

LETTER OF BUDGET TRANSMITTAL

Date: January 21, 2023

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

Attached are the 2023 budget and budget message for FOURTH NORTH BUSINESS IMPROVEMENT DISTRICT in Summit County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 11, 2022. If there are any questions on the budget, please contact:

Simmons & Wheeler PC
Attn: Diane Wheeler
304 Inverness Way South, #490
Englewood, Colorado 80112
Tel: (303) 689 - 0833

I, Timothy Fredregill as President of the Fourth North Business Improvement District, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Tim Fredregill
President

RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
FOURTH NORTH BUSINESS IMPROVEMENT DISTRICT

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 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 FOURTH NORTH BUSINESS IMPROVEMENT DISTRICT, SUMMIT COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Fourth North 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 11, 2022 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 \$ 9,101 ; 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 \$ 0.00 ; 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 2022 valuation for assessment for the District as certified by the County Assessor of Summit County is \$898,440 (gross) and \$568,810 (net); and

WHEREAS, at an election held on November 2, 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 FOURTH NORTH BUSINESS IMPROVEMENT DISTRICT OF SUMMIT 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 Fourth North Business Improvement District for calendar year 2023.

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 2023 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 2023 budget year, there is hereby levied a tax of 16.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

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 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 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 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 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 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 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 2022.

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 2022.

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, 2022, to the Board of County Commissioners of Summit 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 Summit 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, 2022 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.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 11th day of November, 2022.

FOURTH NORTH BUSINESS
IMPROVEMENT DISTRICT

By: Tim Fredregill
President

ATTEST:

By: Chase LaFrano
Secretary

FOURTH NORTH BUSINESS IMPROVEMENT DISTRICT
2023
BUDGET MESSAGE

Attached please find a copy of the adopted 2023 budget for the Fourth North Business Improvement District.

The Fourth North Business Improvement District has adopted budgets for three funds, a General Fund to provide for operating and maintenance expenditures; a Capital Fund to provide for the estimated infrastructure costs to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the general obligation bonds to be issued by the district.

The district's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the district in 2023 will be tax revenue, transfers from Fourth Street Crossing Metropolitan District No. 1 and 2, and developer advances. The district intends to impose a 16.000 mill levy on property within the district for 2023, all of which are dedicated to the General Fund.

Fourth North Business Improvement District
Adopted Budget
General Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
TIF Revenue	-	-	-	-	5,274
Property taxes	-	-	-	-	9,101
Specific ownership taxes	-	-	-	-	455
Developer advances	-	50,000	-	50,000	35,625
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,455</u>
Total revenues	-	50,000	-	50,000	50,455
Total funds available	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,455</u>
Expenditures:					
Accounting/audit	-	2,500	-	2,500	2,500
Insurance/ SDA Dues	-	2,500	-	2,500	2,500
Legal	-	15,000	-	15,000	15,000
Engineering	-	10,000	-	10,000	10,000
Miscellaneous	-	2,000	-	2,000	2,000
Management	-	1,500	-	1,500	1,500
Contingency	-	15,000	-	15,000	15,000
Emergency Reserve	-	1,500	-	1,500	1,500
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,455</u>
Total expenditures	-	50,000	-	50,000	50,455
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation					\$ 898,440
TIF					<u>329,630</u>
Net Assessed value					<u>\$ 568,810</u>
Mill Levy					<u>16.000</u>

Fourth North Business Improvement District
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2021</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ 18,537,002
Revenues:					
Bond Proceeds	-	60,000,000	52,066,000	52,066,000	-
Total revenues	-	60,000,000	52,066,000	52,066,000	-
Total funds available	-	60,000,000	52,066,000	52,066,000	18,537,002
Expenditures:					
Issuance costs	-	1,488,990	753,110	753,110	-
Capital expenditures	-	30,826,492	-	5,000,000	18,537,002
Transfer to Fourth Street Crossir	-	21,933,715	23,635,842	23,635,842	-
Transfer to Debt Service	-	5,750,803	4,140,046	4,140,046	-
Total expenditures	-	60,000,000	28,528,998	33,528,998	18,537,002
Ending fund balance	\$ -	\$ -	\$ 23,537,002	\$ 18,537,002	\$ -

Fourth North Business Improvement District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ 5,704,336
Revenues:					
Transfer from Fourth Crossing		-	-	2,777,311	2,074,315
Transfer from Capital Projects	-	5,750,803	4,140,046	4,140,046	-
Interest Income	-	-	-	10,000	-
Total revenues	<u>-</u>	<u>5,750,803</u>	<u>4,140,046</u>	<u>6,927,357</u>	<u>2,074,315</u>
Total funds available	<u>-</u>	<u>5,750,803</u>	<u>4,140,046</u>	<u>6,927,357</u>	<u>7,778,651</u>
Expenditures:					
Bond interest expense	-	1,350,000	-	1,223,021	2,367,138
Trustee / paying agent fees	-	-	-	-	7,000
Total expenditures	<u>-</u>	<u>1,350,000</u>	<u>-</u>	<u>1,223,021</u>	<u>2,374,138</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 4,400,803</u>	<u>\$ 4,140,046</u>	<u>\$ 5,704,336</u>	<u>\$ 5,404,513</u>
Assessed valuation		\$ -			\$ 898,440
TIF		-			329,630
Net Assessed value		<u>\$ -</u>			<u>\$ 568,810</u>
Mill Levy		<u>0.000</u>			<u>0.000</u>
Total Mill Levy		<u>0.000</u>			<u>16.000</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Summit County, Colorado.

On behalf of the Fourth North Business Improvement District,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Fourth North Business Improvement District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 898,440 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: \$ 568,810 (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: 12/13/2022 for budget/fiscal year 2023.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>16.000</u> mills	\$ <u>9,101</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>16.000</u> mills	<u>\$ 9,101</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	<u>16.000</u> mills	<u>\$ 9,101</u>

Contact person: Diane K Wheeler Daytime phone: (303) 689-0833
(print)
Signed: Diane K Wheeler Title: District Accountant

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) 866-2156.

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: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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.