

LETTER OF BUDGET TRANSMITTAL

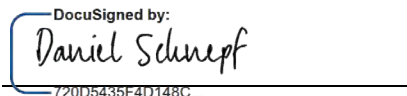
Date: January 31, 2024

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2024 budget and budget message for TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 15, 2023. If there are any questions on the budget, please contact:

Seef LeRoux
CliftonLarsonAllen LLP
111 S. Tejon St., Suite 705
Colorado Springs, CO 80903
Seef.LeRoux@claconnect.com
Tel: 719-635-0330

I, Daniel Schnepf as President of the True North Commons Business Improvement District, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: 720D5435F4D148C...

RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the True North Commons Business Improvement District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 15, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$0; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of City and County of El Paso is \$0; and

WHEREAS, at an election held on November 6, 2018, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT OF EL PASO COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the True North Commons Business Improvement District for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 50.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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ADOPTED this 15th day of November, 2023.

TRUE NORTH COMMONS BUSINESS
IMPROVEMENT DISTRICT

DocuSigned by:
Daniel Schnepf
720D5435F4D148C...

President

ATTEST:

DocuSigned by:
Eric Smith
3B001BDDE63749D...

Secretary

**ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES**

TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 182	\$ 68,560,172	\$ 21,783,146
REVENUES			
PILOT revenue	-	-	524,192
Interest income	481,406	558,000	387,000
Developer advance	85,000	100,000	125,000
RTA funds	4,664,719	544,500	549,750
LART Grant	2,000,000	-	-
Bond issuance proceeds	86,464,043	-	-
Total revenues	<u>93,695,168</u>	<u>1,202,500</u>	<u>1,585,942</u>
TRANSFERS IN	<u>18,028,687</u>	<u>-</u>	<u>-</u>
Total funds available	<u>111,724,037</u>	<u>69,762,672</u>	<u>23,369,088</u>
EXPENDITURES			
General Fund	78,771	102,872	125,000
Debt Service Fund	3,423,645	4,161,899	4,180,946
2022A Capital Projects Fund	650,374	4,003,557	1,634,096
2022B Capital Projects Fund	10,261,076	28,677,198	4,040,000
2022C Capital Projects Fund	10,721,312	11,034,000	2,731,675
Total expenditures	<u>25,135,178</u>	<u>47,979,526</u>	<u>12,711,717</u>
TRANSFERS OUT	<u>18,028,687</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>43,163,865</u>	<u>47,979,526</u>	<u>12,711,717</u>
ENDING FUND BALANCES	<u>\$ 68,560,172</u>	<u>\$ 21,783,146</u>	<u>\$ 10,657,371</u>
AVAILABLE FOR OPERATIONS	6,411	3,539	3,539
DEBT SERVICE RESERVE	5,853,256	5,853,256	5,853,256
CAPITALIZE INTEREST	6,198,240	2,132,279	-
DEBT SERVICE SURPLUS	4,391,940	5,200,000	4,800,576
TOTAL RESERVE	<u>\$ 16,449,847</u>	<u>\$ 13,189,074</u>	<u>\$ 10,657,371</u>

No assurance provided. See summary of significant assumptions.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
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ASSESSSED VALUATION

	-	-	-
Certified Assessed Value	\$ -	\$ -	\$ -

MILL LEVY

General	0.000	10.000	10.000
Debt Service	0.000	50.000	50.000
Total mill levy	0.000	60.000	60.000

PROPERTY TAXES

Budgeted property taxes	\$ -	\$ -	\$ -
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BUDGETED PROPERTY TAXES

General	\$ -	\$ -	\$ -
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**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 182	\$ 6,411	\$ 3,539
REVENUES			
Developer advance	85,000	100,000	125,000
Total revenues	<u>85,000</u>	<u>100,000</u>	<u>125,000</u>
Total funds available	<u>85,182</u>	<u>106,411</u>	<u>128,539</u>
EXPENDITURES			
General and administrative			
Accounting	28,872	35,000	40,000
Auditing	-	5,190	6,000
Dues and membership	378	356	500
Insurance	-	2,326	2,750
District management	25,540	30,000	35,000
Legal	23,425	30,000	35,000
Miscellaneous	26	-	-
Election	530	-	-
Contingency	-	-	5,750
Total expenditures	<u>78,771</u>	<u>102,872</u>	<u>125,000</u>
Total expenditures and transfers out requiring appropriation	<u>78,771</u>	<u>102,872</u>	<u>125,000</u>
ENDING FUND BALANCES	<u>\$ 6,411</u>	<u>\$ 3,539</u>	<u>\$ 3,539</u>
AVAILABLE FOR OPERATIONS	6,411	3,539	3,539
TOTAL RESERVE	<u>\$ 6,411</u>	<u>\$ 3,539</u>	<u>\$ 3,539</u>

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 16,828,235	\$ 13,460,836
REVENUES			
PIF revenue	-	-	-
PILOT revenue	-	-	524,192
RTA funds	2,064,719	544,500	549,750
City sales tax revenue	-	-	-
County sales tax revenue	-	-	-
Interest income	158,474	250,000	300,000
Total revenues	<u>2,223,193</u>	<u>794,500</u>	<u>1,373,942</u>
TRANSFERS IN			
Transfers from other funds	<u>18,028,687</u>	-	-
Total funds available	<u>20,251,880</u>	<u>17,622,735</u>	<u>14,834,778</u>
EXPENDITURES			
General and administrative			
URA admin fee	-	63,673	64,946
Paying agent fees	-	3,500	5,000
PIF collection fees	-	-	10,000
Contingency	-	-	6,275
Debt Service			
Bond interest - 2022A	321,694	384,750	384,750
Bond interest - 2022B	3,101,951	3,709,976	3,709,975
Total expenditures	<u>3,423,645</u>	<u>4,161,899</u>	<u>4,180,946</u>
Total expenditures and transfers out requiring appropriation	<u>3,423,645</u>	<u>4,161,899</u>	<u>4,180,946</u>
ENDING FUND BALANCES	<u>\$ 16,828,235</u>	<u>\$ 13,460,836</u>	<u>\$ 10,653,832</u>
DEBT SERVICE RESERVE	\$ 5,853,256	\$ 5,853,256	\$ 5,853,256
CAPITALIZE INTEREST	6,198,240	2,132,279	-
DEBT SERVICE SURPLUS	4,391,940	5,200,000	4,800,576
TOTAL RESERVE	<u>\$ 16,443,436</u>	<u>\$ 13,185,535</u>	<u>\$ 10,653,832</u>

No assurance provided. See summary of significant assumptions.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND - 2022A BONDS
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 5,574,653	\$ 1,614,096
REVENUES			
Interest income	33,034	43,000	20,000
Bond issuance proceeds	7,819,043	-	-
Total revenues	<u>7,852,077</u>	<u>43,000</u>	<u>20,000</u>
Total funds available	<u>7,852,077</u>	<u>5,617,653</u>	<u>1,634,096</u>
EXPENDITURES			
General and Administrative			
Accounting	1,298	3,557	-
URA admin fee	183,624	-	-
Capital Projects			
Bond issue costs	308,379	-	-
Capital outlay	157,073	4,000,000	1,634,096
Total expenditures	<u>650,374</u>	<u>4,003,557</u>	<u>1,634,096</u>
TRANSFERS OUT			
Transfers to other fund	<u>1,627,050</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>2,277,424</u>	<u>4,003,557</u>	<u>1,634,096</u>
ENDING FUND BALANCES	<u>\$ 5,574,653</u>	<u>\$ 1,614,096</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND - 2022B BONDS
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$	-	\$ 32,497,198
			\$ 4,000,000
REVENUES			
Interest income	189,438	180,000	40,000
LART Grant	2,000,000	-	-
RTA funds	2,600,000	-	-
Bond issuance proceeds	54,370,000	-	-
Total revenues	59,159,438	180,000	40,000
Total funds available	59,159,438	32,677,198	4,040,000
EXPENDITURES			
General and Administrative			
Accounting	25,496	13,000	15,000
Legal	7,646	8,000	8,000
Capital Projects			
Repay developer advance	112,021	-	-
Bond issue costs	2,178,893	-	-
Capital outlay	7,937,020	28,656,198	4,017,000
Total expenditures	10,261,076	28,677,198	4,040,000
TRANSFERS OUT			
Transfers to other fund	16,401,164	-	-
Total expenditures and transfers out requiring appropriation	26,662,240	28,677,198	4,040,000
ENDING FUND BALANCES	\$ 32,497,198	\$ 4,000,000	\$ -

No assurance provided. See summary of significant assumptions.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND - 2022C BONDS
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 13,653,675	\$ 2,704,675
REVENUES			
Interest income	100,460	85,000	27,000
Bond issuance proceeds	24,275,000	-	-
Total revenues	<u>24,375,460</u>	<u>85,000</u>	<u>27,000</u>
Total funds available	<u>24,375,460</u>	<u>13,738,675</u>	<u>2,731,675</u>
EXPENDITURES			
General and Administrative			
Accounting	24,825	12,000	15,000
Legal	19,182	22,000	15,000
Capital Projects			
Bond issue costs	731,666	-	-
Capital outlay	9,945,639	11,000,000	2,701,675
Total expenditures	<u>10,721,312</u>	<u>11,034,000</u>	<u>2,731,675</u>
TRANSFERS OUT			
Transfers to other fund	<u>473</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>10,721,785</u>	<u>11,034,000</u>	<u>2,731,675</u>
ENDING FUND BALANCES	<u>\$ 13,653,675</u>	<u>\$ 2,704,675</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

True North Commons Business Improvement District, formerly known as USAFA Visitors Center Business Improvement District, (the "District") was organized to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District, including, without limitation, the following types of improvements: water, safety protection, sanitation, dry utilities, streets, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, parks, landscaping and storm and wastewater management facilities and associated land acquisition and remediation. District's service area is located in the designated commercial area within the City of Colorado Springs, El Paso County, Colorado.

The District was organized by Ordinance of the City of Colorado Springs on August 14, 2018.

At an election held on November 6, 2018, the voters approved general obligation indebtedness of \$450,000,000 for acquisitions, construction, installation, purchase, and completion of certain public improvements. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. Pursuant to the District's operating plan filed annually with the City, the maximum debt service mill levy the District can impose is 50.000 mills and operations and maintenance mill levy impose is 10.000 mills. As set forth in the District's 2018 operating plan, the City has limited the amount of debt to be issued to a total of \$450,000,000 in the authorized voted categories, without future approval by the City.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Regional Tourism Act (RTA) Contribution and Funding

The District will receive additional contribution and funding from the RTA for the debt service related to the Visitor's Center Project.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Public Improvement Fees (PIF)

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the retail and service sales at a rate of 3.00%, lodging sales at a rate of 2.00%, and motor fuel sales at a rate of 2.50%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end. No PIF revenues anticipated for budget year 2024.

Sales Tax Increment

Pursuant to the Urban Renewal Plan, the City-Authority Agreement, the Redevelopment Agreement, and the Cooperation Agreement, with the Colorado Springs Urban Renewal Authority ("CSURA"), the District will receive tax increment financing ("TIF") generated from the District's project to be used toward the repayment of the District's bonds. This agreement includes sales tax increment revenues which are defined as 87.5% of the City and County sales taxes collected within the District. No TIF revenues anticipated for budget year 2024.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, and other administrative expenses.

Administrative Fee to CSURA

Commencing in the calendar year 2020, an administrative fee in the amount of \$60,000, escalating at a rate of 2% annually in each subsequent year, shall be collected annually by CSURA from the total TIF Revenue generated by the District. Until such time as the TIF Revenue is annually in excess of an amount require to fund an administrative fee of not less than the applicable amount, payable to the CSURA in such amount annually.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2022A Bonds and Series 2022B Bonds (discussed under Debt and Leases).

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures - (continued)

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects funds.

Debt and Leases

Series 2022 Bonds

In January 2022, the District issued \$7,695,000 in Series 2022A Special Revenue Bonds, \$54,370,000 in Series 2022B Taxable Special Revenue Bonds, and \$24,275,000 in Series 2022C Subordinate Special Revenue Bonds. The Bonds are special limited obligations of the District secured by and payable from the pledged revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, and revenues generated from the commercial and residential facilities fees imposed by Sample District. The Series 2022A Bonds of \$7,695,000 are term bonds due December 1, 2052 at an interest rate of 5.00%. The Series 2006B Bonds are term bonds maturing as follows: \$3,000,000 due December 1, 2029 at an interest rate of 6.00%, \$26,370,000 due December 1, 2042 at an interest rate of 6.75%, and \$25,000,000 due December 1, 2052 at an interest rate of 7.00%. The Series 2022C Bonds of \$24,275,000 are term bonds due December 15, 2052 at an interest rate of 7.75%.

Developer Advances

The District entered into an Operations Reimbursement Agreement (Operations Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of 7% beginning on the date the advance were made to the date of repayment. The Operations Agreement does not constitute a multiple-fiscal year obligation.

The District has no operating leases.

Schedule Of Long Term Obligations

	Balance at December 31, 2022	Additions*	Repayments*	Balance at December 31, 2023*
Developer Advances - Operating	\$ 85,000	\$ 100,000	\$ -	\$ 185,000
Accrued interest - Operating	1,987	9,450	-	11,437
	<u>86,987</u>	<u>109,450</u>	<u>-</u>	<u>196,437</u>
	<u>\$ 86,987</u>	<u>\$ 109,450</u>	<u>\$ -</u>	<u>\$ 196,437</u>
	Balance at December 31, 2023*	Additions*	Repayments*	Balance at December 31, 2024*
Developer Advances - Operating	\$ 185,000	\$ 125,000	\$ -	\$ 310,000
Accrued interest - Operating	11,437	17,325	-	28,762
	<u>196,437</u>	<u>142,325</u>	<u>-</u>	<u>338,762</u>
	<u>\$ 196,437</u>	<u>\$ 142,325</u>	<u>\$ -</u>	<u>\$ 338,762</u>

* Estimate

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Series 2022A Bonds and 2022B Bonds.

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing December 31, Year	\$7,695,000 Special Revenue Bonds Series 2022A Dated January 14, 2022 Interest Payable June 1 and December 1		
	Principal	Interest	Total
2024	\$ -	\$ 384,750	\$ 384,750
2025	-	384,750	384,750
2026	-	384,750	384,750
2027	-	384,750	384,750
2028	-	384,750	384,750
2029	-	384,750	384,750
2030	-	384,750	384,750
2031	-	384,750	384,750
2032	-	384,750	384,750
2033	-	384,750	384,750
2034	-	384,750	384,750
2035	-	384,750	384,750
2036	-	384,750	384,750
2037	-	384,750	384,750
2038	-	384,750	384,750
2039	-	384,750	384,750
2040	-	384,750	384,750
2041	-	384,750	384,750
2042	600,000	384,750	984,750
2043	600,000	354,750	954,750
2044	600,000	324,750	924,750
2045	600,000	294,750	894,750
2046	600,000	264,750	864,750
2047	600,000	234,750	834,750
2048	600,000	204,750	804,750
2049	600,000	174,750	774,750
2050	600,000	144,750	744,750
2051	600,000	114,750	714,750
2052	1,695,000	84,750	1,779,750
Total	\$7,695,000	\$9,507,750	\$ 17,202,750

No assurance is provided. See summary of significant assumptions.

**TRUE NORTH COMMONS BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing December 31, Year	\$54,370,000 Special Revenue Bonds Series 2022B Dated January 14, 2022 Interest Payable June 1 and December 1		
	Principal	Interest	Total
2024	\$ -	\$ 3,709,976	\$ 3,709,976
2025	-	3,709,976	3,709,976
2026	655,000	3,709,976	4,364,976
2027	680,000	3,670,676	4,350,676
2028	855,000	3,629,876	4,484,876
2029	1,015,000	3,578,576	4,593,576
2030	1,220,000	3,516,138	4,736,138
2031	1,415,000	3,433,788	4,848,788
2032	1,660,000	3,338,276	4,998,276
2033	1,890,000	3,226,226	5,116,226
2034	2,150,000	3,098,650	5,248,650
2035	2,395,000	2,953,526	5,348,526
2036	2,515,000	2,791,862	5,306,862
2037	2,225,000	2,622,100	4,847,100
2038	2,480,000	2,471,912	4,951,912
2039	2,715,000	2,304,512	5,019,512
2040	3,005,000	2,121,250	5,126,250
2041	3,280,000	1,918,412	5,198,412
2042	3,020,000	1,692,550	4,712,550
2043	3,330,000	1,483,650	4,813,650
2044	2,955,000	1,250,550	4,205,550
2045	1,280,000	1,043,700	2,323,700
2046	1,465,000	954,100	2,419,100
2047	1,650,000	851,550	2,501,550
2048	1,860,000	736,050	2,596,050
2049	2,070,000	605,850	2,675,850
2050	2,315,000	460,950	2,775,950
2051	2,575,000	298,900	2,873,900
2052	1,695,000	118,650	1,813,650
Total	\$ 54,370,000	\$ 65,302,208	\$ 119,672,208

No assurance is provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

On behalf of the True North Commons Business Improvement District,
(taxing entity)^A
the Board of Directors
(governing body)^B
of the True North Commons Business Improvement District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 0 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 0 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/02/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>10.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	<u>50.000</u> mills	\$ <u>0</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	60.000 mills	\$ 0

Contact person: Seef Le Roux Phone: (719) 635-0330
Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1.	Purpose of Issue:	Public Infrastructure
	Series:	Special Revenue Bonds, Series 2022A
	Date of Issue:	January 31, 2022
	Coupon Rate:	5.000%
	Maturity Date:	December 1, 2052
	Levy:	50.000
	Revenue:	\$ 0

2.	Purpose of Issue:	Public Infrastructure
	Series:	Special Revenue Bonds Taxable, Series 2022B
	Date of Issue:	January 31, 2022
	Coupon Rate:	6.000%
	Maturity Date:	December 1, 2052
	Levy:	0
	Revenue:	\$ 0

CONTRACTS^K:

3.	Purpose of Contract:	_____
	Title:	_____
	Date:	_____
	Principal Amount:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

4.	Purpose of Contract:	_____
	Title:	_____
	Date:	_____
	Principal Amount:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|---|
| 1. | Purpose of Issue: | Public Infrastructure |
| | Series: | Subordinate Special Revenue Bonds, Series 2022C |
| | Date of Issue: | January 31, 2022 |
| | Coupon Rate: | 7.750% |
| | Maturity Date: | December 15, 2052 |
| | Levy: | 0 |
| | Revenue: | \$ 0 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* *Gross Assessed Value* found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

Proof of Publication

**THE TRANSCRIPT
Colorado Springs, Colorado**

STATE OF COLORADO, } ss.
COUNTY OF EL PASO }

I, Fran Zankowski, Publisher, or the undersigned Authorized Agent of the Publisher, do solemnly swear that I am the Publisher, or Authorized Agent of the Publisher of The Transcript; that the same is a tri-weekly newspaper and published in the County of El Paso, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a tri-weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.


That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said tri-weekly newspapers for the period of 1 consecutive insertion(s), and/or once each week and on the same days of each week; and that the first publication of said notice was in the issue of said newspaper dated:

03, NOVEMBER, A.D. 2023.

And that the last publication of said notice was in the issue of said newspaper dated:

03, NOVEMBER, A.D. 2023.

In witness whereof, I have hereunto set my hand this 3rd day of November, A.D. 2023.



Publisher or Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 3rd day of November, A.D. 2023.



Notary Public

ROBYN KIRK
Notary Public
State of Colorado
Notary ID # 20114063677
My Commission Expires 10-05-2027

**NOTICE OF HEARING
ON PROPOSED 2024
BUDGET AND 2023
BUDGET AMENDMENT**
NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2024 has been submitted to the True North Commons Business Improvement District (fka USAFA Business Improvement District) ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held at 1:30 p.m. on November 15, 2023 via telephone and videoconference. To attend and participate by telephone, dial 1 (720) 547-5281 and enter conference ID 3800 498 737#. Information regarding public participation by videoconference will also be available at least 24 hours prior to the meeting and public hearing online at www.trueorthcommonsbid.org.
NOTICE IS FURTHER GIVEN that an amendment to the 2023 budget of the District may also be considered at the above-referenced meeting and public hearing of the Board of Directors of the District. A copy of the proposed 2024 budget and the amended 2023 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP, 121 Tejon Street, Suite 1100, Colorado Springs, Colorado. Any interested elector within the District may, at any time prior to final adoption of the 2024 budget and the amended 2023 budget, if required, file or register any objections thereto.
**TRUE NORTH COMMONS
BUSINESS IMPROVEMENT
DISTRICT**
By: /s/ Daniel Schnepf
President
Publication Date: November 3, 2023
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