

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

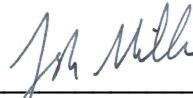
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2024 budget and budget message for PARK UNION BUSINESS IMPROVEMENT DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 30, 2023. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Josh Miller, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710

I, Josh Miller, District Manager of the Park Union Business Improvement District, hereby certify that the attached is a true and correct copy of the 2024 budget.

By:



Josh Miller, District Manager

**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
PARK UNION 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 PARK UNION 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 Park Union 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 30, 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 \$29,786; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$59,573; 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 \$0.00; 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 \$0.00; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0.00; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$2,787,850; and

WHEREAS, at an election held on November 7, 2021, 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 PARK UNION 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 Park Union 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 10.769 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 21.538 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 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 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 30th day of November 2023.

PARK UNION BUSINESS
IMPROVEMENT DISTRICT

DocuSigned by:
Christopher Jenkins
1510F4AC1F2745A...

President

ATTEST:

DocuSigned by:
David Jenkins
5B54775D758F4FF...

Secretary

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

PARK UNION BUSINESS IMPROVEMENT DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

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

1/9/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 2,347,139	\$ 837,924	\$ 198,729
REVENUES			
Property taxes	60,136	71,905	82,974
Specific ownership taxes	6,253	7,322	9,907
Interest income	24,534	29,965	11,300
TIF revenue	-	2,456	2,782
Developer advance	327,616	318,200	1,061,091
Other revenue	31,321	7,356	2,401
Intergovernmental revenues	104,785	105,291	131,336
Bond issuance proceeds	-	-	4,000,000
Parking charge - USOPM	21,600	16,800	14,000
Parking revenue	301,129	260,000	260,000
Event revenue	8,476	4,148	3,000
PIF revenue	70,013	40,000	40,000
Total revenues	<u>955,863</u>	<u>863,443</u>	<u>5,618,791</u>
TRANSFERS IN	<u>71,312</u>	<u>-</u>	<u>-</u>
Total funds available	<u>3,374,314</u>	<u>1,701,367</u>	<u>5,817,520</u>
EXPENDITURES			
General Fund	786,732	768,615	1,220,000
Debt Service Fund	130,510	149,861	162,000
Capital Projects Fund	1,547,836	584,162	4,395,000
Total expenditures	<u>2,465,078</u>	<u>1,502,638</u>	<u>5,777,000</u>
TRANSFERS OUT	<u>71,312</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>2,536,390</u>	<u>1,502,638</u>	<u>5,777,000</u>
ENDING FUND BALANCES	<u>\$ 837,924</u>	<u>\$ 198,729</u>	<u>\$ 40,520</u>
EMERGENCY RESERVE	\$ 14,200	\$ 11,500	\$ 11,500
AVAILABLE FOR OPERATIONS	163,531	98,020	26,020
TOTAL RESERVE	<u>\$ 177,731</u>	<u>\$ 109,520</u>	<u>\$ 37,520</u>

No assurance provided. See summary of significant assumptions.

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

1/9/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Commercial	\$ 1,381,790	\$ 1,388,540	\$ 1,628,260
State assessed	-	3,970	33,110
Vacant land	1,023,670	1,023,670	1,126,480
	<u>2,405,460</u>	<u>2,416,180</u>	<u>2,787,850</u>
Adjustments (TIF)	-	(19,360)	(21,930)
Certified Assessed Value	<u>\$ 2,405,460</u>	<u>\$ 2,396,820</u>	<u>\$ 2,765,920</u>
MILL LEVY			
General	5.000	10.000	10.769
Debt Service	20.000	20.000	21.538
Total mill levy	<u>25.000</u>	<u>30.000</u>	<u>32.307</u>
PROPERTY TAXES			
General	\$ 12,028	\$ 23,968	\$ 29,786
Debt Service	48,109	47,936	59,573
	<u>60,137</u>	<u>71,904</u>	<u>89,359</u>
Levied property taxes	60,137	71,904	89,359
Adjustments to actual/rounding	(1)	-	-
Budgeted property taxes	<u>\$ 60,136</u>	<u>\$ 71,904</u>	<u>\$ 89,359</u>
BUDGETED PROPERTY TAXES			
General	\$ 12,027	\$ 23,968	\$ 29,786
Debt Service	48,109	47,936	59,573
	<u>\$ 60,136</u>	<u>\$ 71,904</u>	<u>\$ 89,359</u>

No assurance provided. See summary of significant assumptions.

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 111,917	\$ 177,731	\$ 109,520
REVENUES			
Property taxes	12,027	23,968	27,658
Specific ownership taxes	1,251	2,440	3,302
Interest income	217	1,464	300
Developer advance	327,616	318,200	765,300
Parking charge - USOPM	21,600	16,800	14,000
Parking revenue	301,129	260,000	260,000
PIF revenue	70,013	40,000	40,000
Other revenue	31,321	7,356	1,531
Intergovernmental revenues	26,196	26,028	32,909
Event revenue	8,476	4,148	3,000
Total revenues	<u>799,846</u>	<u>700,404</u>	<u>1,148,000</u>
TRANSFERS IN			
Transfers from other funds	<u>62,006</u>	-	-
Total funds available	<u>973,769</u>	<u>878,135</u>	<u>1,257,520</u>
EXPENDITURES			
General and administrative			
Accounting	46,241	50,000	65,000
Auditing	3,225	4,000	4,500
County Treasurer's fee	180	360	415
PIF collection fees	4,839	2,202	3,000
Dues and membership	1,208	1,700	1,800
District management	28,312	30,000	40,000
Election	1,057	2,976	-
Insurance	28,147	31,017	35,000
Legal	9,292	30,000	35,000
Consulting services	263,976	265,000	265,000
Miscellaneous	3,822	5,000	5,000
Contingency	-	7,440	10,985
Operations and maintenance			
Security	109,837	60,000	55,000
Landscaping	54,560	40,000	70,000
Lease expense	44,738	45,000	45,000
Streets repairs and maintenance	40,880	20,000	347,000
Fence and sign maintenance	-	1,000	20,000
Small equipment	-	-	7,000
Small equipment maintenance	-	-	15,000
Elevator maintenance	-	17,420	15,000
Building improvements	-	-	-
Utilities	35,172	40,000	51,000
Trash Collection	5,460	6,000	5,000
Internet	2,807	3,000	3,300
Parking admin expense	72,491	84,500	91,000
Snow removal	30,488	22,000	30,000
Total expenditures	<u>786,732</u>	<u>768,615</u>	<u>1,220,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>9,306</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>796,038</u>	<u>768,615</u>	<u>1,220,000</u>
ENDING FUND BALANCES	<u>\$ 177,731</u>	<u>\$ 109,520</u>	<u>\$ 37,520</u>
EMERGENCY RESERVE	\$ 14,200	\$ 11,500	\$ 11,500
AVAILABLE FOR OPERATIONS	<u>163,531</u>	<u>98,020</u>	<u>26,020</u>
TOTAL RESERVE	<u>\$ 177,731</u>	<u>\$ 109,520</u>	<u>\$ 37,520</u>

No assurance provided. See summary of significant assumptions.

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

1/9/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,456	\$ 12,323	\$ -
REVENUES			
Property taxes	48,109	47,937	55,316
Specific ownership taxes	5,002	4,882	6,605
TIF revenue	-	2,456	2,782
Interest income	371	3,000	1,000
Other revenue	-	-	870
Intergovernmental revenues	78,589	79,263	98,427
Total revenues	132,071	137,538	165,000
TRANSFERS IN			
Transfers from other funds	9,306	-	-
Total funds available	142,833	149,861	165,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	722	719	830
Paying agent fees	4,000	4,000	4,000
Administration fees	-	63,672	64,945
Contingency	-	-	1,182
Debt Service			
Bond interest	125,788	81,470	91,043
Total expenditures	130,510	149,861	162,000
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	130,510	149,861	162,000
ENDING FUND BALANCES	\$ 12,323	\$ -	\$ 3,000

No assurance provided. See summary of significant assumptions.

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 2,233,766	\$ 647,870	\$ 89,209
REVENUES			
Interest income	23,946	25,501	10,000
Developer advance	-	-	295,791
Bond issuance proceeds	-	-	4,000,000
Total revenues	<u>23,946</u>	<u>25,501</u>	<u>4,305,791</u>
Total funds available	<u>2,257,712</u>	<u>673,371</u>	<u>4,395,000</u>
EXPENDITURES			
General and Administrative			
Accounting	2,888	1,010	10,000
Legal	-	-	15,000
Capital Projects			
Fence and sign maintenance	-	-	1,000
Equipment	33,831	152	5,000
District projects	681,202	-	4,364,000
Security cameras	-	583,000	-
Engineering	500	-	-
Capital outlay	829,415	-	-
Total expenditures	<u>1,547,836</u>	<u>584,162</u>	<u>4,395,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>62,006</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>1,609,842</u>	<u>584,162</u>	<u>4,395,000</u>
ENDING FUND BALANCES	<u>\$ 647,870</u>	<u>\$ 89,209</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Park Union Business Improvement District, formerly known as SW Downtown Business Improvement District (the "District") was organized by Ordinance of the City of Colorado Springs (the "City") on October 12, 2017 and is governed pursuant to provisions of the Colorado Business Improvement Act (Title 31). The District's service area is located entirely within the City in El Paso County, Colorado. 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 include water services, safety protection devices, sanitation services, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping, and storm and wastewater management facilities and associated land acquisition and remediation.

At an election held on November 7, 2017, the voters approved general indebtedness of \$440,000,000 at a maximum interest rate of 18% for each of the following improvements and services: streets, water supply, sanitary sewer, traffic and safety controls, parks and recreation, mosquito control, television relay and translation, public transportation, security services, and fire protection/medical emergency services. The election authorized indebtedness of \$440,000,000 each for operations and maintenance, reimbursement agreements, and debt refunding. The voters also approved an annual increase in taxes of up to \$5,000,000 at a mill levy rate without limitation or with such limitations as may be determined by the board for the purpose of the District's operations, maintenance, and other expenses. 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 mill levy is 50 mills, and the maximum operating mill levy for the payment of operating and maintenance expenses is 10 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement on or after January 1, 2006). The maximum debt authorization for the District is \$105,000,000.

The District has no employees, and all administrative functions are contractual.

The District prepares its budget on the modified accrual basis of accounting in accordance with the 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 difference may be material.

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District’s share will be equal to approximately 10% of the property taxes collected.

Developer Advances

Since the District is in the development stage, operational expenditures are anticipated to be funded by the Developer. Developer advances are to be recorded as revenues for budget purposes and may be repaid to the Developer from unpledged revenue in future years. The District entered into a Reimbursement Agreement for Operations with the Developer on December 14, 2017. Advances under the agreement bear simple interest at the rate of 6% per annum beginning on the date of advance to the date of repayment.

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Intergovernmental Revenues

Intergovernmental revenues represent transfers from Park Union Metropolitan District No. 1, formerly known as SW Downtown Metropolitan District No. 1, to provide funding for the overall administrative and operating costs for the Districts.

Bond Issuance

The District anticipates issuing \$3,000,000 in Bonds during 2024.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

Urban Renewal TIF

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.

Expenditures

Administrative Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, landscape maintenance, and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

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, to be paid to the CSURA in such amount annually.

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Capital Outlay

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

Debt Service

Principal and interest payments are provided based on the debt amortization schedules from the Series 2020A Bonds (discussed under Debt and Leases).

Debt and Leases

2020A Bonds

On June 30, 2020, The Districts issued Series 2020A Limited Tax Supported and Special Revenue Senior Bonds in the par amount of \$30,500,000. The Bonds will be issued on a “drawdown” basis, so that advances of the purchase price of the Bonds will be made by the Bond Purchaser to the Trustee in multiple installments in accordance with the terms and provisions of the 2020A Supplemental Indenture.

The initial drawdown was directly placed with the Bond Purchaser on the closing date of June 30, 2020 in the amount of \$15,500,000. The minimum drawdown amount is \$1,000,000, except for the last drawdown. As of June 30, 2023, the total draws were in the amount of \$26,500,000. The District anticipates drawing an additional \$4,000,000 during 2024.

The Bonds were issued for the purposes of: (a) financing certain Public Improvements related to the Development, and (b) paying the costs of issuing the Bonds.

The Bonds bear interest at the rate of 8.0% per annum and are structured as “cash flow” bonds, meaning that no regularly scheduled payments of principal are due on the Bonds prior to their maturity date of December 1, 2049. Instead, interest is payable on June 1 and December 1 (“Interest Payment Date”) and principal is payable on each December 1 pursuant to a mandatory redemption from available Pledged Revenue, if any. To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid. To the extent interest on any Senior Bond is not paid when due, such interest shall compound on each Interest Payment Date at the rate then borne by the Bonds.

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 6% 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 entered into a Facilities Funding and Acquisition Agreement (Facilities Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of 8% beginning on the date the advance were made to the date of repayment. The Facilities Agreement does not constitute a multiple-fiscal year obligation.

The District has no operating or capital leases.

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023*
Governmental Activities:				
Bonds from Direct Placements				
Special Revenue Bonds Series 2020A	\$ 26,500,000	\$ -	\$ -	\$ 26,500,000
Subtotal of Bonds from Direct Placements	26,500,000	-	-	26,500,000
Other Debts				
Developer Advances - Operations	1,146,405	318,200	-	1,464,605
Developer Advances - Operations			-	162,859
Accrued Interest:	94,075	68,784		
Developer Advances - Capital	570,880	-	-	570,880
Subtotal of Other Debts	1,811,360	386,984	-	2,198,344
Total Long-Term Debt	<u>\$ 28,311,360</u>	<u>\$ 386,984</u>	<u>\$ -</u>	<u>\$ 28,698,344</u>
	Balance at December 31, 2023*	Additions	Reductions	Balance at December 31, 2024*
Governmental Activities:				
Bonds from Direct Placements				
Special Revenue Bonds Series 2020A	\$ 26,500,000	\$ 4,000,000	\$ -	\$ 30,500,000
Subtotal of Bonds from Direct Placements	26,500,000	4,000,000	-	30,500,000
Other Debts				
Developer Advances - Operations	1,464,605	765,300	-	2,229,905
Developer Advances - Operations			-	273,694
Accrued Interest:	162,859	110,835		
Developer Advances - Capital	570,880	295,791	-	866,671
Subtotal of Other Debts	2,198,344	1,171,926	-	3,370,270
Total Long-Term Debt	<u>\$ 28,698,344</u>	<u>\$ 5,171,926</u>	<u>\$ -</u>	<u>\$ 33,870,270</u>

* - Estimated

**PARK UNION BUSINESS IMPROVEMENT DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2024, as defined under TABOR.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of EL PASO COUNTY, Colorado.

On behalf of the PARK UNION BUSINESS IMPROVEMENT DISTRICT,

the BOARD OF DIRECTORS
(taxing entity)^A

of the PARK UNION BUSINESS IMPROVEMENT DISTRICT
(governing body)^B
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 2,787,850
(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: \$ 2,765,920
(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: 01/10/24 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>10.769</u> mills	\$ <u>29,786</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>10.769</u> mills	\$ <u>29,786</u>
3. General Obligation Bonds and Interest ^J	<u>21.538</u> mills	\$ <u>59,573</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]	<u>32.307</u> mills	\$ <u>89,359</u>

Contact person: Carrie Bartow Phone: (719) 635-0330
Signed: *Carrie Bartow* 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 improvements
	Series:	Limited Tax Supported and Special Revenue Senior Bonds, Series 2020A
	Date of Issue:	06/30/2020
	Coupon Rate:	8%
	Maturity Date:	12/01/2049
	Levy:	21.538
	Revenue:	\$ 59,573

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.

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.

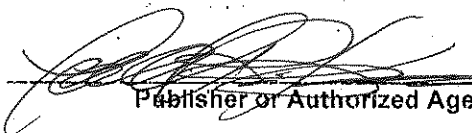
That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said tri-weekly newspapers for the period of 1 consecutive insertion(s), and/or once each week and on the same days of each week; and that the first publication of said notice was in the issue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

15, NOVEMBER, A.D. 2023.

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

15, NOVEMBER, A.D. 2023.

In witness whereof, I have hereunto set my hand this 15th 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 15th 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 Park Union 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 9:30 a.m. on November 30, 2023 via telephone and videoconference. To attend and participate by telephone, dial (720) 547-5281 and enter conference ID: 570 616 280#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at www.parkunionbid.com or by contacting Sandy Brandenburger by email at Sandy.brandenburger@claconnect.com or by telephone at (303) 265-7883.

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 at 121 South Tejon Street Suite 1100, Colorado Springs, Colorado 80903. 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.

PARK UNION
BUSINESS
IMPROVEMENT DISTRICT
By: /s/ Christopher Jenkins
President
Publication Date: November 15, 2023
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