

LETTER OF BUDGET TRANSMITTAL

Date: January 29, 2021

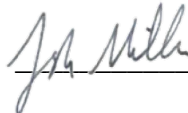
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2021 budget and budget message for INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 5, 2020. If there are any questions on the budget, please contact:

Josh Miller, District Manager
CliftonLarsonAllen LLP
111 S. Tejon Street Suite 705
Colorado Springs, Colorado
Tel.: (303) 779-4525

I, Josh Miller as District Manager of the Interquest South Business Improvement District, hereby certify that the attached is a true and correct copy of the 2021 budget.

By: _____



**RESOLUTION
TO ADOPT 2021 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021 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 INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021, AND ENDING ON THE LAST DAY OF DECEMBER, 2021,

WHEREAS, the Board of Directors of the Interquest South 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 5, 2020 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 \$23,065; 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 \$115,323; 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 2020 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$23,064,610; and

WHEREAS, at an election held on November 2, 2004 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 INTERQUEST SOUTH 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 Interquest South Business Improvement District for calendar year 2021.

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 2021 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 2021 budget year, there is hereby levied a tax of 1.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2020.

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 2020.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2021 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 5.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2021 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 2020.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2021 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 2020.

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 2020.

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, 2020, 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, 2020 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 5th day of November, 2020.

INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT

DocuSigned by:
Stacie Tucker
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President

ATTEST:

DocuSigned by:
Bethany Fitzgerald
A180015780534D3...

Secretary

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

**INTERQUEST SOUTH BUSINESS
IMPROVEMENT DISTRICT**

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2021

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 1,436,538	\$ 1,383,803	\$ 360,162
REVENUES			
Property taxes	107,275	132,955	138,388
Specific Ownership Tax	13,012	14,625	13,839
Interest Income	30,820	13,602	5,155
Public improvement Fees	134,728	138,770	160,000
Developer Advance	58,708	310,000	10,000
Total revenues	<u>344,543</u>	<u>609,952</u>	<u>327,382</u>
TRANSFERS IN	<u>50,474</u>	<u>51,800</u>	<u>135,000</u>
Total funds available	<u>1,831,555</u>	<u>2,045,555</u>	<u>822,544</u>
EXPENDITURES			
General Fund	111,443	136,681	177,248
Debt Service Fund	225,945	230,137	248,855
Capital Projects Fund	59,890	1,266,775	-
Total expenditures	<u>397,278</u>	<u>1,633,593</u>	<u>426,103</u>
TRANSFERS OUT	<u>50,474</u>	<u>51,800</u>	<u>135,000</u>
Total expenditures and transfers out requiring appropriation	<u>447,752</u>	<u>1,685,393</u>	<u>561,103</u>
ENDING FUND BALANCES	<u>\$ 1,383,803</u>	<u>\$ 360,162</u>	<u>\$ 261,441</u>
EMERGENCY RESERVE	\$ 2,500	\$ 2,700	\$ 5,159
AVAILABLE FOR OPERATIONS	(1,129)	6,974	9,221
SURPLUS FUND	312,234	315,000	245,000
TOTAL RESERVE	<u>\$ 313,605</u>	<u>\$ 324,674</u>	<u>\$ 259,380</u>

No assurance is provided. See summary of significant assumptions.

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Commercial	\$ 14,759,510	\$ 16,688,150	\$ 17,871,410
Industrial	1,619,690	3,453,350	3,453,350
State assessed	9,420	7,030	4,610
Vacant land	648,700	2,010,590	1,735,240
Certified Assessed Value	<u>\$ 17,037,320</u>	<u>\$ 22,159,120</u>	<u>\$ 23,064,610</u>
MILL LEVY			
General	1.000	1.000	1.000
Debt Service	5.000	5.000	5.000
Refund and abatements	0.308	0.000	0.000
Total mill levy	<u>6.308</u>	<u>6.000</u>	<u>6.000</u>
PROPERTY TAXES			
General	\$ 17,037	\$ 22,159	\$ 23,065
Debt Service	85,187	110,796	115,323
Levied property taxes	<u>102,224</u>	<u>132,955</u>	<u>138,388</u>
Adjustments to actual/rounding	(196)	-	-
Refunds and abatements	5,247	-	-
Budgeted property taxes	<u>\$ 107,275</u>	<u>\$ 132,955</u>	<u>\$ 138,388</u>
BUDGETED PROPERTY TAXES			
General	\$ 17,879	\$ 22,159	\$ 23,065
Debt Service	89,396	110,796	115,323
	<u>\$ 107,275</u>	<u>\$ 132,955</u>	<u>\$ 138,388</u>

No assurance is provided. See summary of significant assumptions.

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 3,352	\$ 1,371	\$ 9,674
REVENUES			
Property taxes	17,879	22,159	23,065
Specific ownership tax	13,012	14,625	13,839
Interest income	45	-	50
Developer advance	29,000	60,000	10,000
Total revenues	<u>59,936</u>	<u>96,784</u>	<u>46,954</u>
TRANSFERS IN			
Transfers from Debt Service Fund	50,000	50,000	135,000
Total funds available	<u>113,288</u>	<u>148,155</u>	<u>191,628</u>
EXPENDITURES			
General and administrative			
Accounting	30,366	42,000	35,000
Auditing	3,100	3,226	3,300
County Treasurer's fee	269	332	346
PIF Collection Fees	5,950	3,750	5,000
Dues and licenses	384	515	540
Insurance and bonds	1,337	1,339	1,405
District management	19,315	25,500	21,000
Legal services	11,677	15,000	15,000
Miscellaneous	434	1,500	2,000
Election expense	-	3,169	2,000
Contingency	-	-	2,857
Operations and maintenance			
Repairs and maintenance	1,567	1,250	10,000
Landscaping	14,547	16,000	16,500
Miscellaneous - O&M	-	600	1,300
Snow removal	2,623	2,500	16,000
Utilities	19,874	20,000	45,000
Total expenditures	<u>111,443</u>	<u>136,681</u>	<u>177,248</u>
TRANSFERS OUT			
Transfers to Capital Projects Fund	474	1,800	-
Total expenditures and transfers out requiring appropriation	<u>111,917</u>	<u>138,481</u>	<u>177,248</u>
ENDING FUND BALANCE	<u>\$ 1,371</u>	<u>\$ 9,674</u>	<u>\$ 14,380</u>
EMERGENCY RESERVE	\$ 2,500	\$ 2,700	\$ 5,159
AVAILABLE FOR OPERATIONS	(1,129)	6,974	9,221
TOTAL RESERVE	<u>\$ 1,371</u>	<u>\$ 9,674</u>	<u>\$ 14,380</u>

No assurance is provided. See summary of significant assumptions.

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 418,620	\$ 376,469	\$ 350,488
REVENUES			
Public improvement fees	134,728	138,770	160,000
Property taxes	89,396	110,796	115,323
Interest income	9,670	4,590	5,105
Total revenues	<u>233,794</u>	<u>254,156</u>	<u>280,428</u>
Total funds available	<u>652,414</u>	<u>630,625</u>	<u>630,916</u>
EXPENDITURES			
County Treasurer's fee	1,345	1,662	1,730
Paying agent fees	3,500	3,500	3,500
Debt Service			
Bond interest - Series 2017	196,100	194,975	193,625
Bond principal - Series 2017	25,000	30,000	50,000
Total expenditures	<u>225,945</u>	<u>230,137</u>	<u>248,855</u>
TRANSFERS OUT			
Transfers to General Fund	<u>50,000</u>	<u>50,000</u>	<u>135,000</u>
Total expenditures and transfers out requiring appropriation	<u>275,945</u>	<u>280,137</u>	<u>383,855</u>
ENDING FUND BALANCE	<u>\$ 376,469</u>	<u>\$ 350,488</u>	<u>\$ 247,061</u>
SURPLUS FUND	<u>\$ 312,234</u>	<u>\$ 315,000</u>	<u>\$ 245,000</u>
TOTAL RESERVE	<u>\$ 312,234</u>	<u>\$ 315,000</u>	<u>\$ 245,000</u>

No assurance is provided. See summary of significant assumptions.

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 1,014,566	\$ 1,005,963	\$ -
REVENUES			
Interest income	21,105	9,012	-
Developer advance	29,708	250,000	-
Total revenues	<u>50,813</u>	<u>259,012</u>	<u>-</u>
TRANSFERS IN			
Transfers from General Fund	<u>474</u>	<u>1,800</u>	<u>-</u>
Total funds available	<u>1,065,853</u>	<u>1,266,775</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Accounting	325	1,500	-
Engineering	149	-	-
Capital Projects			
Repay developer advance	29,708	-	-
Capital outlay	29,708	1,265,275	-
Total expenditures	<u>59,890</u>	<u>1,266,775</u>	<u>-</u>
TRANSFERS OUT			
Transfers to Debt Service Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>59,890</u>	<u>1,266,775</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 1,005,963</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
2021 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 October 26, 2004.

At an election held on November 2, 2004, the voters approved general obligation indebtedness of \$24,000,000 for street improvements. On November 1, 2005, the District's electors authorized additional indebtedness of \$3,500,000 for water and sanitary sewer. The voters also approved an annual increase in taxes of \$60,000, at a mill levy rate not to exceed one mill, for general operations and maintenance. 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. As set forth in the District's 2005 operating plan, the City has limited the amount of debt to be issued to a total of \$24,000,000 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 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.

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.

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

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.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.50%.

PIF Fees

The District charges a public improvement fee (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 sale of goods at a rate of 1.50%, 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. All PIF fees are pledged to the payment of the District's Series 2017 Special Tax Revenue Bonds, except for \$135,000, which is to be transferred in 2021 to the General Fund for operations and maintenance funding. The amount transferred each year will be increased 1% per year beginning in 2022.

Expenditures

Administrative and Operations/Maintenance 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. The District has also budgeted for operations and maintenance expenditures for landscaping, snow removal, utilities, and repairs and maintenance of District property.

County Treasurer's Fees

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

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017 Bonds (discussed under Debt and Leases).

Capital Outlay

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

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On December 19, 2017, the District issued \$4,000,000 in Series 2017 Limited Property Tax and Public Improvement Fee Revenue Bonds (“the Bonds”) on December 7, 2017 to fund public improvements, pay bond issue costs, fund an initial deposit to the Surplus Fund, and fund capitalized interest. The Bonds bear interest ranging from 4.5% to 5.0% paid semi-annually on June 1 and December 1, beginning December 1, 2019. The Bonds mature on December 1, 2047. The Bonds will be secured by and payable solely from pledged revenues, after the Annual Operations Deduction Amount and net of the cost of collection, consisting of (1) revenues attributable to a privately imposed public improvement fee payable with respect to certain retail sales transactions and construction activities occurring within the development, (2) revenues attributable to property taxes derived from an initial required mill levy of 5.000 mills, up to an estimated maximum of 30.000 mills, and (3) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund. The Annual Operations Deduction Amount is an amount equal to: (i) for the Bond Year ending December 1, 2017, \$0; (ii) for each of the Bond Years ending December 1, 2018, December 1, 2019, and December 1, 2020, \$50,000; (iii) for the Bond Year ending December 1, 2021, \$135,000; and (iv) for each Bond Year thereafter, the dollar amount for the prior year plus 1.00%. The District’s current debt service schedule is attached.

The District has no capital or operating leases. Anticipated activity is as follows:

	Balance - December 31, 2019	Additions	Retirement/ Reductions	Balance - December 31, 2020
Property Tax and Public Improvement Fee Revenue				
Bonds - 2017	\$ 3,975,000	\$ -	\$ 30,000	\$ 3,945,000
Developer Advance				
- Nor'wood	16,000	-	-	16,000
Accrued Interest - Developer Advances				
- Nor'wood	14,140	1,120	-	15,260
Developer Advance				
- COPT	99,400	-	-	99,400
Accrued Interest - Developer Advances				
- COPT	60,695	6,958	-	67,653
Developer Advance				
- Chalon	54,000	40,000	-	94,000
Accrued Interest - Developer Advances				
- Chalon	2,193	4,320	-	6,513
	<u>\$ 4,221,428</u>	<u>\$ 52,398</u>	<u>\$ 30,000</u>	<u>\$ 4,243,826</u>

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

	Balance - December 31, 2020	Additions	Retirement/ Reductions	Balance - December 31, 2021
Property Tax and Public Improvement Fee Revenue				
Bonds - 2017	\$ 3,945,000	\$ -	\$ 50,000	\$ 3,895,000
Developer Advance				
- Nor'wood	16,000	-	-	16,000
Accrued Interest - Developer Advances				
- Nor'wood	15,260	1,120	-	16,380
Developer Advance				
- COPT	99,400	-	-	99,400
Accrued Interest - Developer Advances				
- COPT	67,653	6,958	-	74,611
Developer Advance				
- Chalon	94,000	10,000	-	104,000
Accrued Interest - Developer Advances				
- Chalon	6,513	7,520	-	14,033
	<u>\$ 4,243,826</u>	<u>\$ 25,598</u>	<u>\$ 50,000</u>	<u>\$ 4,219,424</u>

Reserves

Emergency Reserve

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

Surplus Fund

With the issuance of the Series 2017 Bonds, an initial deposit was made into a Surplus Fund. Pledged Revenue that is not needed to pay debt service on the Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$700,000. Amounts on deposit in the Surplus Fund, if any, on the maturity date of the Bonds will be applied to the payment of the Bonds.

This information is an integral part of the accompanying budget.

**INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$4,000,000

Series 2017 Limited Property Tax and Public Improvement Fee Revenue Bonds

Dated December 19, 2017

Interest Rate 4.5% - 5.0%

Interest Payable June 1 and December 1

Principal Due December 1

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	50,000	193,625	243,625
2022	55,000	191,375	246,375
2023	55,000	188,900	243,900
2024	65,000	186,425	251,425
2025	70,000	183,500	253,500
2026	75,000	180,350	255,350
2027	80,000	176,975	256,975
2028	85,000	173,375	258,375
2029	90,000	169,550	259,550
2030	100,000	165,500	265,500
2031	105,000	161,000	266,000
2032	115,000	155,750	270,750
2033	120,000	150,000	270,000
2034	130,000	144,000	274,000
2035	140,000	137,500	277,500
2036	150,000	130,500	280,500
2037	160,000	123,000	283,000
2038	170,000	115,000	285,000
2039	180,000	106,500	286,500
2040	195,000	97,500	292,500
2041	205,000	87,750	292,750
2042	220,000	77,500	297,500
2043	235,000	66,500	301,500
2044	250,000	54,750	304,750
2045	265,000	42,250	307,250
2046	280,000	29,000	309,000
2047	300,000	15,000	315,000
	<u>\$ 3,945,000</u>	<u>\$ 3,503,075</u>	<u>\$ 7,448,075</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of EL PASO COUNTY, Colorado.

On behalf of the INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS,
(governing body)^B

of the INTERQUEST SOUTH BUSINESS IMPROVEMENT DISTRICT,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 23,064,610 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: \$ 23,064,610 (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: 12/07/2020 for budget/fiscal year 2021.
(no 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	1.000 mills	\$ 23,065
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	1.000 mills	\$ 23,065
3. General Obligation Bonds and Interest ^J	5.000 mills	\$ 115,323
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>	6.000 mills	\$ 138,388

Contact person: Carrie Bartow Daytime phone: (719) 635-0330
(print)

Signed:  Title: Accountant for the District

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: | <u>Public Infrastructure</u> |
| | Series: | <u>Limited Property Tax and Public Improvement Fee Revenue Bonds, Series 2017</u> |
| | Date of Issue: | <u>December 19, 2017</u> |
| | Coupon Rate: | <u>4.5%-5.0%</u> |
| | Maturity Date: | <u>December 1, 2047</u> |
| | Levy: | <u>5.000</u> |
| | Revenue: | <u>\$115,323</u> |
| | | |
| 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, Amy Sweet, Publisher and Executive Editor, or the undersigned Authorized Agent of the Publisher and Executive Editor, do solemnly swear that I am the Publisher and Executive Editor, or Authorized Agent of the Publisher and Executive Editor 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:

21, OCTOBER, A.D. 2020.

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

21, OCTOBER, A.D. 2020.

In witness whereof, I have hereunto set my hand this 21st day of October, A.D. 2020.

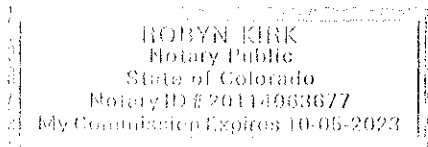
Cathy Reilly

Publisher and Executive Editor / Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 21st day of October, A.D. 2020.

Robyn Kirk

Notary Public



NOTICE OF HEARING ON
PROPOSED 2021 BUDGET AND
2020 BUDGET AMENDMENT

NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2021 has been submitted to the Interquest South BID ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held virtually, at 1:30 p.m. on November 5, 2020. In order to preserve the health, safety, and welfare of the public in light of the imminent threat caused by the COVID-19 pandemic, this meeting and public hearing will be held by telephone and videoconference only. To attend and participate by telephone, dial 720-547-5281 and enter passcode 164 963 4#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at <http://www.interquestsouthbid.com/> or may be obtained by contacting Kimbrie Garcia by email at kimbrie.garcia@ciaconnect.com or Josh Miller by telephone at 719-284-7226.

NOTICE IS FURTHER GIVEN that an amendment to the 2020 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 2021 budget and the amended 2020 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP. Due to concerns related to COVID-19 and certain visitor restrictions that may be in place, please contact Kimbrie Garcia by email at kimbrie.garcia@ciaconnect.com or Josh Miller by telephone at 719-284-7226 to make arrangements to inspect the budget(s) prior to visiting the foregoing office. Any interested elector within the District may, at any time prior to final adoption of the 2021 budget and the amended 2020 budget, if required, file or register any objections thereto.

INTERQUEST SOUTH BID

By: */s/ Stacie Tucker*

President

Publication Date: October 21, 2020

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