

NORTHERN INFRASTRUCTURE GID

2025 ADOPTED BUDGET

October 21, 2024

President and Members of the Board

City of Commerce City Northern Infrastructure General Improvement District (NIGID)

SECTION 1: Introduction

The proposed budget beginning January 1, 2025 and ending on December 31, 2025 is hereby submitted.

As required by Colorado statutes, this proposed budget is in balance with anticipated and existing revenues equal to or greater than the 2025 proposed expenditures.

SECTION 2: Certification of Mill Levy and Assessed Valuation

The assessed valuation of the NIGID as estimated by the Adams County Assessor's Office on August 23, 2024 is \$629,219,430. A final valuation is to be received from the County Assessor by December 1, 2024.

For the 2025 fiscal year, it is proposed that the mill levy be certified at 8.00 mills, which will generate a district property tax of \$5,033,755. This is the twenty-sixth year that the NIGID has received an assessed valuation and the twenty-sixth year that a property tax mill levy is proposed.

SECTION 3: Authorization and Issuance of District Limited General Obligation Bond Series 1998

On November 4, 1997, the electors of the NIGID approved the issuance of bonds for two purposes, one of which was for \$5,000,000 for the financing of water improvements and one of which was for \$10,000,000 for the financing of sewer improvements for a total authorization of \$15,000,000.

On June 2, 1998, the NIGID issued a limited general obligation bond issue in the par amount of \$11,500,000 of the authorized \$15,000,000 for the water and sewer improvements project. These bonds were privately placed with Consumer Services, Inc., a division of United Power, Incorporated. In addition to the bond proceeds, the City of Commerce City and the South Adams County Water and Sanitation District provided for a reimbursable loan of \$1,000,000 and \$500,000 respectively. The bonds carried a coupon rate of 8.750% with the initial debt service payment being made on December 1, 1998, and a term ending December 1, 2017. This debt was solely the responsibility of the NIGID with no financial responsibilities of the City of Commerce City.

SECTION 4: Authorization and Issuance of General Obligation Variable Rate Refunding Bonds Series 2002

On January 15, 2002, the NIGID issued General Obligation Variable Rate Refunding Bonds Series 2002 in the amount of \$14,140,000 with A+ rated bonds. The refunding bonds were for the purpose of refinancing the 1998 Limited General Obligation Bond, Series 1998 held by Consumer Services, Inc., a division of United Power, Incorporated and to repay a December 2000 Loan to the District from various property owners in the District in the aggregate amount of \$22,752.

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The new bonds were all purchased by a single buyer at an interest rate of 1.75% for year 2002. The NIGID obtained this interest rate with the issuance of a Letter of Credit (LOC) and with the annual remarketing of the bonds. The net interest cost was calculated to be approximately 4% over the 30-year term of the bond. The Series 1998 Bonds and the Developer Loan were redeemed and paid on January 15, 2002, the date of issuance of the Bonds (plus accrued interest on the Series 1998 Bonds). In 2004, \$1,850,000 of the bonds were called early and retired. And in 2006, \$2,100,000 of the bonds were called early and retired.

SECTION 5: Authorization to Increase Debt

On November 1, 2005, the electors of the NIGID approved the debt be increased \$79,900,000 for improvements to East 104th Avenue and other street improvements as deemed necessary for the benefit of the District. The first \$44,400,000 in bonds was issued in 2006 and the remainder to be issued as determined.

SECTION 6: Authorization and Issuance of General Obligation Variable Rate Bonds, Series 2006

On February 15, 2006, the NIGID issued General Obligation Variable Rate Bonds Series 2006 in the amount of \$44,400,000 with AA rated bonds to be used to construct street improvements and to pay the costs of issuing the Bonds. The Bonds were structured to bear interest in the weekly mode. The adjusted interest rate for any Bond in the weekly mode was the rate of interest per annum determined by the Remarketing Agent on and as of each Wednesday. The adjusted interest rate could not exceed the maximum rate. The net interest cost was calculated to be approximately 4% over the 30-year term of the bond.

SECTION 7: Authorization and Issuance of General Obligation Variable Rate Bonds, Series 2008

On June 26, 2008, the NIGID issued General Obligation Variable Rate Bonds Series 2008 in the amount of \$35,500,000 with AA rated bonds to be used to construct street improvements and to pay the costs of issuing the Bonds. The Bonds were structured to bear interest in the weekly mode. The adjusted interest rate for any Bond in the weekly mode was the rate of interest per annum determined by the Remarketing Agent on and as of each Wednesday. The adjusted interest rate could not exceed the maximum rate of 8%. The net interest cost was calculated to be approximately 4% over the 30-year term of the bond.

SECTION 8: Remarketing of General Obligation Variable Rate Refunding Bonds Series 2002 and Refinancing of General Obligation Variable Rate Bonds, Series 2006, and General Obligation Variable Rate Bonds, Series 2008

On February 1, 2013, the NIGID remarketed the General Obligation Variable Rate Refunding Bonds Series 2002 and refinanced the General Obligation Variable Rate Bonds, Series 2006, and General Obligation Variable Rate Bonds, Series 2008 to fix the interest rate on all of the bonds. The true interest cost of the bonds was calculated to be 3.645104% over the 30-year term of the bond. This resulted in the General Obligation Refunding Bonds, Series 2002, and General Obligation Remarketed Bonds, Series 2013.

The General Obligation Refunding Bonds, Series 2002, were subject to redemption/defeasance on 12/1/2022. Action was taken at the October 3, 2022 NIGID Board meeting to approve paying off these bonds in 2022, thus additional bond payments are no longer needed for this debt issuance in 2023 and beyond.

SECTION 9: General Obligation Refunding Bonds, Series 2024

On October 9, 2023, the NIGID acted to approve paying down the General Obligation Bond Series 2013 remaining balance by \$11 million and refunding the remaining balance sometime within the next 12 months, should market

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conditions improve sufficiently to warrant doing so within that timeframe. The defeasement of the \$11 million combined with future property tax inflows enable the NIGID to further reduce the District's mill levy (from 14 to 8 mills) for the 2024 tax collection year.

On March 14, 2024, the NIGID issued general obligation refunding bonds, Series 2024, in the amount of \$43,670,000 to refund the outstanding 2013 Series bonds. The interest rate ranges are 3.625% – 5%. Annual principal and interest payments are due June and December 1st, with the principal maturing December 1, 2036. Annual debt service requirements to amortize this debt, as of December 31, 2024 follow:

SECTION 10: The 2025 Budget Process

The proposed 2025 budget expenditures total \$5,936,255 including bond interest payments plus additional operational costs. NIGID revenues for 2025 are estimated at \$5,936,255. The proposed budget is scheduled for public hearing on Monday, October 21, 2024 with a continuation of the public hearing to November 4, 2024. Following the November 4th public hearing, the NIGID budget is scheduled for adoption and certification of the mill levy. The NIGID does not have any authorized staff.

Respectfully Submitted,

Theresa Wilson, Treasurer to the Board

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SUMMARY OF FINANCIAL SOURCES AND USES BY FUND

GENERAL IMPROVEMENT DISTRICT

Financial Sources	2025 Budget	
Revenues	\$	5,936,255
Transfer from Fund Balance		-
Total	\$	5,936,255
Financial Uses		
Administrative Cost	\$	92,506
Transfers To:		
General Improvement District Debt 2024		4,588,105
Fund Balance		1,255,644
Total	\$	5,936,255

GENERAL IMPROVEMENT DISTRICT DEBT

Financial Sources	2025 Budget	
Transfers From:		
General Improvement District Debt 2024	\$	4,588,105
Total	\$	4,588,105
Financial Uses		
Administrative Cost - 2024	\$	605
Interest - 2024		2,032,500
Principal - 2024		2,555,000
Total	\$	4,588,105

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2025 ADOPTED BUDGET

GENERAL IMPROVEMENT DISTRICT

	2023 Actual	2024 Adopted	As of 9/30/24	2025 Budget
Beginning Fund Balance	\$ 14,562,972	\$ 6,098,573		\$ 6,098,573
Revenues				
Earnings On Investments	414,081	125,000	184,827	200,000
Property Tax	6,628,032	5,267,422	5,163,287	5,033,755
Delinquent tax	4,710	-	1,173	2,500
Specific Ownership Tax	465,897	600,000	150,070	550,000
Agreements	90,254	60,000	-	50,000
One Time Fee	-	-	1,192	-
Capacity Fee	56,645	40,000	42,022	50,000
Permit Fees	43,447	18,000	71,428	50,000
Total Revenues	\$ 7,703,066	\$ 6,110,422	\$ 5,613,998	\$ 5,936,255
Expenditures				
Auditing Fees	\$ 8,478	\$ 9,000	\$ -	\$ 9,000
Legal Fees	4,999	5,000	9,360	8,000
Property Tax Collection Fees	99,467	79,011	77,470	75,506
Transfers Out				
Transfer To Fund 195 - 2013	16,054,521	5,083,157	467,631	-
Transfer To Fund 195 - 2024	-	-	-	4,588,105
Transfer To Fund Balance	-	934,254	-	1,255,644
Total Expenditures	\$ 16,167,465	\$ 6,110,422	\$ 554,461	\$ 5,936,255
Net Position	\$ 6,098,573	\$ 6,098,573		\$ 6,098,573

GENERAL IMPROVEMENT DISTRICT DEBT

	2023 Actual	2024 Adopted	As of 9/30/24	2025 Budget
Beginning Fund Balance	\$ -	\$ -		\$ -
Revenues				
Transfer From Fund 190/2013	\$ 16,054,521	\$ 5,083,157	\$ -	\$ -
Transfer From Fund 190/2024	-	-	467,631	4,588,105
Total Revenues	\$ 16,054,521	\$ 5,083,157	\$ 467,631	\$ 4,588,105
Expenditures				
2013 Unclassified Expense	\$ 1,105	\$ 605	\$ -	\$ -
2024 Unclassified Expense	-	-	605	605
2013 Bond Principal Payments	13,370,000	2,895,000	-	-
2024 Bond Principal Payments	-	-	-	2,555,000
2013 Bond Interest Payments	2,683,416	2,187,552	-	-
2024 Bond Interest Payments	-	-	467,026	2,032,500
Total Expenditures	\$ 16,054,521	\$ 5,083,157	\$ 467,631	\$ 4,588,105
Net Position	\$ -	\$ -		\$ -

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2024 NIGID GENERAL OBLIGATION REFUNDING BONDS

On March 14, 2024, the NIGID issued general obligation refunding bonds, Series 2024, in the amount of \$43,670,000 to refund the outstanding 2013 Series bonds. The interest rate ranges are 3.625% - 5%. Annual principal and interest payments are due June and December 1st, with the principal maturing December 1, 2036. Annual debt service requirements to amortize this debt, as of December 31, 2024 follow:

2024 NIGID General Obligation Refunding Bonds			
Year	Principal	Interest	Total
2025	2,555,000	2,032,500	4,587,500
2026	2,680,000	1,904,750	4,584,750
2027	2,815,000	1,770,750	4,585,750
2028	2,955,000	1,630,000	4,585,000
2029	3,105,000	1,482,250	4,587,250
2030-2034	18,010,000	4,921,750	22,931,750
2035-2036	8,530,000	645,000	9,175,000
Total	\$ 40,650,000	\$ 14,387,000	\$ 55,037,000