

**BARNES & POWERS SOUTH
BUSINESS IMPROVEMENT DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026**

**BARNES & POWERS SOUTH BID
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 45,354	\$ 55,038	\$ 32,679
REVENUES			
Property taxes	89,561	60,011	52,811
Specific ownership taxes	8,402	8,612	5,017
Interest Income	4,878	2,691	650
Other Revenue	122	53	1,989
Total revenues	<u>102,963</u>	<u>71,367</u>	<u>60,467</u>
Total funds available	<u>148,317</u>	<u>126,405</u>	<u>93,146</u>
EXPENDITURES			
General Fund	13,355	13,472	11,905
Debt Service Fund	79,924	80,254	81,241
Total expenditures	<u>93,279</u>	<u>93,726</u>	<u>93,146</u>
Total expenditures and transfers out requiring appropriation	<u>93,279</u>	<u>93,726</u>	<u>93,146</u>
ENDING FUND BALANCES	<u>\$ 55,038</u>	<u>\$ 32,679</u>	<u>\$ -</u>

See summary of significant assumptions.

**BARNES & POWERS SOUTH BID
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Commercial	\$ 4,523,120	\$ 4,601,730	\$ 4,742,380
Certified Assessed Value	<u>\$ 4,523,120</u>	<u>\$ 4,601,730</u>	<u>\$ 4,742,380</u>
MILL LEVY			
General	1.041	1.041	1.033
Debt Service	18.744	12.000	10.103
Total mill levy	<u>19.785</u>	<u>13.041</u>	<u>11.136</u>
PROPERTY TAXES			
General	\$ 4,709	\$ 4,790	\$ 4,899
Debt Service	84,781	55,221	47,912
Levied property taxes	<u>89,490</u>	<u>60,011</u>	<u>52,811</u>
Adjustments to actual/rounding	71	-	-
Budgeted property taxes	<u>\$ 89,561</u>	<u>\$ 60,011</u>	<u>\$ 52,811</u>
BUDGETED PROPERTY TAXES			
General	\$ 4,713	\$ 4,790	\$ 4,899
Debt Service	84,848	55,221	47,912
	<u>\$ 89,561</u>	<u>\$ 60,011</u>	<u>\$ 52,811</u>

See summary of significant assumptions.

**BARNES & POWERS SOUTH BID
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	4,713	4,790	4,899
Specific ownership taxes	8,402	8,612	5,017
Interest Income	118	17	-
Other Revenue	122	53	1,989
Total revenues	<u>13,355</u>	<u>13,472</u>	<u>11,905</u>
Total funds available	<u>13,355</u>	<u>13,472</u>	<u>11,905</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	71	72	73
Intergovernmental expenditures	13,284	13,400	9,843
Contingency	-	-	1,989
Total expenditures	<u>13,355</u>	<u>13,472</u>	<u>11,905</u>
Total expenditures and transfers out requiring appropriation	<u>13,355</u>	<u>13,472</u>	<u>11,905</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

**BARNES & POWERS SOUTH BID
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 45,354	\$ 55,038	\$ 32,679
REVENUES			
Property taxes	84,848	55,221	47,912
Interest Income	4,760	2,674	650
Total revenues	<u>89,608</u>	<u>57,895</u>	<u>48,562</u>
Total funds available	<u>134,962</u>	<u>112,933</u>	<u>81,241</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	1,274	829	719
Contingency	-	-	647
Debt Service			
Bond interest	13,650	9,425	4,875
Bond principal	65,000	70,000	75,000
Total expenditures	<u>79,924</u>	<u>80,254</u>	<u>81,241</u>
Total expenditures and transfers out requiring appropriation	<u>79,924</u>	<u>80,254</u>	<u>81,241</u>
ENDING FUND BALANCES	<u>\$ 55,038</u>	<u>\$ 32,679</u>	<u>\$ -</u>

See summary of significant assumptions.

**BARNES & POWERS SOUTH BUSINESS IMPROVEMENT DISTRICT
2026 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 \$3,000,000 for street improvements, \$2,500,000 for parking facilities, and \$6,500,000 for refinancing of District debt. On November 1, 2005, the District's electors authorized additional indebtedness of \$400,000 for water and \$125,000 for sanitary sewer and storm drainage. The voters also approved an annual increase in taxes of \$11,000, 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 \$2,200,000 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 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 District's Board of Directors certifies the mill levy to the County 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.

**BARNES & POWERS SOUTH BUSINESS IMPROVEMENT DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Property Taxes – (continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

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 9.5% 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 4%.

Expenditures

County Treasurer's Fees

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

Intergovernmental expenditures

Pursuant to an Intergovernmental Agreement, dated November 30, 2011, with Barnes and Powers North Business Improvement District, the intergovernmental expenditures represent transfers to Barnes and Powers North to provide funding for the overall administrative and operating costs, as well as capital infrastructure costs for the District.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2007 Bonds (discussed under Debt and Leases).

**BARNES & POWERS SOUTH BUSINESS IMPROVEMENT DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On June 27, 2007, the District issued \$835,000 in General Obligation Bonds. The Bonds are due December 1, 2026, and bear an interest rate of 6.5% paid semiannually on June 1 and 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. The District's current debt service schedule is attached. The bonds will be fully paid in 2026.

The District has no capital or operating leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Barnes and Powers North Business Improvement District, which pays for all of the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget. It is accounted for in Barnes and Powers North Business Improvement District.

This information is an integral part of the accompanying budget.

**BARNES & POWERS SOUTH BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$835,000 General Obligation Bonds
Dated June 27, 2007
Interest Rate 6.5%**

Principal Due December 1

Interest Payable June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	75,000	4,875	79,875
	<u>\$ 75,000</u>	<u>\$ 4,875</u>	<u>\$ 79,875</u>

See summary of significant assumptions.