

**2021 OPERATING PLAN AND BUDGET**

**POWERS &  
WOODMEN  
COMMERCIAL  
BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Colorado Springs, El Paso County, Colorado

**TABLE OF CONTENTS**

1. PURPOSE AND SCOPE OF THIS DISTRICT ..... 1  
    A. Requirement for this Operating Plan ..... 1  
    B. What Must Be Included in the Operating Plan? ..... 1  
    C. Purposes..... 1  
    D. Ownership of Property or Major Assets.. ..... 1  
    E. Contracts and Agreement..... 1  
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS ..... 2  
3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS ..... 2  
4. PUBLIC IMPROVEMENTS ..... 2  
5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE ..... 3  
6. FINANCIAL PLAN AND BUDGET ..... 3  
7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES..... 5  
8. 2021 ACTIVITIES, PROJECTS AND CHANGES ..... 5  
    A. Activities..... 5  
    B. Projects and Public Improvements ..... 5  
    C. Summary of 2021 Activities and Changes from Prior Year..... 6  
9. DISSOLUTION ..... 6  
10. CONCLUSION..... 6

EXHIBIT A - Director and Other Contact Information

EXHIBIT B - BID Budget 2021

    General Fund

    Debt Service Fund

    Capital Projects Fund

EXHIBIT C – District Boundary Map

**2021  
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.*, C.R.S., 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.*, C.R.S., 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 2004 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 2021 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 owns certain street improvements.

***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:

Timothy Seibert, President  
Christopher S. Jenkins, Vice-President  
David D. Jenkins, Secretary  
Delroy L. Johnson, Assistant Secretary  
Vacancy

Director and other pertinent contact information are provided in **EXHIBIT A**.

### D. *Term Limits.*

The District held a regular election on May 8, 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**. It is anticipated that the owner of the property converting 11 acres within the District's boundaries to multi-family use, and it is the District's understanding that the City has approved such change. The District anticipates that the property owner will petition to exclude the property from the District as required by statute.

## 4. PUBLIC IMPROVEMENTS

The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District. However, there may be instances to provide improvements or services outside of the boundaries of the District as development and completion of existing projects occur in 2021. The District shall have the authority to provide these

improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial improvements and services shall be as limited by state law.

The public improvements that the District anticipates it will construct, install or cause to be constructed and installed, include those public improvements the costs of which may, in accordance with the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping and storm and wastewater management facilities and associated land acquisition and remediation (the “Public Improvements”). The costs of such Public Improvements, including costs of design, acquisition, construction and financing, are referred to herein as the “Public Improvement Costs.”

## **5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE**

The District shall provide for ownership, operation, and maintenance of District facilities as activities of the District itself or by contract with other units of government or the private sector.

## **6. FINANCIAL PLAN AND BUDGET**

### **A. *2021 Budget.***

The 2021 Budget for the District is attached as **EXHIBIT B**.

### **B. *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 \$25,000,000 for refinancing of District debt. 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. On November 1, 2005, the District’s electors authorized additional indebtedness of \$2,500,000 for water and sanitary sewer. 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. This maximum debt authorization amount shall not be exceeded without express prior approval by the City.

### **C. *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.

### **D. *District Revenues.***

See 2021 Budget attached hereto as **EXHIBIT B**.

***E. Existing Debt Obligations.***

The District issued limited tax general obligation bonds in 2010 in the principal amount of \$1,850,000 with an interest rate of 8.5% (the “2010 Bonds”). The 2010 Bonds are subject to optional redemption beginning December 1, 2011. As required by the District's 2010 Operating Plan, the issuance of the 2010 Bonds was approved by Resolution No. 3-10 of the City Council. The District will annually review the interest rate on its bonds regarding market interest rate and evaluate possibilities to refund such bonds to the extent allowed pursuant to the bond documents.

***F. 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 consistent 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.

***G. Other Financial Obligations.***

The District anticipates a payment to the developer for prior capital infrastructure advances as evidenced in the 2021 Budget attached as **EXHIBIT B**.

The District has a total outstanding developer advance obligation of \$1,966,558, which accrues interest at a rate of 7%.

***H. 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.

***I. 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.

***J. 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.

***K.*** 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 consistent 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. 2021 ACTIVITIES, PROJECTS AND CHANGES**

### **A. *Activities.***

The District does not anticipate activity for commercial development in 2021.

### **B. *Projects and Public Improvements.***

The District does not presently anticipate funding the design, installation or acquisition of additional public improvements during 2021. If the District acts to

fund additional improvements during calendar year 2021, an amendment to this Operating Plan will be sought in accordance with the provisions of Section 31-25-1211, C.R.S.

**C. *Summary of 2021 Activities and Changes from Prior Year.***

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

**Boundary changes:** It is anticipated that the owner of the 11 acres that is converting to multi-family use will petition to exclude such property from the District's boundaries.

**Changes to board or governance structure:** An appointment to the Board of Directors may be made to fill the vacancy.

**Mill levy changes:** Mill levies remain the same for the upcoming year in the General and Debt Service Funds.

**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 2021 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 meet 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**  
**Powers & Woodmen Commercial Business Improvement District**

**BOARD OF DIRECTORS:**

<b>NAME &amp; ADDRESS</b>	<b>POSITION</b>	<b>TERM</b>	<b>PHONE #/E-MAIL</b>
Timothy Seibert Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	President	2020-2023	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:tseibert@nor-wood.com">tseibert@nor-wood.com</a>
Christopher S. Jenkins Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Vice President	2020-2023	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:chrisjenkins@nor-wood.com">chrisjenkins@nor-wood.com</a>
David D. Jenkins Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Secretary	2020-2023	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:ddj@nor-wood.com">ddj@nor-wood.com</a>
Delroy L. Johnson Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Assistant Secretary	2018-2022	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:djohnson@nor-wood.com">djohnson@nor-wood.com</a>
Vacancy		2018-2022	

**DISTRICT CONTACT:**

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

**DISTRICT MANAGER:**

Josh Miller  
 CliftonLarsonAllen LLP  
 8390 East Crescent Parkway, Suite 600  
 Greenwood Village, CO 80111  
 (w) 303-779-5710  
 (f) 303-779-0348  
[josh.miller@claconnect.com](mailto:josh.miller@claconnect.com)

**ACCOUNTANT:**

Carrie Bartow, CPA  
 CliftonLarsonAllen LLP  
 102 South Tejon, Suite 350  
 Colorado Springs, CO 80903  
 (w) 719-635-0300 x 77839  
 (f) 719-473-3630  
[carrie.bartow@claconnect.com](mailto:carrie.bartow@claconnect.com)

**AUDITOR:**

BiggsKofford, PC  
 630 Southpointe Court, Suite 200  
 Colorado Springs, CO 80906  
 719-579-9090  
 (f) 719-576-0126

**INSURANCE AND BONDS:**

T. Charles Wilson Insurance Service  
 384 Inverness Parkway  
 Centennial, CO 80112  
 303-368-5757

**STAFF:**

N/A

**EXHIBIT B**

**2021 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  
ANNUAL BUDGET  
FOR THE YEAR ENDING DECEMBER 31, 2021**

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT  
SUMMARY  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

9/22/20

	ACTUAL 2019	BUDGET 2020	ACTUAL 6/30/2020	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 714,648	\$ 895,140	\$ 899,055	\$ 899,055	\$ 624,161
REVENUES					
Property Taxes	324,364	344,447	287,356	344,447	344,373
Specific Ownership Taxes	39,271	37,889	17,379	37,889	34,437
Interest Income	21,649	14,799	5,237	10,330	3,535
Developer advance	-	-	-	475,000	-
Total revenues	<u>385,284</u>	<u>397,135</u>	<u>309,972</u>	<u>867,666</u>	<u>382,345</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>450,692</u>	<u>455,692</u>	<u>-</u>
Total funds available	<u>1,099,932</u>	<u>1,292,275</u>	<u>1,659,719</u>	<u>2,222,413</u>	<u>1,006,506</u>
EXPENDITURES					
General Fund	24,249	32,000	18,600	32,500	35,000
Debt Service Fund	176,628	1,025,000	4,144	179,368	180,000
Capital Projects Fund	-	-	450,692	930,692	-
Total expenditures	<u>200,877</u>	<u>1,057,000</u>	<u>473,436</u>	<u>1,142,560</u>	<u>215,000</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>450,692</u>	<u>455,692</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>200,877</u>	<u>1,057,000</u>	<u>924,128</u>	<u>1,598,252</u>	<u>215,000</u>
ENDING FUND BALANCES	<u>\$ 899,055</u>	<u>\$ 235,275</u>	<u>\$ 735,591</u>	<u>\$ 624,161</u>	<u>\$ 791,506</u>
EMERGENCY RESERVE	\$ 1,600	\$ 1,600	\$ 900	\$ 1,600	\$ 1,500
AVAILABLE FOR OPERATIONS	65,419	81,571	76,315	79,785	93,012
TOTAL RESERVE	<u>\$ 67,019</u>	<u>\$ 83,171</u>	<u>\$ 77,215</u>	<u>\$ 81,385</u>	<u>\$ 94,512</u>

No assurance provided. See summary of significant assumptions.

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

9/22/20

	ACTUAL 2019	BUDGET 2020	ACTUAL 6/30/2020	ESTIMATED 2020	BUDGET 2021
<b>ASSESSED VALUATION</b>					
Commercial	\$ 11,532,820	\$ 11,785,370	\$ 11,785,370	\$ 11,785,370	\$ 11,473,580
Agricultural	270	270	270	270	270
State assessed	2,700	1,900	1,900	1,900	2,740
Vacant land	939,740	1,460,440	1,460,440	1,460,440	1,768,530
Certified Assessed Value	<u>\$ 12,475,530</u>	<u>\$ 13,247,980</u>	<u>\$ 13,247,980</u>	<u>\$ 13,247,980</u>	<u>\$ 13,245,128</u>
<b>MILL LEVY</b>					
General	1.000	1.000	1.000	1.000	1.000
Debt Service	25.000	25.000	25.000	25.000	25.000
Total mill levy	<u>26.000</u>	<u>26.000</u>	<u>26.000</u>	<u>26.000</u>	<u>26.000</u>
<b>PROPERTY TAXES</b>					
General	\$ 12,476	\$ 13,247	\$ 13,247	\$ 13,247	\$ 13,245
Debt Service	311,888	331,200	331,200	331,200	331,128
Levied property taxes	<u>324,364</u>	<u>344,447</u>	<u>344,447</u>	<u>344,447</u>	<u>344,373</u>
Adjustments to actual/rounding	-	-	(57,091)	-	-
Budgeted property taxes	<u>\$ 324,364</u>	<u>\$ 344,447</u>	<u>\$ 287,356</u>	<u>\$ 344,447</u>	<u>\$ 344,373</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ 12,475	\$ 13,247	\$ 11,051	\$ 13,247	\$ 13,245
Debt Service	311,889	331,200	276,305	331,200	331,128
	<u>\$ 324,364</u>	<u>\$ 344,447</u>	<u>\$ 287,356</u>	<u>\$ 344,447</u>	<u>\$ 344,373</u>

No assurance provided. See summary of significant assumptions.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT  
GENERAL FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

9/22/20

	ACTUAL 2019	BUDGET 2020	ACTUAL 6/30/2020	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 38,586	\$ 62,817	\$ 67,019	\$ 67,019	\$ 81,385
REVENUES					
Property Taxes	12,475	13,247	11,051	13,247	13,245
Specific Ownership Taxes	39,271	37,889	17,379	37,889	34,437
Interest Income	936	1,218	366	730	445
Total revenues	<u>52,682</u>	<u>52,354</u>	<u>28,796</u>	<u>51,866</u>	<u>48,127</u>
Total funds available	<u>91,268</u>	<u>115,171</u>	<u>95,815</u>	<u>118,885</u>	<u>129,512</u>
EXPENDITURES					
General and administrative					
Accounting	11,722	15,000	8,186	15,000	15,000
Audit	2,200	2,250	2,300	2,300	2,350
County Treasurer's Fee	187	199	166	199	199
Dues	285	300	273	273	300
Insurance	2,182	2,400	1,834	1,834	2,400
District Management	3,034	3,500	3,312	6,500	6,500
Legal	4,202	5,000	939	2,000	5,000
Miscellaneous	437	500	354	500	500
Election	-	1,000	1,236	1,236	-
Contingency	-	1,851	-	2,658	2,751
Total expenditures	<u>24,249</u>	<u>32,000</u>	<u>18,600</u>	<u>32,500</u>	<u>35,000</u>
TRANSFERS OUT					
Transfers to other fund	-	-	-	5,000	-
Total expenditures and transfers out requiring appropriation	<u>24,249</u>	<u>32,000</u>	<u>18,600</u>	<u>37,500</u>	<u>35,000</u>
ENDING FUND BALANCE	<u>\$ 67,019</u>	<u>\$ 83,171</u>	<u>\$ 77,215</u>	<u>\$ 81,385</u>	<u>\$ 94,512</u>
EMERGENCY RESERVE	\$ 1,600	\$ 1,600	\$ 900	\$ 1,600	\$ 1,500
AVAILABLE FOR OPERATIONS	65,419	81,571	76,315	79,785	93,012
TOTAL RESERVE	<u>\$ 67,019</u>	<u>\$ 83,171</u>	<u>\$ 77,215</u>	<u>\$ 81,385</u>	<u>\$ 94,512</u>

No assurance provided. See summary of significant assumptions.

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

9/22/20

	ACTUAL 2019	BUDGET 2020	ACTUAL 6/30/2020	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 676,062	\$ 832,323	\$ 832,036	\$ 832,036	\$ 542,776
REVENUES					
Property Taxes	311,889	331,200	276,305	331,200	331,128
Interest Income	20,713	13,581	4,871	9,600	3,090
Total revenues	<u>332,602</u>	<u>344,781</u>	<u>281,176</u>	<u>340,800</u>	<u>334,218</u>
Total funds available	<u>1,008,664</u>	<u>1,177,104</u>	<u>1,113,212</u>	<u>1,172,836</u>	<u>876,994</u>
EXPENDITURES					
General and administrative					
County Treasurer's Fee	4,678	4,968	4,144	4,968	4,967
Contingency	-	5,632	-	-	3,608
Debt Service					
Repay Developer Advance	-	840,000	-	-	-
Bond Interest	141,950	139,400	-	139,400	136,425
Bond Principal	30,000	35,000	-	35,000	35,000
Total expenditures	<u>176,628</u>	<u>1,025,000</u>	<u>4,144</u>	<u>179,368</u>	<u>180,000</u>
TRANSFERS OUT					
Transfers to other fund	<u>-</u>	<u>-</u>	<u>450,692</u>	<u>450,692</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>176,628</u>	<u>1,025,000</u>	<u>454,836</u>	<u>630,060</u>	<u>180,000</u>
ENDING FUND BALANCE	<u>\$ 832,036</u>	<u>\$ 152,104</u>	<u>\$ 658,376</u>	<u>\$ 542,776</u>	<u>\$ 696,994</u>

No assurance provided. See summary of significant assumptions.

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

9/22/20

	ACTUAL 2019	BUDGET 2020	ACTUAL 6/30/2020	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Developer advance	-	-	-	475,000	-
Total revenues	-	-	-	475,000	-
TRANSFERS IN					
Transfers from other funds	-	-	450,692	455,692	-
Total funds available	-	-	450,692	930,692	-
EXPENDITURES					
General and Administrative					
Accounting	-	-	-	5,000	-
Repay developer advance	-	-	450,692	450,692	-
Capital outlay	-	-	-	475,000	-
Total expenditures	-	-	450,692	930,692	-
Total expenditures and transfers out requiring appropriation	-	-	450,692	930,692	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.



**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

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

The District was organized by Ordinance of the City of Colorado Springs on 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 in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those difference may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget using the adopted mill levy imposed by the District.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**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 budget assumes that the District's share will be equal to approximately 10% of the property taxes collected.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .5%.

**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 2021 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, 2011, without redemption premium. The proceeds from the Bonds were used to pay the costs of providing certain public improvements for the District.

The District entered into a Reimbursement Agreement (Agreement) with the Developer whereby the District agrees to reimburse the Developer for operational advances made on behalf of the District. The District agrees to repay the Developer along with accrued interest at a rate of 7% on the first day of the following year in which the advances were made. The Agreement does not constitute a multiple-fiscal year obligation.

On March 30, 2011, the District entered into the Amendment to the Reimbursement Agreement to recognize advances, and accrued interest, made to the District prior to 2006. Such advances were originally recorded in the District's records as a contribution.

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2021, as defined under TABOR.

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

**POWERS & WOODMEN COMMERCIAL BUSINESS IMPROVEMENT DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$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**

<b>Year Ended December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
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>\$ 1,605,000</u>	<u>\$ 1,683,425</u>	<u>\$ 3,288,425</u>

No assurance provided. See summary of significant assumptions.

**EXHIBIT C**

**District Boundary Map**

# POWERS & WOODMEN COMMERCIAL BID

 Tax Boundary

1 inch = 394.89 feet

08/24/2020 EPC Assessor's Office  
NAD\_1983\_StatePlane\_Colorado\_Central\_FIPS\_0502\_Feet  
Projection: Lambert\_Conformal\_Conic

COPYRIGHT 2018 by the Board of County Commissioners, El Paso County, Colorado. All rights reserved. No part of this document or data contained hereon may be reproduced, used to prepare derivative products, or distributed without the specific written approval of the Board of County Commissioners, El Paso County, Colorado. This document was prepared from the best data available at the time of plotting and is for internal use only. El Paso County, Colorado, makes no claim as to the completeness or accuracy of the data contained hereon.

