Bonds, Series 2020
Purpose: Refunding Offering Type: Negotiated Underwriter: RBC Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/18/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2047	1.36	4.700	4.700	334.0

\$10,000,000
Allison Valley Metropolitan District No. 1 in the City of Colorado Springs, Colorado
General Obligation Limited Tax Refunding Bonds, Series 2020
Purpose: New Money Offering Type: Negotiated Underwriter: RBC Financial Advisor: None Callable: 12/1/2025 @ 103 Underlying Rating: Not Rated Sale Date: 12/18/2020

Maturity	MMD	Coupon	Yield	Spread
12/1/2047	1.36	5.000	5.000	364.0

* BQ transaction

Note: MMD is calculated based on the yield and spreads provided in TM3 and is not independently confirmed.

Great Western Park Metropolitan District No. 2

Exhibit III

Municipal Advisor Disclosure Statement

Exhibit III



MUNICIPAL ADVISOR DISCLOSURE STATEMENT

This disclosure statement is provided by **Hilltop Securities Inc.** (“the Firm”) and provides information regarding conflicts of interest and legal or disciplinary events of the Firm that are required to be disclosed to potential clients pursuant to MSRB Rule G-42.

PART A – Disclosures of Conflicts of Interest

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

Material Conflicts of Interest – The Firm makes the disclosures set forth below with respect to material conflicts of interest in connection with the Scope of Services under the Agreement with the Firm, together with explanations of how the Firm addresses or intends to manage or mitigate each conflict.

General Mitigations – As general mitigations of the Firm’s conflicts, with respect to all of the conflicts disclosed below, the Firm mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates the Firm to deal honestly and with the utmost good faith with Client and to act in Client’s best interests without regard to the Firm’s financial or other interests. In addition, because the Firm is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of the Firm is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, the Firm’s municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of the Firm potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

I. Affiliate Conflict. The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm’s advisory activities within the Scope of Services outlined in the Agreement. HilltopSecurities Asset Management (HSAM), a SEC-registered affiliate of the Firm, provides post issuance services including arbitrage rebate and treasury management. The Firm’s arbitrage team verifies rebate and yield restrictions on the investments of bond proceeds on behalf of clients in order to meet IRS restrictions. The treasury management division performs portfolio management/advisor services on behalf of public sector clients. The Firm, through affiliate First Southwest Advisory, provides a multi-employer trust tailor-made for public entities which allows them to prefund Other Post-Employment Benefit liabilities. The Firm has a structured products desk that provides advice to help clients mitigate risk through investment management, debt management and commodity price risk management products. These products consist of but are not limited to swaps (interest rate, currency, commodity), options, repos, escrow structuring and other securities. Continuing Disclosure services provided by the Firm work with issuers to assist them in meeting disclosure requirements set forth in SEC rule 15c2-12. Services include but are not limited to ongoing maintenance of issuer compliance, automatic tracking of issuer’s annual filings and public notification of material events. The Firm administers two government investment pools for Texas governments; the Short-Term Asset Reserve Fund (TexSTAR) and the Local Government Investment Cooperative (LOGIC). These programs offer Texas government entities investment options for their cash management programs based on the entities specific needs. The Firm and the aforementioned affiliate’s business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client’s business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client’s business activities with the affiliates. Furthermore, this potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regime as a member of multiple self-regulatory organizations in which compliance is verified by not only internal tests but annual external examinations.

II. Other Municipal Advisor or Underwriting Relationships. The Firm serves a wide variety of clients that may from time to time have interests that could have a direct or indirect impact on the interests of other clients. For example, the Firm serves as municipal advisor to other clients and, in such cases, owes a regulatory duty to such other clients just as it does to all of its municipal advisory clients. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, the Firm could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of the Firm to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that the Firm serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair the Firm’s ability to fulfill its regulatory duties to any specific client.

III. Secondary Market Transactions in Client’s Securities. The Firm, in connection with its sales and trading activities, may take a principal position in securities, including securities of its clients, and therefore the Firm could have interests in conflict with a client with respect to the value of the client’s securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, the Firm or its affiliates may submit orders for and acquire a municipal advisory client’s securities issued in an issue under a municipal advisory agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with the client in that it could create the incentive for the Firm to make recommendations to the client that could result in more advantageous pricing of the client’s bond in the marketplace. Any such conflict is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm’s municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by the Firm to any client under a municipal advisory agreement.

IV. Broker-Dealer and Investment Advisory Business. The Firm is dually registered as a broker-dealer and an investment advisor that engages in a broad range of securities-related activities to service its clients, in addition to serving as a municipal advisor or underwriter. Such securities-related

activities, which may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of the Firm's municipal advisory clients, may be undertaken on behalf of, or as counterparty to, the client, personnel of the client, and current or potential investors in the securities of the client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of the Firm's municipal advisory clients, such as when their buying or selling of the municipal advisory client's securities may have an adverse effect on the market for the municipal advisory client's securities, and the interests of such other clients could create the incentive for the Firm to make recommendations to the municipal advisory client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from the firm effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by the Firm to its municipal advisory client.

V. Compensation-Based Conflicts. Fees that are based on the size of the issue are contingent upon the delivery of the issue. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for the Firm to recommend unnecessary financings or financings that are disadvantageous to its clients, or to advise clients to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

Fees based on a fixed amount are usually based upon an analysis by the client and the Firm of, among other things, the expected duration and complexity of the transaction and the scope of municipal services to be performed by the Firm. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the Firm may suffer a loss. Thus, the Firm may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Hourly fees are calculated with, the aggregate amount equaling the number of hours worked by Firm personnel times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the client and the Firm do not agree on a reasonable maximum amount at the outset of the engagement, because the Firm does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described above.

PART B – Disclosures of Information Regarding Legal Events and Disciplinary History

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, the Firm sets out below required disclosures and related information in connection with such disclosures.

I. Material Legal or Disciplinary Event. The Firm discloses the following legal or disciplinary events that may be material to a client's evaluation of the Firm or the integrity of the Firm's management or advisory personnel:

- For related disciplinary actions please refer to the Firm's [BrokerCheck](#) webpage.
- The Firm self-reported violations of SEC Rule 15c2-12: Continuing Disclosure. The Firm settled with the SEC on February 2, 2016. The firm agreed to retain independent consultant and adopt the consultant's finding. Firm paid a fine of \$360,000.
- The Firm settled with the SEC in matters related to violations of MSRB Rules G-23(c), G-17 and SEC rule 15B(c) (1). The Firm disgorged fees of \$120,000 received as financial advisor on the deal, paid prejudgment interest of \$22,400.00 and a penalty of \$50,000.00.
- The Firm entered into a Settlement Agreement with Rhode Island Commerce Corporation. Under the Settlement Agreement, the firm agreed to pay \$16.0 million to settle any and all claims in connection with The Rhode Island Economic Development Corporation Job Creation Guaranty Program Taxable Revenue Bond (38 Studios, LLC Project) Series 2010, including the litigation thereto. The case, filed in 2012, arose out of a failed loan by Rhode Island Economic Development Corporation. The firm's predecessor company, First Southwest Company, LLC, was one of 14 defendants. FirstSouthwest's engagement was limited to advising on the structure, terms, and rating of the underlying bonds. Hilltop settled with no admission of liability or wrongdoing.
- On April 30, 2019, the Firm entered into a Settlement Agreement with Berkeley County School District of Berkeley County, South Carolina. The case, filed in March of 2019, arose in connection with certain bond transactions occurring from 2012 to 2014, for which former employees of Southwest Securities, Inc., a predecessor company, provided financial advisory services. The Firm agreed to disgorge all financial advisory fees related to such bond transactions, which amounted to \$822,966.47, to settle any and all claims, including litigation thereto. Under the Settlement Agreement, the Firm was dismissed from the lawsuit with prejudice, no additional penalty, and with no admission of liability or wrongdoing.

II. How to Access Form MA and Form MA-I Filings. The Firm's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at [Forms MA and MA-I](#). The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by the Firms in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by the Firm on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org/>, and the Firm's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov/>. For purposes of accessing such BrokerCheck reports or Form ADV, click previous hyperlinks.

SEPTEMBER 2, 2020

PROPOSAL TO PROVIDE MUNICIPAL ADVISORY
SERVICES TO:

Great Western Park Metropolitan District No. 2, Colorado



Ehlers
4700 S Syracuse Street, Suite 860
Denver, CO 80237

Municipal Advisor Registration Number: K0165
SEC CIK Number: 0001604197

ehlers-inc.com

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NOTE: This is an interactive document. The table of contents and orange text are hyperlinked to corresponding sections or sites. When your cursor changes to a hand while scrolling over the table of contents section headings, **press your “control” button on your keyboard, then click with your mouse** and you’ll jump to that section within the document or corresponding site. Page headings are linked back to the table of contents.

September 2, 2020

David Solin
Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, CO 80228
dsolin@sdmsi.com



Re: Proposal to Provide Municipal Advisory Services to Great Western Park Metropolitan District

Dear Mr. Solin,

We are pleased to present this proposal to provide independent municipal advisory services to Great Western Park Metropolitan District. We believe our understanding of the District's unique circumstances, expertise and reputation in all facets of municipal advisory services, dedication to proactive client-service and our unique project approach provide a compelling municipal advisory relationship option for the District to consider.

For over 60 years, Ehlers has helped its municipal clients build strong and vibrant communities through financial planning, debt issuance and management, and economic development consulting services. **In the last five years alone, our firm has:**

- » **Advised on 2,375 debt issues totaling more than \$15 billion**
- » **Completed 75+ long-term financial plans**
- » **Advised on over 350 development projects**
- » **Advised on the establishment of more than 700 special districts**
- » **Completed more than 225 utility rate studies**

We believe the following factors set us apart from competing firms and positions us as the firm most qualified to deliver the services requested:

Our Experience. Pioneers in the public finance industry since 1955, we are well-known and highly regarded for leveraging our knowledge of local government credit and financial planning to create innovative debt and post issuance services. Our expertise extends beyond debt-related initiatives to include long-range financial planning, capital project planning, economic development and investment and arbitrage advisory services.

Our Independence. Independence is simply another way of saying we only work with your community's best interest at heart. Not all municipal financial advisors can say that. In fact, many firms will tell you exactly the opposite. When you work with an underwriter or broker-dealer, they will tell you - in writing - the following:

"Underwriters do not have a fiduciary responsibility to the (bond) issuer under federal securities laws and are, therefore, not required by federal law to act in the best interest of the issuer without regard to their own financial and other interests."

You can choose to work with a broker-dealer in a Municipal Advisory capacity. That means the firm must act in your best interest. What it also means is the broker-dealer cannot serve as an underwriter, thereby reducing the number of potential bond buyers who may bid on your issue in competition to provide the lowest total interest cost. More importantly, Ehlers is a non-

affiliated municipal advisor, which means we are not tied to a single underwriting desk as is the case when working with a broker-dealer. Rather, we interact with ALL national underwriting desks daily for market information, increasing our ability to seek the best possible pricing for your debt issuance. Because we don't represent investors or underwriters, you can rest assured working with Ehlers will result in solutions that deliver the highest value to your community.

Our Integrated Approach. Ehlers isn't in this business to simply 'get a deal done,' we're here to help your community realize a vision. Our integrated, high-value client service model empowers clients to **collaborate with a single advisory firm to:**

- » **Plan initiatives & ensure project feasibility**
- » **Unite public officials, project partners and residents in support of the initiative**
- » **Structure, market & execute the most advantageous funding method**
- » **Facilitate rating agency reviews**
- » **Optimize performance of general funds or bond proceeds while adhering to arbitrage regulations**
- » **Ensure timely debt repayment**
- » **Develop & manage regulatory compliance policies**
- » **Complete regulatory reporting**

We rely on our deep and knowledgeable bench strength when creating client teams. Our Municipal Advisors lead each client relationship, leveraging the specialty expertise of our Financial Specialists and Analysts, Bond Marketing and Sales Team, Disclosure and Compliance Coordinators, Investment Advisors and Arbitrage Consultants to deliver exactly the right solution - exactly when needed.

Our Performance. Our qualifications can best be illustrated by our performance. Ehlers ranks second nationally in the number of competitive bond sales advised.

Client-First Values. Ehlers prides itself on transparent communication, proactive and highly responsive service and an unwavering dedication to deploying client resources in the most efficient and effective way possible. At the core, we will provide the City with ongoing dialogue and idea sharing, independent analysis, presentation of customized options and a competitive, value-oriented fee structure.

Thank you for including us in this RFP process. We appreciate your consideration and look forward to discussing how Ehlers can best serve the Great Western Park community.

Sincerely,



James Mann
Senior Municipal Advisor
jmann@ehlers-inc.com
303-802-2306



Melissa Buck
Municipal Advisor
mbuck@ehlers-inc.com
303-802-2306



SECTION 1:
FIRM PROFILE

Brief History of Firm

BUILDING COMMUNITIES. IT'S WHAT WE DO.

Ehlers helps public sector clients build outstanding places to live, work, learn and play by delivering focused, fully-integrated municipal financial advisory services.

We build strong, long-lasting client relationships - working directly and collaboratively with your staff - to complete projects and drive initiatives forward.

We leverage decades of industry experience, deep market and community knowledge, and our unique team-based approach to successfully guide clients through all facets of public finance.

Ehlers' services include:



Financial Management Planning

- Strategic Planning
- Research, Analysis & Studies
- Policy Development
- Projection Modeling
- Utility Rate Analysis



Economic Development & Redevelopment

- Metropolitan District Service Plan Review & Advisory
- Feasibility & Cash Flow Analysis
- Developer Selection & Negotiation
- Planning & Project Management



Debt Issuance & Management

- Competitive, Negotiated & Private Placement
- Specialized Instruments
- Credit Rating Reviews/Presentations
- Continuing Disclosures
- Paying Agent Services
- Compliance Policies & Procedures



Investments & Treasury Management

- Policy Development & Evaluation
- Strategy Creation & Implementation
- Reporting
- Cash Flow Analysis & Reporting
- Treasury Management Consulting
- Arbitrage Consulting



We serve more than 1,500 public sector clients across 5 states, representing their interests alone. We do not represent underwriters, developers, investors or the private sector.

Because we are a SEC registered independent municipal advisor, **clients depend on Ehlers to:**

- » **Maintain & expand access to sources of capital**
- » **Gain pricing & market information from all underwriting desks nationwide - not just one - to secure the most advantageous bond sale terms**
- » **Advocate on their behalf with only their best interests at heart**

Ehlers consists of more than 85 advisors, financial specialists and analysts and client support staff – all dedicated to helping clients achieve their vision for strong, vibrant and sustainable communities.

Office Locations

DENVER, COLORADO

4700 South Syracuse Street
Suite 860
Denver, Colorado 80237
303-802-2300

Public Finance Professionals: 4

MINNEAPOLIS, MINNESOTA

3060 Centre Pointe Drive
Roseville, Minnesota 55113
651-697-8500

Public Finance Professionals: 55

WAUKESHA, WISCONSIN

N21W23350 Ridgeview Parkway
West, Suite 100
Waukesha, Wisconsin
262-785-1520

Public Finance Professionals: 21

Practice Areas

Debt Issuance & Management

Ehlers leverages market knowledge and industry best practices to proactively guide clients through the debt issuance and management process from start to finish. We also specialize in financial planning and debt transactions. Ehlers ranks as one of the largest SEC registered independent municipal advisory firms nationally.

			
1	2	3	4
PLANNING & STRUCTURING	DEBT ISSUANCE	DEBT MANAGEMENT	POST ISSUANCE
<ul style="list-style-type: none"> Analyze financing feasibility Select type of obligation Structure and repayment options Determine best method of sale Assemble financing team 	<ul style="list-style-type: none"> Facilitate credit rating & enhancement process Complete quality control review Prepare pre-sale report Market the issue & conduct the bond sale Coordinate closing 	<ul style="list-style-type: none"> Assemble permanent bond record book Monitor for refunding & cash redemption opportunities Complete debt studies/debt service benchmarking Assist with rating surveillance 	<ul style="list-style-type: none"> Serve as paying agent Complete continuing disclosure reporting Advise on bond proceed investments Monitor for Arbitrage rebates & complete required reporting Manage calls & defeasances

Ehlers partners with clients to ensure the following factors are incorporated into the bond structure:

- » Legal options, tax-exemption & arbitrage considerations
- » Revenue sources identified to repay debt
- » Method of sale: competitive, negotiated or private placement
- » Current indebtedness & future capital plans
- » Alternatives including combined debt issues, delayed or accelerated principal payments
- » Parity considerations or indenture requirements
- » Refunding opportunities
- » Market conditions & direct feedback from underwriters on various structures
- » Pricing structures, bidding parameters & optional redemption provisions

Presale & Authorizing Resolution

Ehlers coordinates the authorizing resolution to call for and establish the parameters of the sale with bond counsel and is available to attend the meeting at which the resolution will be presumably adopted. We prepare a “Pre-Sale Report” addressing all pertinent information with respect to the bond issue, including method of sale, estimated interest rates, maturity payments, financial impact and preliminary savings analysis for refundings. We address all questions and concerns early in this process; the measure of success of which is when a governing body approves a bond sale with little discussion and no public concern, because a consensus has been built prior to the formal debt authorization.

Quality Control

For each bond sale, Ehlers conducts a comprehensive quality control process involving municipal advisors, disclosure coordinators and financial analysts. We hold a quality control (QC) meeting to review and analyze the bond structure, terms, market rate estimates, sale parameters and federal and state statutory considerations.

Official Statement

The quality of an Official Statement is a key factor in attracting bids for a competitive offering. Ehlers’ works with bond counsel to craft an offering document that will strive to generate interest in the marketplace with significant input from the District. District Board and staff are always kept in the loop and have final review on the document before it is circulated to the public market and potential investors.

Bond Rating Strategy

One of Ehlers’ distinguishing strengths is its relationship with the three major rating agencies - relationships built on trust and credibility. We know the mechanics and nuances of each firm’s methodology. In fact, we have reverse engineered each firm’s scorecard and have become adept at adjusting for anticipated notching factors. **We advise on roughly 400 public offerings each year, the vast majority of which are rated** (we also have extensive experience in structuring non-rated transactions and crafting the narrative on first-time and infrequent debt issuers). As

such, we are in nearly constant contact with the rating agencies and their analysts. We understand the “hot-button” issues and can readily anticipate the points of discussion that will be addressed during the rating call and rating committee review because of the level of familiarity with our issuer clients and credit rating methodology.

As your municipal advisor, we will guide the District in every aspect of the rating process. Our expertise comes through frequent interaction with analysts at each of the three major rating agencies. In addition, our proposed team includes a former public finance credit analyst who has an in-depth understanding of the methodology, procedures and assumptions used in rating Colorado bonds.

During the rating process, Ehlers plays a very active role by anticipating questions, preparing rating presentation materials and presenting information about the District in the best possible light. **In reviewing the District’s credit profile, positive features to highlight are:**

- » **Fully built out tax base**
- » **Location in the economically vibrant Denver - Boulder-Lakewood MSA**
- » **2019 AV of \$13,180,821 & estimated to increase to \$18,061,835 for 2020**

As the District’s bonds become callable, it will be very important to highlight the above credit strengths to help position the District favorably compared to other special districts across Colorado and the U.S. Doing so will help gain greater access to credit and achieve lower borrowing costs.

Bond Marketing

A well-designed bond issue takes into consideration not only the issuer’s goals and needs, but also the requirements of municipal market investors, including:

- » Evaluation of the type of sale (competitive vs. negotiated vs. private placement)
- » Appropriate security, term & call features
- » Compliance with existing covenants – parity tests & reserve requirements
- » Type of bidding allowed – discounts vs. maximum premiums, descending or ascending coupons & true interest costs with gross spreads maintained as a basis for determining the best bid

We follow up with targeted underwriters to gauge interest and mitigate any concerns they may have regarding the proposed debt structure or issuer credit profile. For our most recent Colorado competitive sales, each issuer had 6 to 12 bids to choose from - very successful outcomes for our clients!

In both competitive and negotiated placements, Ehlers works with clients to:

- » Assemble the financing team, including preparing and evaluating Request for Proposals

SECTION 1: FIRM PROFILE

for professional services

- » Evaluate and prioritize desired financing characteristics
- » Advise on the term, structure, call features, etc. of the transaction
- » Assist with the preparation of the primary offering document
- » Manage the rating process (if applicable)

For Negotiated Placements we:

- » Solicit & evaluate proposals from investment banking or placement agent firms
- » Review underwriter's G-17 disclosures
- » Assist with underwriter/capital provider due diligence efforts
- » Negotiate & establish material terms, conditions and covenants
- » Assist with drafting all legal & disclosure documents
- » Review proposed pricing and research comparable deal pricing

When evaluating whether to undertake a competitive debt issuance or a negotiated placement, Ehlers helps you - the client - understand how the market will react to the type of issue you are selling, i.e. general obligation bonds vs. revenue bonds, the size of your issue, the District credit characteristics, the timing and overall terms of your transaction. All of the above issues will impact whether your issue will be served better with a competitive sale or negotiated placement.

Bond Sale

Our full-time bond sale team conducts a comprehensive, hands-on sale process for every issue.

For Competitive Issues, we:

- » Arrange for the method, time & place for the receipt of bids/proposals
- » Analyze each bid for compliance with the terms & conditions
- » Compile the bid tabulation & make a formal recommendation regarding the award or rejection of such bid proposals

Our bond sale coordinators stay in constant contact with the market and accept bids via internet, phone or fax. Given the volume of bond issues that run through our three offices each year, we have developed a seamless process of conducting and executing a sale. Ehlers' strong reputation in the market is important for attracting the optimal number of bids and lower interest costs.

For Negotiated Placements, we:

- » Analyze the proposed initial offering levels and compare with similar transactions
- » Monitor the order period and adjust yields accordingly

We hold underwriters accountable through review of pricing comparables with the issuer leading up to the marketing period and on the day of sale and discussing couponing strategies well in advance.

Additionally, the volume of direct purchases we undertake with clients gives us insight into various credit structures, lending requirements, loan provisions, product pricing and fees and expenses associated with various commercial lending options.

Closing Coordination

Ehlers' goal is to make bond closing as "invisible" as possible for our clients. We coordinate the closing with all parties - bond counsel, Depository Trust Company (DTC) and the purchaser - to minimize client workload. Ehlers also assists with preparation of draw schedules and the creation of investment options.

Post Issuance

Ehlers delivers a full spectrum of post-issuance services to help clients effectively manage debt, optimize earnings on bond proceeds and comply with federal and state regulations.

Continuing Disclosure

Ehlers provides disclosure services for several hundred clients consisting of thousands of issues. In 2014, we responded immediately to the SEC MCDC program by hiring additional staff and conducting our own research prior to the September deadline for underwriters to report. Our efforts prevented underwriters from reporting dozens of our clients to the SEC because the underwriters either had faulty data or did not understand the evolution of disclosure rules since 1995 (i.e. limited disclosure vs. full disclosure).

Paying Agent Services

Ehlers offers complete paying agent services to clients so you can rest assured knowing debt payments are made accurately and on time. This has become more important due to changes DTC made to their payment process requirements in 2019, and how that additional complexity could result in a late or missed payment. Our services include:

- » Paying Agent
- » Registrar
- » Fiscal Agent
- » Payment Deadline Reminders
- » Call Notice /Redemption Filing
- » Mandatory Term Bond Redemptions Notification

Investment Advisory Services

Effectively managing all investable assets, including bond proceeds, is critical to financial stability and project success. Our investment advisors seamlessly integrate with your primary Ehlers' municipal advisory team to construct and manage investment policies and portfolios that optimize allowable earnings, maintain liquidity and comply with federal regulations. Services include:

- » Policy development & evaluation
- » Strategy development & implementation
- » Cash flow analysis & forecasting
- » Treasury management consulting
- » Compliance monitoring

Arbitrage Consulting

Managing interest income and tracking expenditures on tax-exempt bond proceeds is a critical responsibility for public officials and financial officers. Ehlers' arbitrage consultants bring decades of experience to devise strategies that generate optimal returns and comply with federal regulations. We work collaboratively with you to:

- » Create arbitrage strategies, policies & procedures
- » Monitor debt obligations subject to yield restrictions
- » Collect & maintain records necessary for compliance
- » Prepare arbitrage reports & IRS forms
- » Deliver IRS audit guidance & support
- » Provide client training & work support

Refunding Opportunities

Ehlers reviews clients' existing debt well in advance of the call date and prepares a client report detailing current and future refunding opportunities. Our municipal advisors work closely with clients and financial analysts to manage existing debt, build strategies for financing future capital projects.



SECTION 2:

FIRM EXPERIENCE

Experience in Colorado Municipal Finance Issues

Municipal finance is Ehlers' core business. We rank second in the nation by number of competitive sales advised.

FINANCIAL ADVISOR	RANK	NUMBER OF ISSUES	PRINCIPAL (in Millions)
PFM Financial Advisors	1	378	\$11,923
Ehlers	2	314	\$2,853
Hilltop Securities	3	264	\$6,351
Baker Tilly	4	229	\$2,029
Baird & Company	5	175	\$1,220
Piper Jaffray	6	138	\$3,989

Source: Bloomberg - 1/1/2019 through 12/31/2019

In Colorado, Ehlers is one of only a small number of independent SEC registered municipal advisor, which means we act as your fiduciary and our advice is always conflict free. As one of our core philosophies, Ehlers emphasizes putting our clients' interests first, dealing with integrity and working collaboratively.

Particular to Colorado, Ehlers continues to grow its practice with strong success serving as financial advisor to a variety of issuers including:

» **Pueblo County**

Ehlers has provided Pueblo County full municipal advisory services since 2017. Over this time, we've undertaken a variety of financing issues including competitive Certificates of Participation issues in 2018 and 2019, capital lease transactions in 2018 and 2019. Currently Ehlers is working with Pueblo County on the refunding of their 2012 Certificates of Participation.

» **Aerotropolis Regional Transportation Authority (ARTA)**

Originally hired in 2018, Ehlers has been the Authority's full service municipal advisor for planning and issuance of debt. ARTA recently engaged Ehlers to provide investment services for Authority bond proceeds and fund balance. When Ehlers was engaged, a proposal to finance approximately \$200 million of projects was on the table from a third party. Ehlers evaluated the proposal and recommended that the Authority would receive better interest rates in the open market. We developed and distributed a proposal for underwriting services and engaged a single firm for the transaction. The end result of the first tranche of debt to be

issued resulted in an interest rate of 4.99%, 45% less than what was originally presented. Ehlers is currently working with the Authority on its second tranche of debt to be issued in the first quarter of 2021.

» **North Weld County Water District**

North Weld County Water District engaged Ehlers as part of its three party expansion of the Soldier Canyon Water Treatment Plant. Originally, Ehlers was engaged to advise in the financing of the expansion for the three-party agreement, however two of the three decided to cash finance their portion of the project. Ehlers assisted the District in evaluating financing scenarios that met their current revenue generation, operating and capital needs, while mitigating future rate increases and capital projects. Ehlers also assisted the District in presenting to Standard and Poors to address the District's first rating, which achieved a AA/Stable rating. Ehlers held a competitive sale for the District on April 30, 2019, where the District received 11 different bids. Ehlers is currently working with the District to refund the 2009A Series Bonds and to update the District's forecasting model.

» **Fort Collins Urban Renewal Authority**

In 2019, the Fort Collins Urban Renewal Authority hired Ehlers to help best position itself as a separate entity from the City of Fort Collins and refinance all of its outstanding debt. As is common in Colorado, URAs and their operating cities have a strong partnership and, in many cases, cities loan funds to their URAs to jumpstart projects. Fort Collins was no different.

However, the URA was also in the process of breaking out from underneath the City's umbrella and sought Ehlers' advice on how to best position itself to maintain that strong partnership as well as become an autonomous authority with its own staff. As part of this process, Ehlers reviewed all of the URA's outstanding debt obligations and determined several City loans could be refinanced for cost savings.

In December 2019, Ehlers guided the URA through its second debt issuance and competitive sale - **approximately \$5 million of tax increment revenue bonds (including successfully obtaining a very favorable Aa3 rating from Moody's) at a True Interest Cost of 1.96%** (compared to the City loan rate of 4.83%).

» **Pueblo Urban Renewal Authority (PURA)**

Ehlers has been municipal advisor to PURA since 2016, which means we periodically review all outstanding debt for refunding opportunities. Earlier this year, Ehlers presented refunding scenarios for all of PURA's current debt obligations, which will ultimately save the Authority about \$4.26 million in aggregate debt service costs through 2038 as follows:

- **\$11,775,000 Series 2011B Tax Increment Revenue Bonds:** refinanced as a competitive sale in the capital markets for approximately 20% cost savings at a True Interest Cost of 2.53% (\$12,755,000 Taxable Revenue Refunding Bonds, Series 2020), saving PURA approximately \$181,000 annually through 2038

- **\$6,026,700 Downtown Expanded Tax Increment Revenue Loan with Vectra Bank:** Ehlers circulated a Request for Proposal to numerous banks in Colorado, receiving five bids from interested local banks. The winning bid came from U.S. Bank at 1.60% (non-callable), locking in approximately \$650,000 in aggregate debt service cost savings (11%, or roughly \$103,000 annually through 2029).
- **\$2,477,950 North Pueblo (Dillon Flyover) Tax Increment Revenue Loan with Sunflower Bank and \$1,533,635 City of Pueblo Loan:** As with the Downtown Expanded loan, Ehlers solicited term sheets from local Colorado banks to refinance the existing loans. Bank of the San Juans submitted the lowest bid at 2.75%, locking in 7.15% of cost savings (about \$42,000 annually through 2030).
- **\$2,172,594 Lake Minnequa Tax Increment Revenue Loan with Vectra Bank and \$500,000 of new money:** After reviewing proposals from local banks, the PURA Board selected Legacy Bank's 2.95% as the winner, achieving about \$324,000 of savings through 2032 as well as providing \$500,000 of new money for another project within the project area.
- **Ehlers is currently advising PURA on up to \$100 million of tax-exempt new money** to spur the renovation and expansion of the EVRAZ steel plant located within the City of Pueblo. The project will represent a \$500 million investment in the Pueblo community, as well as provide for approximately 1,000 union jobs at the new steel facility. We anticipate going to market in Fall 2020.

In conjunction with the above financing, Ehlers is also facilitating the pursuit of a subordinate Railroad Rehabilitation & Improvement Financing (RRIF) loan, which is a low-cost loan from the federal government to improve or rehabilitate rail facilities and equipment. At this time, PURA, EVRAZ, EVRAZ's advisors along with Ehlers are actively negotiating with the U.S. Department of Transportation for the approval and terms of a loan.

» **City of Centennial**

In 2018, Ehlers commenced work with the Foxridge General Improvement District and the Willow Creek Homeowners Associations #1 and #2 to examine the costs and merits of asking voters to approve general obligation bonds.

- **Foxridge GID:** Ehlers worked with the City of Centennial (who manages all GIDs within its boundaries) to determine the financial impact of issuing debt (including the homeowners' property tax burden) to replace an existing perimeter fence. Our work ultimately resulted in voters approving \$1.955 million of unlimited general obligation bonds with a 20-year term. Subsequently, Ehlers solicited a term loan from local banks. The winning bid came from Vectra Bank - 2.19% fixed through 2035 and a variable rate from 2036 - 2040.
- **Willow Creek GID:** Ehlers advised both the Willow Creek HOAs and City of Centennial regarding the formation of a GID to replace an existing cedar fence with a masonry wall. As part of our engagement, we provided all the financial information presented to voters

SECTION 2: FIRM EXPERIENCE

regarding project costs an in effort to be as transparent as possible. Three measures passed as part of the November 2019 election: Formation of the GID, debt authorization of \$4.34 million, and an operating mill levy of 0.75. Ehlers is presently advising the City on obtaining a rating for the newly formed GID and expects to go to market with these bonds Fall 2020.

Underwriter/Commercial Bank Affiliations

Ehlers, being independent of all underwriters and broker-dealers, has access to most underwriting desks across the nation. This means you have access to the largest inventory of potential bidders on any given transaction. For negotiated transactions, this means we can help compel the underwriter to be more aggressive with pricing and for competitive sales, we can be confident in our sale day expectations.



SECTION 3:

**FIRM SPECIAL DISTRICT
EXPERIENCE**

Firm Experience in Colorado Municipal Advisory Work

Our 65 year reputation is built upon putting our clients first and we strive to maintain that trust. Our deep experience combined with sophisticated modeling capabilities and real world experience helps us advise our clients on their unique goals and needs, particularly finding solutions to their challenges. Our goal is to forge lasting relationships grounded in trust and collaboration. We strive to lower financing costs while identifying and managing risk in an ever changing market. **In the past five years, Ehlers has advised and managed Colorado debt issues totaling approximately \$2 billion in par value.**

As mentioned, Ehlers advises on nearly 400 debt transactions per year, including competitive sales, certificates of participation, negotiated sales and direct placements. We advise many clients with similar characteristics, debt profiles and transaction types. To illustrate our experience in these areas, we offer the following relationship profiles:

WINTER PARK

Team: James Mann & Bruce Kimmel

The Town collaborated with Ehlers to create a financing plan for the development of a new public works facility. Through financial management planning we were able to assist the Town in developing a financing plan based on the issuance of COP's with the facility acting as the asset. Ehlers recently assisted the town in funding the project through a competitive bond sale generating 12 competitive bids on the financing. Due to the bidding structure, the financing allowed the overall bond size to be reduced from \$11.50 million to \$11.01 million, while still fully funding the project.

PUEBLO COUNTY

Team: James Mann & Deb Hinsvark (retired)

Ehlers structured and marketed the first in a series of future Certificates Of Participation (COP) for projects totaling \$12 million. A competitive bond sale held in June 2019, gained Pueblo \$2 million of premium growing their project fund to \$14 million. The True Interest Cost of the transaction was 2.25%.

AEROTROPOLIS REGIONAL TRANSIT AUTHORITY (ARTA)

Team: James Mann & Melissa Buck

ARTA engaged Ehlers in 2018 to help finance a series of roads in an area south of Denver International Airport consisting of a housing development. The proposed road network included improvements over a 15-year period. Initial investor proposals came in at 9.00% Total Interest Cost. We helped ARTA determine the initial proposals weren't in their best interests and to pursue a public market sale. Ehlers collaborated with ARTA and their selected partners to negotiate a Special Revenue Bond transaction resulting in a True Interest Cost of 4.99%. ARTA sold \$19.3 million Special Revenue Bonds in June 2019 to fund the planning, engineering and initial construction costs of a \$200 million transportation improvement initiative to create regional connectivity and stimulate economic development.

JONES METROPOLITAN DISTRICTS NO. 1 - 4 (WITHIN THE CITY OF CENTENNIAL)

Team: Melissa Buck & James Mann

Ehlers recently worked with the City Staff as part of its approval process for the Jones Metropolitan District, a 36 acre parcel. Through our review process, several points were flagged for the City to reconsider before authorizing the original submission. Reconsiderations included the total amount of debt authorized, maximum authorized mill levy and how interest was calculated on developer loans and other debt. Ehlers' comments were used as a starting point for negotiations. The City was successful in changing key provisions within the service and financial plans to be more protective of future taxpayers while allowing for the development to move forward with sufficient financial flexibility to reach completion. The Jones Metropolitan District was approved at a public hearing on February 10, 2020, with Ehlers in attendance to answer questions from City Council.

FORT COLLINS URBAN RENEWAL AUTHORITY (URA)

Team: Melissa Buck & Deb Hinsvark (retired)

In December 2019, the URA issued \$4.9 million of Tax Increment Revenue Refunding Bonds (with a small premium of about \$339,000) to refinance two outstanding loans from the City of Fort Collins. This financing was the second public financing for the URA and its first competitive sale. With a moral obligation pledge from the City of Fort Collins (for which Ehlers helped negotiate terms and conditions), the True Interest Cost of the transaction 1.96%.

FOSSIL RIDGE METROPOLITAN DISTRICT

Team: James Mann & Melissa Buck

Ehlers advised the Fossil Ridge Metropolitan Districts Nos 1-3 since 2018. Originally hired to evaluate the District's current cash flow, ability to absorb additional debt and serve as an expert witness, if required, Ehlers developed a comprehensive cash flow model to address a developer requested debt issuance to reimburse project costs. We evaluated continued absorption and future property value appreciation to determine that it was not in the District's best interest to issue the debt. The engagement has since evolved into debt issuance to refund three existing obligations and to finance approximately \$10 million of additional developer reimbursement.

PUEBLO WEST METROPOLITAN DISTRICT

Team: James Mann & Deb Hinsvark (retired)

In 2018, the District engaged Ehlers to conduct a sustainability study. Over the course of approximately one year, Ehlers advisors, working in concert with legal and analytical participants evaluated the current state of the District's financial and operational performance. Projecting the future the impact of funding decisions and revenue make-up, Ehlers assisted the District in evaluating whether remaining as a special district was sustainable in the long-run, or whether incorporation, dissolution or merging would be better options. Ehlers is currently working with the District on the issuance of approximately \$7 million of Certificates of Participation to fund a new municipal complex.

CITY OF SALIDA

Team: James Mann & Deb Hinsvark (retired)

Salida engaged Ehlers in 2019 to advise on three separate projects. First, the City was in need of a financial management plan to evaluate the health of the City and to determine affordability of a variety of capital projects and other City initiatives. Second, Ehlers was engaged to undertake a utility rate study to determine adequacy of rate structure and recommend any changes. And finally, Ehlers was hired to assist the City and Poncha Springs in evaluating options to finance a significant interceptor sewer line between the two communities.

Observations & Recommendations

In reviewing the District's outstanding debt issues and audited financial statements, we note the following:

- » Aggregate maximum mill levy of 35.00
 - Maximum debt service mill levy of 30.00 (Gallagherized)
 - Maximum operations mill levy of 10 mills (Gallagherized)
- » \$62 million maximum debt limit
 - The aggregate amount of the 2016A and B bonds outstanding is approximately \$126 million
 - According to the 2019 CAFR, approximately \$1,417,780.32 is on deposit in the Senior Project Fund from bond proceeds
- » No additional debt may be issued on parity with the 2016A Senior Bonds so long as any of those bonds remain outstanding without bondholder consent (excluding refunding bonds)
- » 3.0% redemption premium on bonds called between December 15, 2021 - December 14, 2022, with the premium declining 1% annually until December 15, 2024

Of particular importance are the funds remaining in the 2016 Senior Project Fund. Because it does not seem bond proceeds were spent in accordance with IRS requirements, the 2016A Bonds are now subject to IRS rebate and yield restriction rules. Calculations will be necessary to determine if (and how much) any payments are due to the IRS.

As a fully integrated municipal advisory firm, Ehlers has a highly experienced arbitrage team in Denver that can determine if (and how much) the District owes a rebate payment to the IRS. Fee quote available upon request.

Also of note, the redemption premiums on the District's outstanding debt are fairly high, which makes it very expensive for the District to take advantage of the current low yield market. Additional bond requirements may also require refinancing all of the outstanding senior 2016A Bonds to also refinance the subordinate 2016B Bonds for cost savings. However, a 3-year taxable advanced refunding, converting to tax exempt when the bonds are callable at par, may make financial sense. Further investigation is necessary to determine what option makes the most sense for the District and its taxpayers. As your fiduciary, Ehlers will continue to monitor the market to determine optimal timing for refinancing the District's outstanding debt and any new debt issuances.

Special Districts are as much a part of the Colorado municipal landscape as incorporated Towns and Cities. Special Districts provide a framework for specific tasks to be accomplished, whether it be stormwater management, fire protection or economic development related activities. Ehlers is your partner when it comes to establishing special districts and can help guide you through the process to successfully partner with a special district in accomplishing your goals.

SECTION 3: FIRM SPECIAL DISTRICT EXPERIENCE

One of the most common special districts that has recently come under great scrutiny, are Metropolitan Districts. These districts commonly aid in economic development efforts in any community. Over the course of time, however, several news outlets suggest they can be abusive in nature at the expense of future taxpayers that reside within them. As your Municipal Advisor, Ehlers will work with District staff and other financing professionals to mitigate headline risk and ensure any debt transactions are done in accordance with industry best practices.



SECTION 4:

PROPOSED TEAM

Ehlers Proposed Team

Even as other municipal advisory offices have downsized or merged with broker-dealers, Ehlers remains fiercely independent and continues to grow. In a market characterized by extreme volatility over the past few years (especially now amid the COVID-19 pandemic), Ehlers continues to thrive. We have added municipal advisors and financial specialist staff to our team.

Ehlers' has more than 85 employees, including its Municipal Advisory Group, who provide financial advisory and planning services to hundreds of municipal and non-profit clients annually for securities and bank loans. Financing is backed by a wide variety of revenue and security pledges and credit attributes. The team members located in each of our offices are experts in their fields and respective regions, though Ehlers also maintains dedicated quantitative staff and sector experts as part of our national platform, ready to support each client with the highest level of service.

Ehlers proposes the following Denver based team led by Melissa Buck, who has significant special district and municipal experience, as well as a fully integrated national team that is very excited to work with the District.

ADVISORS

Melissa Buck

Municipal Advisor
Primary Relationship Advisor

James Mann

Senior Municipal Advisor, Principal
Authorizing Principal & Relationship Support

Sherry Villafane

Municipal Advisor
Relationship Support

PROJECT SUPPORT

Alicia Gage

Senior Financial Analyst
Debt Structure Analysis

Stephen Broden

Arbitrage Managing Director
Arbitrage Consulting



Melissa Buck

Municipal Advisor

Melissa has almost 12 years' credit analysis, public finance, public-private partnership feasibility analysis and bank placement experience. She brings a wealth of municipal market knowledge from her work as a senior loan portfolio manager for one of the largest commercial banks in the U.S. She also worked for years in New York City as a credit rating analyst for one of the leading bond insurers, and as an infrastructure investment banker specializing in public-private partnerships with a global broker-dealer firm.



James Mann
Senior Municipal Advisor/Principal

Jim assists local governments and public agencies with designing and implementing financial solutions that grow healthy and vibrant communities. In 2018, Jim assumed the role of Principal for our Colorado region, bringing his 19+ years' experience to best serve a relatively new market for us. Jim benefits clients with his ability to facilitate board, council and commission discussions to build a consensus that allows projects to move forward.



Sherry Villafane
Municipal Advisor

A long-time resident of Colorado, Sherry spent the past 15 years in public finance in the Debt and Treasury division for the City of Aurora and as a regional bank Director in Municipal Banking & Leasing providing tax-exempt private placements to governments. She specializes in lease purchase/certificates of participation financings and is highly-experienced with TABOR and annually appropriated financings.



Alicia Gage
Senior Financial Analyst

Alicia has more than 20 years of experience in debt structuring and financial analysis. She works in concert with the Municipal Advisory team to complete computer modeling and financial analysis.



Stephen Broden
Arbitrage Managing Director

Stephen brings 11 years' experience in providing arbitrage calculations and bond compliance training to his role leading our Arbitrage practice. He has advised on over 48 special district issues over the last 11 years. His proactive approach to arbitrage compliance guides clients through the complexities of Internal Revenue Service reporting requirements and rebate analysis.



SECTION 5:

**SPECIAL DISTRICT
EXAMPLES**

Ehlers Special District Examples

Since opening our Colorado office in 2014, **Ehlers has served as municipal advisor on 30 Colorado metropolitan or special district issues, totaling nearly \$400 million in par value.** Our experience with districts spans the life cycle from newly formed “dirt” issuances where the district has little or no assessed value to the later stage districts that are substantially built out and can achieve investment grade ratings. Ehlers also advises a number of Colorado municipalities on the benefits and costs of special district creation - if it is in the best interests of future taxpayers to allow the formation of a metropolitan district or other special district.

One of Ehlers’ primary objectives in any financing is to achieve the lowest overall cost of issuance while identifying and mitigating risk in an ever-changing market.

LOWER ISSUANCE COSTS = MORE PROJECT PROCEEDS & LOWER TOTAL DEBT

We offer the following examples of work we’ve completed for Metropolitan Districts:

Metropolitan District Service Plan Review & Financing

METROPOLITAN DISTRICT	APPROVING AUTHORITY	SERVICES PROVIDED	EHLERS’ TEAM
Brighton Crossing	City of Brighton	Service Plan Review	Jim Harrington (retired)
Devils Head	Douglas County	Service Plan Review	Jim Harrington (retired)
Erie Farm	Town of Erie	Service Plan Review	James Mann & Sherry Villafane
Fossil Ridge	Jefferson County	Independent External Financial Advisor	James Mann
Heritage Ridge	Town of Berthoud	Independent External Financial Advisor	James Mann
Homestead	Town of Milliken	Independent External Financial Advisor	Melissa Buck
Hunting Hill	Douglas County	Service Plan Review	Melissa Buck & Jim Harrington (retired)

SECTION 5: SPECIAL DISTRICT EXAMPLES

METROPOLITAN DISTRICT	APPROVING AUTHORITY	SERVICES PROVIDED	EHLERS' TEAM
Johnstown Village (Nos. 1-5)	Town of Johnstown	Service Plan Review	Jim Harrington (retired)
Jones (Nos. 1-5)	City of Centennial	Service Plan Review	James Mann & Melissa Buck
The Lakes (No. 1)	City of Brighton	Service Plan Review	Jim Harrington (retired)
North Suburban (Nos. 1-4)	City of Evans	Service Plan Review	Melissa Buck
Parkland (Nos. 1-2)	City of Brighton	Service Plan Review	James Mann
Peakview (Nos. 1-4)	City of Evans	Service Plan Review	James Mann
Pinery	Douglas County	Service Plan Review	James Mann
Rampart Ridge	City of Lone Tree	Independent External Financial Advisor	James Mann
Real Douglas	Douglas County	Service Plan Review	James Mann
Ridgeline Vista	City of Brighton	Service Plan Review	James Mann
Rock Canyon	Douglas County	Service Plan Review	James Mann
Streets of Southglenn	City of Centennial	Independent External Financial Advisor	James Mann & Deb Hinsvark (retired)
Sterling Ranch Community Authority Board	Douglas County	Independent External Financial Advisor	James Mann & Melissa Buck
Trails	Douglas County	Service Plan Review	James Mann
Village at Johnstown (Nos. 1-8)	Town of Johnstown	Service Plan Review	James Mann

SECTION 5: SPECIAL DISTRICT EXAMPLES

METROPOLITAN DISTRICT	APPROVING AUTHORITY	SERVICES PROVIDED	EHLERS' TEAM
Vista Commons (Nos. 1-5)	Town of Johnstown	Service Plan Review	James Mann
Westerly (Nos. 1-4)	Town of Erie	Service Plan Review	James Mann & Sherry Villafane



SECTION 6:

**INNOVATIVE SPECIAL
DISTRICT EXAMPLES**

Colorado Special District Innovations

Ehlers' history as a leader in municipal debt and special district advisory work has allowed us to build deep and trusting relationships with investors, developers, and other key players who rely on us for candid and conflict-free advice.

Some examples quantifying our added value include the following studies:

» **Aerotropolis Regional Transportation Authority**

When Ehlers was engaged by the Aerotropolis Regional Transportation Authority, the developer of the Aurora Highlands was proposing to finance approximately \$200 million of ARTA project through an intergovernmental agreement through the Aerotropolis Area Coordinating Metropolitan District. As the District was a "dirt" district at the time, with no vertical development and no installed infrastructure, ARTA was also in a state of infancy. Ehlers was hired as a full-service municipal advisor to evaluate the proposed financing and advise the Authority on all matters financial. Ehlers crafted a conservative financial and capital plan to address the project schedule, assisted the Authority in hiring an underwriter for the first tranche of debt and successfully took the first tranche of debt to market, achieving a sale result significantly less than originally proposed. Ehlers continues to advise on the District on a variety of capital structure issues, expansion of Authority territory and also is in the early stages of the second tranche of debt to be issued in the first quarter of 2021.

» **Fossil Ridge Metropolitan District**

Ehlers was tasked with evaluating proposed additional debt to reimburse developer for development costs. As the Districts had become resident controlled there were questions regarding the affordability of additional debt and the type of debt that was proposed to be issued. Ehlers first worked with the Districts and District Counsel to understand the unique circumstances of the Districts and to determine the goals of the resident-controlled board. Ehlers developed a market-based analysis of valuation trends of the District to assist in the determining affordability and whether there was a reasonable expectation that the debt would be discharged. Following Ehlers analysis, the Districts did not issue any of the proposed debt due to concerns over the financial assumptions that the developer had made. Ehlers is working with the Districts currently to refund all existing debt and to provide for additional resources to discharge developer advances.



SECTION 7:

FIRM DISCLOSURES

Conflicts of Interest

Ehlers does not have any relationships or other dealings that may pose a conflict of interest or perceived conflict of interest in serving the District. Ehlers does not receive finder's fees, have contractual fee-splitting arrangements or make payments to third party consultants.

Ehlers identifies and discloses any potential conflicts of interest in its engagement letter and follows each year with its annual disclosure letter. If any material conflict should arise, Ehlers immediately notifies clients and takes actionable steps to mitigate.



SECTION 8:

FEE STRUCTURE

Scope of Services – Understanding & Fees

In the request for proposal, the following projects were identified:

1) Existing Debt Review

Ehlers would complete a thorough review of existing debt obligations, the terms and conditions and the process used to issue the debt for a flat fee of \$5,000. Our fee includes all time, materials and travel to and from a meeting with the District Board, at a time of the Board's choosing, where our findings would be presented.

2) Potential Restructure of Existing Debt

The second project of the engagement would fall into Ehlers' Debt Issuance fees which are summarized as follows:

- » Base Debt Issuance Fee (up to \$10 million) - \$21,000
- » Issues greater than \$10 million – Base fee of \$21,000 plus \$0.70 per bond in excess of \$10 million

Example of a \$20 million debt issue fee:

<i>Base Fee:</i>	\$ 21,000
<i>Above plus \$0.70/\$1,000 of par value:</i>	\$ 7,000
	\$ 28,000

3) As Needed Advisory Services

Ehlers isn't available only when you need to issue debt. We understand there will be questions and issues that will arise periodically. While we are available as needed to answer simple questions, in the event that the amount of work necessary to answer questions exceeds a reasonable expectation, Ehlers will work with the District to establish a scope of services based on hourly rates or a fixed not-to-exceed fee. Ehlers 2020 hourly charges are enumerated on the following page.

SECTION 8: FEE STRUCTURE

POSTION	RATE
Senior Municipal Advisor	\$250-275
Municipal Advisor	\$225-260
Financial Analyst	\$215-240
Senior Financial Specialist	\$200-245
Financial Specialist	\$200-235

Ehlers annually adjusts hourly consulting fees based on the Denver-Aurora-Lakewood consumer price index, all items.



SECTION 9:
REFERENCES

Aerotropolis Regional Transportation Authority

Matthew Hopper - Chairperson
Matt.hopper@aacmd.org
303-339-0042

Fossil Ridge Metropolitan District

Kelley Duke - Attorney
kduke@irelandstapleton.com
303-628-3663

North Weld

Eric Reckentine - District Manager
ericr@nwcwd.org
970-356-3002

Pueblo Urban Renewal Authority

Jerry Pacheco - Executive Director
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719-542-2577

Sterling Ranch Metropolitan District

Brian Peters - Chief Financial Officer
Brianp@SterlingRanchColorado.com
303-736-6721

January 11, 2021

Jonathan Fernandez
Vice President Corporate Trust & Escrow Services
UMB Bank
1670 Broadway
Denver, CO 80202

Via email

Great Western Park Metropolitan District No. 2

General Obligation Bonds (Limited Tax Convertible to Unlimited Tax), Series 2016A
Subordinate General Obligation Limited Tax Bonds, Series 2016B

We have reviewed the interest income earnings received by the Great Western Park Metropolitan District No. 2 for the period from July 19, 2016 through November 30, 2020. We have compared the interest income earnings of the District with the interest expense paid by the District as related to the above described bonds.

In our opinion, the interest paid on the above described bonds significantly exceeded the interest earned on the District's bond account for the period July 19, 2016 through November 30, 2020. The District is therefore not subject to preparing or filing an arbitrage rebate report.

Simmons & Wheeler P.C.

Great Western Park Metropolitan District #2 Bond Counsel Pricing Comparison
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Firm	Attorney	Bond Counsel	Bond & Disclosure	Additional Notes
Kutak Rock	Kristine Lay	\$35,000 to \$50,000	\$65,000 to \$95,000	\$5,000 to \$10,000 additional for a forward delivery
Sherman & Howard	Tiffany Leichman	\$50,000 to \$55,000	\$105,000 to \$110,000	
Butler Snow	Kim Crawford	\$75,000	\$125,000	
Ballard Spahr	Anastasia Khokhryakova	\$60,000		Would increase by \$10,000 if two series. Would increase by \$15,000 if forward (>90 days) is used.

MEMORANDUM

TO: Board of Directors, Great Western Park Metropolitan District No. 2

FROM: Melissa Buck, Municipal Advisor

DATE: November 9, 2020

SUBJECT: Great Western Park Metropolitan Districts No. 1-3 Debt Review

Introduction

Comments and review contained herein are based on a review of the following documents:

- Service Plan for Great Western Park Metropolitan Districts No. 2 as prepared by McGeady Sisneros, P.C. (the “Service Plan”)
- FY 2018 and FY 2019 Audited Financial Statements
- Quarterly Financial Statement ending March 31, 2020
- FY 2020 Adopted Budget
- Series 2016 Limited General Obligation Bonds Limited Offering Memorandum and related Bond Resolution
- Facilities Funding and Acquisition Agreement dated July 1, 2016 and subsequent First, Second, and Third Amendments
- Capital Pledge Agreement dated November 1, 2010 and subsequent First and Second, and Third Amendments

Review and Analysis

Great Western Park Metropolitan Districts Nos. 1 – 3 (the “Districts”) were organized as part of a common plan to serve the master planned community of Skyestone. Originally, District 1 served as the “operating district” and is responsible for making all financial and legal decisions on behalf of the “financing districts,” which were Districts No. 2 and 3; this structure is commonly referred to as a “master-servant,” because the “financing districts” typically pledge all of their tax revenues to the “operating district” and have little other purpose.

Per the Operational Funding Agreement dated June 30, 2016, District 2 is the current operating district as well as a financing district (along with District 3) (also see “Developer Advances” below for more information).

Outstanding Debt (as of March 31, 2020)

- \$11,045,000 of Series 2016 A Senior Lien Bonds, consisting of two term bonds with mandatory sinking fund payments per the debt service schedule:
 - o \$1,165,000 accruing interest at 4.00%, maturing December 1, 2026
 - o \$9,880,000 bearing interest at 5.00%, maturing December 1, 2046

- \$1,555,000 of Series 2016 B Subordinate Lien Bonds issued at 7.25%, maturing December 15, 2046
 - o \$417,025 of accrued interest

Series 2016 A Senior Lien Bonds

The Series 2016 A Bonds were issued as general obligation bonds (limited tax convertible to unlimited tax). Their pledged sources of repayment primarily include the Senior Required Mill Levy (defined in the Service Plan as 35 mills, “Gallagherized”) and a portion of Specific Ownership Tax. In addition, excess revenues generated from these pledged sources were to be held in the Surplus Fund, which is a supplemental reserve fund held in escrow to pay bondholders in the event District’s tax revenues fall short of debt service requirements. According to the Series 2016 Limited Offering Memorandum, the Surplus Fund is only released upon the Conversion Date.

The Conversion Date is defined in the Limited Offering Memorandum as the first date on which outstanding Series A Senior Lien Bonds is 50% or less of the District’s assessed value (assuming the repayment status is current). This date is also when the District’s outstanding bonds convert from limited to unlimited tax – meaning, upon the Conversion Date, the District must levy whatever amount necessary to repay the bonds, even if that rate exceeds the Maximum Debt Service Mill Levy allowed under the Service Plan. Also, per the offering documents, the conversion is mandatory, not optional.

Outstanding Series 2016 A Senior Lien Bonds (as of March 31, 2020) **\$11,045,000**

Preliminary 2020 Assessed Value (for collection in 2021)

District 1	\$10
District 2	19,392,750
District 3	1,190,180
<i>Total Assessed Value</i>	<u>\$20,582,940</u>

Senior Lien Debt/Assessed Value **53.66%**

Source: Broomfield County 2020 Abstract of Assessment and the District’s Quarterly Financial Statement ending March 31, 2020

According to the Broomfield Assessor, home values in the area have risen significantly over the past few years. From July 1, 2016 to June 30, 2018, single family homes in the areas north of 136th Avenue increased on average by 17.3%; condos increased by 9.8%.² During the same period, single family homes located south of 136th Avenue increased 5.7%, primarily due to

¹ In 1982, voters passed an amendment to the Colorado state constitution stipulating residential property tax revenues cannot exceed 45% of total state property tax revenues; commercial makes up the other 55%. It froze the commercial assessment ratio at 29% of market value, thus requiring the State to set the residential assessment rate every two years. The residential assessment rate was 21% in 1982. It is currently 7.15%. To compensate for these mandatory tax cuts, many local governments (including the Districts) passed measures allowing them to “float” their mill levies – meaning, the local tax rate increases as needed to make up for lost revenue due to changes in the residential assessment rate.

² Source: City and County of Broomfield, CO Press Release: 2019 Reappraisal Overview

their proximity to oil and gas development; condos in the area increased by 12.3%.³ As such, it is highly probable that the Series 2016 A Bonds will convert from limited tax to unlimited tax in tax year 2021 (for collection in 2022).

If, however, the District desires to guarantee that its property tax mill levy will not increase beyond the maximum allowable 35 mills (as adjusted), Ehlers recommends the District refinance all outstanding debt as soon as possible. Doing so would allow the District to renegotiate all covenants currently tied to the District's bonds, including the mandatory conversion to unlimited tax general obligation bonds, as well as realizing substantial cost savings (detailed further below in "Refunding Opportunities").

Series 2016 B Subordinate Lien Bonds

The Series 2016 B Bonds were issued as "cash flow" bonds, meaning there are no required payments of principal prior to the final maturity date (December 15, 2046). Unpaid but due principal and interest on cash flow bonds is generally not considered an Event of Default so long as the Districts impose the Maximum Debt Service Mill Levy as defined in the Service Plan (35 mills, adjusted). However, to the extent any interest on these Bonds is unpaid when due, the interest is compounded into the outstanding principal balance (not too dissimilar to how a credit card works).

These Bonds are discharged and deemed paid in full on December 16, 2056 regardless of any amounts outstanding.

In reviewing the District's financial statements, it appears no debt service payments have been made on the 2016 B Bonds. As such, the District has accrued \$417,025 of unpaid (and due) interest as of March 31, 2020, which has been compounded into the outstanding principal balance at an interest rate of 7.25%. Meaning, although the District's outstanding principal balance is \$1,555,000, the District is actually accruing interest on an outstanding loan amount of \$1,972,025.

However, during the 2019 fiscal year, the District added \$224,096 of excess property tax revenues (among others) to its Debt Service Fund Balance, increasing the available balance to \$1,900,918 at the fiscal year end.

Ehlers recommends the District utilize a portion of its Debt Service Fund balance to make repayment on the 2016 B Bonds current as the District's current Debt Service Mill Levy presently generates sufficient revenues to pay both the Series 2016 A and B Bonds' annual. Debt service requirements.

Refunding Opportunities

According to the Series 2016 Limited Offering Memorandum, the Bonds may be called beginning December 1, 2021 at a 3.00% premium. Although no additional debt may be issued on parity with the Senior Lien Bonds, a total refunding of the Series A and B Bonds is permissible.

³ Ibid.

To that end, Ehlers ran a preliminary refunding analysis refinancing both the Series A and B Bonds on a senior lien basis because it appears to provide the greatest amount of interest cost savings to the District; note the District may be able to maximize its savings by waiting to do a current refunding (within 90 days of the call date). Based on recent comparable transactions, the District could potentially realize about \$5.9 million in today’s dollars of interest cost savings on a net present value basis (also see Appendix A). The savings equates to \$280,000 of debt service savings annually through the final maturity of the Bonds (December 1, 2047).

Also included in the refinancing analysis are the following funds, used to pay down the debt:

- Series 2016 A Senior Lien Debt Service Reserve: \$871,750 of cash (held in escrow)
- Series 2016 A Senior Lien Surplus Fund: \$1,104,500 of cash (held in escrow)

Additional Debt Capacity

<i>Maximum Debt Permitted Under the Service Plan</i>	<i>\$12,600,000</i>
 Debt Issued to Date	
Series 2016 A Senior Lien Bonds	-11,045,000
Series 2016 B Subordinate Lien Bonds	-1,555,000
<i>Total Debt Issued to Date</i>	<u><i>-12,600,000</i></u>
<i>Total Remaining Bonding Authority</i>	<u><i>\$0</i></u>

Based on Ehlers’ review of the Service Plan, the District does not have any additional bonding authority. Unless the District were able to obtain a Service Plan modification⁴ increasing its bonding authority, the District is not authorized to issue debt to repay outstanding developer advances. All developer advances are discharged and forgiven December 31, 2050 (capital improvements) and December 31, 2051 (operations). Until then, the outstanding amounts (and accrued interest) will likely be reflected in the District’s audited financial statements.

Arbitrage

In the public finance industry, “arbitrage” refers to compliance with a specific set of Internal Revenue Service (IRS) rules regarding tax-exempt bonds. Because interest on those bonds is excluded from income (for federal (and sometimes state and local) purposes), the IRS wants to make sure that benefit is not abused by providing financial disincentives to prevent the issuance of “arbitrage bonds” – tax-exempt bonds issued for the purpose of investing the proceeds in securities with higher yields than those paid by the municipal bond.

⁴ See Broomfield, CO municipal code Sec. 17-38-230 for a list of permitted modifications subject to the city manager’s (or his or her designee) approval and process for other modifications.

In cases where arbitrage is earned,⁵ unless the issuer is eligible for an exception to the IRS arbitrage rebate and yield rules, excess interest earnings must be rebated (meaning paid) to the IRS as compensation (and penalty) for the lost tax revenue related to that bond.

There are two major exceptions to arbitrage rebate requirements: size-based and time-based. In the first exception (size), a tax-exempt bond issue is exempt if it qualifies as a small issuer – meaning, the issuer has governmental taxing authority and expects to issue no more than \$5 million⁶ in a calendar year.

In the second exception (time), there are 6-month, 18-month, and 24-month spending exceptions. The 6-month spend down requirement is available to any bond issue, whereas the 18-month is available only to new money bond issues (bonds issued for new purposes, not refinancing outstanding debt), and the 24-month is available only to “construction” issues (75% or more of bonds proceeds are spent on actual construction costs).

Spending Exception	6 Months	12 Months	18 Months	24 Months
6-Month – All Gross Proceeds	100%			
18-Month – All New Money	15%	60%	100%	
24-Month – Construction Issues	10%	45%	75%	100%

As illustrated in the chart above, the IRS has very specific requirements regarding how much bond proceeds must be spent and by when (as calculated from when the bonds were issued). Although there are allowances for minimal unspent proceeds (defined as the lesser of \$250,000 or 3% of bond proceeds (or 5% for retainage purposes), there are no “catch-up” provisions. Meaning, if bond proceeds are invested above the arbitrage yield and the draw schedule is in line with the provisions detailed above, the issuer may keep all interest earnings from that bond issue’s investments.

If bond proceeds are not spent quickly enough to meet all required benchmarks, the associated funds are subject to IRS arbitrage rebate requirements. There is no exception from IRS arbitrage rebate for the debt service reserve fund for issues that do not qualify for the size exception. There is also a carryover exception for funds held in a restricted debt service fund, and for the most part Colorado debt issues qualify for this exception.

In reviewing the District’s outstanding debt for possible arbitrage issues, the Series 2016 A and B loan amounts collectively exceed the small issuer exemption. Moreover, it seems approximately \$1.4 million of bond proceeds previously held in the Project Fund were expended in February 2020, violating IRS spend down requirements as detailed above. In sum, the District is subject to IRS rebate reporting requirements.

⁵ Arbitrage is earned when the proceeds of a tax-exempt bond issue are used to purchase investments earning a yield greater than the bond yield (the average yield municipal issuers pay their bondholders). Note, although both are important, a bond’s coupon is the interest rate an issuer pays annually in debt service whereas the yield is the rate of return that bond generates for the investor.

⁶ The small issuer exemption is \$15 million for school districts.

There are several firms (including Ehlers) that can help the District determine if it has an arbitrage liability. If the District desires, we would be happy to facilitate introductions to the appropriate persons.

Continuing Disclosure Requirements

As part of the Series 2016 bond offering, the District agreed to periodically provide certain information to investors, including:

- Quarterly Reports no later than February 15, May 15, August 15, and November 15 each year, commencing November 15, 2016
- Annual Reports no later than August 15 each year commencing August 15, 2017

It appears the District is current on its continuing disclosure requirements.

Developer Advances (as of December 31, 2019)

Facilities Funding and Acquisitions Agreement (FFA)

- \$10,260,075 for capital improvements
 - o Includes \$2,210,622 of accrued interest (calculated at 8.00% simple interest)

In July 2016 (in conjunction with the Series 2016 Bonds), the Districts entered into the Facilities Funding and Acquisitions Agreement with the Developer (Great Western Park, LLC (GWP)) to reimburse GWP up to \$12.6 million for certain organizational and capital costs related to the Districts. The Series 2016 A and B Bonds were issued for this purpose. Any amounts owed to GWP under the \$12.6 million cap are subject to 8.0% simple interest until paid. However, all GWP advances under the FFA are discharged and deemed paid in full on December 31, 2050, whether invoiced or not.

Unless a material modification to the current Service Plan is approved, the Districts have no additional debt capacity to further reimburse the Developer. Meaning, the Districts' financial statements will probably continue to show these unpaid balances until they are discharged in 2050.

Operation Funding Agreement (OFA)

- \$498,404 for operations under the Operation Funding Agreement (OFA)
 - o Includes \$201,713 of accrued interest (calculated at 8.00% simple interest)

In conjunction with the Series 2016 Bonds, it appears operational obligations were transferred from District 1 to District 2. District 1 previously acknowledged that the Developer had expended \$267,240 of funds to cover previously incurred operational and administrative shortfalls related to its responsibilities as the operational district. These obligations were then transferred to District 2 in the Second Amendment to the OFA; District 1 has no further obligation to repay the Developer.

According to the Service Plan, the District's Operations Mill Levy is uncapped and also not part of the Maximum Debt Service Mill Levy. To the extent there is a shortfall between tax

revenues generated from the Operations Mill Levy and actual costs, GWP previously agreed to advance all or a part of these shortfalls. Simple interest accrues on each advance from the date of deposit into the District's bank account or from the date of direct payment [from the Developer] to the payee at a rate of 8.0% per annum until repaid.

In the Second and Third Amendments, the Developer agreed to advance funds to District 2 as the operational district. The Developer's obligation to do this expired March 15, 2021. The District's responsibility to repay the Developer for any advances expires December 31, 2051.

The 2020 Budget indicates 5.43 mills is dedicated to the General Fund, which should generate approximately \$98,076⁷ for operational and administrative costs. It is unclear if this amount (along with any HOA fees) will be enough to sufficiently maintain the Districts' facilities. Further analysis may be necessary.

Conclusions

In reviewing the District's outstanding debt and agreements, the following recommendations are summarized below (in no particular order of importance):

- Utilize a portion of the Debt Service Fund balance to pay accrued interest on the Series 2016 B Bonds.
- Review the 2016 Continuing Disclosure requirements and confirm if the District's filings do in fact comply.
- Review outstanding Developer advances and determine if the Districts have an obligation or the means to repay anything beyond what has already been invoiced. Local counsel should be able to help.
- Solicit proposals from qualified arbitrage consultants to determine if the District has accrued a liability and if any payment to the IRS is required. Ehlers can help.
- Refinance all outstanding debt as soon as possible to generate cost savings for the District, potentially allowing the Districts to lower their Debt Service Mill Levies. As part of this process, Ehlers believes the District would be able to obtain an investment grade rating, which could lower overall borrowing costs. Ehlers can help the District navigate both the rating and debt issuance processes.

Attachments

- Appendix A: Preliminary refunding analysis for outstanding Series 2016 A and 2016 B Bonds (for discussion purposes only)

⁷ Based on a certified AV of \$18,061,835.

Great Western Park Metro District No. 2, CO

\$11,180,000 General Obligation Refunding Bonds, December 1, 2021

Current Refunding 2016A&B

Assumes Current Market Non-BQ Insured (BBB) Rates - Surety Bond

Sources & Uses

Dated 12/01/2021 | Delivered 12/01/2021

Sources Of Funds

Par Amount of Bonds	\$11,180,000.00
Transfers from Prior Issue DSR Funds	871,750.00
Surplus Funds	1,104,500.00

Total Sources **\$13,156,250.00**

Uses Of Funds

Total Underwriter's Discount (1.000%)	111,800.00
Costs of Issuance	125,000.00
Gross Bond Insurance Premium	126,212.51
Surety Bond	18,002.25
Deposit to Current Refunding Fund	12,772,000.00
Rounding Amount	3,235.24

Total Uses **\$13,156,250.00**

Great Western Park Metro District No. 2, CO

\$11,180,000 General Obligation Refunding Bonds, December 1, 2021

Current Refunding 2016A&B

Assumes Current Market Non-BQ Insured (BBB) Rates - Surety Bond

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/01/2021	-	-	-	-
12/01/2022	225,000.00	0.630%	245,505.50	470,505.50
12/01/2023	290,000.00	0.690%	244,088.00	534,088.00
12/01/2024	305,000.00	0.770%	242,087.00	547,087.00
12/01/2025	305,000.00	0.900%	239,738.50	544,738.50
12/01/2026	320,000.00	1.090%	236,993.50	556,993.50
12/01/2027	325,000.00	1.290%	233,505.50	558,505.50
12/01/2028	345,000.00	1.490%	229,313.00	574,313.00
12/01/2029	350,000.00	1.650%	224,172.50	574,172.50
12/01/2030	370,000.00	1.770%	218,397.50	588,397.50
12/01/2031	375,000.00	1.860%	211,848.50	586,848.50
12/01/2032	400,000.00	1.940%	204,873.50	604,873.50
12/01/2033	405,000.00	2.020%	197,113.50	602,113.50
12/01/2034	430,000.00	2.060%	188,932.50	618,932.50
12/01/2035	440,000.00	2.310%	180,074.50	620,074.50
12/01/2036	465,000.00	2.410%	169,910.50	634,910.50
12/01/2037	480,000.00	2.500%	158,704.00	638,704.00
12/01/2038	505,000.00	2.570%	146,704.00	651,704.00
12/01/2039	515,000.00	2.630%	133,725.50	648,725.50
12/01/2040	550,000.00	2.670%	120,181.00	670,181.00
12/01/2041	565,000.00	2.700%	105,496.00	670,496.00
12/01/2042	595,000.00	2.730%	90,241.00	685,241.00
12/01/2043	610,000.00	2.770%	73,997.50	683,997.50
12/01/2044	645,000.00	2.810%	57,100.50	702,100.50
12/01/2045	665,000.00	2.840%	38,976.00	703,976.00
12/01/2046	700,000.00	2.870%	20,090.00	720,090.00
Total	\$11,180,000.00	-	\$4,211,769.50	\$15,391,769.50

Yield Statistics

Bond Year Dollars	\$168,265.00
Average Life	15.051 Years
Average Coupon	2.5030574%
Net Interest Cost (NIC)	2.5695002%
True Interest Cost (TIC)	2.5567740%
Bond Yield for Arbitrage Purposes	2.5809006%
All Inclusive Cost (AIC)	2.7601807%

IRS Form 8038

Net Interest Cost	2.5030574%
Weighted Average Maturity	15.051 Years

Great Western Park Metro District No. 2, CO

\$11,180,000 General Obligation Refunding Bonds, December 1, 2021

Current Refunding 2016A&B

Assumes Current Market Non-BQ Insured (BBB) Rates - Surety Bond

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
12/01/2021	-	-	-	-
12/01/2022	470,505.50	470,505.50	753,968.75	283,463.25
12/01/2023	534,088.00	534,088.00	813,737.50	279,649.50
12/01/2024	547,087.00	547,087.00	826,737.50	279,650.50
12/01/2025	544,738.50	544,738.50	828,937.50	284,199.00
12/01/2026	556,993.50	556,993.50	840,737.50	283,744.00
12/01/2027	558,505.50	558,505.50	841,737.50	283,232.00
12/01/2028	574,313.00	574,313.00	854,987.50	280,674.50
12/01/2029	574,172.50	574,172.50	856,987.50	282,815.00
12/01/2030	588,397.50	588,397.50	868,237.50	279,840.00
12/01/2031	586,848.50	586,848.50	868,237.50	281,389.00
12/01/2032	604,873.50	604,873.50	887,487.50	282,614.00
12/01/2033	602,113.50	602,113.50	884,987.50	282,874.00
12/01/2034	618,932.50	618,932.50	901,737.50	282,805.00
12/01/2035	620,074.50	620,074.50	901,737.50	281,663.00
12/01/2036	634,910.50	634,910.50	915,737.50	280,827.00
12/01/2037	638,704.00	638,704.00	917,987.50	279,283.50
12/01/2038	651,704.00	651,704.00	933,987.50	282,283.50
12/01/2039	648,725.50	648,725.50	932,987.50	284,262.00
12/01/2040	670,181.00	670,181.00	950,737.50	280,556.50
12/01/2041	670,496.00	670,496.00	951,237.50	280,741.50
12/01/2042	685,241.00	685,241.00	965,237.50	279,996.50
12/01/2043	683,997.50	683,997.50	966,987.50	282,990.00
12/01/2044	702,100.50	702,100.50	981,987.50	279,887.00
12/01/2045	703,976.00	703,976.00	984,487.50	280,511.50
12/01/2046	720,090.00	720,090.00	128,237.50	(591,852.50)
12/01/2047	-	-	1,611,368.75	1,611,368.75
Total	\$15,391,769.50	\$15,391,769.50	\$23,171,237.50	\$7,779,468.00

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	5,901,728.33
Effects of changes in DSR investments	(439,297.03)
Net PV Cashflow Savings @ 2.760%(AIC)	5,462,431.30
Total Cash contribution	(1,104,500.00)
Contingency or Rounding Amount	3,235.24
Net Present Value Benefit	\$4,361,166.54
Net PV Benefit / \$12,400,000 Refunded Principal	35.171%
Net PV Benefit / \$11,180,000 Refunding Principal	39.009%

Refunding Bond Information

Refunding Dated Date	12/01/2021
Refunding Delivery Date	12/01/2021

Great Western Park Metro District No. 2, CO

\$10,845,000 General Obligation Bonds, Series 2016A

Prior Original Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/01/2021	-	-	-	-
12/01/2022	165,000.00	4.000%	532,600.00	697,600.00
12/01/2023	175,000.00	4.000%	526,000.00	701,000.00
12/01/2024	195,000.00	4.000%	519,000.00	714,000.00
12/01/2025	205,000.00	4.000%	511,200.00	716,200.00
12/01/2026	225,000.00	4.000%	503,000.00	728,000.00
12/01/2027	235,000.00	5.000%	494,000.00	729,000.00
12/01/2028	260,000.00	5.000%	482,250.00	742,250.00
12/01/2029	275,000.00	5.000%	469,250.00	744,250.00
12/01/2030	300,000.00	5.000%	455,500.00	755,500.00
12/01/2031	315,000.00	5.000%	440,500.00	755,500.00
12/01/2032	350,000.00	5.000%	424,750.00	774,750.00
12/01/2033	365,000.00	5.000%	407,250.00	772,250.00
12/01/2034	400,000.00	5.000%	389,000.00	789,000.00
12/01/2035	420,000.00	5.000%	369,000.00	789,000.00
12/01/2036	455,000.00	5.000%	348,000.00	803,000.00
12/01/2037	480,000.00	5.000%	325,250.00	805,250.00
12/01/2038	520,000.00	5.000%	301,250.00	821,250.00
12/01/2039	545,000.00	5.000%	275,250.00	820,250.00
12/01/2040	590,000.00	5.000%	248,000.00	838,000.00
12/01/2041	620,000.00	5.000%	218,500.00	838,500.00
12/01/2042	665,000.00	5.000%	187,500.00	852,500.00
12/01/2043	700,000.00	5.000%	154,250.00	854,250.00
12/01/2044	750,000.00	5.000%	119,250.00	869,250.00
12/01/2045	790,000.00	5.000%	81,750.00	871,750.00
12/01/2046	845,000.00	5.000%	42,250.00	887,250.00
Total	\$10,845,000.00	-	\$8,824,550.00	\$19,669,550.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/01/2021
Average Life	16.330 Years
Average Coupon	4.9828063%
Weighted Average Maturity (Par Basis)	16.330 Years
Weighted Average Maturity (Original Price Basis)	16.330 Years

Refunding Bond Information

Refunding Dated Date	12/01/2021
Refunding Delivery Date	12/01/2021

Great Western Park Metro District No. 2, CO

\$1,555,000 Subordinate General Obligation Limited Tax Bonds, Series 2016B

Prior Original Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/01/2022	-	-	56,368.75	56,368.75
12/01/2023	-	-	112,737.50	112,737.50
12/01/2024	-	-	112,737.50	112,737.50
12/01/2025	-	-	112,737.50	112,737.50
12/01/2026	-	-	112,737.50	112,737.50
12/01/2027	-	-	112,737.50	112,737.50
12/01/2028	-	-	112,737.50	112,737.50
12/01/2029	-	-	112,737.50	112,737.50
12/01/2030	-	-	112,737.50	112,737.50
12/01/2031	-	-	112,737.50	112,737.50
12/01/2032	-	-	112,737.50	112,737.50
12/01/2033	-	-	112,737.50	112,737.50
12/01/2034	-	-	112,737.50	112,737.50
12/01/2035	-	-	112,737.50	112,737.50
12/01/2036	-	-	112,737.50	112,737.50
12/01/2037	-	-	112,737.50	112,737.50
12/01/2038	-	-	112,737.50	112,737.50
12/01/2039	-	-	112,737.50	112,737.50
12/01/2040	-	-	112,737.50	112,737.50
12/01/2041	-	-	112,737.50	112,737.50
12/01/2042	-	-	112,737.50	112,737.50
12/01/2043	-	-	112,737.50	112,737.50
12/01/2044	-	-	112,737.50	112,737.50
12/01/2045	-	-	112,737.50	112,737.50
12/01/2046	-	-	112,737.50	112,737.50
12/01/2047	1,555,000.00	7.250%	56,368.75	1,611,368.75
Total	\$1,555,000.00	-	\$2,818,437.50	\$4,373,437.50

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/01/2021
Average Life	25.039 Years
Average Coupon	7.250000%
Weighted Average Maturity (Par Basis)	25.039 Years
Weighted Average Maturity (Original Price Basis)	25.039 Years

Refunding Bond Information

Refunding Dated Date	12/01/2021
Refunding Delivery Date	12/01/2021