HIGHLANDS RANCH METROPOLITAN DISTRICT
BOARD MEETING ADDENDA

January 26, 2016

Addendum documents can also be viewed at
http://highlandsranch.org
or
http://intranet.highlandsranch.org/default.aspx

- HRCA Update
- Refinance
2015 Recreation Center Usage

Northridge  353,100  19%
Southridge  521,000  29%
Eastridge    500,000  28%
Westridge   444,200  24%

Total:  1,818,300  100%

Off-Site  118,600
Usage - Hourly
Event Partnerships
Film in the Park
3 films each August
900 – 3000 attendees each film
Summer’s Sunset Concert
900 – 1300 attendees annually

4th of July Concert
800 – 1200 attendees annually
Highlands Ranch Beer Festival
2,500 to 3,000 attendees each year
Hooked on Fishing
105 attendees each year

Ladies Fishing on the Fly
15 attendees each year
Jazz at the Mansion
225 attendees each year (Sold Out)

Big Band Dance Night
100 Attendees each year
Father & Daughter Sweetheart Ball
675 attendees each year

Murder Mystery Theater
120 attendees each year
Paranormal Party
100 attendees each year

Shelvis & The Roustabouts
100 attendees each year
Volunteer Appreciation Dinner
170 attendees each year

Classical Music Series
A series of 3 concerts each year
100 attendees each concert, 225 at the Christmas Concert
REFINANCE DEBT

- Use on projects
  - Generate cash flow sufficient to build ice arena
  - Generate additional flexibility for the Under the Dome Projects

- Refinance
  - All outstanding debt as of 12/31/15
  - Metro 2 debt only
Decision needs to be made in time to close by June 1, 2016
- For Ice - no principal payments in 2016 and 2017 to maximize cash available
- Assume debt refinance - max out to 2026 (currently matures in 2024)
- Call no later than 2023/2024

Other Factors
- Present value savings exist in this market
- Debt authorization generally considered to expire in 2016 (10 years after consolidation)
<table>
<thead>
<tr>
<th>AGGRESSIVE DATE</th>
<th>EVENT</th>
<th>&quot;RELAXED&quot; DATE</th>
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<tbody>
<tr>
<td>Week of January 18, 2016</td>
<td>Coordinating call with Butler Snow, Disclosure questionnaire delivered to HRMD Finance Staff</td>
<td>Week of February 1, 2016</td>
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<tr>
<td>2/10/2016</td>
<td>Disclosure questionnaire completed and returned to Butler Snow</td>
<td>2/19/2016</td>
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<tr>
<td>2/17/2016</td>
<td>Board of Directors Study Session – review and authorize refunding?</td>
<td>2/17/2016</td>
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<td>2/18/2016</td>
<td>First drafts of Bond Documents and Preliminary Official Statement circulated</td>
<td>3/7/2016</td>
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<tr>
<td>Week of February 24, 2016</td>
<td>Drafting Session/conference call to provide comments on documents – Date/time to be determined</td>
<td>Week of March 14, 2016</td>
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<tr>
<td>2/26/2016</td>
<td>Final Comments due on all documents; Documents sent to Standard &amp; Poor’s</td>
<td>3/21/2016</td>
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<td>3/10/2016</td>
<td>Call with S&amp;P</td>
<td>Week of April 4, 2016</td>
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<td>3/15/2016</td>
<td>Rating results received</td>
<td>4/18/2016</td>
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<td>3/29/2016</td>
<td>Regular Board Meeting; - Approval of Bond Resolution</td>
<td>4/26/2016</td>
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<td>4/12/2016</td>
<td>Marketing of Bonds</td>
<td>5/10/2016</td>
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WHAT ARE THOSE PROJECTS

- Build ice arena
- Expedite capital related to “under the dome” projects for disparate uses such as:
  - Supplemental funding for Commons Park - $2M
  - Wildcat Regional (shared funding) OR Community Park (primarily HRMD funding)
  - Mansion outbuildings – Undefined cost post 2020
  - Fire Station – new or expansion
  - RTD Light Rail contribution
Hired Ballard and King
Report received
Summary
- Marginal additional public “need” (1 sheet)
- Poor condition of existing SoSub (2 sheets)
- Valor (1 sheet) with no obvious sharing
- Avalanche in hibernation but spring is coming
Opportunities
- Partnership with SoSub
- Desire to replace facility????
- Build with 3 sheets
- Location in Highlands Ranch but several County Line corridor locations
- Construction 2016-2018
- Barebones initial phase $2M
- <$2 Million from CTF during that time
  - Balance from mill levy or ????
- Additional CTF balance over time