

**COLORADO SPRINGS URBAN
RENEWAL AUTHORITY
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2021**

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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Colorado Springs Urban Renewal Authority
El Paso County, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Colorado Springs Urban Renewal Authority, a component unit of the City of Colorado Springs, Colorado, (the Authority) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Authority, as of December 31, 2021, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages IV–IX be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Dazio & Associates, P.C.

March 4, 2022

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

As management of the Colorado Springs Urban Renewal Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2021.

Financial Highlights

- Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$81,694,356 at the close of the fiscal year. This is primarily due to the Authority being responsible for the repayment of bonds issued for public improvements which have been conveyed to other entities and which costs have been removed from the Authority's financial records.
- As of the close of the current fiscal year, the Authority governmental funds reported combined ending fund balances of \$24,854,095.
- Total cash and investments decreased by \$5,724,155 as compared to the prior year, mainly resulting from the incremental sales tax received by the Authority dedicated to the City for Champions projects and requisitions paid from proceeds for the Canyon Creek and Vineyard project areas.
- Incremental property taxes decreased by \$448,851 as compared to the prior year with the majority related to the decreased in assessed valuation at North Nevada, Vineyard, and South Nevada project areas.
- Incremental sales taxes increased by \$4,351,278 as compared to the prior year with the majority related to the increased sales at North Nevada, Copper Ridge and City for Champions project areas.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$340,678, or 81% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of the three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-section business.

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority are governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Authority maintains eight major governmental funds and five nonmajor governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for each of the major funds - General Fund, North Nevada Debt Service Fund, Ivywild Neighborhood Debt Service Fund, Canyon Creek Debt Service Fund, Vineyard Debt Service Fund, Gold Hill Mesa Capital Projects Fund, Copper Ridge Capital Projects Fund, City of Champions Capital Projects Funds (comprised of separate funds for the eight project elements: Administrative, U.S. Olympic Museum and Hall of Fame, CSEC Switchbacks Stadium, CSEC Hockey Arena, UCCS Sports Medicine and Performance, U.S. Air Force Academy Visitors Center, Southwest Infrastructure, Flexible Sub-Account) and the nonmajor funds - Vineyard Capital Projects Fund, City Auditorium Capital Projects Fund, City Gate Capital Projects Fund, Southwest Downtown Capital Projects Fund, and South Nevada Projects Fund.

The Authority adopts an annual budget for its general fund. A budgetary comparison statement has been provided for this fund in the basic financial statements to demonstrate compliance with this budget.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Supplementary and other information. The report includes individual fund schedules. Budgetary comparison schedules have been provided in this section for the debt service funds and the capital projects funds to demonstrate compliance with these budgets.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

Government-Wide Financial Analysis

Net Position

	<u>2021</u>	<u>2020</u>
Current Assets	\$ 33,358,362	\$ 40,745,040
Total Assets	<u>33,358,362</u>	<u>40,745,040</u>
Deferred Outflows of Resources	4,795,358	5,651,014
Current Liabilities	2,127,572	7,125,434
Long-term Obligations	<u>110,106,475</u>	<u>115,355,498</u>
Total Liabilities	<u>112,234,047</u>	<u>122,480,932</u>
Deferred Inflows of Resources	7,614,029	6,907,421
Restricted for:		
Debt Service	10,655,674	641,890
Capital Projects	3,895,407	7,958,343
Unrestricted	<u>(96,245,437)</u>	<u>(91,592,532)</u>
Total Net Position	<u><u>\$ (81,694,356)</u></u>	<u><u>\$ (82,992,299)</u></u>

As noted earlier, net position may serve as a useful indicator for the Authority's financial position. In the Authority's case, 2021 and 2020 ended with total assets valued at \$33,358,362 and \$40,745,040, respectively, with outstanding liabilities of \$112,234,047 and \$122,480,932, respectively. The Authority's assets consist primarily of cash and investments and current receivables.

Current assets decreased by \$7,386,678, mainly resulting from incremental sales tax received by the Authority dedicated to the City for Champions projects and requisitions paid from proceeds for the Canyon Creek and Vineyard project areas.

The Authority had public improvements which were constructed by other entities where the Authority is a contributing entity. The Authority is responsible for the repayment of bonds issued to construct these improvements. Consequently, a deficit balance is reflected on the Authority's statement of net position.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

Change in Net Position

	<u>2021</u>	<u>2020</u>
REVENUES		
Program Revenues:		
Charges for Services	\$ 484,970	\$ 448,640
Operating Grants and Contributions	107,760	117,827
Capital Grants and Contributions	4,190,354	20,380,984
General Revenues:		
Incremental Property Taxes	6,854,758	7,303,609
Incremental Sales Taxes	14,685,179	10,333,901
Net Investment Income	28,261	294,309
Total Revenues	<u>26,351,282</u>	<u>38,879,270</u>
EXPENSES		
General Government	(2,226,849)	(6,458,555)
Interest and Related Costs on Long-Term Debt	(4,499,759)	(5,195,225)
Dedication of Capital Assets to Other Entities	<u>(18,326,731)</u>	<u>(37,210,488)</u>
Total Expenses	<u>(25,053,339)</u>	<u>(48,864,268)</u>
CHANGE IN NET POSITION	1,297,943	(9,984,998)
Net Position - Beginning of Year	<u>(82,992,299)</u>	<u>(73,007,301)</u>
NET POSITION - END OF YEAR	<u><u>\$ (81,694,356)</u></u>	<u><u>\$ (82,992,299)</u></u>

The Authority's total revenue decreased by \$12,527,988. Incremental property taxes decreased \$448,851, mainly resulting from the decrease in assessed valuation at North Nevada, Vineyard, and South Nevada project areas. Incremental sales taxes increased by \$4,351,278 with the majority due to the increased sales at North Nevada, Copper Ridge and City for Champions project areas.

The Authority's net position increased by \$1,297,943 mainly due to the increase in incremental sales taxes, offsetting by the requisitions paid from proceeds for the Canyon Creek and Vineyard project areas and the principal reduction on the Authority's long-term debt.

Financial Analysis of the Government's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

Governmental funds. The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$24,854,095. Of this balance, \$5,294,891 is restricted for North Nevada debt service, \$179,154 is restricted for Canyon Creek debt service, \$20,232 is restricted for Vineyard debt service, \$18,358,374 is being restricted for the use of the specific Urban Renewal Plan project and Regional Tourism Act areas, \$300,000 is assigned by the Board for operating reserves, and \$340,678 constitutes the unassigned fund balance, which is available for spending at the government's discretion within the parameters established for the General Fund.

The General Fund is the operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the general fund was \$340,678 out of a total fund balance of \$652,310.

The North Nevada Debt Service Fund has a total fund balance of \$5,294,891 all of which is restricted for the repayment of bond indebtedness.

The Canyon Creek Debt Service Fund has a total fund balance of \$179,154, all of which is restricted for the repayment of bond indebtedness.

The Vineyard Debt Service Fund has a total fund balance of \$20,232, all of which is restricted for the repayment of bond indebtedness.

The City for Champions Capital projects Fund has a total fund balance of \$18,358,374 all of which is restricted for certified costs related to the eight project elements: Administrative, U.S. Olympic Museum and Hall of Fame, CSEC Switchbacks Stadium, CSEC Hockey Arena, UCCS Sports Medicine and Performance, U.S. Air Force Academy Visitors Center, Southwest Infrastructure, and Flexible Sub-Account.

The City Auditorium Capital Projects Fund has a total fund balance of \$98,948, all of which is restricted for the use of the specific Urban Renewal Plan.

The City Gate Capital Projects Fund has a total fund balance of \$54,668 all of which is restricted for the use of the specific Urban Renewal Plan.

The Southwest Downtown Capital Projects Fund has a total fund balance of \$115,576 all of which is restricted for the use of the specific Urban Renewal Plan.

The South Nevada Capital Projects Fund has a total fund balance of \$79,942 all of which is restricted for use of the specific Urban Renewal Plan.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

General Fund Budgetary Highlights

The Authority's total expenditures for 2021 are below the original budget amount by \$103,153. This favorable variance was primarily attributable to accounting, contract services, PR/advocacy costs and reimbursed expenditures on the different capital project areas.

Long-Term Debt

At the end of the current fiscal year, the Authority had total outstanding long-term obligations of \$110,106,475. The Authority's Series 2017 Tax Increment Revenue Bonds mature on September 1, 2027 and pay interest at the rate of 3.33% each March 1 and September 1, commencing September 1, 2017. Principal is payable annually on September 1, beginning on September 1, 2019. The Authority's Series 2018A Special Revenue Bonds mature on December 1, 2047 and pay interest at the rate of 5.75% on June 1 and December 1. The Authority's Series 2018B Subordinate Bonds were issued at the rate of 8.125% and payable annually on December 15, only to the extent of available Subordinate Pledged Revenue. The Authority's Series 2019 Tax Increment Revenue Bonds were issued at the rate of 3.30% and payable annually on February 1. The Authority's Series 2020 Refunding and Improvement Loan was issued at the rate of 2.05% and payable semi-annually on June 1 and December 1. The Authority also has the following loans under long-term debt:

- The Culebra Properties Limited Liability Company, Ivywild Neighborhood Loan, maturing June 30, 2028, bears an interest rate of 7.00% per annum until paid in full, payable quarterly on March 31, June 30, September 30, and December 31 of each calendar year.
- The Series 2020 Revenue Note issued for the Vineyard project area, maturing December 1, 2036, with interest rates of 3.250% and 3.368%, payable annually on December 1.

Additional information on the Authority's long-term debt can be found in Note 5.

Next Year's Budgets

The Authority has appropriated \$32,324,068 in all funds for spending in the 2022 fiscal year budget and anticipates that beginning fund balances, administration fees, incremental property taxes, incremental sales taxes, debt issuance proceeds, and reimbursed expenditures will be sufficient to cover these expenditures.

Requests for Information

This financial report is designed to provide a general overview of the Colorado Springs Urban Renewal Authority finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Colorado Springs Urban Renewal Authority
111 S. Tejon St., Suite 705
Colorado Springs, Colorado 80903.

BASIC FINANCIAL STATEMENTS

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 633,651
Cash and Investments - Restricted	23,885,005
Receivable - County Treasurer	138
Accounts Receivable	257,205
Prepaid Expenses	11,632
Incremental Property Tax Receivable	7,614,029
Incremental Sales Tax Receivable	955,632
Due from Other Governments	1,070
Total Assets	<u>33,358,362</u>
DEFERRED OUTFLOWS OF RESOURCES	
Loss on Refunding	<u>4,795,358</u>
Total Deferred Outflows of Resources	<u>4,795,358</u>
LIABILITIES	
Accounts Payable	110,520
Project Escrows	188,124
Due to Other Governments	591,594
Accrued Interest Payable	1,237,334
Noncurrent Liabilities:	
Due Within One Year	4,963,366
Due in More Than One Year	<u>105,143,109</u>
Total Liabilities	<u>112,234,047</u>
DEFERRED INFLOWS OF RESOURCES	
Incremental Property Tax Revenue	<u>7,614,029</u>
Total Deferred Inflows of Resources	<u>7,614,029</u>
NET POSITION	
Restricted for:	
Debt Service	10,655,674
Capital Projects	3,895,407
Unrestricted	<u>(96,245,437)</u>
Total Net Position	<u><u>\$ (81,694,356)</u></u>

See accompanying Notes to Basic Financial Statements.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

		Program Revenues			Net Revenue (Expenses) and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS	<u>Expenses</u>				
Primary Government:					
Governmental Activities:					
General Government	\$ 2,226,849	\$ 484,970	\$ 48,806	\$ -	\$ (1,693,073)
Interest and Related Costs on Long-Term Debt	4,499,759	-	58,954	-	(4,440,805)
Dedication of Capital Assets to Other Entities	18,326,731	-	-	4,190,354	(14,136,377)
Total Governmental Activities	<u>\$ 25,053,339</u>	<u>\$ 484,970</u>	<u>\$ 107,760</u>	<u>\$ 4,190,354</u>	(20,270,255)
GENERAL REVENUES					
Incremental Property Taxes					6,854,758
Incremental Sales Taxes					14,685,179
Net Investment Income					28,261
Total General Revenues					<u>21,568,198</u>
CHANGE IN NET POSITION					1,297,943
Net Position - Beginning of Year					<u>(82,992,299)</u>
NET POSITION - END OF YEAR					<u>\$ (81,694,356)</u>

See accompanying Notes to Basic Financial Statements.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General	North Nevada Debt Service	Ivywild Neighborhood Debt Service	Canyon Creek Debt Service	Vineyard Debt Service	Gold Hill Mesa Capital Projects	Copper Ridge Capital Projects	City for Champions Funds	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS										
Cash and Investments	\$ 633,651	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 633,651
Cash and Investments - Restricted	-	4,658,750	-	184,084	20,232	-	295,274	18,377,531	349,134	23,885,005
Receivable - County Treasurer	-	138	-	-	-	-	-	-	-	138
Accounts Receivable	257,205	-	-	-	-	-	-	-	-	257,205
Prepaid Expenses	11,632	-	-	-	-	-	-	-	-	11,632
Due from Other Governments	-	-	-	1,070	-	-	-	-	-	1,070
Due from Other Funds	14,157	-	-	-	-	-	-	-	-	14,157
Incremental Property Taxes Receivable	-	1,881,293	107,827	-	568,954	1,778,831	2,836,785	-	440,339	7,614,029
Incremental Sales Taxes Receivable	-	638,753	-	-	-	-	316,879	-	-	955,632
	<u>-</u>	<u>638,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>316,879</u>	<u>-</u>	<u>-</u>	<u>955,632</u>
Total Assets	<u>\$ 916,645</u>	<u>\$ 7,178,934</u>	<u>\$ 107,827</u>	<u>\$ 185,154</u>	<u>\$ 589,186</u>	<u>\$ 1,778,831</u>	<u>\$ 3,448,938</u>	<u>\$ 18,377,531</u>	<u>\$ 789,473</u>	<u>\$ 33,372,519</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable	\$ 96,770	\$ 2,750	\$ -	\$ 6,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 110,520
Escrows	167,565	-	-	-	-	-	20,559	-	-	188,124
Due to Other Funds	-	-	-	-	-	-	-	14,157	-	14,157
Due to Other Governments	-	-	-	-	-	-	591,594	-	-	591,594
Total Liabilities	<u>264,335</u>	<u>2,750</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>612,153</u>	<u>19,157</u>	<u>-</u>	<u>904,395</u>
DEFERRED INFLOWS OF RESOURCES										
Incremental Property Tax Revenue	-	1,881,293	107,827	-	568,954	1,778,831	2,836,785	-	440,339	7,614,029
Total Deferred Inflows of Resources	<u>-</u>	<u>1,881,293</u>	<u>107,827</u>	<u>-</u>	<u>568,954</u>	<u>1,778,831</u>	<u>2,836,785</u>	<u>-</u>	<u>440,339</u>	<u>7,614,029</u>
FUND BALANCES										
Nonspendable	11,632	-	-	-	-	-	-	-	-	11,632
Restricted	-	5,294,891	-	179,154	20,232	-	-	18,358,374	349,134	24,201,785
Assigned	300,000	-	-	-	-	-	-	-	-	300,000
Unassigned	340,678	-	-	-	-	-	-	-	-	340,678
Total Fund Balances	<u>652,310</u>	<u>5,294,891</u>	<u>-</u>	<u>179,154</u>	<u>20,232</u>	<u>-</u>	<u>-</u>	<u>18,358,374</u>	<u>349,134</u>	<u>24,854,095</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 916,645</u>	<u>\$ 7,178,934</u>	<u>\$ 107,827</u>	<u>\$ 185,154</u>	<u>\$ 589,186</u>	<u>\$ 1,778,831</u>	<u>\$ 3,448,938</u>	<u>\$ 18,377,531</u>	<u>\$ 789,473</u>	<u>\$ 33,372,519</u>

See accompanying Notes to Basic Financial Statements.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021**

Fund Balances - Total Governmental Funds	\$ 24,854,095
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Amounts reported for governmental activities in the statement of net net position are different because:

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

Loss on Refunding	4,795,358
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Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds:

Ivywild Neighborhood Loan	(415,057)
Bonds Payable - Series 2017	(37,400,000)
Bonds Payable - Series 2018A	(7,215,000)
Bonds Payable - Series 2018B	(1,086,000)
Bonds Payable - Series 2019	(11,272,000)
Loan Payable - Series 2020 (Vineyard)	(5,229,704)
Loan Payable - Series 2020 (North Nevada)	(47,488,714)
Accrued Interest Payable	<u>(1,237,334)</u>

Net Position of Governmental Activities	<u><u>\$ (81,694,356)</u></u>
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COLORADO SPRINGS URBAN RENEWAL AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General	North Nevada Debt Service	Ivywild Neighborhood Debt Service	Canyon Creek Debt Service	Vineyard Debt Service	Gold Hill Mesa Capital Projects	Copper Ridge Capital Projects	City for Champions Funds	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES										
Administration Fees	\$ 467,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 467,400
Bond Administration Fees - Canyon Creek	11,848	-	-	-	-	-	-	-	-	11,848
City for Champions - 15% Administration Fee	5,722	-	-	-	-	-	-	-	-	5,722
Net Investment Income	217	7,111	1,669	1,017	2	1,464	10,101	6,161	519	28,261
Incremental Property Taxes	-	1,667,654	113,530	31,926	644,263	1,561,389	2,674,174	-	161,822	6,854,758
Incremental Sales Taxes	-	5,112,808	-	-	-	-	1,488,771	7,818,571	265,029	14,685,179
Stadium Contribution	-	-	-	-	-	-	-	4,190,354	-	4,190,354
Reimbursed Expenditures	48,806	-	-	-	-	-	-	-	-	48,806
Canyon Creek MD No. 2 Pledged Revenue	-	-	-	27,918	-	-	-	-	-	27,918
Canyon Creek MD No. 3 Pledged Revenue	-	-	-	31,036	-	-	-	-	-	31,036
Total Revenues	533,993	6,787,573	115,199	91,897	644,265	1,562,853	4,173,046	12,015,086	427,370	26,351,282
EXPENDITURES										
General	421,347	-	-	-	-	-	-	43,865	-	465,212
Debt Service	-	6,279,162	115,199	636,694	653,754	-	-	2,936,414	-	10,621,223
Capital Projects	-	-	-	4,712,298	-	1,562,853	4,173,046	7,266,148	2,374,023	20,088,368
Total Expenditures	421,347	6,279,162	115,199	5,348,992	653,754	1,562,853	4,173,046	10,246,427	2,374,023	31,174,803
EXCESS OF REVENUES OVER (UNDER)										
EXPENDITURES	112,646	508,411	-	(5,257,095)	(9,489)	-	-	1,768,659	(1,946,653)	(4,823,521)
OTHER FINANCING SOURCES (USES)										
Loan Issuance - Series 2020	-	-	-	-	-	-	-	-	1,781,789	1,781,789
Transfers from(to) Other Funds	-	-	-	-	(255,549)	-	-	-	255,549	-
Total Other Financing Sources (Uses)	-	-	-	-	(255,549)	-	-	-	2,037,338	1,781,789
NET CHANGE IN FUND BALANCES	112,646	508,411	-	(5,257,095)	(265,038)	-	-	1,768,659	90,685	(3,041,732)
Fund Balances - Beginning of Year	539,664	4,786,480	-	5,436,249	285,270	-	-	16,589,715	258,449	27,895,827
FUND BALANCES - END OF YEAR	<u>\$ 652,310</u>	<u>\$ 5,294,891</u>	<u>\$ -</u>	<u>\$ 179,154</u>	<u>\$ 20,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,358,374</u>	<u>\$ 349,134</u>	<u>\$ 24,854,095</u>

See accompanying Notes to Basic Financial Statements.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ (3,041,732)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay	18,326,731
Dedication of Capital Assets to Other Entities	(18,326,731)

Long-term debt (e.g., issuance of bonds, the receipt of Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal Payment - Series 2017	800,000
Principal Payment - Series 2018	180,000
Principal Payment - Series 2019	466,000
Loan Principal Payment - Series 2020 (Vineyard)	427,157
Loan Principal Payment - Series 2020 (North Nevada)	5,086,286
Loan Principal Payment - Ivywild Neighborhood	71,369
Amortization of Loss on Refunding	(855,656)
Loan Issuance - Series 2020 (Vineyard)	(1,781,789)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Accrued Interest on Bonds Payable - Change in Liability	(53,692)
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Changes in Net Position of Governmental Activities	\$ 1,297,943
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**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Administration Fees	\$ 565,000	\$ 467,400	\$ (97,600)
Bond Administration Fees - Canyon Creek	11,848	11,848	-
City for Champions - 15% Administration Fee	13,500	5,722	(7,778)
Net Investment Income	3,000	217	(2,783)
Reimbursement of Expenditures	90,000	48,806	(41,194)
Reimbursed for PR/Advocacy	20,000	-	(20,000)
Other Urban Renewal Plan Fees	40,000	-	(40,000)
Total Revenues	<u>743,348</u>	<u>533,993</u>	<u>(209,355)</u>
EXPENDITURES			
Accounting	170,000	146,258	23,742
Audit	7,500	7,000	500
Contracted Services	25,000	8,140	16,860
CSURA Payroll Salaries	98,000	106,439	(8,439)
CSURA Payroll Benefits	34,000	32,891	1,109
Dues and Memberships	10,000	3,242	6,758
Insurance	12,000	8,332	3,668
Legal	70,000	72,416	(2,416)
Meetings	5,000	184	4,816
Miscellaneous	10,000	1,834	8,166
Office Expense	3,000	731	2,269
Services General - Reimbursed Expenditures	40,000	25,184	14,816
PR/Advocacy	40,000	8,696	31,304
Total Expenditures	<u>524,500</u>	<u>421,347</u>	<u>103,153</u>
NET CHANGE IN FUND BALANCES	218,848	112,646	(106,202)
Fund Balances - Beginning of Year	<u>523,330</u>	<u>539,664</u>	<u>16,334</u>
FUND BALANCES - END OF YEAR	<u>\$ 742,178</u>	<u>\$ 652,310</u>	<u>\$ (89,868)</u>

See accompanying Notes to Basic Financial Statements.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 DEFINITION OF REPORTING ENTITY

The Colorado Springs Urban Renewal Authority (Authority) was formed by resolution passed February 24, 1970, by the City Council of the City of Colorado Springs, Colorado (the City) pursuant to the Colorado Urban Renewal Law, Colorado Revised Statutes. The purpose of the Authority is to acquire and develop certain blighted areas in the City to maintain the public welfare.

The Authority currently has 14 outstanding project plans; they are identified as follows:

1. Southwest Downtown - The project area was approved in 2001 and will end in 2026.
2. North Nevada Corridor - The project area was approved in 2004 and will end in 2029. This is primarily a retail redevelopment and is currently in an active redevelopment stage.
3. Gold Hill Mesa - The project area was approved in 2005 and will end in 2030. This is a mixed use redevelopment and is currently in an active stage.
4. City Auditorium - The project area was approved in 2006 and will end in 2031. There is currently no redevelopment activity.
5. City Gate - The project area was approved in 2007. There is currently no redevelopment activity.
6. Copper Ridge - The project area was approved in 2010. This is primarily an upscale retail redevelopment. It is currently in an active redevelopment stage related to the retail development.
7. Ivywild Neighborhood - The project area was approved in 2011. It is currently in an active redevelopment stage.
8. Vineyard - The project area was approved in 2011. It is currently in an active redevelopment stage.
9. City for Champions - The project elements include:
 - US Olympic Museum and Hall of Fame - The project area receives 42% of the City for Champions increment.
 - Colorado Sports and Event Complex - The project area receives 23% of the City for Champions increment. During 2019, this project area was broken out into two separate projects, the Switchbacks Stadium (receiving 66.67% of the 23%) and the Hockey Arena (receiving 33.33% of the 23%).
 - UCCS Sports Medicine and Performance - The project area receives 14% of the City for Champions increment.
 - US Air Force Academy Visitors Center - The project area receives 5% of the City for Champions increment.
 - Southwest Infrastructure - The project area receives 10% of the City for Champions Increment.
 - Flexible Sub-Account - The sub-account receives 6% of the City for Champions increment.
10. Gold Hill Mesa Commercial - The project area was approved in December 2015.
11. South Nevada Avenue - The project area was approved in December 2015. There is currently infrastructure under construction.
12. Museum and Park - The project area was approved in 2018. It is currently in an active redevelopment state.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 DEFINITION OF REPORTING ENTITY (CONTINUED)

- 13. Tejon and Costilla - The project area was approved in 2018. It is currently in an active redevelopment state.
- 14. True North Commons - The project area was approved 2019. There is currently no redevelopment activity.

The Authority follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Authority is considered a component unit of the City since the Authority's tax increment financing indicates financial accountability with the City, due to the benefits redevelopment will provide the City. The Mayor appoints the Authority board members and the City Council approves the appointment. City Council reviews the Urban Renewal Plans and any changes thereto. Legal counsel is in the opinion that under state statutes, the City is not liable with respect to the bonds issued by the Authority.

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

The more significant accounting policies of the Authority are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the Authority. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the Authority. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are or will be incremental property tax and incremental sales and use taxes. All other revenue items are considered to be measurable and available only when cash is received by the Authority. Expenditures, other than long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The Authority reports the following major governmental funds:

The General Fund is the Authority's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The North Nevada Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the North Nevada urban renewal project area.

The Ivywild Neighborhood Debt Service Fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of the Ivywild Neighborhood urban renewal project area.

The Canyon Creek Debt Service Fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of the Canyon Creek project area.

The Vineyard Debt Service Fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of the Vineyard project area.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Gold Hill Mesa Capital Projects Fund is used to account for financial resources to be used for the reimbursement, acquisition, and construction of public infrastructure in the Gold Hill Mesa urban renewal project area.

The Copper Ridge Capital Projects Fund is used to account for financial resources to be used for the reimbursement, acquisition, and construction of public infrastructure in the Copper Ridge urban renewal project area.

The City for Champions Capital Projects Fund is used to account for financial resources to be used for the reimbursement of costs related to the six project elements: U.S. Olympic Museum and Hall of Fame, CSEC Switchbacks Stadium, CSEC Hockey Arena, U.C.C.S. Sports Medicine and Performance Center, U.S. Air Force Academy Visitors Center and Flexible Sub-Account.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Authority's administrative function and various other functions of the Authority. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenue. Likewise, general revenues include all incremental taxes received by the Authority.

Budgets

In accordance with the State Budget Law, the Authority's Board of Commissioners holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The Authority's Board of Commissioners can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The Authority has amended its annual budget for the year ended December 31, 2021.

Pooled Cash and Investments

The Authority follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Balances

The Authority reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds (current portion of interfund loans) or advances to/from other funds (long-term portion of interfund loans). The interfund balances have been eliminated in the government-wide statement except for the residual balances between the governmental activities and business-type activities, which are reported as internal balances.

Incremental Property Taxes

The Authority receives incremental property tax revenue for each of the active Urban Renewal areas. Incremental property tax revenues are the property tax revenues in excess of an amount equal to the ad valorem property taxes produced by the levy at the rates fixed for such year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Urban Renewal area upon a valuation for assessment equal to the property tax base amount. The property tax base amount is certified by the County Assessor as the valuation for assessment of all taxable property within the Urban Renewal area last certified by the County Assessor prior to the adoption of the Urban Renewal plan. The base amount may be proportionately adjusted for general reassessments in accordance with Colorado law.

Property taxes are levied by various taxing entities in each of the project areas by certification to the County Commissioners. 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. 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 incremental taxes collected monthly to the Authority.

Incremental property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The incremental property tax revenues are recorded as revenue in the year they are available or collected.

Incremental Sales Tax

On June 12, 2007, the Authority entered into a Cooperation Agreement with the City, allowing the Authority to receive incremental sales tax generated from the North Nevada project area from the City's general sales tax of 2%, in excess of the sales tax base amount of \$375,603. The base calculation period used by the City is calculated from December through November of each year. The term of the agreement is for 23 years and the aggregate incremental sales tax revenues available to the Authority shall not exceed \$98,800,000.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Incremental Sales Tax (Continued)

On January 24, 2012, the Authority entered into a Cooperation Agreement with the City, allowing the Authority to receive incremental sales tax generated from the Ivywild Neighborhood project area from the City's general sales tax of 2%, in excess of the sales tax base amount of \$62,693. The term of the agreement is from January 24, 2012 through June 28, 2036.

On October 22, 2013, the Authority entered into a Cooperation Agreement with the City and Copper Ridge Metropolitan District, allowing the Authority to receive incremental sales tax generated from the Copper Ridge project area for a period of up to 25 years.

On February 27, 2019, the agreement was amended to extend the 25-year duration through 2044. Pursuant to the agreement, the Authority will receive from the City's general sales tax of 1%, in excess of the sales tax base amount of \$30,272. During 2019, the sales tax base amount changed to \$52,976.

On December 16, 2015, the Authority entered into a Cooperation Agreement with the City, allowing the Authority to receive incremental sales tax generated from the South Nevada project area from the City's general sales tax of 1.75% for the first five years after approval of the South Nevada Area Urban Renewal Project Plan (the Plan), in excess of the sales tax base amount of \$934,475, and 1.5% from 2020 through the remaining 20 years, in excess of the sales tax base amount of \$800,979. On November 23, 2021, the agreement was amended to increase the City's general sales tax to 2% and the sales tax base amount changed to \$1,067,972.

Pursuant to the Resolution by the Colorado Economic Development Commission Concerning the Allocation of State Sales Tax Increment Revenue for the Colorado Springs City for Champions Project, executed on November 25, 2013, the Authority is receiving a percentage of the state sales tax increment revenue that is dedicated to the City for Champions Project, subject to an aggregate cap of \$120,500,000. The portion of state sales tax revenue collected within the boundaries of the regional tourism zone in excess of the base year revenue multiplied by 13.08% is dedicated to the Authority. The base year revenue of \$169,503,178, is identified by the state sales tax revenue collected from taxable transactions occurring within the regional tourism zone during the twelve-month period beginning on December 1, 2012 and ended on November 30, 2013.

On December 11, 2018, the Authority entered into a Cooperation Agreement with the City, allowing the Authority to receive incremental sales and use tax generated from the Museum & Park project from the City's 2% of general fund sales and use tax, in excess of the sales tax base amount of \$50,310.41. The specified portion of the City's general fund sales tax, which is in excess of the base amount, is 87.5 % of the 2% general fund sales tax (or 1.75%). The specified portion of the City's general fund use tax, which is in excess of the base amount, will be 50% of the 2% general fund use tax (or 1.00%). Any pledge of the use tax increment is limited to the extent appropriated and actually made available to the Authority, but in no event for a period in excess of 25 years.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Incremental Sales Tax (Continued)

On July 9, 2019, the Authority entered into a Cooperation Agreement with the City, allowing the Authority to receive incremental sales and use tax generated from the True North Commons project area from the City's 2% of general fund sales and use tax, in excess of the sales tax base amount. The specified portion of the City's general fund sales tax, which is in excess of the base amount, is 87.5 % of the 2% general fund sales tax (or 1.75%). The specified portion of the City's general fund use tax, which is in excess of the base amount, will be 50% of the 2% general fund use tax (or 1.00%). The sales tax base amount has not been determined. Any pledge of the use tax increment is limited to the extent appropriated and actually made available to the Authority, but in no event for a period in excess of 25 years.

Capital Assets

Capital assets, which include property, equipment and infrastructure assets (e.g. roads, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets component of the Authority's net position.

It is the policy of the City to accept maintenance responsibility for all major public infrastructure within the City upon the Authority's completion and conveyance of such improvements provided they meet the City's specifications.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Amortization

In the government-wide financial statements, the loss on bond refunding is being amortized using the interest method over the life of the refunded bonds. The amortization amount is a component of interest expense and the unamortized deferred loss is reflected as a deferred outflow of resources.

Deferred Inflow/Outflow of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Authority has one item that qualifies for reporting in this category. Accordingly, the item, *loss on refunding*, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflow/Outflow of Resources (Continued)

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one item that qualifies for reporting in this category. Accordingly, the item, *incremental property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Fund Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the Authority's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Commissioners. The constraint may be removed or changed only through formal action of the Board of Commissioners.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Commissioners to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.)

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity (Continued)

Fund Balance (Continued)

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the Authority's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 633,651
Cash and Investments - Restricted	<u>23,885,005</u>
Total Cash and Investments	<u><u>\$ 24,518,656</u></u>

Cash and investments as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	\$ 765,885
Investments	<u>23,752,771</u>
Total Cash and Investments	<u><u>\$ 24,518,656</u></u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2021, the Authority's cash deposits had a bank balance and a carrying balance of \$765,885.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The Authority has not adopted a formal investment policy; however, the Authority follows state statutes regarding investments.

The Authority generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the Authority is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Commissioners. Such actions are generally associated with debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2021, the Authority had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	<u>\$ 23,752,771</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

The Authority invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the Authority records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021 follows:

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ -	\$ 18,326,731	\$ 18,326,731	\$ -
Total Capital Assets, Not Being Depreciated	-	18,326,731	18,326,731	-
 Governmental Activities Capital Assets, Net	 \$ -	 \$ 18,326,731	 \$ 18,326,731	 \$ -

During 2021, the capital assets were constructed by other entities where the Authority is a contributing entity. The costs of the construction of capital assets transferred to other entities were removed from the Authority's financial records.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in Authority's long-term obligations for the year ended December 31, 2021:

	Balance - December 31, 2020	Additions	Retirements	Balance - December 31, 2021	Due Within One Year
Bonds Payable					
Series 2018A Senior Special Revenue Bonds	\$ 7,325,000	\$ -	\$ 110,000	\$ 7,215,000	\$ 125,000
Series 2018B Subordinate Special Rev Bonds	1,156,000	-	70,000	1,086,000	-
Subtotal of Bonds Payable	<u>8,481,000</u>	<u>-</u>	<u>180,000</u>	<u>8,301,000</u>	<u>125,000</u>
Notes/Loans/Bonds From Direct					
Borrowings and Direct Placements					
Ivywild Neighborhood Loan	486,426	-	71,369	415,057	-
Series 2017A Tax Increment Revenue Bonds	14,700,000	-	300,000	14,400,000	400,000
Series 2017B Tax Increment Revenue Bonds	13,700,000	-	300,000	13,400,000	300,000
Series 2017C Tax Increment Revenue Bonds	9,800,000	-	200,000	9,600,000	300,000
Series 2019 Tax Increment Revenue Bonds	11,738,000	-	466,000	11,272,000	454,000
Series 2020 Refunding and Improvement Loan	52,575,000	-	5,086,286	47,488,714	3,200,000
Series 2020 Revenue Note	3,875,072	1,781,789	427,157	5,229,704	184,366
Accrued Interest - Ivywild Neighborhood Loan	-	37,102	37,102	-	-
Subtotal of Notes/Loans/Bonds From Direct					
Direct					
Borrowings and Direct Placements	<u>106,874,498</u>	<u>1,818,891</u>	<u>6,887,914</u>	<u>101,805,475</u>	<u>4,838,366</u>
Total Long-Term Obligations	<u>\$ 115,355,498</u>	<u>\$ 1,818,891</u>	<u>\$ 7,067,914</u>	<u>\$ 110,106,475</u>	<u>\$ 4,963,366</u>

The details of the Authority's long-term obligations are as follows:

Series 2018A Senior and Series 2018B Subordinate Special Revenue Bonds

On June 21, 2018, the Authority issued the 2018A Senior Special Revenue Bonds and the 2018B Subordinate Special Revenue Bonds in the amounts of \$7,325,000 and \$1,156,000, respectively. The proceeds from the sale of the Bonds will be used to: (i) finance certain costs associated with the redevelopment of property; (ii) fund capitalized interest for the 2018A Senior Bonds, (iii) fund the Senior Reserve Fund; and (iv) pay the costs of issuing the Bonds.

The 2018A Senior Bonds bear interest at the rate of 5.75% per annum payable semi-annually on June 1 and December 1, beginning on December 1, 2018. Annual mandatory sinking fund principal payments on the 2018A Senior Bonds are due on December 1, beginning on December 1, 2021. The 2018A Senior Bonds mature on December 1, 2047.

The 2018B Subordinate Bonds were issued at the rate of 8.125% per annum payable annually on December 15, commencing December 15, 2018, but only to the extent of available Subordinate Pledged Revenue. The 2018B Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest. Unpaid interest on the 2018B Subordinate Bonds compounds annually on each December 15. In the event any amounts due and owing on the 2018B Subordinate Bonds remain outstanding on December 15, 2057, such amounts shall be extinguished and no longer be due and outstanding.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2018A Senior and Series 2018B Subordinate Special Revenue Bonds
(Continued)

The 2018A Senior Bonds are special, limited revenue obligations of the Authority, payable solely from the 2018A Senior Trust Estate, which is pledged and assigned pursuant to the 2018A Senior Indenture for the payment of the principal of and interest on the 2018A Senior Bonds.

The 2018A Senior Trust Estate consists of the Pledged Revenue, the Senior Bond Fund, the Senior Project Fund, the Senior Reserve Fund, the Senior Surplus Fund, and all other moneys, securities, revenues, receipts, and funds from time to time held by the Trustee under the terms of the 2018A Senior Indenture, other than the Senior Costs of Issuance Fund.

Pledged Revenue includes: (a) all Pledged Property Tax Increment Revenue; (b) all Pledge Agreement Revenue; and (c) any other legally available moneys which the Authority determines, in its sole discretion, to credit to the Senior Bond Fund.

The 2018B Subordinate Bonds are special, limited revenue obligations of the Authority, payable solely from the 2018B Subordinate Trust Estate, which is pledged and assigned pursuant to the 2018B Subordinate Indenture for the payment of the principal of and interest on the 2018B Subordinate Bonds.

The 2018B Subordinate Trust Estate consists of the Subordinate Pledged Revenue, the Subordinate Bond Fund, and the Subordinate Project Fund, and all other moneys, securities, revenues, receipts, and funds from time to time held by the Trustee under the terms of the 2018B Subordinate Indenture, other than the Subordinate Costs of Issuance Fund. The "Subordinate Pledged Revenue" is defined as all Pledged Revenue after payment of all payment obligations required under the 2018A Senior Indenture during each Fiscal Year, including without limitation any required funding of any Senior Surplus Fund.

The 2018A Senior Bonds are also secured by the Senior Reserve Fund in the Senior Reserve Fund Requirement Amount of \$639,324, and the Senior Surplus Fund. As funds were insufficient to pay interest due on the 2018A Senior Bonds, the Authority has drawn down on the Senior Reserve Fund. The balance in the Senior Reserve Fund at December 31, 2021, was \$183,298.

Pledged Revenue that is not needed to pay debt service on the 2018A Senior Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of \$732,500. Amounts on deposit in the Senior Surplus Fund on the maturity date of the 2018A Senior Bonds shall be applied to the payment of the 2018A Senior Bonds on such date.

The 2018B Subordinate Bonds are not secured by the Senior Reserve Fund, the Senior Surplus Fund, or any capitalized interest.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

**Series 2018A Senior and Series 2018B Subordinate Special Revenue Bonds
(Continued)**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 125,000	\$ 414,863	\$ 539,863
2023	135,000	407,675	542,675
2024	155,000	399,913	554,913
2025	160,000	391,000	551,000
2026	180,000	381,800	561,800
2027-2031	1,150,000	1,735,063	2,885,063
2032-2036	1,700,000	1,345,500	3,045,500
2037-2041	1,990,000	779,700	2,769,700
2042-2046	790,000	380,650	1,170,650
2047	830,000	47,725	877,725
Total	<u>\$ 7,215,000</u>	<u>\$ 6,283,888</u>	<u>\$ 13,498,888</u>

Ivywild Neighborhood Loan

On March 21, 2012, the Authority entered into a loan agreement with the Culebra Properties Limited Liability Company (Lender) in the amount of \$778,000. The Loan, maturing June 30, 2028, bears an interest rate of 7% per annum until the Loan is paid in full, payable quarterly March 31, June 30, September 30, and December 31 of each calendar year, commencing March 31, 2013. The Loan was issued to (i) provide financing for the Ivywild Neighborhood Urban Renewal Project (Project), and (ii) paying costs of issuance of the Loan.

The Loan is secured and payable from the Pledged Revenue, consisting of monies derived by (1) the Incremental Property Tax Revenues, (2) the Incremental Sales Tax Revenues, (3) all amounts held in the Loan Payment Fund together with investment earnings thereon; and (4) all other legally available monies which the Authority determines, in its sole discretion, to deposit in the Loan Payment Fund. The Authority shall credit all amounts comprising Pledged Revenue to the Loan Payment Fund. The monies in the Loan Repayment Fund will be used to pay interest and principal due on the loan. Any interest not paid when due shall continue to accrue until paid in full, and shall compound annually beginning on June 30, 2014. Repayment of the loan principal shall be due and payable on each payment date, to the extent of Pledged Revenue available. The full amount of the Loan shall become due and payable on the maturity date.

A debt service schedule cannot be determined as interest and principal are being paid based on the availability of funds from Pledged Revenue.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2017 Tax Increment Revenue Bonds

On April 12, 2017, the Authority issued the Tax Increment Revenue Bonds in the total amount of \$39,000,000, consisting of \$15,000,000 with UMB Bank (Series 2017A), \$14,000,000 with First Bank (Series 2017B) and \$10,000,000 with Academy Bank (Series 2017C). The Bonds were issued at the rate of 3.33% and are payable annually on September 1, beginning on September 1, 2019, through September 1, 2027. Interest payments are due on each March 1 and September 1, commencing September 1, 2017. Installments of principal of the Bonds are redeemable at the option of the Authority on any date at a redemption price equal to 100% of the installments of the principal amount of the Bonds redeemed plus accrued interest.

The Bonds were issued to finance a portion of the costs of the Hall of fame Project and the Southwest Infrastructure Project, to fund a portion of a reserve fund for the Bonds and to pay the expenses incurred in connection with the issuance of the Bonds. The Bonds are secured by 52% of State Sales Tax Increment Revenue, which includes the Olympic Museum and Hall of Fame, one of the Project Elements of the City for Champions project (42%), plus 10% of Dedicated Revenue from the Flexible Sub-Account, provided that in no event shall the total cumulative dollar amount exceed \$62,660,000. If any principal or interest is not paid when due, interest on the unpaid amount shall be accrued and be payable on the unpaid amount at the interest rate borne by the Bonds plus (i) in the case of the first missed payment, 2% per annum, (ii) in the case of the second missed payment, 3% per annum, (iii) in the case of the third missed payment, 5% per annum and (iv) in the case of the fourth and any further missed payments, 7% per annum.

Series 2017A outstanding principal and interest will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 400,000	\$ 479,520	\$ 879,520
2023	500,000	466,200	966,200
2024	600,000	449,550	1,049,550
2025	700,000	429,570	1,129,570
2026	800,000	406,260	1,206,260
2027	11,400,000	379,620	11,779,620
Total	<u>\$ 14,400,000</u>	<u>\$ 2,610,720</u>	<u>\$ 17,010,720</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2017 Tax Increment Revenue Bonds (Continued)

Series 2017B outstanding principal and interest will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 300,000	\$ 446,220	\$ 746,220
2023	500,000	436,230	936,230
2024	600,000	419,580	1,019,580
2025	700,000	399,600	1,099,600
2026	800,000	376,290	1,176,290
2027	10,500,000	349,650	10,849,650
Total	<u>\$ 13,400,000</u>	<u>\$ 2,427,570</u>	<u>\$ 15,827,570</u>

Series 2017C outstanding principal and interest will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 300,000	\$ 319,680	\$ 619,680
2023	400,000	309,690	709,690
2024	400,000	296,370	696,370
2025	500,000	283,050	783,050
2026	600,000	266,400	866,400
2027	7,400,000	246,420	7,646,420
Total	<u>\$ 9,600,000</u>	<u>\$ 1,721,610</u>	<u>\$ 11,321,610</u>

Event of Taxability

If a Determination of Taxability occurs, the Authority agrees to pay, solely from the Trust Estate, to each owner or former owner on demand (i) an amount equal to the difference between (A) the amount of interest that would have been paid to such owner or former owner on its Bond if the 2017 Bonds had borne interest at the Taxable Rate beginning on the later of (1) Taxable Date or (2) the date such owner or former owner acquired its Bond and ending on the earlier of (3) the payment date or (4) the date such former owner no longer was an owner of such Bond (the Taxable Period), and (B) the amount of interest actually paid to the owner or former owner during the Taxable Period, and (ii) an amount equal to any interest, penalties or charges owed by such owner or former owner as a result of interest on the 2017 Bonds becoming included in the gross income of such owner or former owner for federal income tax purposes.

Mandatory Redemption of Bonds Upon Failure of Completion

If either the Hall of Fame Project or the Southwest Infrastructure Project is not fully completed and placed in service on or before the Final Completion Date of December 16, 2023, installments of principal of the 2017 Bonds are subject to mandatory redemption in whole or in part at a Redemption Price equal to 100% of the installments of the principal amount of each Bond redeemed plus accrued interest to but not including the Redemption Date. The principal amount of the 2017 Bonds required to be redeemed pursuant to this

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2017 Tax Increment Revenue Bonds (Continued)

Mandatory Redemption of Bonds Upon Failure of Completion (Continued)

Section shall be equal to the lesser of: (i) as of the Final Completion Date, (A) the dollar amount of the Hall of Fame MEAP (as defined in the 2017 Indenture) of the State Sales Tax Increment Revenues pledged to the payment of the 2017 Bonds (if only the Hall of Fame Project is not fully completed and placed in service by the Final Completion Date) or (B) the dollar amount of the Southwest Infrastructure Percentage of the State Sales Tax Increment Revenues (as defined in the Indenture) pledged to the payment of the 2017 Bonds (if only the Southwest Infrastructure Project is not fully completed and placed in service by the Final Completion Date) or (C) the dollar amount of both the Hall of Fame MEAP and the Southwest Infrastructure Percentage of the State Sales Tax Increment Revenues pledged to the payment of the 2017 Bonds (if neither the Hall of Fame Project nor the Southwest Infrastructure Project is fully completed and placed in service by the Final Completion Date) and dividing (A), (B) or (C), as applicable, by the total dollar amount of the State Sales Tax Increment Revenues pledged to the payment of the 2017 Bonds for both the Hall of Fame Project and the Southwest Infrastructure Project and multiplying such ratio by the aggregate principal amount of the 2017 Bonds outstanding as of the Redemption Date or (ii) the proceeds of the 2017 Bonds on deposit (D) in the Hall of Fame Project Fund (if only the Hall of Fame Project is not fully completed and placed in service by the Final Completion Date), (E) in the Southwest Infrastructure Project Fund (if only the Southwest Infrastructure Project is not fully completed and placed in service by the Final Completion Date) or (F) in both the Hall of Fame Project Fund and the Southwest Infrastructure Project Fund (if neither the Hall of Fame Project nor the Southwest Infrastructure Project is fully completed and placed in service by the Final Completion Date); provided that the principal amount of 2017 Bonds redeemed shall be in Authorized Denominations. Any redemption pursuant to this paragraph shall occur on any date not later than thirty days subsequent to the calculation.

Mandatory Redemption of Bonds Upon Failure to Obtain Approval of Economic Development Commission (the EDC)

If the United States Olympic Museum is required by Section 5B of Resolution No. 3 to obtain the express written approval from the Economic Development Commission (EDC Approval) for changes to the description of the Hall of Fame Project or the Southwest Infrastructure Project and has not obtained such EDC Approval as required by Resolution No. 3, installments of principal of the Bonds are subject to mandatory redemption in part at a Redemption Price equal to 100% of the installments of the principal amount of each Bond redeemed plus accrued interest to but not including the Redemption Date. The principal amount of the 2017 Bonds required to be redeemed shall be equal to the lesser of: (i) as of the Completion Date, (A) the dollar amount of the Hall of Fame MEAP of the State Sales Tax Increment Revenues pledged to the payment of the 2017 Bonds (if EDC Approval not obtained was only required to be obtained with respect to the Hall of Fame Project) or (B) the dollar amount of the Southwest Infrastructure Percentage of the State Sales Tax Increment Revenues pledged to the payment of the 2017 Bonds (if EDC Approval not

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2017 Tax Increment Revenue Bonds (Continued)

Mandatory Redemption of Bonds Upon Failure to Obtain Approval of Economic Development Commission (the EDC) (Continued)

obtained was only required to be obtained with respect to the Southwest Infrastructure Project) or (C) the dollar amount of both the Hall of Fame MEAP and the Southwest Infrastructure Percentage of the State Sales Tax Increment Revenues pledged to the payment of the 2017 Bonds (if EDC Approval not obtained was required to be obtained with respect to both the Hall of Fame Project and the Southwest Infrastructure Project) and dividing (A), (B) or (C), as applicable, by the total dollar amount of the State Sales Tax Increment Revenues pledged to the payment of the 2017 Bonds for both the Hall of Fame Project and the Southwest Infrastructure Project and multiplying such ratio by the aggregate principal amount of the Bonds outstanding as of the Redemption Date or (ii) the proceeds of the 2017 Bonds on deposit (D) in the Hall of Fame Project Fund (if EDC Approval not obtained was only required to be obtained with respect to the Hall of Fame Project), (E) in the Southwest Infrastructure Project Fund (if EDC Approval not obtained was only required to be obtained with respect to the Southwest Infrastructure Project) or (F) in both the Hall of Fame Project Fund and the Southwest Infrastructure Project Fund (if EDC Approval not obtained was required to be obtained with respect to both the Hall of Fame Project and the Southwest Infrastructure Project); provided that the principal amount of 2017 Bonds redeemed shall be in Authorized Denominations. Resolution No. 3 means the resolution adopted by the EDC effective as of December 16, 2013 approving the City's application for a "Regional Tourism Project," as defined in the Regional Tourism Act, generally referred to as the "City for Champions" project. Any redemption pursuant to this paragraph shall occur on any date not later than thirty days subsequent to the calculation.

Events of Default

The following are Events of Default, which if not remedied, could allow the Trustee to enforce all rights of the holders of the 2017 Bonds and bring suit upon the 2017 Bonds:

- (a) The Authority fails or refuses to comply with the provisions of the Regional Tourism Act or Resolution No. 3 relating to the 2017 Bonds or the Project and such failure or refusal shall continue for a period of 30 days after written notice has been given to the Authority by the Trustee at the written request of the owners of a majority in aggregate principal amount of the Bonds then outstanding;
- (b) Default in the performance or observance of any covenants, agreements or conditions on the part of the Authority in the 2017 Indenture or the 2017 Bonds and failure to remedy the same after notice pursuant to the 2017 Indenture;

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2017 Tax Increment Revenue Bonds (Continued)

Events of Default (Continued)

- (c) The Authority files a petition or answer seeking reorganization or arrangement under the United States Bankruptcy Code or any other applicable law of the United States of America, or if a court of competent jurisdiction approves a petition, filed with or without the consent of the Authority, seeking reorganization of the Authority under the United States Bankruptcy Code or any other applicable law of the United States, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the Authority, or of any of the Pledged Revenues and any such petition filed against the Authority or order or decree is not dismissed, stayed or otherwise nullified within sixty days after such action is taken.

The failure to pay the principal of or the interest on the 2017 Bonds when due or to cause the Bond Reserve Fund to be replenished shall not, in and of itself, constitute an Event of Default if the reason for such failure is an insufficiency of Pledged Revenues.

The 2017 Indenture shall not be construed to permit the Trustee, the owners of the 2017 Bonds or any other Person to declare the debt service requirements of the 2017 Bonds to be due and payable prior to their scheduled payment dates upon the occurrence of an Event of Default or for any other reason.

Series 2019 Tax Increment Revenue Bonds

On November 21, 2019, the Authority issued Tax Increment Revenue Bonds in the amount of \$12,400,000 (2019 Bonds). The 2019 Bonds were issued at the rate of 3.30% and are payable annually on February 1, beginning on February 1, 2020, through February 1, 2031. Installments of principal of the 2019 Bonds are redeemable at the option of the Authority, on or after February 1, 2024 for bonds maturing on or after February 1, 2025, at a redemption price equal to 100% of the installments of the principal amount redeemed plus accrued interest.

The 2019 Bonds were issued to finance a portion of the costs of the Switchbacks Stadium project, to fund the required reserve in the amount of \$1,240,000, and to pay for the expenses incurred in connection with the issuance of the bonds. The 2019 Bonds are secured by 15.33% of State sales tax increment revenue, which is comprised of 66.67% of the Colorado Sports and Event Complex project element, provided that in no event shall the total cumulate amount exceed \$18,472,650. If any principal or interest is not paid when due, interest on the unpaid amount shall be accrued and payable on the unpaid amount at the same interest rate the 2019 Bonds were issued.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2019 Tax Increment Revenue Bonds (Continued)

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 454,000	\$ 371,976	\$ 825,976
2023	539,000	356,994	895,994
2024	632,000	339,207	971,207
2025	728,000	318,351	1,046,351
2026	830,000	294,327	1,124,327
2027-2031	8,089,000	988,218	9,077,218
Total	<u>\$ 11,272,000</u>	<u>\$ 2,669,073</u>	<u>\$ 13,941,073</u>

Event of Taxability

If a Determination of Taxability occurs, the Authority agrees to pay, solely from the Trust Estate, to each holder or former holder on demand (i) an amount equal to the difference between (A) the amount of interest that would have been paid to such holder or former holder on its Bond if the 2019 Bonds had borne interest at the Taxable Rate beginning on the later of (1) Taxable Date or (2) the date such holder or former holder acquired its Bond and ending on the earlier of (3) the payment date or (4) the date such former holder no longer was an holder of such Bond (the Taxable Period), and (B) the amount of interest actually paid to the holder or former holder during the Taxable Period, and (ii) an amount equal to any interest, penalties or charges owed by such holder or former holder as a result of interest on the 2019 Bonds becoming included in the gross income of such holder or former holder for federal income tax purposes.

Mandatory Redemption of 2019 Bonds Upon Failure of Completion

If any of the Stadium Project, the Arena Project or the Southwest Infrastructure Project are not fully completed and placed in service on or before the Final Completion Date of December 16, 2023 (or such later date as may be specified by the Economic Development Commission (the EDC) pursuant to Resolution No. 3), installments of principal of the 2019 Bonds are subject to mandatory redemption in whole or in part at a Redemption Price equal to 100% of the installments of the principal amount of each Bond redeemed plus accrued interest to but not including the Redemption Date (unless such redemption is not required by Resolution No. 3, as it may be amended). The principal amount of the 2019 Bonds required to be redeemed shall be equal to the lesser of: (i) as of the Final Completion Date, the dollar amount of the Stadium Percentage of the State Sales Tax Increment Revenues pledged to the payment of the 2019 Bonds or (ii) the proceeds of the 2019 Bonds on deposit in the Stadium Project Fund. The principal amount of 2019 Bonds redeemed shall be in Authorized Denominations. Resolution No. 3 means the resolution adopted by the EDC effective as of December 16, 2013 approving the City's application for a "Regional Tourism Project," as defined in the Regional Tourism Act, generally referred to as the "City for Champions" project, as amended, and as supplemented by the EDC Motion. Any redemption pursuant to this paragraph shall occur on any date not later than thirty days subsequent to the calculation.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2019 Tax Increment Revenue Bonds (Continued)

Mandatory Redemption of 2019 Bonds Upon Failure to Obtain Approval of the EDC

If the Owner or Colorado College, as applicable, is required by Section 5B of Resolution No. 3 to obtain the express written approval from the EDC ("EDC Approval") for changes to the description of the Stadium Project or the Arena Project and has not obtained such EDC Approval as required by this Section, installments of principal of the 2019 Bonds are subject to mandatory redemption in part at a Redemption Price equal to 100% of the installments of the principal amount of each 2019 Bond redeemed plus accrued interest to but not including the Redemption Date. The principal amount of the 2019 Bonds required to be redeemed shall be equal to the lesser of: (i) as of the Completion Date, the dollar amount of the Stadium Percentage of the State Sales Tax Increment Revenues pledged to the payment of the 2019 Bonds or (ii) the proceeds of the 2019 Bonds on deposit in the Stadium Project Fund. The principal amount of 2019 Bonds redeemed shall be in Authorized Denominations. Any redemption pursuant to this paragraph shall occur on any date not later than thirty days subsequent to the calculation.

Events of Default

The following are Events of Default, which if not remedied, could allow the Trustee to enforce all rights of the holders of the 2019 Bonds and bring suit upon the 2019 Bonds:

- (d) The Authority fails or refuses to comply with the provisions of the Regional Tourism Act or Resolution No. 3 relating to the 2019 Bonds or the Stadium Project and such failure or refusal shall continue for a period of 30 days after written notice has been given to the Authority by the Trustee at the written request of the holders of a majority in aggregate principal amount of the 2019 Bonds then outstanding;
- (e) Default in the performance or observance of any covenants, agreements or conditions by the Authority set forth in the 2019 Indenture or the 2019 Bonds and failure to remedy the same after notice; or
- (f) The Authority files a petition or answer seeking reorganization or arrangement under the United States Bankruptcy Code or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the Authority, seeking reorganization of the Authority under the United States Bankruptcy Code or any other applicable law of the United States, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Authority, or of any of the Pledged Revenues and any such petition filed against the Authority or order or decree is not dismissed, stayed or otherwise nullified within sixty days after such action is taken.

The failure to pay the principal of or the interest on the 2019 Bonds when due or to cause the 2019 Bond Reserve Fund to be replenished shall not, in and of itself, constitute an Event of Default under the 2019 Indenture if the reason for such failure is an insufficiency of Pledged Revenues.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2019 Tax Increment Revenue Bonds (Continued)

Events of Default (Continued)

The 2019 Indenture shall not be construed to permit the Trustee, the Bondholders or any other Person to declare the debt service requirements of the 2019 Bonds to be due and payable prior to their scheduled payment dates upon the occurrence of an Event of Default or for any other reason.

Series 2020 Tax-Exempt Note

On June 23, 2020, the Authority entered into a loan agreement with Zions Bancorporation, N.A. DBA Vectra Bank Colorado (the Lender), in the amount of \$15,000,000. The agreement was amended by a First Amendment on April 27, 2021 to restate and modify Exhibit C of the original agreement. A Second Amendment was executed on September 23, 2021 to further define respective meanings of certain capitalized terms (Authority Administrative Fee, Pledged Revenue, and PILOT Revenue). The initial draw at issuance was \$1,456,818. The second , draw on December 31, 2020 was \$2,461,959. The third draw on September 28, 2021 was \$1,781,789. Principal and interest payments are due December 1, in varying amounts through December 1, 2036 with interest rates of 3.250% for the initial and second draws and 3.368% for the third draw. The loan is payable from Pledged Revenues from Property Tax TIF earnings.

The Authority is required to make prepayments on the loan. On each December 1, the Lender shall determine the amount credited to the Mandatory Prepayment Fund and, to the extent the amount therein is sufficient to prepay all or any part of the then-outstanding principal of the loan and any party debt in increments of \$5,000 or integral multiples thereof, plus the accrued interest thereon, such moneys shall be applied by the Lender to such prepayment beginning with the final principal payment due on December 1, 2036.

The Authority shall pay to the Lender a nonrefundable fee (the Non-Use Fee) in the amount of 0.20% of the unfunded portion of the loan. The Non-Use Fee is calculated quarterly, beginning September 1, 2020, computed on the basis of a 360-day year and actual days elapsed. The Non-Use Fee shall be payable in arrears on the first day of June and December each year, commencing on December 1, 2020, through and including the earlier of the full funding date or the exportation or termination of the advance period.

Principal and interest on the loan will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 184,366	\$ 174,348	\$ 358,714
2023	220,002	168,252	388,254
2024	247,617	161,380	408,997
2025	265,434	152,694	418,128
2026	285,028	143,841	428,869
2027-2031	1,854,489	557,286	2,411,775
2032-2036	2,172,768	209,879	2,382,647
Total	<u>\$ 5,229,704</u>	<u>\$ 1,567,680</u>	<u>\$ 6,797,384</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2020 Tax-Exempt Note (Continued)

Events of Default

The occurrence of any one or more of the following events or conditions shall constitute an Event of Default under this loan agreement:

- (a) The Authority fails to apply pay the principal and interest or any other amount owed to the Custodian hereunder when due as required by this loan agreement.
- (b) The Authority fails to apply the Pledged Revenue as required by this agreement.
- (c) The Authority fails to observe or perform any of the covenants, agreements, or conditions pursuant to the loan agreement.
- (d) The pledge of the collateral or any other security interest created in the agreements fails to the fully enforceable with the priority required thereunder.
- (e) The Authority's auditor delivers a qualified opinion with respect to the Authority's status as on on-going concern.

Series 2020 Tax-Exempt Refunding and Improvement Loan

The Authority entered into a senior tax increment revenue term loan agreement with U.S. Bank National Association (the Bank) on November 24, 2020 (the 2020 Senior Loan) in the principal amount of \$52,575,000. Proceeds of the 2020 Senior Loan were used to (i) refund, pay, and cancel the Series 2016A Senior Loan, the University Village Developers – Advanced Funds Note, and the University of Colorado, Colorado Springs, Loan; (ii) pay the 2016 Senior Swap Termination Payment to the 2016 Senior Swap Counterparty; (iii) fund the Loan Reserve Fund in the amount of the Loan Reserve Fund Requirement; and (iv) pay the costs of issuing the Series 2020 Senior Loan.

The 2020 Senior Loan bears interest at 2.05% per annum and is payable semiannually on June 1 and December 1, beginning on June 1, 2021. Interest on the 2020 Senior Loan is calculated on the basis of a 360-day year and actual number of days elapsed. The 2020 Senior Loan has a final maturity of December 1, 2030. To the extent principal on the 2020 Senior Loan is not paid when due, such principal shall remain outstanding until paid. To the extent interest on the 2020 Senior Loan is not paid when due, such interest shall compound semiannually on each interest payment date, at the rate then borne by the 2020 Senior Loan.

The 2020 Senior Loan is payable from and secured solely by Pledged Revenue which means: (a) the Incremental Tax Revenue, consisting of Incremental Property Tax Revenue and Incremental Sales Tax Revenue; and (b) any other legally available moneys which the Authority determines to credit to the Pledged Revenue Fund; provided that if Incremental Tax Revenue received in any Fiscal Year is in excess of the Annual Senior Payment Cap, such excess Incremental Tax Revenue may be used by the Authority for any lawful purpose. Incremental Property Tax Revenue means Property Tax Revenue in excess of an amount equal to the ad valorem property taxes produced by the levy at the rates fixed for such year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Urban Renewal Area upon a valuation for assessment equal to the Property Tax Base Amount. Incremental Sales Tax Revenue means the Sales Tax Revenue in excess of the

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2020 Tax-Exempt Refunding and Improvement Loan (Continued)

Sales Tax Base Amount; provided, however, that the aggregate Incremental Sales Tax Revenue shall not exceed the Incremental Sales Tax Cap of \$98,800,000.

The 2020 Senior Loan is further secured by the Reserve Fund which was funded from proceeds of the 2020 Senior Loan in the amount of the Loan Reserve Fund Requirement of \$3,440,000.

Rate Increase Event

A Rate Increase Event occurs if the Authority fails to make payments of principal and interest when due, and other customary terms and conditions consistent with normal municipal financings.

Mandatory Prepayment

Not less than 30 days prior to each December 1 payment date, the Authority shall determine whether the sum of Pledged Revenue exceeds the minimum principal and interest payment due. If such excess exists, the Authority shall apply the excess amount to the prepayment of principal; provided that the sum of annual payment including the prepayment shall not exceed the Annual Senior Payment Cap as indicated in the loan agreement.

The minimum principal and interest for the 2020 Senior Loan are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 3,200,000	\$ 987,040	\$ 4,187,040
2023	3,350,000	920,529	4,270,529
2024	3,515,000	853,231	4,368,231
2025	3,650,000	777,842	4,427,842
2026	3,775,000	701,977	4,476,977
2027-2030	29,998,714	2,000,974	31,999,688
Total	<u>\$ 47,488,714</u>	<u>\$ 6,241,593</u>	<u>\$ 53,730,307</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 6 NET POSITION

The Authority has net position consisting of two components - restricted and unrestricted.

Restricted net position include assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Authority had restricted net position as of December 31, 2021, as follows:

	Governmental Activities
Restricted Net Position:	
Debt Service	\$ 10,655,674
Capital Projects Fund Reserve	3,895,407
Total Restricted Net Position	<u>\$ 14,551,081</u>

The Authority has a deficit in unrestricted net position. This deficit amount is a result of the Authority being responsible for the repayment of debt issued for public improvements, which have been conveyed to other governmental entities.

NOTE 7 FUND BALANCES

The specific purposes for each fund balance classification on the balance sheet are detailed in the table below:

	General Fund	Debt Service Funds	Capital Projects Funds	Total
Fund Balances				
Nonspendable:				
Prepaid Amounts	\$ 11,632	\$ -	\$ -	\$ 11,632
Restricted for:				
North Nevada Debt Service	-	5,294,891	-	5,294,891
Canyon Creek Debt Service	-	179,154	-	179,154
Vineyards Project Area	-	20,232	-	20,232
City Auditorium Project Area	-	-	98,948	98,948
City Gate Project Area	-	-	54,668	54,668
Southwest Downtown Project Area	-	-	115,576	115,576
South Nevada	-	-	79,942	79,942
City for Champions - Admin	-	-	90,011	90,011
US Olympic Museum and Hall of Fame	-	-	12,421,400	12,421,400
CSEC - Switchbacks Stadium	-	-	2,390,701	2,390,701
CSEC - Hockey Arena	-	-	12	12
UCCS Sports Medicine and Performance	-	-	21	21
US Air Force Academy Visitors Center	-	-	1,571,888	1,571,888
Southwest Infrastructure	-	-	46	46
Champions Flexible Sub-Account	-	-	1,884,295	1,884,295
	-	5,494,277	18,707,508	24,201,785
Assigned to:				
Operating Reserves	300,000	-	-	300,000
	300,000	-	-	300,000
Unassigned:				
General Government	340,678	-	-	340,678
Total Fund Balances	<u>\$ 652,310</u>	<u>\$ 5,494,277</u>	<u>\$ 18,707,508</u>	<u>\$ 24,854,095</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 8 AGREEMENTS

North Nevada Redevelopment Agreement

On July 26, 2007, the Authority entered into a Redevelopment Agreement with University Village Developers, LLC (Developer) related to the North Nevada Avenue Corridor Urban Renewal Plan. The agreement was amended and restated on February 1, 2008. The purposes of this agreement are for financing, designing, constructing, or otherwise providing improvements. Pursuant to the agreement, the Developer agreed to construction a portion of the public improvements within the Plan. The Authority would issue bonds to finance its activities and undertakings and to apply the pledged property tax increment revenues and pledged sales tax increment revenues (Pledged Revenues) to payment of the bonds. The Authority would use the proceeds of the bonds to reimburse the Developer for eligible public improvement costs. In addition, an administrative fee in the amount of \$50,000 shall be retained annually by the Authority from Pledged Revenues.

Lexus Development Agreement

On March 24, 2021, the Authority entered into an Urban Renewal Agreement for Development of a Portion of the North Nevada Avenue Corridor Urban Renewal Area with TKA Properties, LLP, a Nebraska limited liability partnership (Developer). Pursuant to the agreement, the Developer intends to construct a Lexus dealership and certain public improvements within the North Nevada Avenue Corridor Urban Renewal Area. The Authority agreed to reimburse the eligible costs of such public improvements from available property tax increment revenues and sales tax increment revenues, provided that the available tax increment revenues are subordinate to the Authority's obligations on its senior loan relating to the North Nevada Avenue Corridor Urban Renewal Area.

Ivywild Cooperation Agreement

On January 24, 2012, the Authority entered into a Cooperation Agreement with the City of Colorado Springs (City) to promote redevelopment and assist with the financing of public improvements for the Ivywild Neighborhood Urban Renewal Plan (Plan). Pursuant to the agreement, the Authority shall work with the developer to obtain loans to finance eligible activities, operations, and duties to carry out the Plan. The pledged property tax increment revenues and pledged sales tax increment revenues (Pledged Revenues) shall be paid to the Authority and may be pledged for the loan repayment.

Furthermore, an administrative fee shall be retained annually by the Authority from Pledged Revenues in the amount of \$50,000 for the years 2012 through 2014 and \$5,000 thereafter.

Ivywild Redevelopment Agreement

On March 21, 2012, the Authority entered into a Development Agreement with Ivywild School, Inc. (Developer). The purposes of this agreement are to reduce, eliminate and prevent the spread of blight within the Plan, enhance the current sales tax base and property tax base of the Plan, provide the incentives necessary to induce the private redevelopment, and promote improved traffic, public transportation, and other public facilities. Pursuant to the agreement, the Authority shall obtain a loan in the approximate amount of \$778,000, secured by Pledged Revenues. The Developer shall be responsible for the construction and provide to the Authority documentation for the costs of eligible public improvement, such costs shall be reimbursed using the loan proceeds.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 AGREEMENTS (CONTINUED)

Copper Ridge Redevelopment Agreement

On September 25, 2013, the Authority entered into an Urban Renewal Agreement for Redevelopment of Copper Ridge at Northgate Property (Agreement) with Copper Ridge Development, Inc. (Developer) and Copper Ridge Metropolitan District (District). The purposes of this agreement are to renew and improve the environment, enhance the current sales tax base and property tax base, effectively use undeveloped land and promote improved traffic, public transportation, public utilities, and community facilities within the Project Area. In order to facilitate the funding by the District, the Authority agrees, to remit on a monthly basis, all District Property Tax Increment Revenues, to the extent the Authority receives the same from the County. The District agrees to use all District Property Tax Increment Revenues to fund costs related to the redevelopment of the Project Area, as described in further detail in the Cooperation Agreement.

Furthermore, an administrative fee in the amount of \$60,000, if not reimbursed from other sources, shall be retained annually by the Authority from District Property Tax Increment Revenues. This administrative fee will remain in effect until the earlier of the expiration of the Urban Renewal Plan in 2035 or the retirement of all obligations payable by the pledged revenues.

On February 27, 2019, the agreement was amended to extend the duration of the Urban Renewal Plan to 2044 and the administrative fee in the amount of \$30,000 shall be retained annually by the Authority for the years 2036 through 2044.

Copper Ridge Cooperation Agreement

On October 22, 2013, the Authority entered into a Cooperation Agreement with the City of Colorado Springs (City) and Copper Ridge Metropolitan District (District). The Authority and the City understand that the District will issue Bonds to fund for costs related to the extension of north Powers Blvd. from Highway 83 to Interstate 25. Pursuant to the agreement, the Authority agrees to pledge Property Tax Increment Revenues and City Sales Tax Increment Revenues (Pledged Revenues) to the District, subject to funding of annual administrative fee as described in the Redevelopment Agreement. The District Bonds shall not constitute a debt, liability or obligation of any nature of the City or the Authority but shall be payable solely from Pledged Revenues. The agreement was amended on February 27, 2019 to extend the duration of the Urban Renewal Plan and reduce the annual administrative fee to be retained by the Authority during those extended years.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 8 AGREEMENTS (CONTINUED)

Colorado Springs City for Champions Project

Pursuant to the Resolution by the Colorado Economic Development Commission Concerning the Allocation of State sales Tax increment revenue for the Colorado Springs City for Champions project, executed on November 25, 2013, the Authority is receiving 13.08% of the state sales tax increment revenue that is dedicated to the City for Champions project, subject to an aggregate cap of \$120,500,000. The Authority agrees to pledge the following minimum proportions of the dedicated revenue to each Project Element: (1) U.S. Olympic Museum and Hall of Fame: 42%, (2) Colorado Sports & Event Complex: 23%, (3) U.C.C.S. Sports Medicine and Performance Center: 14%, (4) U.S. Air Force Academy Gateway Visitor Center: 5%, (5) Southwest Infrastructure: 10%, and (6) flexible Sub-Account: 6%.

The dedicated revenue shall be deposited in the Special Fund and must be further subdivided into four Sub-Accounts based on set percentages. Funds from the first four Sub-Accounts must be used only to pay for Eligible Costs for the Specific Project Element associated with the Sub-Account, and can't be loaned or transferred to other Sub-Accounts. After the commencement of substantial work for the U.S. Olympic Museum and Hall of Fame has occurred, the Authority shall pledge or allocate the funds from the flexible Sub-Account to or among any Project Element, including eligible improvements to the Southwest Colorado Springs Downtown Infrastructure. However, not more than 6 percent of this 16 percent portion of Dedicated Revenue may be pledged or allocated to the U.S.A.F.A. Gateway Visitors Center.

The Authority shall submit written quarterly reports, detailing the progress on the Project, to the Colorado Economic Development Commission 30 calendar days after the end of each calendar quarter with the first report due January 31, 2015, with the final due date being in September in the year following the completion of the project.

In December 2018, a motion was adopted by the CEDC to declare the commencement of the UCCS Center and to expend \$16,870,000 by October 31, 2019, which eligible costs should be certified by December 31, 2019. During 2019, \$16,870,000 of eligible construction costs were submitted by UCCS to the Authority and were certified. The Authority shall reimburse UCCS for the costs certified as the 14% of dedicated revenue becomes available. As of December 31, 2021, the remaining balance to be reimbursed is \$12,489,997.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 AGREEMENTS (CONTINUED)

Gold Hill Mesa Commercial Cooperation Agreement

On December 16, 2015, the City approved a Cooperation Agreement between the Authority and the City to promote redevelopment and assist with financing of public improvements for the Gold Hill Mesa Commercial Urban Renewal Project. The Gold Hill Mesa Metropolitan District No. 3 (the District) has been formed for the purposes of assisting with financing of the public improvements. The Authority and the City understand that the District may issue Bonds to fund for costs related to the project.

Pursuant to the agreement, the Authority will work with the District and the Developer to issue financial instruments to finance eligible activities, operations, and duties to carry out the plan by means of tax allocation financing utilizing both Property Tax Increment Revenues and the City Sales Tax Increment Revenues (Pledged Revenues). The Pledged Revenues shall be paid to the Authority and may be pledged to the District. The District Bonds shall not constitute a debt, liability or obligation of any nature of the City or the Authority but shall be payable solely from Pledged Revenues.

South Nevada Cooperation Agreement

On December 16, 2015, the City approved a Cooperation Agreement between the Authority and the City to promote redevelopment and assist with financing of public improvements for the South Nevada Area Urban Renewal Project. Pursuant to the agreement, the Authority will work with owners and developers, metropolitan districts and other similar entities to issue financial instruments to finance eligible activities, operations, and duties to carry out the plan by means of tax allocation financing utilizing both Property Tax Increment Revenues and the City Sales Tax Increment Revenues (Pledged Revenues). The Pledged Revenues shall be paid to the Authority when collected and may be pledged to any developer or owner or any metropolitan district or other entity. The agreement was amended on November 23, 2021 to increase the amount of City Sales Tax Increment Revenues available for the project to the full 2% of the City general municipal sales tax.

South Nevada Development Agreements

On December 16, 2015, the Authority entered into the Urban Renewal Agreement for Development of the South Nevada Avenue Area (separately) with Ivywild Development I, LLC (Ivywild), SNA Development LLC (SNA), and EVC-HD South Nevada, LLC (EVC-HD) (collectively, the Developers). The purposes of this agreement are to develop and improve the environment, enhance the current sales tax base and property tax base, effectively use undeveloped land and promote improved traffic, public transportation, public utilities, and community facilities within the project areas.

In order to facilitate the funding by the Developers, the Authority agrees to remit, Property Tax Increment Revenues received by the Authority, to the Developers' financing entity for public improvements. In addition, the Developers may submit payment requests to the Authority for reimbursable project costs with supporting documentation. The Authority shall reimburse the Developers based on the Sales Tax Increment Revenues received from the City, after the \$60,000 annual administrative fee is retained.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 AGREEMENTS (CONTINUED)

South Nevada Development Agreements (Continued)

On January 27, 2016, the agreement with EVC-HD was amended to replace the preliminary list with a more detailed list of public improvements and reimbursement project costs. The agreement with Ivywild was amended and restated on June 21, 2018 to include the Canyon Creek Metropolitan District Nos. 2 and 3 (Canyon Districts) and pledge the allocated Property Tax Increment Revenues to the Authority's 2018 bonds in support of the Ivywild/Canyon Creek project. The agreement with SNA was amended on December 12, 2018 to provide updated target dates for redevelopment under ownership by Creekwalk LLC. A TIF Revenue Reimbursement Agreement was entered into on June 3, 2019, between SNA and the Creekwalk Marketplace Business Improvement District (Creekwalk District), to pledge the TIF Revenues allocated to SNA under the Development Agreement to the Creekwalk District's bonds. The agreement with SNA was amended on April 28, 2021 to provide an updated list of public improvements and reimbursement of project costs.

The Developers each have maximum reimbursement amounts of eligible public improvement costs as indicated in the table below. These maximum amounts are to be reimbursed from both the Authority and the Districts and they do not include eligible interest payments to be reimbursed at rates to be determined based upon the Developers' cost of financing.

	Maximum Reimbursement	Actual Costs Submitted	Previous Payments	2021 Payment	Balance December 31, 2021
Ivywild Development I, LLC	\$ 12,240,000	\$ 7,463,093	\$ (1,769,544)	\$ (4,752,807)	\$ 940,742
SNA Development, LLC	58,524,272	375,967	(45,082)	-	330,885
EVC-HD South Nevada, LLC	4,131,000	4,131,000	(601,516)	(213,108)	3,316,376
	<u>\$ 74,895,272</u>	<u>\$ 11,970,060</u>	<u>\$ (2,416,142)</u>	<u>\$ (4,965,915)</u>	<u>\$ 4,588,003</u>

Museum and Park Cooperation Agreement

On December 11, 2018, the Authority entered into a Cooperation Agreement with the City related to the Museum and Park Urban Renewal Area. Pursuant to the Agreement, the Authority shall work with developers, metropolitan districts, business improvement districts and other similar entities to issue financial instruments to finance eligible activities, operations and duties to carry out the project by means of tax allocation financing utilizing Property Tax Increment Revenues and City Sales Tax Increment Revenues. Furthermore, the City Sales Tax Increment Revenues allocated to the Authority may be pledged to bond trustees, metropolitan districts, business improvement districts or other entities to pay for costs of or debt service on bonds issued for reimbursement of such eligible costs.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 AGREEMENTS (CONTINUED)

Tejon and Costilla Development Agreement

On May 22, 2019, the Authority entered into an Urban Renewal Agreement for Development of the Tejon and Costilla Urban Renewal Area with CS Dual Hotel, LLC (Developer). The purposes of this Agreement is to encourage and protect existing development on the property, renew and improve the character and environment of the Area, enhance the current sales tax base and property tax base of the Area, provide incentives necessary to induce private development and redevelopment of the Area, demolish and remove blighted structures from the Area, effectively use undeveloped land within the Area, encourage financially successful projects within the Property, stabilize and upgrade property values within the Area, accommodate and provide for the voluntary environmental cleanup of the Area, promote improved traffic, public transportation, public utilities, recreational and community facilities within the Area and promote the participation of existing owners in the revitalization and development of the Property. The agreement was amended on May 26, 2021 to provide an updated schedule of performance by the Developer.

In order to facilitate the funding by the Developer, the Authority agrees to remit, Pledged Revenues received by the Authority from Sales Tax TIF and Property Tax TIF (TIF Revenues), to the Developer's financing entity for public improvements. In addition, the Developer may submit payment requests to the Authority for reimbursable project costs with supporting documentation. The Authority shall reimburse the Developer based on the Pledged Revenues received from the County and City, after the 3% total of annual TIF Revenues annual administrative fee is retained. The Developer agrees to fund the annual administrative fee until such time as the TIF Revenues are annually in excess of an amount required to fund an authority administrative fee in the amount of \$30,000.

City Auditorium Block Development Agreement

On June 26, 2019, the Authority entered into an Urban Renewal Agreement for the Development of the City Auditorium Block with A&A Enterprise of Colorado Springs, Inc. (Developer). The purposes of this Agreement are to encourage and protect existing development on the property, renew and improve the character and environment of the Area, enhance the current sales tax base and property tax base of the Area, provide incentives necessary to induce private development and redevelopment of the Area, demolish and remove blighted structures from the Area, effectively use undeveloped land within the Area, encourage financially successful projects within the Property, stabilize and upgrade property values within the Area, accommodate and provide for the voluntary environmental cleanup of the Area, promote improved traffic, public transportation, public utilities, recreational and community facilities within the Area and promote the participation of existing owners in the revitalization and development of the Property.

In order to facilitate the funding by the Developer, the Authority agrees to remit, Property Tax Increment Revenues received by the Authority, to the Developer's financing entity for public improvements. In addition, the Developer may submit payment requests to the Authority for reimbursable project costs with supporting documentation. The Authority shall reimburse the Developer based on the Property Tax Increment Funding received from the County, after the \$30,000 annual administrative fee is retained.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 AGREEMENTS (CONTINUED)

True North Commons Cooperation Agreement

On July 9, 2019, the Authority entered into a Cooperation Agreement with the City related to the True North Commons Urban Renewal Area. Pursuant to the Agreement, the Authority shall work with developers, metropolitan districts, business improvement districts and other similar entities to issue financial instruments to finance eligible activities, operations and duties to carry out the project by means of tax allocation financing utilizing Property Tax Increment Revenues and City Sales Tax Increment Revenues. Furthermore, the City Sales Tax Increment Revenues allocated to the Authority may be pledged to bond trustees, metropolitan districts, business improvement districts or other entities to pay for costs of or debt service on bonds issued for reimbursement of such eligible costs.

Sports & Event Complex Reimbursement Agreement

On November 21, 2019, the Authority entered into a Reimbursement Agreement with the Colorado College (Developer) and the Colorado Springs Sports Authority (CSSA) to authorize the Authority, as the financing entity, to receive and utilize state sales tax increment revenue dedicated for the Sports & Event Complex (23%), which is being developed with two components consisting of the Outdoor Stadium and the Indoor Venue.

The City and the CSSA have entered into a Memorandum of Understanding dated November 20, 2019 whereby the City agreed to allocate two-thirds (66.67%) of the 23% to the Outdoor Stadium and one-third (33.33%) of the 23% to the Indoor Venue. On November 21, 2019, the Authority issued Series 2019 Bonds in the amount of \$12,400,000, the proceeds of which were utilized to fund the Outdoor Stadium. The Authority has agreed to reimburse the Developer for eligible costs paid by the Developer from the dedicated revenue allocated to the Indoor Venue.

During 2020, \$9,242,350 of eligible construction costs were submitted by the Developer for the Indoor Venue (the Robson Arena) and were certified before the year ended. The Authority shall reimburse the Developer for the costs certified as the 7.67% (or 33% of 23%) of dedicated revenue becomes available. As of December 31, 2021, the remaining balance to be reimbursed is \$6,832,502.

Museum and Park Development Agreement

On January 29, 2020, the Authority entered into an Urban Renewal Agreement for Development of the Museum and Park Urban Renewal Area with Interurban Development Company, LLC (Developer), and SW Downtown Business Improvement District (BID). The purposes of this Agreement is to encourage and protect existing development on the property, renew and improve the character and environment of the Area, enhance the current sales tax base and property tax base of the Area, provide incentives necessary to induce private development and redevelopment of the Area, demolish and remove blighted structures from the Area, effectively use undeveloped land within the Area, encourage financially successful projects within the Property, stabilize and upgrade property values within the Area, accommodate and provide for the voluntary environmental cleanup of the Area, promote improved traffic, public transportation, public utilities, recreational and community facilities within the Area and promote the participation of existing owners in the revitalization and development of the Property.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 AGREEMENTS (CONTINUED)

Museum and Park Development Agreement (Continued)

In order to facilitate the funding by the Developer, the Authority agrees to remit, Pledged Revenues received by the Authority from Sales Tax TIF and Property Tax TIF, to the Developer's financing entity for public improvements. In addition, the Developer may submit payment requests to the Authority for reimbursable project costs with supporting documentation. The Authority shall reimburse the Developer based on the Pledged Revenues received from the County and City, after the Authority collects an Authority Administrative Fee from annual TIF Revenue.

The Authority Administrative Fee will be \$60,000 commencing in year 2020, escalating at a rate of 2% annually in each subsequent year. The Developer agrees to fund the annual administrative fee until such time as the TIF Revenue is annually in excess of an amount required to fund an authority administrative fee. Any Authority Administrative Fee paid by the Developer shall be a Reimbursable Project Cost and bear interest at a rate of 8% annually. Additionally, the Developer agrees to fund and maintain on retainer with the Authority an amount equal to \$15,000 to be used by the Authority to pay extraordinary direct expenses of the Authority relating to the Developer's project.

Vineyard Redevelopment Agreement

On September 5, 2012, the Authority entered into a Redevelopment and Reimbursement Agreement with Vineyard LLC (the Developer) to carry out the approved urban renewal plan. The agreement was amended on June 23, 2020. The agreement contemplates that the Developer will develop the property by constructing private improvements. Eligible public improvements are to be constructed in phases and reimbursed from TIF revenues. Pursuant to the agreement, the Developer may provide financing for eligible costs on public improvements. Such Developer advances bear interest at the rate of 8% per annum, accruing from the date advanced and compounded annually on the unpaid balance until paid. The agreement was amended on September 23, 2021 to temporarily subordinate the collection of the administrative fee to the pledge of revenue to the loan with Vectra Bank and update the schedule of performance by the Developer for the next phase of the project.

The Authority shall retain \$60,000 for administrative fee annually from the collection of TIF revenues. The Developer shall advance \$60,000 to the Authority for use as the first annual administrative fee.

According to the agreement, the Developer has a maximum reimbursement amount of eligible public improvement costs as indicated in the table below. This amount does not include eligible interest payments to be reimbursed.

	Maximum Reimbursement	Actual Costs Submitted	Accrued Interest 12/31/2021	Previous Payments	2021 Payment	Balance December 31, 2021
Vineyard LLC	\$ 54,220,000	\$ 6,006,464	\$ 4,033,786	\$ (4,382,344)	\$ (2,022,588)	\$ 3,635,318
	<u>\$ 54,220,000</u>	<u>\$ 6,006,464</u>	<u>\$ 4,033,786</u>	<u>\$ (4,382,344)</u>	<u>\$ (2,022,588)</u>	<u>\$ 3,635,318</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 8 AGREEMENTS (CONTINUED)

True North Commons Pledge Agreement

On February 12, 2020, the Authority and the USAFA Visitor's Center Business Improvement District (the BID) entered into a Pledge Agreement relating to the issuance of bonds by the BID in support of the project. The agreement was amended and restated on August 1, 2021 in its entirety. Pursuant to the amended and restated agreement, the BID shall construct the USAFA Visitor's Center and issue bonds to finance the costs of this project. The Authority shall pay the dedicated State sales tax increment revenues, consisting portions allocated to the USAFA Visitor's Center and the Flexible Sub-Account (in accordance with EDC Resolution No. 3), to the BID on and after the date of issuance of the bonds.

True North Commons Development Agreement

On October 13, 2019, the Authority entered into an Urban Renewal Agreement for Development of the True North Commons Urban Renewal Area with Blue & Silver Development Partners, LLC (Developer). The agreement was amended and restated on August 1, 2021. The Developer has been selected by the United States Air Force Academy (USAFA) as the developer of the USAFA Visitor's Center project (one of the project elements as defined in the EDC Resolution No. 3). As the project area is entirely included within the boundaries of the BID, the Developer has entered into a Sublease Agreement with the BID for the construction of the project. The Authority, the Developer and the BID have agreed to cooperate in plan of finance whereby the BID shall issue bonds and the Authority shall remit pledged revenues, pursuant to the Cooperation Agreement and the Pledge Agreement, for the repayment of the bonds.

Commencing in the calendar year 2020, the Authority shall retain \$60,000 for administrative fee annually from the collection of TIF revenues. This annual fee escalates at a rate of 2% annually in each subsequent year. On the date of the BID's bond issuance, the BID will pay the Authority administrative fees owed for 2020 through 2023. Subsequent to 2023, if TIF revenues are less than the annual administrative fee due, the Developer shall pay the remainder to the Authority.

NOTE 9 RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God. The Authority maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years, nor have any claims been submitted.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

In 2002, the Colorado Court of Appeals determined that TABOR does not apply to urban renewal authorities such as the Authority. The application of TABOR to the City, however, could impact the amount of Sales Tax Revenues received by the Authority, and the application of TABOR to the School District and other local governments which overlap the Urban Renewal Area could impact the amount of Property Tax Revenues received by the Authority.

SUPPLEMENTARY INFORMATION

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
DEBT SERVICE FUND
NORTH NEVADA PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Incremental Property Taxes	\$ 1,701,038	\$ 1,667,654	\$ (33,384)
Incremental Sales Taxes	4,156,000	5,112,808	956,808
Net Investment Income	40,000	7,111	(32,889)
Total Revenues	5,897,038	6,787,573	890,535
EXPENDITURES			
Debt Service:			
County Treasurer's Fees	25,516	25,795	(279)
Loan Interest - NN 2020 Loan	1,082,022	1,113,714	(31,692)
Loan Principal - NN 2020 Loan	5,115,000	5,086,286	28,714
Administration Fees	50,000	50,000	-
Paying Agent Fees	5,500	2,750	2,750
Sales Tax Collection Fee	600	617	(17)
Contingency	71,362	-	71,362
Total Expenditures	6,350,000	6,279,162	70,838
NET CHANGE IN FUND BALANCES	(452,962)	508,411	961,373
Fund Balances - Beginning of Year	5,988,630	4,786,480	(1,202,150)
FUND BALANCES - END OF YEAR	<u>\$ 5,535,668</u>	<u>\$ 5,294,891</u>	<u>\$ (240,777)</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
DEBT SERVICE FUND
IVYWILD NEIGHBORHOOD PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Incremental Property Taxes	\$ 113,286	\$ 113,530	\$ 113,530	\$ -
Net Investment Income	-	1,669	1,669	-
Total Revenues	113,286	115,199	115,199	-
EXPENDITURES				
Debt Service:				
County Treasurer's Fees	1,699	1,728	1,728	-
Administration Fees	5,000	5,000	5,000	-
Loan Payment - Ivywild	106,587	108,471	108,471	-
Total Expenditures	113,286	115,199	115,199	-
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
DEBT SERVICE FUND
CANYON CREEK PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Canyon Creek MD No. 2 Pledged Revenue	\$ 26,485	\$ 27,918	\$ 27,918	\$ -
Canyon Creek MD No. 3 Pledged Revenue	30,387	31,036	31,036	-
Incremental Property Taxes	24,362	31,926	31,926	-
Net Investment Income	40,000	1,017	1,017	-
Total Revenues	121,234	91,897	91,897	-
EXPENDITURES				
Debt Service:				
Bond Administration Fees	11,848	11,848	11,848	-
Bond Interest - Series 2018A	421,188	421,188	421,188	-
Bond Interest - Series 2018B	-	17,658	17,658	-
Bond Principal - Series 2018A	110,000	110,000	110,000	-
Bond Principal - Series 2018B	-	70,000	70,000	-
Project Cost Reimbursement	4,062,812	4,712,298	4,712,298	-
Paying Agent Fees	6,000	6,000	6,000	-
Total Expenditures	4,611,848	5,348,992	5,348,992	-
NET CHANGE IN FUND BALANCES	(4,490,614)	(5,257,095)	(5,257,095)	-
Fund Balances - Beginning of Year	5,434,332	5,436,249	5,436,249	-
FUND BALANCES - END OF YEAR	<u>\$ 943,718</u>	<u>\$ 179,154</u>	<u>\$ 179,154</u>	<u>\$ -</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
DEBT SERVICE FUND
VINEYARD PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Incremental Property Taxes	\$ 625,040	\$ 644,263	\$ 644,263	\$ -
Net Investment Income	1,500	1,000	2	(998)
Total Revenues	626,540	645,263	644,265	(998)
EXPENDITURES				
Capital Projects:				
County Treasurer's Fees	9,376	9,664	9,664	-
Administration Fees	60,000	60,000	60,000	-
Vineyard 2020 Bond Principal	137,158	427,157	427,157	-
Vineyard 2020 Bond Interest	121,243	131,686	131,686	-
Contingency	42,223	30,944	25,247	5,697
Total Expenditures	370,000	659,451	653,754	5,697
OTHER FINANCING SOURCES (USES)				
Transfer to Vineyards Capital Projects Fund	-	(255,549)	(255,549)	-
Total Other Financing Sources (Uses)	-	(255,549)	(255,549)	-
NET CHANGE IN FUND BALANCES	256,540	(269,737)	(265,038)	4,699
Fund Balances - Beginning of Year	382,303	285,270	285,270	-
FUND BALANCES - END OF YEAR	<u>\$ 638,843</u>	<u>\$ 15,533</u>	<u>\$ 20,232</u>	<u>\$ 4,699</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
VINEYARD PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Capital Projects:				
Loan Issuance Costs - Series 2020	-	14,750	14,750	-
Project Cost Reimbursement	-	2,022,588	2,022,588	-
Total Expenditures	-	2,037,338	2,037,338	-
NET CHANGE IN FUND BALANCES	-	(2,037,338)	(2,037,338)	-
OTHER FINANCING SOURCES (USES)				
Loan Issuance - Series 2020	-	1,781,789	1,781,789	-
Transfers from Vineyard Debt Service Fund	-	255,549	255,549	-
Total Other Financing Sources (Uses)	-	2,037,338	2,037,338	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
GOLD HILL MESA PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Incremental Property Taxes	\$ 1,636,591	\$ 1,561,389	\$ (75,202)
Net Investment Income	200	1,464	1,264
Total Revenues	<u>1,636,791</u>	<u>1,562,853</u>	<u>(73,938)</u>
EXPENDITURES			
Capital Projects:			
County Treasurer's Fees	24,549	23,443	1,106
TIF Reimbursement	1,539,333	1,466,629	72,704
TIF Reimbursement - School District 11	72,909	72,781	128
Total Expenditures	<u>1,636,791</u>	<u>1,562,853</u>	<u>73,938</u>
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
CITY AUDITORIUM PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Incremental Property Taxes	\$ 42,515	\$ 42,649	\$ 134
Net Investment Income	300	31	(269)
Total Revenues	42,815	42,680	(135)
EXPENDITURES			
Capital Projects:			
County Treasurer's Fees	638	640	(2)
Administration Fees	10,000	10,000	-
Contingency	101,680	-	101,680
Total Expenditures	112,318	10,640	101,678
NET CHANGE IN FUND BALANCES	(69,503)	32,040	101,543
Fund Balances - Beginning of Year	69,503	66,908	(2,595)
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 98,948</u>	<u>\$ 98,948</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
CITY GATE PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Incremental Property Taxes	\$ 30,500	\$ 30,600	\$ 100
Net Investment Income	100	15	(85)
Total Revenues	<u>30,600</u>	<u>30,615</u>	<u>15</u>
EXPENDITURES			
Capital Projects:			
County Treasurer's Fees	458	459	(1)
Administration Fees	10,000	10,000	-
Contingency	<u>54,668</u>	<u>-</u>	<u>54,668</u>
Total Expenditures	<u>65,126</u>	<u>10,459</u>	<u>54,667</u>
NET CHANGE IN FUND BALANCES	(34,526)	20,156	54,682
Fund Balances - Beginning of Year	<u>34,526</u>	<u>34,512</u>	<u>(14)</u>
FUND BALANCES - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 54,668</u></u>	<u><u>\$ 54,668</u></u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
COPPER RIDGE PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Incremental Property Taxes	\$ 2,672,967	\$ 2,674,174	\$ 2,674,174	\$ -
Incremental Sales Taxes	1,478,000	1,488,771	1,488,771	-
Net Investment Income	-	10,101	10,101	-
Total Revenues	4,150,967	4,173,046	4,173,046	-
EXPENDITURES				
Capital Projects				
County Treasurer's Fees	40,095	40,351	40,351	-
Administration Fees	60,000	60,000	60,000	-
Reimbursement - District	4,049,872	4,072,080	4,072,080	-
Sales Tax Collection Fee	1,000	615	615	-
Total Expenditures	4,150,967	4,173,046	4,173,046	-
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
SOUTHWEST DOWNTOWN PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Incremental Property Taxes	\$ 24,682	\$ 24,617	\$ (65)
Net Investment Income	600	49	(551)
Total Revenues	<u>25,282</u>	<u>24,666</u>	<u>(616)</u>
EXPENDITURES			
Capital Projects:			
County Treasurer's Fees	370	370	-
Contingency	<u>116,245</u>	<u>-</u>	<u>116,245</u>
Total Expenditures	<u>116,615</u>	<u>370</u>	<u>116,245</u>
NET CHANGE IN FUND BALANCES	(91,333)	24,296	115,629
Fund Balances - Beginning of Year	<u>91,333</u>	<u>91,280</u>	<u>(53)</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 115,576</u>	<u>\$ 115,576</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
SOUTH NEVADA PROJECT AREA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Incremental Property Taxes	\$ 70,466	\$ 63,956	\$ (6,510)
Incremental Sales Taxes	247,000	265,029	18,029
Net Investment Income	500	424	(76)
Total Revenues	<u>317,966</u>	<u>329,409</u>	<u>11,443</u>
EXPENDITURES			
Capital Projects:			
County Treasurer's Fees	1,057	1,444	(387)
Administration Fees	60,000	60,000	-
Sales Tax Collection Fee	200	155	45
Project Cost Reimbursement	<u>256,709</u>	<u>253,617</u>	<u>3,092</u>
Total Expenditures	<u>317,966</u>	<u>315,216</u>	<u>2,750</u>
NET CHANGE IN FUND BALANCES	-	14,193	14,193
Fund Balances - Beginning of Year	<u>-</u>	<u>65,749</u>	<u>65,749</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 79,942</u>	<u>\$ 79,942</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS
CITY FOR CHAMPIONS FUND – ADMIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Incremental Sales Taxes	\$ 4,076,000	\$ 7,820,000	\$ 7,818,571	\$ (1,429)
Net Investment Income	-	100	38	(62)
Total Revenues	4,076,000	7,820,100	7,818,609	(1,491)
EXPENDITURES				
General:				
Accounting	25,000	7,000	6,175	825
Administrative Expenditures	13,500	35,000	32,622	2,378
Audit	5,000	5,000	3,431	1,569
Insurance	20,000	-	-	-
Legal - Projects	35,000	3,000	1,637	1,363
Project Management	5,000	-	-	-
Total Expenditures	103,500	50,000	43,865	6,135
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,972,500	7,770,100	7,774,744	4,644
OTHER FINANCING SOURCES (USES)				
Transfers Out - Project Elements	(3,973,000)	(7,763,572)	(7,763,572)	-
Total Other Financing Sources (Uses)	(3,973,000)	(7,763,572)	(7,763,572)	-
NET CHANGE IN FUND BALANCES	(500)	6,528	11,172	4,644
Fund Balances - Beginning of Year	100,632	78,839	78,839	-
FUND BALANCES - END OF YEAR	<u>\$ 100,132</u>	<u>\$ 85,367</u>	<u>\$ 90,011</u>	<u>\$ 4,644</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS – CITY FOR CHAMPIONS FUND
U.S. OLYMPIC MUSEUM AND HALL OF FAME PROJECT AREA – 42%
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original And Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	\$ 25,000	\$ 3,855	\$ (21,145)
Total Revenues	25,000	3,855	(21,145)
EXPENDITURES			
Debt Service:			
Bond Interest	1,272,060	1,272,060	-
Bond Principal	800,000	800,000	-
Paying Agent Fees	6,000	6,000	-
Capital Projects:			
Accounting	10,000	-	10,000
Administrative Expenditures	10,000	-	10,000
Legal - Projects	10,000	-	10,000
Project Management	10,000	-	10,000
Total Expenditures	2,118,060	2,078,060	40,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,093,060)	(2,074,205)	18,855
OTHER FINANCING SOURCES (USES)			
Transfer from Southwest Infrastr. Fund	-	20,869	20,869
Transfers In - Sales Tax Allocation	2,065,960	4,037,057	1,971,097
Total Other Financing Sources (Uses)	2,065,960	4,057,926	1,991,966
NET CHANGE IN FUND BALANCES	(27,100)	1,983,721	2,010,821
Fund Balances - Beginning of Year	10,225,655	10,437,679	212,024
FUND BALANCES - END OF YEAR	\$ 10,198,555	\$ 12,421,400	\$ 2,222,845

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS – CITY FOR CHAMPIONS FUND
UCCS SPORTS MEDICINE AND PERFORMANCE PROJECT AREA – 14%
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Net Investment Income	\$ -	\$ 24	\$ 24	\$ -
Total Revenues	-	24	24	-
EXPENDITURES				
Capital Projects:				
Project Cost Reimbursement	556,220	1,086,909	1,086,909	-
Total Expenditures	556,220	1,086,909	1,086,909	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(556,220)	(1,086,885)	(1,086,885)	-
OTHER FINANCING SOURCES (USES)				
Transfers In - Sales Tax Allocation	556,220	1,086,900	1,086,900	-
Total Other Financing Sources (Uses)	556,220	1,086,900	1,086,900	-
NET CHANGE IN FUND BALANCES	-	15	15	-
Fund Balances - Beginning of Year	-	6	6	-
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 21</u>	<u>\$ 21</u>	<u>\$ -</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS – CITY FOR CHAMPIONS FUND
U.S. AIR FORCE ACADEMY VISITORS CENTER PROJECT AREA – 5%
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	5,000	\$ 570	\$ (4,430)
Total Revenues	5,000	570	(4,430)
EXPENDITURES			
Capital Projects:			
Accounting	10,000	-	10,000
Administration Fees	10,000	-	10,000
Legal - Projects	10,000	-	10,000
Project Management	1,000	-	1,000
Contingency	1,337,568	-	1,337,568
Total Expenditures	1,368,568	-	1,358,568
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,363,568)	570	1,364,138
OTHER FINANCING SOURCES (USES)			
Transfers In - Sales Tax Allocation	198,650	388,179	189,529
Total Other Financing Sources (Uses)	198,650	388,179	189,529
NET CHANGE IN FUND BALANCES	(1,164,918)	388,749	1,553,667
Fund Balances - Beginning of Year	1,164,918	1,183,139	18,221
FUND BALANCES - END OF YEAR	\$ -	\$ 1,571,888	\$ 1,571,888

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS – CITY FOR CHAMPIONS FUND
SOUTHWEST INFRASTRUCTURE PROJECT AREA– 10%
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Net Investment Income	\$ -	\$ 9	\$ 9	\$ -
Total Revenues	-	9	9	-
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	-	9	9	-
OTHER FINANCING SOURCES (USES)				
Transfer to USOM	-	(20,869)	(20,869)	-
Total Other Financing Sources (Uses)	-	(20,869)	(20,869)	-
NET CHANGE IN FUND BALANCES	-	(20,860)	(20,860)	-
Fund Balances - Beginning of Year		20,906	20,906	-
FUND BALANCES - END OF YEAR	\$ -	\$ 46	\$ 46	\$ -

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS – CITY FOR CHAMPIONS FUND
CHAMPIONS FLEXIBLE SUB-ACCOUNT – 6%
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	\$ 6,000	\$ 682	\$ (5,318)
Total Revenues	6,000	682	(5,318)
EXPENDITURES			
Capital Projects:			
Contingency	1,639,930	-	1,639,930
Total Expenditures	1,639,930	-	1,639,930
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,633,930)	682	1,634,612
OTHER FINANCING SOURCES (USES)			
Transfers In - Sales Tax Allocation	238,380	465,814	227,434
Total Other Financing Sources (Uses)	238,380	465,814	227,434
NET CHANGE IN FUND BALANCES	(1,395,550)	466,496	1,862,046
Fund Balances - Beginning of Year	1,395,550	1,417,799	22,249
FUND BALANCES - END OF YEAR	\$ -	\$ 1,884,295	\$ 1,884,295

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS – CITY FOR CHAMPIONS FUND
SWITCHBACKS STADIUM – 66.67% OF 23%
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Stadium Contribution	\$ 2,500,000	\$ 4,190,354	\$ 4,190,354	\$ -
Net Investment Income	50,000	970	970	-
Total Revenues	2,550,000	4,191,324	4,191,324	-
EXPENDITURES				
Capital Projects:				
Paying Agent Fees	-	5,000	5,000	-
Bond Interest	387,354	387,354	387,354	-
Bond Principal	466,000	466,000	466,000	-
Capital Outlay	5,000,000	5,584,087	5,584,087	-
Total Expenditures	5,853,354	6,442,441	6,442,441	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,303,354)	(2,251,117)	(2,251,117)	-
OTHER FINANCING SOURCES (USES)				
Transfers In - Sales Tax Allocation	609,224	1,190,474	1,190,474	-
Total Other Financing Sources (Uses)	609,224	1,190,474	1,190,474	-
NET CHANGE IN FUND BALANCES	(2,694,130)	(1,060,643)	(1,060,643)	-
Fund Balances - Beginning of Year	8,494,784	3,451,344	3,451,344	-
FUND BALANCES - END OF YEAR	<u>\$ 5,800,654</u>	<u>\$ 2,390,701</u>	<u>\$ 2,390,701</u>	<u>\$ -</u>

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS – CITY FOR CHAMPIONS FUND
HOCKEY ARENA – 33.33% OF 23%
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Net Investment Income	\$ 5,000	\$ 13	\$ 13	\$ -
Total Revenues	5,000	13	13	-
EXPENDITURES				
Capital Projects:				
Project Cost Reimbursement	309,566	595,152	595,152	
Total Expenditures	309,566	595,152	595,152	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(304,566)	(595,139)	(595,139)	-
OTHER FINANCING SOURCES (USES)				
Transfers In - Sales Tax Allocation	304,566	595,148	595,148	-
Total Other Financing Sources (Uses)	304,566	595,148	595,148	-
NET CHANGE IN FUND BALANCES	-	9	9	-
Fund Balances - Beginning of Year	-	3	3	-
FUND BALANCES - END OF YEAR	\$ -	\$ 12	\$ 12	\$ -

OTHER INFORMATION

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2021

Year Ended December 31,	United States Olympic Museum Project \$15,000,000 Tax Increment Revenue Bonds Series 2017A Dated April 12, 2017 Interest Rate 3.33% Principal Due September 1 Interest Payable September 1		United States Olympic Museum Project \$14,000,000 Tax Increment Revenue Bonds Series 2017B Dated April 12, 2017 Interest Rate 3.33% Principal Due September 1 Interest Payable September 1	
	Principal	Interest	Principal	Interest
2022	\$ 400,000	\$ 479,520	\$ 300,000	\$ 446,220
2023	500,000	466,200	500,000	436,230
2024	600,000	449,550	600,000	419,580
2025	700,000	429,570	700,000	399,600
2026	800,000	406,260	800,000	376,290
2027	11,400,000	379,620	10,500,000	349,650
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-
2038	-	-	-	-
2039	-	-	-	-
2040	-	-	-	-
2041	-	-	-	-
2042	-	-	-	-
2043	-	-	-	-
2044	-	-	-	-
2045	-	-	-	-
2046	-	-	-	-
2047	-	-	-	-
Total	<u>\$ 14,400,000</u>	<u>\$ 2,610,720</u>	<u>\$ 13,400,000</u>	<u>\$ 2,427,570</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2021

Year Ended December 31,	United States Olympic Museum Project \$10,000,000 Tax Increment Revenue Bonds Series 2017C Dated April 12, 2017 Interest Rate 3.33% Principal Due September 1 Interest Payable September 1		Canyon Creek Project Area \$7,325,000 Senior Special Revenue Bonds Series 2018A Dated June 21, 2018 Interest Rate 5.75% Principal Due December 1 Interest Payable June 1 and December 1	
	Principal	Interest	Principal	Interest
2022	\$ 300,000	\$ 319,680	\$ 125,000	\$ 414,863
2023	400,000	309,690	135,000	407,675
2024	400,000	296,370	155,000	399,913
2025	500,000	283,050	160,000	391,000
2026	600,000	266,400	180,000	381,800
2027	7,400,000	246,420	195,000	371,450
2028	-	-	215,000	360,238
2029	-	-	225,000	347,875
2030	-	-	250,000	334,938
2031	-	-	265,000	320,563
2032	-	-	295,000	305,325
2033	-	-	310,000	288,363
2034	-	-	340,000	270,538
2035	-	-	360,000	250,988
2036	-	-	395,000	230,288
2037	-	-	415,000	207,575
2038	-	-	450,000	183,713
2039	-	-	480,000	157,838
2040	-	-	520,000	130,238
2041	-	-	125,000	100,338
2042	-	-	140,000	93,150
2043	-	-	145,000	85,100
2044	-	-	160,000	76,763
2045	-	-	165,000	67,563
2046	-	-	180,000	58,075
2047	-	-	830,000	47,725
Total	<u>\$ 9,600,000</u>	<u>\$ 1,721,610</u>	<u>\$ 7,215,000</u>	<u>\$ 6,283,888</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2021

Year Ended December 31,	Switchbacks Stadium Project \$12,400,000 Tax Increment Revenue Bonds Series 2019 Dated November 21, 2019 Interest Rate 3.300% Principal Due February 1 Interest Payable February 1		Vineyard Project \$15,000,000 Tax Exempt Note Series 2020 Dated June 23, 2020 Interest Rate 3.250% Principal Due December 1 Interest Payable December 1	
	Principal	Interest	Principal	Interest
2022	\$ 454,000	\$ 371,976	\$ 184,366	\$ 174,348
2023	539,000	356,994	220,002	168,252
2024	632,000	339,207	247,617	161,380
2025	728,000	318,351	265,434	152,694
2026	830,000	294,327	285,028	143,841
2027	936,000	266,937	304,623	134,343
2028	1,047,000	236,049	359,852	124,538
2029	1,164,000	201,498	377,670	112,191
2030	1,286,000	163,086	387,466	99,576
2031	3,656,000	120,648	424,878	86,638
2032	-	-	434,675	72,644
2033	-	-	454,269	57,931
2034	-	-	483,660	42,770
2035	-	-	503,253	26,641
2036	-	-	296,911	9,893
2037	-	-	-	-
2038	-	-	-	-
2039	-	-	-	-
2040	-	-	-	-
2041	-	-	-	-
2042	-	-	-	-
2043	-	-	-	-
2044	-	-	-	-
2045	-	-	-	-
2046	-	-	-	-
2047	-	-	-	-
Total	<u>\$ 11,272,000</u>	<u>\$ 2,669,073</u>	<u>\$ 5,229,704</u>	<u>\$ 1,567,680</u>

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2021

North Nevada Project \$52,575,000 Tax-Exempt Refunding and Improvement Loan Series 2020 Dated November 24, 2020 Interest Rate 2.050% Principal Due December 1						
<u>Year Ended December 31,</u>	<u>Interest Payable June 1 and December 1</u>		<u>Total All Bonds</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2022	\$ 3,200,000	\$ 987,040	\$ 4,963,366	\$ 3,193,647	\$ 8,157,013	
2023	3,350,000	920,529	5,644,002	3,065,570	8,709,572	
2024	3,515,000	853,231	6,149,617	2,919,231	9,068,848	
2025	3,650,000	777,842	6,703,434	2,752,107	9,455,541	
2026	3,775,000	701,977	7,270,028	2,570,895	9,840,923	
2027	3,890,000	623,515	34,625,623	2,371,935	36,997,558	
2028	4,000,000	544,149	5,621,852	1,264,974	6,886,826	
2029	4,125,000	459,523	5,891,670	1,121,087	7,012,757	
2030	17,983,714	373,787	19,907,180	971,387	20,878,567	
2031	-	-	4,345,878	527,849	4,873,727	
2032	-	-	729,675	377,969	1,107,644	
2033	-	-	764,269	346,294	1,110,563	
2034	-	-	823,660	313,308	1,136,968	
2035	-	-	863,253	277,629	1,140,882	
2036	-	-	691,911	240,181	932,092	
2037	-	-	415,000	207,575	622,575	
2038	-	-	450,000	183,713	633,713	
2039	-	-	480,000	157,838	637,838	
2040	-	-	520,000	130,238	650,238	
2041	-	-	125,000	100,338	225,338	
2042	-	-	140,000	93,150	233,150	
2043	-	-	145,000	85,100	230,100	
2044	-	-	160,000	76,763	236,763	
2045	-	-	165,000	67,563	232,563	
2046	-	-	180,000	58,075	238,075	
2047	-	-	830,000	47,725	877,725	
Total	<u>\$ 47,488,714</u>	<u>\$ 6,241,593</u>	<u>\$ 108,605,418</u>	<u>\$ 23,522,134</u>	<u>\$ 132,127,552</u>	

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NORTH NEVADA URBAN RENEWAL PROJECT AREA
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2021**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy			Combined Mills Levied	Total Incremental Property Taxes		Percentage Collected to Levied
	Total	Less:	Net		Levied	Collected	
	Assessed Valuation	Base Valuation	Increment Valuation				
2017	\$ 30,834,817	\$ 5,180,790	\$ 25,654,027	57.973	\$ 1,487,241	\$ 1,475,234	99.19 %
2018	37,708,803	5,537,470	32,171,333	69.494	2,235,715	2,217,610	99.19
2019	37,618,930	5,455,473	32,163,457	73.375	2,359,993	2,307,230	97.76
2020	38,062,410	5,506,494	32,555,916	68.002	2,214,519	2,195,584	99.14
2021	30,280,300	5,272,999	25,007,301	68.265	1,707,123	1,667,654	97.69
Estimated for the Year Ending December 31, 2022	\$ 37,026,160	\$ 5,546,400	\$ 31,479,760	59.762	\$ 1,881,293		

Incremental property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the year of levy if delinquent taxes are collected. County Treasurer does not permit identification of specific year of levy if delinquent taxes are collected.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
 IVYWILD NEIGHBORHOOD URBAN RENEWAL PROJECT AREA
 SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
 DECEMBER 31, 2021**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy			Combined Mills Levied	Total Incremental Property Taxes		Percentage Collected to Levied
	Total Assessed Valuation	Less: Base Valuation	Net Increment Valuation		Levied	Collected	
2017	\$ 2,005,569	\$ 428,810	\$ 1,576,759	58.247	\$ 91,842	\$ 91,842	100.00 %
2018	2,250,370	472,300	1,778,070	69.742	124,007	124,011	100.00
2019	2,176,740	456,832	1,719,908	73.614	126,610	126,610	100.00
2020	2,339,700	491,033	1,848,667	68.306	126,276	124,807	98.84
2021	2,100,790	442,315	1,658,475	68.454	113,530	113,530	100.00
Estimated for the Year Ending December 31, 2022	\$ 2,285,459	\$ 481,180	\$ 1,804,279	59.762	\$ 107,827		

Incremental property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the year of levy if delinquent taxes are collected. County Treasurer does not permit identification of specific year of levy if delinquent taxes are collected.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
NORTH NEVADA URBAN RENEWAL PROJECT AREA
SCHEDULE OF INCREMENTAL SALES AND USE TAXES COLLECTED
DECEMBER 31, 2021**

<u>Year Ended December 31,</u>	<u>Sales Tax Collection</u>	<u>Use Tax Collection</u>	<u>Adjustments Amendments Audits</u>	<u>(Less) Base Amount</u>	<u>Incremental Sales and Use Taxes Collected</u>
2017	\$ 4,548,396	\$ 28,209	\$ -	\$ (375,603)	\$ 4,201,002
2018	4,739,136	37,317	-	(375,603)	4,400,850
2019	4,927,635	50,494	-	(375,603)	4,602,526
2020	4,815,054	41,612	-	(375,603)	4,481,063
2021	5,449,295	39,116	-	(375,603)	5,112,808
Estimated for the Year Ending December 31, 2022	\$ 5,092,000				

Incremental sales and use taxes collected in any one year include collection of delinquent sales and use taxes, returns that may be amended and sales and use tax audits that may relate to prior years. Information received from the City of Colorado Springs does not permit identification of the specific period related to these taxes as they are collected. The base amount resets annually in December.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
IVYWILD NEIGHBORHOOD URBAN RENEWAL PROJECT AREA
SCHEDULE OF INCREMENTAL SALES AND USE TAXES COLLECTED
DECEMBER 31, 2021**

<u>Year Ended December 31,</u>	<u>Sales Tax Collection</u>	<u>Use Tax Collection</u>	<u>Adjustments Amendments Audits</u>	<u>(Less) Base Amount</u>	<u>Incremental Sales and Use Taxes Collected</u>
2017	\$ 116,620	\$ 1,192	\$ -	\$ (62,963)	\$ 54,849
2018	94,892	1,368	-	(62,963)	33,297
2019	92,069	1,157	-	(62,963)	30,263
2020	77,950	142	-	(62,963)	15,129
2021	56,891	141	-	(62,963)	-
Estimated for the Year Ending December 31, 2022	\$ -				

Incremental sales and use taxes collected in any one year include collection of delinquent sales and use taxes, returns that may be amended and sales and use tax audits that may relate to prior years. Information received from the City of Colorado Springs does not permit identification of the specific period related to these taxes as they are collected. The base amount resets annually in May.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
COPPER RIDGE URBAN RENEWAL PROJECT AREA
SCHEDULE OF INCREMENTAL SALES TAX COLLECTED
DECEMBER 31, 2021**

<u>Year Ended December 31,</u>	<u>Sales Tax Collection</u>	<u>Use Tax Collection</u>	<u>Adjustments Amendments Audits</u>	<u>(Less) Base Amount</u>	<u>Incremental Sales Tax Collected</u>
2017	\$ 635,458	\$ -	\$ -	\$ (30,272)	\$ 605,186
2018	673,972	-	-	(30,272)	643,700
2019	1,269,126	-	(22,704)	(52,976)	1,193,446
2020	1,360,538	-	-	(52,976)	1,307,562
2021	1,539,008	2,224	515	(52,976)	1,488,771
Estimated for the Year Ending December 31, 2022	\$ 1,364,000				

Incremental sales tax collected in any one year include collection of delinquent sales and use taxes, returns that may be amended and sales tax audits that may relate to prior years. Information received from the City of Colorado Springs does not permit identification of the specific period related to these taxes as they are collected. The base amount resets annually in September.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
SOUTH NEVADA URBAN RENEWAL PROJECT AREA
SCHEDULE OF INCREMENTAL SALES TAX COLLECTED
DECEMBER 31, 2021**

<u>Year Ended December 31,</u>	<u>Sales Tax Collection</u>	<u>Adjustments Amendments Audits</u>	<u>(Less) Base Amount</u>	<u>Incremental Sales Tax Collected</u>
2017	\$ 985,440	\$ (450)	\$ (934,475)	\$ 50,515
2018	1,158,819	-	(934,475)	224,344
2019	1,241,488	-	(934,475)	307,013
2020	1,065,475	-	(800,979)	264,496
2021	1,333,001	-	(1,067,972)	265,029
Estimated for the Year Ending December 31, 2022	\$ 270,000			

Incremental sales tax collected in any one year include collection of delinquent sales tax, returns that may be amended and sales tax audits that may relate to prior years. Information received from the City of Colorado Springs does not permit identification of the specific period related to these taxes as they are collected. The base amount resets annually in October.

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CITY OF CHAMPIONS
SCHEDULE OF INCREMENTAL SALES TAX COLLECTED
DECEMBER 31, 2021**

<u>Year Ended December 31,</u>	<u>Sales Tax Collection</u>	<u>Adjustments Amendments Audits</u>	<u>(Less) Base Amount</u>	<u>Incremental Sales Tax Collected (13.08%)</u>
2017	\$ 197,288,795	\$ -	\$ (169,503,178)	\$ 3,634,359
2018	208,007,253	-	(169,503,178)	5,036,333
2019	207,828,770	-	(169,503,178)	5,012,987
2020	202,115,186	-	(169,503,178)	4,265,651
2021	229,278,188	-	(169,503,178)	7,818,571
Estimated for the Year Ending December 31, 2022	\$ 8,137,000			

Incremental sales tax collected in any one year include collection of delinquent sales tax, returns that may be amended and sales tax audits that may relate to prior years. Information received from the State does not permit identification of the specific period related to these taxes as they are collected. The base amount resets annually in December.