

RESOLUTION NO. CFD EM1 RES_____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EASTMARK COMMUNITY FACILITIES DISTRICT NO.1 (CITY OF MESA, ARIZONA) APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019, SETTING HEARING DATES FOR THE BUDGET AND TAX LEVY.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1 (CITY OF MESA, ARIZONA), as follows:

Section 1. The statements and schedules contained in the budget attached hereto as Exhibit A and incorporated by reference herein, are hereby approved for the purpose as hereinafter set forth as the tentative budget for the Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the "*District*") for the fiscal year 2018-19. The statements and estimates of the operation and maintenance expenses of the District, the costs of capital improvements and other expenditures for public infrastructure and the amount needed to pay any general obligation bonds of the District (collectively, the "*District Expenditures*"), which are to be paid from ad valorem taxes collected in the District, are hereby filed with the District Clerk.

Section 2. The District Clerk is authorized and directed to cause to be mailed to the governing body of the City of Mesa, Arizona and published in the manner prescribed by law, a notice that the District Board will meet for the purpose of conducting a final hearing for District taxpayers on the statements and estimates of District Expenditures filed with the District Clerk and on the adoption of the 2018-19 Annual Budget for the District; said hearing to be conducted at 7:30 a.m. on June 28, 2018, at the Mesa City Council Chambers, 57 East First Street, Mesa, Arizona 85201, with final approval of the District's tax levy on June 28, 2018, same time and place.

PASSED AND ADOPTED by the Board of Directors of the Eastmark Community Facilities District No. 1 (City of Mesa, Arizona), on May 31, 2018.

District Chairman

ATTEST:

District Clerk

APPROVED AS TO FORM:

District Attorney

**EXHIBIT A
TO
RESOLUTION NO. CFD EM1 RES_____**

[Budget]

See following pages.

Eastmark Community Facilities District No. 1

Fiscal Year 2018-19 Tentative Budget

Sources

| | | |
|--------------------------------------|--|----------------------|
| Use of Fund Balance | | \$ 823,168 |
| <hr/> | | |
| Revenue | Used For: | |
| Reimbursements from Developer | Operations | \$ 43,549 |
| Property Tax | Operations | 155,981 |
| Property Tax | General Obligation Debt Service | 2,001,750 |
| Property Assessments | Assessment District Debt Service | 2,070,706 |
| Total Revenue | | \$ 4,271,986 |
| <hr/> | | |
| Other Financing Sources | Issuance: | |
| Bond Proceeds | General Obligation - 2018 | \$ 9,100,000 |
| Bond Proceeds | Special Assessment District #10 | 1,000,000 |
| Bond Proceeds | Special Assessment District #11 | 1,000,000 |
| Bond Proceeds | Special Assessment District #12 | 1,000,000 |
| Bond Proceeds | Contingency for potential adjustments to final property values and bond debt structure | 3,000,000 |
| Total Other Financing Sources | | \$ 15,100,000 |
| <hr/> | | |
| Total Sources | | \$ 20,195,154 |
| <hr/> | | |

Eastmark Community Facilities District No. 1

Fiscal Year 2018-19 Tentative Budget

Uses

Expenditures

Operations:

Description:

| | | |
|-----------------------|--|-----------|
| Accounting | Audit Work, Software License, Staff Time | \$ 78,740 |
| Budget | Staff Time | 10,000 |
| Clerk | Publishing, Staff Time | 1,508 |
| Engineering | Staff Time | 19,282 |
| Legal | Staff Time, Outside Legal Counsel | 40,000 |
| Treasurer | Staff Time | 10,000 |
| Operating Contingency | | 40,000 |

| | | |
|-------------------------|--|-------------------|
| Total Operations | | \$ 199,530 |
|-------------------------|--|-------------------|

Capital:

Description:

Public Infrastructure

| | | |
|---------------------------------------|---|--------------|
| General Obligation Bonds | Reimbursement to Brookfield for portions of The Great Park, Signal Butte Road, Ray Road, and East Point Twenty-Two Boulevard, or other eligible public infrastructure | \$ 8,800,000 |
| Special Assessment District #10 Bonds | Reimbursement to Brookfield for local street improvements | 844,000 |
| Special Assessment District #11 Bonds | Reimbursement to Brookfield for local street improvements | 844,000 |
| Special Assessment District #12 Bonds | Reimbursement to Brookfield for local street improvements | 844,000 |
| Costs of Issuance | Legal and financial fees for bond issuances | 750,000 |
| Appraisal Fees | Special Assessment District fees for appraisal services | 18,000 |
| Capital | Contingency for additional reimbursement of eligible infrastructure | 3,000,000 |

| | | |
|----------------------|--|----------------------|
| Total Capital | | \$ 15,100,000 |
|----------------------|--|----------------------|

Debt Service:

Description:

| | | |
|-----------|---|--------------|
| Principal | General Obligation and Special Assessment Bonds | \$ 2,342,368 |
| Interest | General Obligation and Special Assessment Bonds | 2,545,756 |
| Fees | Bank Charges | 7,500 |

| | | |
|---------------------------|--|---------------------|
| Total Debt Service | | \$ 4,895,624 |
|---------------------------|--|---------------------|

| | | |
|---------------------------|--|----------------------|
| Total Expenditures | | \$ 20,195,154 |
|---------------------------|--|----------------------|

| | | |
|-------------------|--|----------------------|
| Total Uses | | \$ 20,195,154 |
|-------------------|--|----------------------|

| | | |
|--------------------------------------|--|-------------|
| Sources More/(Less) Than Uses | | \$ - |
|--------------------------------------|--|-------------|