

**2017 OPERATING PLAN AND BUDGET**  
**BARNES & POWERS**  
**NORTH BUSINESS**  
**IMPROVEMENT**  
**DISTRICT**

City of Colorado Springs, El Paso County, Colorado

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**2017 OPERATING PLAN FOR THE  
BARNES & POWERS NORTH 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 Barnes & Powers North 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 2017 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 2017 budget year.

**E. *Contracts and Agreement.***

Pursuant to an Intergovernmental Agreement, dated November 30, 2011, with Barnes & Powers South Business Improvement District, the intergovernmental revenue

represents transfers from Barnes & Powers South to provide joint funding for the overall administrative and operating costs for the District and payment of capital infrastructure.

## 2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

### A. *Organization.*

The Barnes & Powers North Business Improvement District was organized by the City of Colorado Springs, Colorado by Ordinance No. 04-49 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:

Ralph A. Braden, President  
Christopher S. Jenkins, Vice-President  
David D. Jenkins, Secretary  
Frederick A. Veitch, Treasurer  
Delroy L. Johnson, Assistant Secretary

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

### D. *Term Limits.*

The District's director election in May, 2012, included a ballot question to eliminate term limits pursuant to Article 18, Section 11 of the Colorado Constitution. The question passed.

### 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 2017. If the District acts to fund additional

improvements during calendar year 2017, 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 2017.

## **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 2017. 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) The District issued its \$4,000,000 Limited Tax General Obligation Bonds, Series 2007 to acquire capital improvements in place that were built by the developer as contemplated in the 2007 Operating Plan. The City approved the 2007 bond issue by Resolution No. 84-07.

(b) Changes in Debt Capacity. The initial election in 2004 only authorized debt for streets and parking purposes. The election in 2005 authorized water and sanitation purposes for construction of lines and refunding. Following the issue of its Series 2007 bonds, the District has \$950,000 in remaining debt authorization.

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.

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

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

### **1. 2017 Budget.**

The 2017 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 \$2,600,000 for street improvements, \$2,600,000 for parking facilities, and \$6,500,000 for refinancing of District debt. On November 1, 2005, the District's electors authorized additional indebtedness of \$450,000 for water and \$150,000 for sanitary sewer. The voters also approved an annual increase in taxes of \$15,000, at a mill levy rate not to exceed one mill for general operation 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. As set forth in the District's 2007 operating plan, the City has limited the amount of debt to be issued to a total of \$4,950,000 in the authorized voted categories, without future approval by the City. No additional debt authorizations are contemplated in 2017.

- 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 2017 budget attached hereto as **Exhibit B**.
- 5. *Existing Debt Obligations.***  
The District issued \$4,000,000 Limited Tax General Obligation Bonds, Series 2007 to acquire capital improvements in place that were built by the developer as contemplated in the 2007 Operating Plan. The City approved the 2007 bond issue by Resolution No. 84-07. Following the issuance of its Series 2007 bonds, the District has \$950,000 in remaining debt authorization.
- 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. 2017 ACTIVITIES, PROJECTS AND CHANGES

**1. *Activities.***

The District does not anticipate additional infrastructure work for commercial development in 2017, 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 2017. If the District acts to fund additional improvements during calendar year 2017, 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 2017 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 levy increase in the Debt Service Fund from 46.000 mills to 49.000 mills. This increase is needed to fund the debt repayment obligations of the District.

***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 2017 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**  
**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT**

**BOARD OF DIRECTORS:**

NAME & ADDRESS	POSITION	TERM(S)	PHONE #/E-MAIL
Ralph A. Braden Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	President	2012-2016; 2016-2020	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:rbraden@nor-wood.com">rbraden@nor-wood.com</a>
Christopher S. Jenkins Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Vice President	2012-2016; 2016-2020	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	2012-2016; 2016-2020	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:ddj@nor-wood.com">ddj@nor-wood.com</a>
Frederick A. Veitch Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Treasurer	2010-2014; 2014-2018	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:fveitch@nor-wood.com">fveitch@nor-wood.com</a>
Delroy L. Johnson Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Assistant Secretary	2013-2014; 2014-2018	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:djohnson@nor-wood.com">djohnson@nor-wood.com</a>

**DISTRICT CONTACT:**

**DISTRICT MANAGER:**

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 <a href="mailto:djohnson@nor-wood.com">djohnson@nor-wood.com</a>	Cynthia Beyer CliftonLarsonAllen LLP 8390 East Crescent Parkway, Suite 600 Greenwood Village, CO 80111 (w) 303-779-5710 (f) 303-779-0348 <a href="mailto:Cynthia.Beyer@claconnect.com">Cynthia.Beyer@claconnect.com</a>
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**ACCOUNTANT:**

**AUDITOR:**

Carrie Bartow, CPA CliftonLarsonAllen LLP 102 South Tejon, Suite 350 Colorado Springs, CO 80903 (w) 719-635-0300 x 77839 (f) 719-473-3630 <a href="mailto:carrie.bartow@claconnect.com">carrie.bartow@claconnect.com</a>	BiggsKofford, PC 630 Southpointe Court, Suite 200 Colorado Springs, CO 80906 719-579-9090 (f) 719-576-0126
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**INSURANCE AND BONDS:**

**STAFF:**

T. Charles Wilson Insurance Service 384 Inverness Parkway Centennial, CO 80112 303-368-5757	N/A
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**EXHIBIT B**  
**2017 BID Budget**  
**General Fund**  
**Capital Projects Fund**  
**Debt Service Fund**  
**(including taxes, fees, assessments and estimated principal amount of bonds)**



**CliftonLarsonAllen**

CliftonLarsonAllen LLP  
CLAAconnect.com

**Accountant's Compilation Report**

Board of Directors  
Barnes & Powers North Business Improvement District  
El Paso County, Colorado

Management is responsible for the accompanying budget of revenues expenditures and fund balances of Barnes & Powers North Business Improvement District for the year ending December 31, 2017, including the estimate of comparative information for the year ending December 31, 2016, and the actual comparative information for the year ending December 31, 2015. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. A compilation is limited to presenting, in the form prescribed by C.R.S. 29-1-105, information that is the representation of management. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

We draw attention to the Summary of Significant Assumptions which describe that the budget is presented in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Barnes & Powers North Business Improvement District.

Colorado Springs, Colorado  
\_\_\_\_\_, 2016



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PRELIMINARY DRAFT – SUBJECT TO REVISION

**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT  
SUMMARY  
2017 BUDGET AS PROPOSED  
WITH 2015 ACTUAL AND 2016 ESTIMATED  
For the Years Ended and Ending December 31,**

9/13/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
BEGINNING FUND BALANCES	\$ 145,392	\$ 129,005	\$ 134,195	\$ 134,195	\$ 141,929
REVENUES					
1 Property taxes	303,224	330,582	316,284	330,582	327,528
2 Specific ownership taxes	34,266	36,360	15,066	36,360	36,030
3 Net investment income	522	180	855	1,130	700
4 Intergovernmental revenue	14,407	14,232	8,527	14,497	14,529
Total revenues	<u>352,419</u>	<u>381,354</u>	<u>340,732</u>	<u>382,569</u>	<u>378,787</u>
Total funds available	<u>497,811</u>	<u>510,359</u>	<u>474,927</u>	<u>516,764</u>	<u>520,716</u>
EXPENDITURES					
5 General and administration					
6 Accounting	20,694	18,000	13,613	22,000	20,000
7 Audit	6,800	6,900	6,900	6,900	7,000
8 Contingency	-	4,766	-	4,023	6,287
9 County Treasurer's fees	4,549	4,959	4,744	4,959	4,913
10 District management	5,544	9,000	1,970	5,000	9,000
11 Dues and membership	547	600	553	553	600
12 Election	-	3,500	1,994	2,000	-
13 Insurance	3,167	3,300	3,625	3,625	3,750
14 Legal	6,688	9,000	1,543	5,000	9,000
15 Miscellaneous	777	1,000	336	800	1,000
16 Debt service					
17 Bond interest	239,850	234,975	-	234,975	229,450
18 Bond principal	75,000	85,000	-	85,000	90,000
Total expenditures	<u>363,616</u>	<u>381,000</u>	<u>35,278</u>	<u>374,835</u>	<u>381,000</u>
Total expenditures and transfers out requiring appropriation	<u>363,616</u>	<u>381,000</u>	<u>35,278</u>	<u>374,835</u>	<u>381,000</u>
ENDING FUND BALANCES	<u>\$ 134,195</u>	<u>\$ 129,359</u>	<u>\$ 439,649</u>	<u>\$ 141,929</u>	<u>\$ 139,716</u>
EMERGENCY RESERVE	<u>\$ 1,700</u>	<u>\$ 1,800</u>	<u>\$ 900</u>	<u>\$ 1,800</u>	<u>\$ 1,800</u>
TOTAL RESERVE	<u>\$ 1,700</u>	<u>\$ 1,800</u>	<u>\$ 900</u>	<u>\$ 1,800</u>	<u>\$ 1,800</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.

**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT**  
**PROPERTY TAX SUMMARY INFORMATION**  
**For the Years Ended and Ending December 31,**

9/13/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
<b>ASSESSED VALUATION - EL PASO</b>					
Commercial	\$ 6,451,580	\$ 6,611,630	\$ 6,611,630	\$ 6,611,630	\$ 6,550,550
Certified Assessed Value	<u>\$ 6,451,580</u>	<u>\$ 6,611,630</u>	<u>\$ 6,611,630</u>	<u>\$ 6,611,630</u>	<u>\$ 6,550,550</u>
<b>MILL LEVY</b>					
GENERAL FUND	1.000	1.000	1.000	1.000	1.000
DEBT SERVICE FUND	46.000	49.000	49.000	49.000	49.000
Total Mill Levy	<u>47.000</u>	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
<b>PROPERTY TAXES</b>					
GENERAL FUND	\$ 6,452	\$ 6,612	\$ 6,612	\$ 6,612	\$ 6,551
DEBT SERVICE FUND	296,773	323,970	323,970	323,970	320,977
Levied property taxes	303,225	330,582	330,582	330,582	327,528
Adjustments to actual/rounding	(1)	-	(14,298)	-	-
Budgeted Property Taxes	<u>\$ 303,224</u>	<u>\$ 330,582</u>	<u>\$ 316,284</u>	<u>\$ 330,582</u>	<u>\$ 327,528</u>
<b>BUDGETED PROPERTY TAXES</b>					
GENERAL FUND	\$ 6,452	\$ 6,612	\$ 6,326	\$ 6,612	\$ 6,551
DEBT SERVICE FUND	296,772	323,970	309,958	323,970	320,977
	<u>\$ 303,224</u>	<u>\$ 330,582</u>	<u>\$ 316,284</u>	<u>\$ 330,582</u>	<u>\$ 327,528</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.

**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT**  
**GENERAL FUND**  
**2017 BUDGET AS PROPOSED**  
**WITH 2015 ACTUAL AND 2016 ESTIMATED**  
**For the Years Ended and Ending December 31,**

9/13/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
BEGINNING FUND BALANCES	\$ 25,545	\$ 31,248	\$ 36,405	\$ 36,405	\$ 44,004
REVENUES					
1 Property taxes	6,452	6,612	6,326	6,612	6,551
2 Specific ownership taxes	34,266	36,360	15,066	36,360	36,030
3 Net investment income	49	40	69	130	200
4 Intergovernmental revenue	14,407	14,232	8,527	14,497	14,529
Total revenues	<u>55,174</u>	<u>57,244</u>	<u>29,988</u>	<u>57,599</u>	<u>57,310</u>
Total funds available	<u>80,719</u>	<u>88,492</u>	<u>66,393</u>	<u>94,004</u>	<u>101,314</u>
EXPENDITURES					
General and administration					
5 Accounting	20,694	18,000	13,613	22,000	20,000
6 Audit	6,800	6,900	6,900	6,900	7,000
7 Contingency	-	3,601	-	4,023	4,552
8 County Treasurer's fees	97	99	95	99	98
9 District management	5,544	9,000	1,970	5,000	9,000
10 Dues and membership	547	600	553	553	600
11 Election	-	3,500	1,994	2,000	-
12 Insurance	3,167	3,300	3,625	3,625	3,750
13 Legal	6,688	9,000	1,543	5,000	9,000
14 Miscellaneous	777	1,000	336	800	1,000
Total expenditures	<u>44,314</u>	<u>55,000</u>	<u>30,629</u>	<u>50,000</u>	<u>55,000</u>
Total expenditures and transfers out requiring appropriation	<u>44,314</u>	<u>55,000</u>	<u>30,629</u>	<u>50,000</u>	<u>55,000</u>
ENDING FUND BALANCES	<u>\$ 36,405</u>	<u>\$ 33,492</u>	<u>\$ 35,764</u>	<u>\$ 44,004</u>	<u>\$ 46,314</u>
EMERGENCY RESERVE	<u>\$ 1,700</u>	<u>\$ 1,800</u>	<u>\$ 900</u>	<u>\$ 1,800</u>	<u>\$ 1,800</u>
TOTAL RESERVE	<u>\$ 1,700</u>	<u>\$ 1,800</u>	<u>\$ 900</u>	<u>\$ 1,800</u>	<u>\$ 1,800</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.

**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT  
DEBT SERVICE FUND  
2017 BUDGET AS PROPOSED  
WITH 2015 ACTUAL AND 2016 ESTIMATED  
For the Years Ended and Ending December 31,**

9/13/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
BEGINNING FUND BALANCES	\$ 119,847	\$ 97,757	\$ 97,790	\$ 97,790	\$ 97,925
REVENUES					
1 Property taxes	296,772	323,970	309,958	323,970	320,977
2 Net investment income	473	140	786	1,000	500
Total revenues	<u>297,245</u>	<u>324,110</u>	<u>310,744</u>	<u>324,970</u>	<u>321,477</u>
Total funds available	<u>417,092</u>	<u>421,867</u>	<u>408,534</u>	<u>422,760</u>	<u>419,402</u>
EXPENDITURES					
General and administration					
3 Contingency	-	1,165	-	-	1,735
4 County Treasurer's fees	4,452	4,860	4,649	4,860	4,815
Debt service					
5 Bond interest	239,850	234,975	-	234,975	229,450
6 Bond principal	75,000	85,000	-	85,000	90,000
Total expenditures	<u>319,302</u>	<u>326,000</u>	<u>4,649</u>	<u>324,835</u>	<u>326,000</u>
Total expenditures and transfers out requiring appropriation	<u>319,302</u>	<u>326,000</u>	<u>4,649</u>	<u>324,835</u>	<u>326,000</u>
ENDING FUND BALANCES	<u>\$ 97,790</u>	<u>\$ 95,867</u>	<u>\$ 403,885</u>	<u>\$ 97,925</u>	<u>\$ 93,402</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.

**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT  
 CAPITAL PROJECTS FUND  
 2017 BUDGET AS PROPOSED  
 WITH 2015 ACTUAL AND 2016 ESTIMATED  
 For the Years Ended and Ending December 31,**

9/13/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
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.



**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT  
2017 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 \$2,600,000 for street improvements, \$2,600,000 for parking facilities, and \$6,500,000 for refinancing of District debt. On November 1, 2005, the District's electors authorized additional indebtedness of \$450,000 for water and \$150,000 for sanitary sewer. The voters also approved an annual increase in taxes of \$15,000, 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 2007 operating plan, the City has limited the amount of debt to be issued to a total of \$4,950,000 in the authorized voted categories, without future approval by the City.

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

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.

**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 page 3 of the Budget at the total adopted mill levy of 50.000 mills.

**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 11% of the property taxes collected.

**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT  
2017 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 0.50%.

**Intergovernmental Revenue**

Pursuant to an Intergovernmental Agreement, dated November 30, 2011, with Barnes and Powers South Business Improvement District, the intergovernmental revenue represents transfers from Barnes & Powers South to provide funding for the overall administrative and operating costs for the District and payment of capital infrastructure.

**Expenditures**

**Administrative 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 tax collected.

**Debt Service**

On June 27, 2007, the District issued \$4,000,000 in General Obligation Bonds. The Bonds are due December 1, 2036, and bear an interest rate of 6.5% paid annually on December 1. At the option of the district on any date, the bonds are subject to redemption prior to maturity without redemption premium. The proceeds from the Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

**Debt and Leases**

The District's current debt service schedule is attached. 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 2017, as defined under TABOR.

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

**BARNES & POWERS NORTH BUSINESS IMPROVEMENT DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
December 31, 2016**

**\$4,000,000 General Obligation Bonds  
Dated June 27, 2007  
Interest Rate 6.5%  
Principal and Interest Due December 1**


	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 90,000	\$ 229,450	\$ 319,450
2018	95,000	223,600	318,600
2019	105,000	217,425	322,425
2020	110,000	210,600	320,600
2021	115,000	203,450	318,450
2022	125,000	195,975	320,975
2023	135,000	187,850	322,850
2024	140,000	179,075	319,075
2025	150,000	169,975	319,975
2026	160,000	160,225	320,225
2027	170,000	149,825	319,825
2028	180,000	138,775	318,775
2029	195,000	127,075	322,075
2030	205,000	114,400	319,400
2031	220,000	101,075	321,075
2032	235,000	86,775	321,775
2033	250,000	71,500	321,500
2034	265,000	55,250	320,250
2035	285,000	38,025	323,025
2036	300,000	19,500	319,500
	<u>\$ 3,530,000</u>	<u>\$ 2,879,825</u>	<u>\$ 6,409,825</u>

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

PRELIMINARY DRAFT - SUBJECT TO REVISION.

**EXHIBIT C**  
**District Boundary Map**

# BARNES & POWERS NORTH BID

 Tax Boundary

1 inch = 270.83 feet

Created 11/23/2015 EPC Assessor's Office  
NAD\_1983\_StatePlane\_Colorado\_Central\_FIPS\_0502\_Feet  
Projection: Lambert\_Conformal\_Conic

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