



SpencerFane

LESLIE H. LARSEN, PARALEGAL
DIRECT DIAL: (303) 839-3814
llarsen@spencerfane.com

File No. 5114193-0012

September 24, 2015

City Clerk
City of Colorado Springs
PO Box 1575, Mail Code 110
30 S. Nevada Ave., Suite 101
Colorado Springs, CO 80903

via e-mail: cityclerk@springsgov.com

**Re: Powers & Woodmen Commercial Business Improvement District
2016 Operating Plan and Budget**

Dear Clerk:

Enclosed for formal filing with the City of Colorado Springs, as provided in Section 31-25-1211, C.R.S. is the proposed 2016 Operating Plan and Budget for the Powers & Woodmen Commercial Business Improvement District.

Please contact our Office if you have any questions or comments. Thank you.

Very truly yours,

SPENCER FANE LLP

Leslie H. Larsen
Paralegal

Enclosure

cc: Carl Schueler (via e-mail: cschueler@springsgov.com)
Katie Canfield (via e-mail: kcanfield@springsgov.com)

DN 1272045.1

2016 OPERATING PLAN AND BUDGET

**POWERS &
WOODMEN
COMMERCIAL
BUSINESS
IMPROVEMENT
DISTRICT**

City of Colorado Springs, El Paso County, Colorado

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 General Fund

 Debt Service Fund

 Capital Projects Fund

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**2016
OPERATING PLAN FOR THE
POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT**

1. PURPOSE AND SCOPE OF THIS DISTRICT

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

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

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

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

The District's original 2005, and subsequent Operating Plans, previously approved by the City, are incorporated herein by reference, and shall remain in full force and effect except as specifically or necessarily modified hereby.

C. Purposes. As may be further articulated in prior years' Operating Plans, the ongoing and/or contemplated purposes of this District for 2016 include financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement Districts. Specific improvements and services provided by the District include parking facilities, roadways, lighting, driveways, public utilities and landscaping consistent with prior years' activities.

D. Ownership of Property or Major Assets. The District does not own or expect to own any fee simple property or major physical assets, particularly within the 2016 budget year.

E. Contracts and Agreement. The District is not currently a party to any significant active contracts or agreements.

2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

- A. Organization. The Powers & Woodmen Commercial Business Improvement District was organized by the City of Colorado Springs, Colorado by Ordinance No. 04-52 on April 27, 2004.
- B. Governance. The District is governed by an elected board of directors.
- C. Current Board. The persons who currently serve as the Board of Directors are:
 - 1) Ralph A. Braden, President
 - 2) Christopher S. Jenkins, Vice-President
 - 3) David D. Jenkins, Secretary
 - 4) Frederick A. Veitch, Treasurer
 - 5) Delroy L. Johnson, Assistant Secretary

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

D. Term Limits. The District held a Director election in May, 2012, at which time a ballot question was presented to eliminate term limits pursuant to Article 18, Section 11 of the Colorado Constitution. The ballot question passed eliminating term limits.

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

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The District map is depicted in EXHIBIT C. The District does not anticipate inclusion or exclusion requests in the coming year.

4. PUBLIC IMPROVEMENTS

The District does not presently anticipate funding the design, installation, or acquisition of additional public improvements during 2016. If the District acts to fund additional improvements during calendar year 2016, an amendment to this Operating Plan will be sought in accordance with the provisions of Section 31-25-1211, C.R.S.

The District does not anticipate the construction or acquisition of any public improvements in 2016.

5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE

No changes to the improvements and services to be furnished by the District as listed in all of the previous Operating Plans are proposed for 2016. Therefore, all of the previous Operating Plans, including all limitations found in Section 3 Description of Public Improvements and Services, Section 4 Administration, Operation and Maintenance, Section 5 Financial Plan and Budget (with the exceptions noted below and the budget which is attached hereto as EXHIBIT B) are unchanged and incorporated herein by reference.

(a) 2005 Election. The District held an election in November, 2005 for the purpose of authorizing debt for water and sanitation purposes to allow the District to shift funds from one category of improvements to others, but the total authorized debt shall not be increased without the consent of City Council.

Previously, the second paragraph of Section 3.3 of the prior operating plan, on the advice of the District's special tax counsel, was modified to read as follows:

All improvements furnished by the District shall be located on land that is owned in fee, by a perpetual easement, or by a lease with a term longer than the term of the District's tax exempt bonds, in the name of the District, the City, or the State of Colorado.

The District has no employees and all administrative functions are contractual.

6. FINANCIAL PLAN AND BUDGET

1. **2016 Budget.** The 2016 Budget for the District is attached as EXHIBIT B.
2. **Authorized Indebtedness.** At an election held on May 4, 2004, the voters approved general obligation indebtedness of \$9,000,000 for street improvements, \$12,000,000 for parking facilities, \$125,000 for water main extension, and \$25,000 for refinancing of District debt. On November 1, 2005, the District's electors authorized additional indebtedness of \$2,500,000 for water and sanitary sewer. The voters also approved an annual increase in taxes of \$78,000, at a mill levy rate not to exceed one mill for general operations and maintenance. The election also allows the District to retain all revenues without regarding to the limitations contained in Article X, Section 20 of the Colorado constitution. Pursuant to the District's Operating Plan filed annual with the City, the maximum debt service mill levy the District can impose is 50.000 mills. As set forth in the District's 2004 Operating Plan, the City has limited the amount of debt to be issued to a total of \$13,900,000 in the authorized voted categories, without future approval by the City.

3. **Property Tax and Mill Levy Caps.** The mill levy limitations in the Original Operating Plan (being 50 mills for debt service and one (1) mill for general operations and administrative expenses) remain unchanged.
4. **District Revenues.** See 2016 budget attached hereto as EXHIBIT B.
5. **Existing Debt Obligations.** The District issued limited tax general obligation bonds in 2010 in the principal amount of \$1,850,000 (the "2010 Bonds"). As required by the District's 2009 Operating Plan, the issuance of the 2010 bonds was approved by Resolution No. 3-10 of the City Council.
6. **Future Debt Obligations.** In accordance with the City's Special District Policy this District shall request and obtain approval of City Council prior to issuance of any debt in accordance with the financing plan for the district as previously approved. The standards for City approval shall generally be consistency with the City's Special District Policy as it may be amended along with the most recently approved operating plan and budget and any requirements or limitations contained therein to the extent that they are consistent with the financing plans for the District.
7. **Other Financial Obligations.** No other financial obligations of the District are anticipated in the coming year.
8. **City Charter Limitations.** In accordance with 7-100 of the City Charter, the District shall not issue any debt instrument for any purpose other than construction of capital improvements with a public purpose necessary for development. As set forth in 7-100 of the City Charter, the total debt of any proposed District shall not exceed 10 percent of the total assessed valuation of the taxable property within the District unless approved by at least a two-thirds vote of the entire City Council.
9. **Non-Default Provisions.** Limited tax general obligation bonds issued by the District shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.
10. **Privately Placed Debt.** Prior to the issuance of any privately placed debt for capital related costs, the District shall obtain the certification of an External Financial Advisor regarding the fairness and feasibility of the interest rate and the structure of the debt.
11. **The debt of the District will not constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectus, or disclosure statements associated with any securities issued by the District**

7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES

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

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

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

(d) **Public Improvement Fees.** This District will not utilize any revenues from a new, increased or expanded public improvement fee (PIF) unless specifically authorized in a subsequent operating plan and budget, or separately approved by City Council. The imposition of a PIF and any provisions for adjustment of a PIF that have been previously approved by City Council shall not be subject to this restriction.

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

8. 2016 ACTIVITIES, PROJECTS AND CHANGES

1. Activities

The District does not anticipate activity for commercial development in 2016, and has no specific plan at this time.

2. Projects and Public Improvements

The District does not presently anticipate funding the design, installation or acquisition of additional public improvements during 2016. If the District acts to fund additional improvements during calendar year 2016, an amendment to this Operating Plan will be sought in accordance with the provisions of Section 31-25-1211, C.R.S.

3. Summary of 2016 Activities and Changes from Prior Year

The District's activities will focus on district administration and payment of its bonds.

Boundary changes: Not anticipated for the upcoming year.

Changes to board or governance structure: Not anticipated for the upcoming year.

Mill levy changes: Mill levies remain the same for the upcoming year in the General and Debt Service funds, however a temporary mill levy for abatement has been assessed in the amount of 3.248 mills for the 2016 year.

New, refinanced or fully discharged debt: Not anticipated for the upcoming year.

Elections: Not anticipated for the upcoming year.

Major changes in development activity or valuation: Not anticipated for the upcoming year.

Ability to meet current financial obligations: See 2016 Budget attached as EXHIBIT B.

9 DISSOLUTION

The District may be dissolved under the conditions of Section 31-25-1225, C.R.S.

Perpetual existence is not contemplated at this time.

10. CONCLUSION

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

EXHIBIT A
Director and Other Contact Information

BOARD OF DIRECTORS:

Ralph A. Braden, President (w) 719-593-2600
Nor'wood Development Group (f) 719-633-0545
111 South Tejon, Suite 222 rbraden@nor-wood.com
Colorado Springs, CO 80903
Term: Elected 5/6/2012; 2012-2016; 4-year term

Christopher S. Jenkins, Vice President (w) 719-593-2600
Nor'wood Development Group (f) 719-633-0545
111 South Tejon, Suite 222 chrisjenkins@nor-wood.com
Colorado Springs, CO 80903
Term: Elected 5/6/2012; 2012-2016; 4-year term

David D. Jenkins, Secretary (w) 719-593-2600
Nor'wood Development Group (f) 719-633-0545
111 South Tejon, Suite 222 ddj@nor-wood.com
Colorado Springs, CO 80903
Term: Elected 5/6/2012; 2012-2016; 4-year term

Frederick A. Veitch, Treasurer (w) 719-593-2600
Nor'wood Development Group (f) 719-633-0545
111 South Tejon, Suite 222 fveitch@nor-wood.com
Colorado Springs, CO 80903
Term: Elected 5/4/2010; 2010-2014; 2014-2018

Delroy L. Johnson, Assistant Secretary (w) 719-593-2600
Nor'wood Development Group (f) 719-633-0545
111 South Tejon, Suite 222 djohnson@nor-wood.com
Colorado Springs, CO 80903
Term: Appt 8/2013-2014; Elected 2014-2018; 4-year term

DISTRICT MANAGER:

CliftonLarsonAllen LLP (w) 303-779-4525
8390 East Crescent Parkway, Suite 600 (f) 303-773-2050
Greenwood Village, CO 80111

DISTRICT CONTACT:

Delroy L. Johnson, Assistant Secretary (w) 719-593-2600
Nor'wood Development Group (f) 719-633-0545
111 South Tejon, Suite 222 djohnson@nor-wood.com
Colorado Springs, CO 80903

INSURANCE AND DIRECTORS' BONDS:

T. Charles Wilson Insurance Service
384 Inverness Parkway
Centennial, CO 80112

303-368-5757 x 307
(f) 303-368-5863

ACCOUNTANT:

Carrie Bartow, CPA
CliftonLarsonAllen LLP
102 South Tejon, Suite 350
Colorado Springs, CO 80903

(w) 719-635-0300 x 77839
(direct) 303-265-7839
(f) 719-473-3630
(c) 303-883-3984
carrie.bartow@claconnect.com

AUDITOR:

BiggsKofford, PC
630 Southpointe Court, Suite 200
Colorado Springs, CO 80906

719-579-9090
(f) 719-579-0126

STAFF: N/A

EXHIBIT B

**2016 BID Budget
General Fund
Debt Service Fund
Capital Projects Fund
(including taxes, fees, assessments and
estimated principal amount of bonds)**

POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

9/23/2015

	ACTUAL 2014	BUDGET 2015	ACTUAL 6/30/2015	ESTIMATED 2015	PROPOSED 2016
ASSESSED VALUATION - EL PASO					
Commercial	\$ 10,177,250	\$ 10,028,700	\$ 10,028,700	\$ 10,028,700	\$ 9,498,820
Agricultural	860	860	860	860	820
Vacant Land	370,320	370,320	370,320	370,320	664,200
State Assessed	-	126,410	126,410	126,410	167,510
Certified Assessed Value	<u>\$ 10,548,430</u>	<u>\$ 10,526,290</u>	<u>\$ 10,526,290</u>	<u>\$ 10,526,290</u>	<u>\$ 10,331,350</u>
MILL LEVY					
GENERAL FUND	1.000	1.000	1.000	1.000	1.000
DEBT SERVICE FUND	25.000	25.000	25.000	25.000	25.000
Temporary mill levy for abatement	-	-	-	-	3.248
Total Mill Levy	<u>26.000</u>	<u>26.000</u>	<u>26.000</u>	<u>26.000</u>	<u>29.248</u>
PROPERTY TAXES					
GENERAL FUND	\$ 10,548	\$ 10,526	\$ 10,526	\$ 10,526	\$ 10,331
DEBT SERVICE FUND	263,711	263,157	263,157	263,157	258,284
Temporary mill levy for abatement	-	-	-	-	33,556
Levied property taxes	274,259	273,683	273,683	273,683	302,171
Adjustments to actual/rounding	-	-	(28,177)	-	-
Refund and abatements	-	-	(33,555)	(33,555)	-
Budgeted Property Taxes	<u>\$ 274,259</u>	<u>\$ 273,683</u>	<u>\$ 211,951</u>	<u>\$ 240,128</u>	<u>\$ 302,171</u>
BUDGETED PROPERTY TAXES					
GENERAL FUND	\$ 10,548	\$ 10,526	\$ 8,152	\$ 9,235	\$ 11,606
DEBT SERVICE FUND	263,711	263,157	203,799	230,893	290,565
	<u>\$ 274,259</u>	<u>\$ 273,683</u>	<u>\$ 211,951</u>	<u>\$ 240,128</u>	<u>\$ 302,171</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND**

**FORECASTED 2016 BUDGET AS PROPOSED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,**

9/23/2015

	ACTUAL 2014	BUDGET 2015	ACTUAL 6/30/2015	ESTIMATED 2015	PROPOSED 2016
BEGINNING FUND BALANCES	\$ 37,101	\$ 51,619	\$ 57,553	\$ 57,553	\$ 75,388
REVENUES					
1 Property taxes	10,548	10,526	8,152	9,235	11,606
2 Specific ownership taxes	28,959	27,368	12,359	30,600	33,239
3 Net investment income	69	80	-	-	120
Total revenues	<u>39,576</u>	<u>37,974</u>	<u>20,511</u>	<u>39,835</u>	<u>44,965</u>
Total funds available	<u>76,677</u>	<u>89,593</u>	<u>78,064</u>	<u>97,388</u>	<u>120,353</u>
EXPENDITURES					
General and administration					
4 Accounting	6,397	10,000	4,191	9,000	10,000
5 Audit	1,950	1,950	2,000	2,000	2,100
6 Contingency	-	732	-	2,956	1,595
7 County Treasurer's fees	158	158	135	139	175
8 District management	3,218	5,000	1,303	3,000	5,000
9 Dues and membership	-	-	272	272	-
10 Election	712	-	-	-	1,000
11 Insurance	1,583	1,660	1,583	1,583	1,650
12 Legal	4,369	4,500	1,015	2,500	4,500
13 Miscellaneous	737	1,000	184	500	1,000
14 Miscellaneous interest expense on rebates	-	-	101	50	-
Total expenditures	<u>19,124</u>	<u>25,000</u>	<u>10,784</u>	<u>22,000</u>	<u>27,020</u>
Total expenditures and transfers out requiring appropriation	<u>19,124</u>	<u>25,000</u>	<u>10,784</u>	<u>22,000</u>	<u>27,020</u>
ENDING FUND BALANCES	\$ <u>57,553</u>	\$ <u>64,593</u>	\$ <u>67,280</u>	\$ <u>75,388</u>	\$ <u>93,333</u>
EMERGENCY RESERVE	\$ 1,200	\$ 1,200	\$ 700	\$ 1,200	\$ 1,400
TOTAL RESERVE	\$ <u>1,200</u>	\$ <u>1,200</u>	\$ <u>700</u>	\$ <u>1,200</u>	\$ <u>1,400</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's
compilation report and summary of significant assumptions.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
FORECASTED 2016 BUDGET AS PROPOSED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,**

9/23/2015

	ACTUAL 2014	BUDGET 2015	ACTUAL 6/30/2015	ESTIMATED 2015	PROPOSED 2016
BEGINNING FUND BALANCES	\$ 200,795	\$ 288,365	\$ 288,382	\$ 288,382	\$ 336,275
REVENUES					
1 Property taxes	263,711	263,157	203,799	230,893	290,565
2 Net investment income	407	490	146	-	580
Total revenues	264,118	263,647	203,945	230,893	291,145
Total funds available	464,913	552,012	492,327	519,275	627,420
EXPENDITURES					
General and administration					
3 Contingency	-	2,178	-	462	1,892
4 Miscellaneous interest expense on rebates	-	-	3,564	3,200	-
Debt service					
5 Bond interest	152,575	150,875	-	150,875	148,750
6 Bond principal	20,000	25,000	-	25,000	25,000
7 County Treasurer's fees	3,956	3,947	3,380	3,463	4,358
Total expenditures	176,531	182,000	6,944	183,000	180,000
Total expenditures and transfers out requiring appropriation	176,531	182,000	6,944	183,000	180,000
ENDING FUND BALANCES	\$ 288,382	\$ 370,012	\$ 485,383	\$ 336,275	\$ 447,420

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's
compilation report and summary of significant assumptions.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT
 CAPITAL PROJECTS FUND
 FORECASTED 2016 BUDGET AS PROPOSED
 WITH 2014 ACTUAL AND 2015 ESTIMATED
 For the Years Ended and Ending December 31,**

9/23/2015

	ACTUAL 2014	BUDGET 2015	ACTUAL 6/30/2015	ESTIMATED 2015	PROPOSED 2016
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Total revenues	-	-	-	-	-
Total funds available	-	-	-	-	-
EXPENDITURES					
Total expenditures	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-	-	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District include parking facilities, roadways, lighting, driveways, public utilities and landscaping. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

The District was organized by Ordinance of the City of Colorado Springs on April 27, 2004.

At an election held on May 4, 2004, the voters approved general obligation indebtedness of \$9,000,000 for street improvements, \$12,000,000 for parking facilities, \$125,000 for water main extension, and \$25,000,000 for refinancing of District debt. On November 1, 2005, the District's electors authorized additional indebtedness of \$2,500,000 for water and sanitary sewer. The voters also approved an annual increase in taxes of \$78,000, at a mill levy rate not to exceed one mill for general operations and maintenance. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20, of the Colorado constitution. Pursuant to the District's operating plan filed annually with the City, the maximum debt service mill levy the District can impose is 50.000 mills. As set forth in the District's 2004 operating plan, the City has limited the amount of debt to be issued to a total of \$13,900,000 in the authorized voted categories, without future approval by the City.

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

The District prepares its budget on the modified accrual basis of accounting.

Revenues

Property Taxes

The calculation of the taxes levied is displayed on page 3 of the Budget at the adopted mill levy of 29.248, which includes a 3.248 temporary mill levy to recapture property tax rebates from 2015.

Specific Ownership Tax

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The forecast assumes that the District's share will be equal to approximately 11 % of the property taxes collected.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.15%.

Expenditures

Administrative and Operating Expenditures

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

County Treasurer's Fees

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

Debt Service

Principal and interest payments in 2016 are provided based on the debt amortization schedule from the General Obligation Bonds, Series 2010.

Debt and Leases

On April 1, 2010, the District issued \$1,850,000 in Limited Tax General Obligation Bonds. The Bonds are due December 1, 2039, and bear interest at a rate of 8.5%. Bond interest and principal payments are payable annually on December 1. The bonds are subject to redemption prior to maturity, at the option of the District, on or after December 1, 2012, without redemption premium. The proceeds from the Bonds were used to pay the costs of providing certain public improvements for the District.

The District has no capital or operating leases.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2016, as defined under TABOR.

This information is an integral part of the accompanying forecasted budget.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2015**

**\$1,850,000 Limited Tax General Obligation Bonds
Series 2010
Dated April 1, 2010
Principal and interest due December 1
Interest Rate 8.5% Payable**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2016	\$ 25,000	\$ 148,750	\$ 173,750
2017	25,000	146,625	171,625
2018	30,000	144,500	174,500
2019	30,000	141,950	171,950
2020	35,000	139,400	174,400
2021	35,000	136,425	171,425
2022	40,000	133,450	173,450
2023	45,000	130,050	175,050
2024	50,000	126,225	176,225
2025	50,000	121,975	171,975
2026	55,000	117,725	172,725
2027	60,000	113,050	173,050
2028	65,000	107,950	172,950
2029	70,000	102,425	172,425
2030	75,000	96,475	171,475
2031	85,000	90,100	175,100
2032	90,000	82,875	172,875
2033	100,000	75,225	175,225
2034	105,000	66,725	171,725
2035	115,000	57,800	172,800
2036	125,000	48,025	173,025
2037	135,000	37,400	172,400
2038	145,000	25,925	170,925
2039	160,000	13,600	173,600
	<u>\$ 1,750,000</u>	<u>\$ 2,404,650</u>	<u>\$ 4,154,650</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

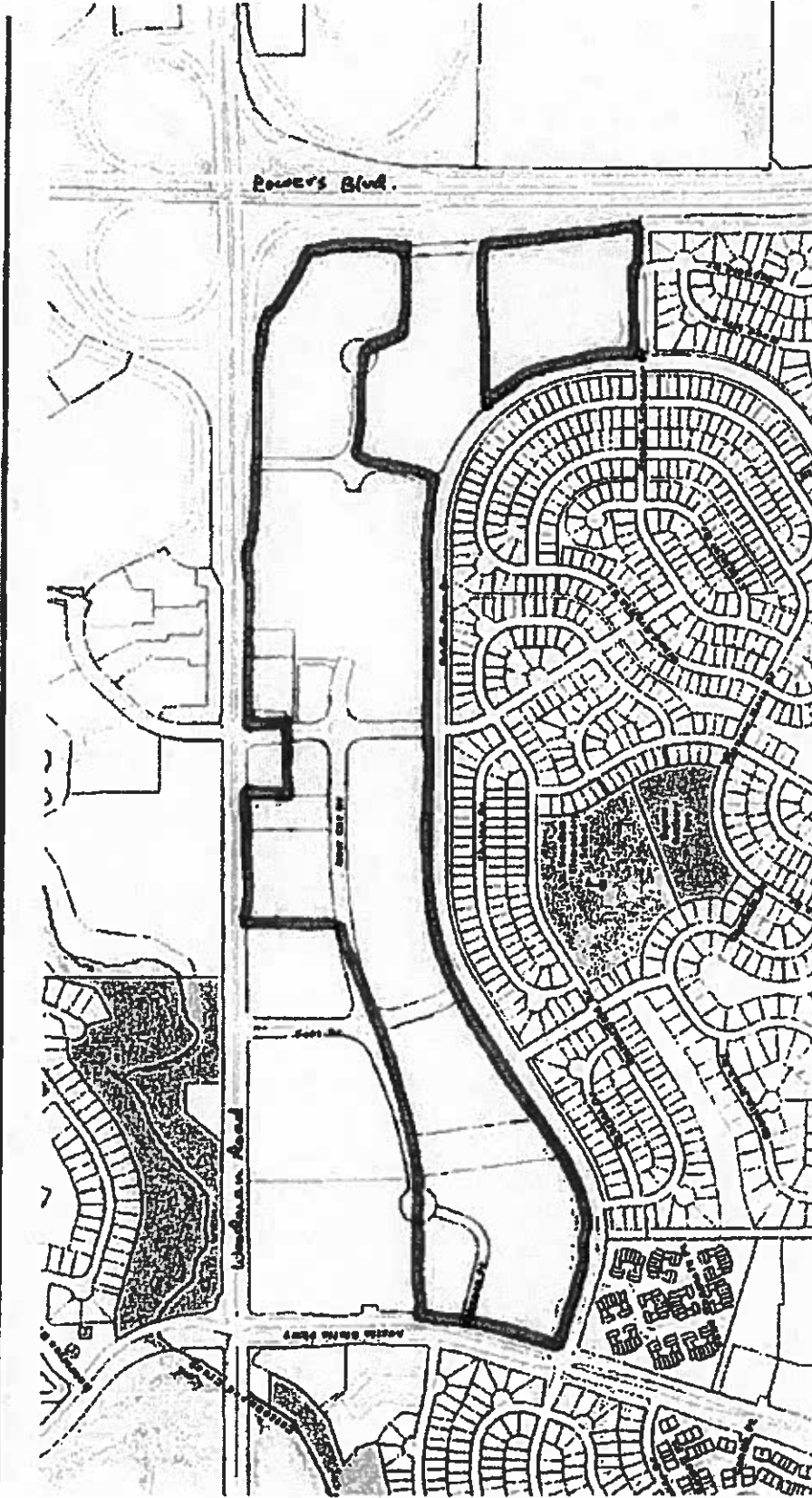
EXHIBIT C

District Boundary Map

El Paso County Assessor's Office



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— Autors and Cookmen Commercial BID boundary