

2022 OPERATING PLAN AND BUDGET

**MW RETAIL
BUSINESS
IMPROVEMENT
DISTRICT**

City of Colorado Springs, El Paso County, Colorado

TABLE OF CONTENTS

| | |
|---|---|
| 1. PURPOSE AND SCOPE OF THIS DISTRICT | 1 |
| A. Requirement for this Operating Plan | 1 |
| B. What Must Be Included in the Operating Plan? | 1 |
| C. Purposes | 1 |
| D. Ownership of Property or Major Assets | 1 |
| E. Contracts or Agreements | 1 |
| 2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS | 2 |
| A. Organization | 2 |
| B. Governance | 2 |
| C. Current Board | 2 |
| D. Term Limits | 2 |
| E. Advisory Board | 2 |
| 3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS | 2 |
| 4. PUBLIC IMPROVEMENTS | 2 |
| 5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE | 3 |
| 6. FINANCIAL PLAN AND BUDGET | 3 |
| 7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES | 4 |
| 8. 2022 ACTIVITIES, PROJECTS AND CHANGES | 5 |
| 9. DISSOLUTION | 5 |
| 10. CONCLUSION | 5 |
| | |
| EXHIBIT A - Director Contact Information | |
| EXHIBIT B - BID Budget 2022 | |
| General Fund | |
| Capital Projects Fund | |
| Debt Service Fund | |
| EXHIBIT C – District Boundary Map | |

2022
OPERATING PLAN FOR THE
MW RETAIL BUSINESS IMPROVEMENT DISTRICT

1. PURPOSE AND SCOPE OF THIS DISTRICT

A. Requirement for this Operating Plan. The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the MW Retail Business Improvement District (the “District”) file an operating plan and budget with the City Clerk no later than September 30 of each year.

Under the statute, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District operates under the authorities and powers allowed under the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, as further described and limited by this Operating Plan.

B. What Must Be Included in the Operating Plan? Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District; and (5) such other information as the City may require.

The District’s original 2019-2020 Operating Plan is incorporated herein by reference, and shall remain in full force and effect except as specifically or necessarily modified hereby.

C. Purposes. As articulated in this Operating Plan, the contemplated purposes of this District for 2022 include 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.

D. Ownership of Property or Major Assets. The District will not own in fee simple any of the property upon which the District constructs public improvements and will obtain appropriate easements to operate and maintain the public improvements it does not otherwise dedicate to other public entities.

E. Contracts and Agreements. It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is not currently a party to any significant active contracts or agreements.

2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

A. Organization. The MW Retail Business Improvement District was organized by the City of Colorado Springs, Colorado by Ordinance No. 19-62 on September 24, 2019.

B. Governance. The District is governed by an elected board of directors.

C. Current Board. The persons who currently serve as the Board of Directors are:

- 1) Jerry Thompson
- 2) Nancy L. Heck
- 3) Daniel T. Thompson
- 4) Vacancy
- 5) Vacancy

Director and other pertinent contact information is provided in **Exhibit A**.

D. Term Limits. The District held a regular election on November 5, 2019, at which time a ballot question was presented to eliminate term limits pursuant to Article 18, Section 11 of the Colorado Constitution. The ballot question passed eliminating term limits.

E. Advisory Board. The Board of Directors may appoint one or more advisory boards to assist the Board of Directors on such matters as the Board of Directors desires assistance. The Board of Directors shall, upon the appointment of an advisory board, set forth its duties, duration, and membership. The Board of Directors may provide rules of procedure for the advisory board or may delegate to the advisory board the authority to provide such rules. No advisory boards have yet been appointed.

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The District's boundaries include approximately 35.01 acres, as depicted in **Exhibit C**. The District does not anticipate any inclusion requests in 2022. It is anticipated that a portion of the property located within the District will be developed as multi-family residential and will therefore be excluded from the District's boundaries in the event that occurs.

4. PUBLIC IMPROVEMENTS

The District will primarily be concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances to provide improvements or services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial improvements and services shall be as limited by state law.

The public improvements that the District anticipates it will construct, install or cause to be constructed and installed, include those public improvements the costs of which may, in

accordance with the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping, parks and recreation, storm and wastewater management facilities and associated land acquisition and remediation.

5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE

The District shall provide for the ownership, operation, and maintenance of District facilities as activities of the District itself or by contract with other units of government or the private sector.

The District does not anticipate having any employees.

6. FINANCIAL PLAN AND BUDGET

A. 2022 Budget. The 2022 Budget for the District is attached as **Exhibit B**.

B. Authorized Indebtedness. The District held an election on November 5, 2019 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Art. X, Sec. 20 of the Colorado Constitution, and the Operating Plan. As authorized by the City Council in the District's 2019-2020 Operating Plan, the initial maximum debt authorization for the District shall be \$10,000,000. This maximum debt authorization amount shall not be exceeded without express prior approval by the City.

C. Property Tax and Mill Levy Caps. The District taxing ability shall be constrained to a mill levy limitation of up to 1 mill for general operations and administrative expenses due to the on-going operations and maintenance to be undertaken by the District within its boundaries.

D. District Revenues. The District anticipates developer funding for initial revenue sources and thereafter revenues derived from property taxes. The District also anticipates utilizing public improvement fees to support public improvement construction and future bonds for that purpose.

E. Existing Debt Obligations. The District has no current debt.

F. Future Debt Obligations. The District anticipates the issuance of debt in 2022 and a portion of the revenues the District receives from the public improvement fees are anticipated to be pledged to the repayment of such debt. The District will not certify a debt mill levy.

G. Other Financial Obligations. The District may enter into agreements including reimbursement or similar agreements and leases, as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc. At the end of 2021, it is anticipated that the District will have outstanding developer advances totaling \$52,000 in principal and interest, which accrues interest a rate of 8% per annum.

H. City Charter Limitations. In accordance with 7-100 of the City Charter, the District shall not issue any debt instrument for any purpose other than construction of capital improvements with a public purpose necessary for development. As set forth in 7-100 of the City Charter, the total debt of any proposed District shall not exceed 10 percent of the total assessed valuation of the taxable property within the District unless approved by at least a two-thirds vote of the entire City Council.

I. Non-Default Provisions. Limited tax general obligation bonds issued by the District shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.

J. Privately Placed Debt. Prior to the issuance of any privately placed debt for capital related costs, the District shall obtain the certification of an External Financial Advisor regarding the fairness and feasibility of the interest rate and the structure of the debt.

K. The debt of the District will not constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectus, or disclosure statements associated with any securities issued by the District.

7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES

A. Audit. The District agrees to submit an annual audit to the City Finance Department no later than March 1st of each year which is performed by an independent certified public accounting firm. Even if the state grants an audit exemption, the District must submit an annual audit as specified above.

B. SID Formation. The District affirms that it will provide an Amended Operating Plan and seek prior approval of City Council prior to formation of any Special Improvement District within its boundaries in the future.

C. City Authorization Prior to Debt Issuance. In accordance with the City's Special District Policy, and notwithstanding any statements of intent in the Budget and Operating Plan, this District shall request and obtain approval of City Council prior to issuance of any debt in accordance with the financing plan for the District as previously approved. The standards for City approval shall generally be consistency with the City's Special District Policy as it may be amended along with the most recently approved operating plan and budget and any requirements or limitations contained therein to the extent that they are consistent with the financing plans for the District.

D. Public Improvement Fees. This District will utilize revenues from a new, increased or expanded public improvement fee.

E. Condemnation. The Colorado Revised Statutes do not authorize BIDs to use powers of eminent domain. The exercise of eminent domain authority by any City-authorized district is also specifically prohibited without express prior City Council approval.

F. Concealed Carry Prohibition. Although the Colorado Revised Statutes do not currently provide this authority, in no case shall the District adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District.

8. 2022 ACTIVITIES, PROJECTS AND CHANGES

(a) Activities

It is anticipated that the District will continue to be engaged in early development activities in 2022. The District also anticipates a bond issuance in 2022 and will acquire or construct public improvements with the bond proceeds.

(b) Projects and Public Improvements

The District anticipates undertaking projects and construction of public improvements in 2022.

(c) Summary of 2022 Activities

Boundary changes: The District anticipates an exclusion of property in 2022.

Changes to board or governance structure: An appointment to the Board of Directors may be made to fill the vacancies.

Mill levy changes: The District anticipates it will impose 1.000 mill in 2022.

New, refinanced or fully discharged debt: The District anticipates a bond issuance in 2022.

Elections: May 3, 2022.

Major changes in development activity or valuation: The District anticipates that it will undertake projects and construction of public improvements in 2022.

Ability to meet current financial obligations: See 2022 Budget attached as **Exhibit B**.

9. DISSOLUTION

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate perpetual existence. If the District no longer has such obligations, the District will seek to dissolve pursuant to Section 31-25-1225, C.R.S.

10. CONCLUSION

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act and further meets applicable requirements of the Colorado Constitution and other law. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S.

EXHIBIT A
Director and Other Contact Information

BOARD OF DIRECTORS:

Jerry Thompson
Address: 1827 N. Grant Street, #503, Denver, CO 80203

Nancy L. Heck
Address: 3155 Zinnia Court, Golden, CO 80401

Daniel T. Thompson
Address: 13674 W. 63rd Circle, Arvada, CO 80004

Vacancy

Vacancy

DISTRICT MANAGER: (None at this time)

DISTRICT CONTACT:

Russell Dykstra
Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, Colorado 80203
rdykstra@spencerfane.com

INSURANCE AND DIRECTORS' BONDS:

T. Charles Wilson Insurance Service
384 Inverness Parkway
Centennial, CO 80112
303-368-5757

ACCOUNTANT:

Carrie Bartow, CPA
CliftonLarsonAllen LLP
102 South Tejon, Suite 350
Colorado Springs, CO 80903
(w) 719-635-0300 x 77839
(f) 719-473-3630
carrie.bartow@claconnect.com

AUDITOR: (None at this time)

STAFF: (None at this time)

EXHIBIT B
2022 BID Budget

**MW RETAIL BUSINESS
IMPROVEMENT DISTRICT**

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

9/17/21

| | ACTUAL 2020 | BUDGET 2021 | ACTUAL 6/30/2021 | ESTIMATED 2021 | BUDGET 2022 |
|---|----------------|---------------------|---------------------|-------------------|---------------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - | \$ - | \$ 4,923 |
| REVENUES | | | | | |
| Property taxes | - | 21 | 21 | 21 | 443 |
| Specific Ownership Tax | - | 2 | 2 | 2 | 44 |
| Bond Proceeds | - | 10,000,000 | - | - | 10,000,000 |
| Developer Advance | - | 8,650,000 | 20,000 | 50,000 | 8,670,000 |
| Total revenues | <u>-</u> | <u>18,650,023</u> | <u>20,023</u> | <u>50,023</u> | <u>18,670,487</u> |
| TRANSFERS IN | <u>-</u> | <u>1,260,000</u> | <u>-</u> | <u>-</u> | <u>1,260,000</u> |
| Total funds available | <u>-</u> | <u>19,910,023</u> | <u>20,023</u> | <u>50,023</u> | <u>19,935,410</u> |
| EXPENDITURES | | | | | |
| General Fund | - | 49,500 | 26,238 | 45,100 | 74,500 |
| Capital Projects Fund | - | 17,340,000 | - | - | 17,340,000 |
| Debt Service Fund | - | 260,000 | - | - | 260,000 |
| Total expenditures | <u>-</u> | <u>17,649,500</u> | <u>26,238</u> | <u>45,100</u> | <u>17,674,500</u> |
| TRANSFERS OUT | <u>-</u> | <u>1,260,000</u> | <u>-</u> | <u>-</u> | <u>1,260,000</u> |
| Total expenditures requiring appropriation | <u>-</u> | <u>18,909,500</u> | <u>26,238</u> | <u>45,100</u> | <u>18,934,500</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ 1,000,523</u> | <u>\$ (6,215)</u> | <u>\$ 4,923</u> | <u>\$ 1,000,910</u> |
| EMERGENCY RESERVE | \$ - | \$ 100 | \$ - | \$ 100 | \$ 100 |
| AVAILABLE FOR OPERATIONS | - | 423 | (6,315) | 4,823 | 810 |
| RESERVE FUND | - | 1,000,000 | - | - | 1,000,000 |
| TOTAL RESERVE | <u>\$ -</u> | <u>\$ 1,000,523</u> | <u>\$ (6,315)</u> | <u>\$ 4,923</u> | <u>\$ 1,000,910</u> |

No assurance is provided. See summary of significant assumptions.

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

9/17/21

| | ACTUAL 2020 | BUDGET 2021 | ACTUAL 6/30/2021 | ESTIMATED 2021 | BUDGET 2022 |
|--------------------------------|------------------|------------------|---------------------|-------------------|-------------------|
| ASSESSED VALUATION | | | | | |
| State assessed | \$ - | \$ 440 | \$ 440 | \$ 440 | \$ 470 |
| Vacant land | 20,310 | 20,310 | 20,310 | 20,310 | 442,260 |
| Certified Assessed Value | <u>\$ 20,310</u> | <u>\$ 20,750</u> | <u>\$ 20,750</u> | <u>\$ 20,750</u> | <u>\$ 442,730</u> |
| MILL LEVY | | | | | |
| General | 0.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Total mill levy | <u>0.000</u> | <u>1.000</u> | <u>1.000</u> | <u>1.000</u> | <u>1.000</u> |
| PROPERTY TAXES | | | | | |
| General | \$ - | \$ 21 | \$ 21 | \$ 21 | \$ 443 |
| Levied property taxes | - | 21 | 21 | 21 | 443 |
| Budgeted property taxes | <u>\$ -</u> | <u>\$ 21</u> | <u>\$ 21</u> | <u>\$ 21</u> | <u>\$ 443</u> |
| BUDGETED PROPERTY TAXES | | | | | |
| General | <u>\$ -</u> | <u>\$ 21</u> | <u>\$ 21</u> | <u>\$ 21</u> | <u>\$ 443</u> |
| | <u>\$ -</u> | <u>\$ 21</u> | <u>\$ 21</u> | <u>\$ 21</u> | <u>\$ 443</u> |

No assurance is provided. See summary of significant assumptions.

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

9/17/21

| | ACTUAL 2020 | BUDGET 2021 | ACTUAL 6/30/2021 | ESTIMATED 2021 | BUDGET 2022 |
|--|----------------|----------------|---------------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - | \$ - | \$ 4,923 |
| REVENUES | | | | | |
| Property taxes | - | 21 | 21 | 21 | 443 |
| Specific ownership tax | - | 2 | 2 | 2 | 44 |
| Developer advance | - | 50,000 | 20,000 | 50,000 | 70,000 |
| Total revenues | - | 50,023 | 20,023 | 50,023 | 70,487 |
| Total funds available | - | 50,023 | 20,023 | 50,023 | 75,410 |
| EXPENDITURES | | | | | |
| General and administrative | | | | | |
| Accounting | - | 5,000 | 7,195 | 15,000 | 15,000 |
| County Treasurer's fee | - | - | - | - | 7 |
| Dues and licenses | - | 500 | - | - | 500 |
| Insurance and bonds | - | 2,000 | 100 | 100 | 2,000 |
| Legal services | - | 15,000 | 18,943 | 30,000 | 30,000 |
| Miscellaneous | - | 2,000 | - | - | - |
| Election expense | - | - | - | - | 1,000 |
| Contingency | - | 25,000 | - | - | 25,993 |
| Total expenditures | - | 49,500 | 26,238 | 45,100 | 74,500 |
| Total expenditures requiring appropriation | - | 49,500 | 26,238 | 45,100 | 74,500 |
| ENDING FUND BALANCE | \$ - | \$ 523 | \$ (6,215) | \$ 4,923 | \$ 910 |
| EMERGENCY RESERVE | \$ - | \$ 100 | \$ 100 | \$ 100 | \$ 100 |
| AVAILABLE FOR OPERATIONS | - | 423 | (6,315) | 4,823 | 810 |
| TOTAL RESERVE | \$ - | \$ 523 | \$ (6,215) | \$ 4,923 | \$ 910 |

No assurance is provided. See summary of significant assumptions.

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

9/17/21

| | ACTUAL 2020 | BUDGET 2021 | ACTUAL 6/30/2021 | ESTIMATED 2021 | BUDGET 2022 |
|---|----------------|----------------|---------------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total revenues | - | - | - | - | - |
| TRANSFERS IN | | | | | |
| Transfer from Capital Projects Fund | - | 1,260,000 | - | - | 1,260,000 |
| Total funds available | - | 1,260,000 | - | - | 1,260,000 |
| EXPENDITURES | | | | | |
| Debt Service | | | | | |
| Bond interest | - | 260,000 | - | - | 260,000 |
| Total expenditures | - | 260,000 | - | - | 260,000 |
| Total expenditures requiring appropriation | - | 260,000 | - | - | 260,000 |
| ENDING FUND BALANCE | \$ - | \$ 1,000,000 | \$ - | \$ - | \$ 1,000,000 |
| RESERVE FUND | \$ - | \$ 1,000,000 | \$ - | \$ - | \$ 1,000,000 |
| TOTAL RESERVE | \$ - | \$ 1,000,000 | \$ - | \$ - | \$ 1,000,000 |

No assurance is provided. See summary of significant assumptions.

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

9/17/21

| | ACTUAL 2020 | BUDGET 2021 | ACTUAL 6/30/2021 | ESTIMATED 2021 | BUDGET 2022 |
|---|----------------|----------------|---------------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - | \$ - | \$ - |
| REVENUES | | | | | |
| Developer advance | - | 8,600,000 | - | - | 8,600,000 |
| Bond proceeds | - | 10,000,000 | - | - | 10,000,000 |
| Total revenues | - | 18,600,000 | - | - | 18,600,000 |
| Total funds available | - | 18,600,000 | - | - | 18,600,000 |
| EXPENDITURES | | | | | |
| Capital Projects | | | | | |
| Repay developer advance | - | 8,340,000 | - | - | 8,340,000 |
| Bond issue costs | - | 400,000 | - | - | 400,000 |
| Capital outlay | - | 8,600,000 | - | - | 8,600,000 |
| Total expenditures | - | 17,340,000 | - | - | 17,340,000 |
| TRANSFERS OUT | | | | | |
| Transfers from General Fund | - | - | - | - | - |
| Transfers to other fund | - | 1,260,000 | - | - | 1,260,000 |
| Total expenditures requiring appropriation | - | 18,600,000 | - | - | 18,600,000 |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - | \$ - | \$ - |

No assurance is provided. See summary of significant assumptions.

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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 parking facilities, roadways, lighting, driveways, public utilities and landscaping. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

The District was organized by Ordinance of the City of Colorado Springs on September 24, 2019.

At an election held on November 5, 2019, the voters approved general indebtedness of \$20,000,000 at a maximum interest rate of 18% for each of the following improvements and services: streets, water, sanitary sewer, traffic and safety control, park and recreation, business recruitment, transportation, security services, and fire protection. The voters also authorized indebtedness of \$20,000,000 for revenue debt, special assessment debt, operations and maintenance and reimbursement agreements and \$40,000,000 for debt refunding.

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 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 differences may be material.

Revenues

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.

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.

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Developer Advance

The District is in the development stage. As such, a significant portion of the operating and administrative expenditures are 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.

Expenditures

Administrative Expenditures

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

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Debt and Leases

The District has no outstanding debt, nor operating or capital leases. The District anticipates the issuance of debt in 2022.

The District has outstanding Developer Advances and activity as follows:

| | Balance - December 31, 2020 | Additions * | Retirements/ Reductions | Balance - December 31, 2021 |
|---------------------------------------|-----------------------------------|------------------|----------------------------|-----------------------------------|
| Developer Advances | \$ - | \$ 50,000 | \$ - | \$ 50,000 |
| Accrued Interest - Developer Advances | - | 2,000 | - | 2,000 |
| Total | <u>\$ -</u> | <u>\$ 52,000</u> | <u>\$ -</u> | <u>\$ 52,000</u> |
| | Balance - December 31, 2021 | Additions | Retirements/ Reductions | Balance - December 31, 2022 |
| Developer Advances | \$ 50,000 | \$ 70,000 | \$ - | \$ 120,000 |
| Accrued Interest - Developer Advances | 2,000 | 6,800 | - | 8,800 |
| Total | <u>\$ 52,000</u> | <u>\$ 76,800</u> | <u>\$ -</u> | <u>\$ 128,800</u> |

*Estimate

**MW RETAIL BUSINESS IMPROVEMENT DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

This information is an integral part of the accompanying budget.

EXHIBIT C

District Boundary Map

MW RETAIL BID



Tax Boundary

1 inch = 1,248.14 feet

08/26/2021 EPC Assessor's Office
NAD_1983_StatePlane_Colorado_Central_FIPS_0502_Feet
Projection: Lambert_Conformal_Conic

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