

**INTERQUEST NORTH
BUSINESS IMPROVEMENT DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025**

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 5,822,481	\$ 7,584,452	\$ 5,711,308
REVENUES			
Property taxes	599,353	657,349	618,583
Specific ownership taxes	61,279	65,735	61,858
Interest income	401,507	344,104	218,000
Developer advance	5,742,381	2,491,621	4,100,000
Other revenue	302	1,422	-
Bond issuance proceeds	5,742,000	118,000	-
PIF Revenue	2,944,491	2,703,000	2,800,000
Total revenues	<u>15,491,313</u>	<u>6,381,231</u>	<u>7,798,441</u>
TRANSFERS IN	<u>308,215</u>	<u>3,723,881</u>	<u>4,557,440</u>
Total funds available	<u>21,622,009</u>	<u>17,689,564</u>	<u>18,067,190</u>
EXPENDITURES			
General Fund	629,502	570,680	440,000
Debt Service Fund	1,568,030	2,092,232	2,008,674
Capital Projects Fund	11,531,809	5,591,463	8,351,000
Total expenditures	<u>13,729,341</u>	<u>8,254,375</u>	<u>10,799,674</u>
TRANSFERS OUT	<u>308,215</u>	<u>3,723,881</u>	<u>4,557,440</u>
Total expenditures and transfers out requiring appropriation	<u>14,037,556</u>	<u>11,978,256</u>	<u>15,357,114</u>
ENDING FUND BALANCES	<u>\$ 7,584,452</u>	<u>\$ 5,711,308</u>	<u>\$ 2,710,076</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	\$ 3,300 (269,514)	\$ 25,700 68	\$ 13,300 232
TOTAL RESERVE	<u>\$ (266,214)</u>	<u>\$ 25,768</u>	<u>\$ 13,532</u>

No assurance provided. See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Commercial	\$ 32,114,990	\$ 49,589,520	\$ 46,534,380
State assessed	-	-	75,300
Vacant land	403,070	816,790	816,790
Certified Assessed Value	\$ 32,518,060	\$ 50,406,310	\$ 47,426,470

MILL LEVY

General	1.000	1.041	1.043
Debt Service	17.000	12.000	12.000
Total mill levy	18.000	13.041	13.043

PROPERTY TAXES

General	\$ 32,518	\$ 52,473	\$ 49,466
Debt Service	552,807	604,876	569,117
Levied property taxes	585,325	657,349	618,583
Adjustments to actual/rounding	1,069	-	-
Refunds and abatements	12,959	-	-
Budgeted property taxes	\$ 599,353	\$ 657,349	\$ 618,583

BUDGETED PROPERTY TAXES

General	\$ 33,297	\$ 52,473	\$ 49,466
Debt Service	566,056	604,876	569,117
	\$ 599,353	\$ 657,349	\$ 618,583

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ (33,380)	\$ (266,214)	\$ 25,768
REVENUES			
Property taxes	33,297	52,473	49,466
Specific ownership taxes	61,279	65,735	61,858
Interest income	11,790	4,100	10,000
Other revenue	302	1,422	-
Total revenues	<u>106,668</u>	<u>123,730</u>	<u>121,324</u>
TRANSFERS IN			
Transfers from other funds	<u>290,000</u>	<u>738,932</u>	<u>306,440</u>
Total funds available	<u>363,288</u>	<u>596,448</u>	<u>453,532</u>
EXPENDITURES			
General and administrative			
Accounting	32,156	50,000	45,000
Auditing	4,650	5,100	5,500
County Treasurer's Fee	501	-	742
Dues and membership	30	643	2,200
Insurance	2,527	2,945	3,960
District management	39,266	30,000	30,000
Legal	239,960	30,000	30,000
Miscellaneous	6,083	151,862	5,500
PIF Collection Expense	12,836	17,500	18,500
Ground Lease	200	100	100
Security	49,211	70,280	73,000
Election	14,568	-	-
Contingency	-	-	3,558
Operations and maintenance			
Repairs and maintenance	62,824	42,168	45,000
Landscaping	40,790	43,925	44,000
Capital Reserve	33,267	35,140	36,000
Marketing	13,550	14,056	15,000
Snow removal	37,591	34,437	37,500
Water - non utilities	6,986	8,785	8,900
Signage	650	1,757	1,850
Management Staff	8,108	8,785	9,000
Stormwater	3,012	3,870	3,890
Other Grounds expense	13,060	14,407	15,500
Electricity	7,676	4,920	5,300
Total expenditures	<u>629,502</u>	<u>570,680</u>	<u>440,000</u>
Total expenditures and transfers out requiring appropriation	<u>629,502</u>	<u>570,680</u>	<u>440,000</u>
ENDING FUND BALANCES	<u>\$ (266,214)</u>	<u>\$ 25,768</u>	<u>\$ 13,532</u>
EMERGENCY RESERVE	\$ 3,300	\$ 25,700	\$ 13,300
AVAILABLE FOR OPERATIONS	(269,514)	68	232
TOTAL RESERVE	<u>\$ (266,214)</u>	<u>\$ 25,768</u>	<u>\$ 13,532</u>

No assurance provided. See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 5,825,196	\$ 7,847,563	\$ 5,685,540
REVENUES			
Property taxes	566,056	604,876	569,117
PIF Revenue	2,944,491	2,703,000	2,800,000
Interest income	388,066	340,000	208,000
Total revenues	<u>3,898,613</u>	<u>3,647,876</u>	<u>3,577,117</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>3,107</u>	<u>-</u>
Total funds available	<u>9,723,809</u>	<u>11,498,546</u>	<u>9,262,657</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	8,515	16,000	8,537
Contingency	-	-	1,533
Debt Service			
PIF Rebate	61,165	53,907	54,014
Bond interest	1,313,350	1,704,325	1,605,590
Bond principal	185,000	318,000	339,000
Total expenditures	<u>1,568,030</u>	<u>2,092,232</u>	<u>2,008,674</u>
TRANSFERS OUT			
Transfers to other fund	308,215	3,720,774	4,557,440
Total expenditures and transfers out requiring appropriation	<u>1,876,245</u>	<u>5,813,006</u>	<u>6,566,114</u>
ENDING FUND BALANCES	<u>\$ 7,847,563</u>	<u>\$ 5,685,540</u>	<u>\$ 2,696,543</u>

No assurance provided. See summary of significant assumptions.

**INTERQUEST NORTH BUSINES IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 30,665	\$ 3,103	\$ -
REVENUES			
Interest income	1,651	4	-
Developer advance	5,742,381	2,491,621	4,100,000
Bond issuance proceeds	5,742,000	118,000	-
Total revenues	<u>11,486,032</u>	<u>2,609,625</u>	<u>4,100,000</u>
TRANSFERS IN			
Transfers from other funds	<u>18,215</u>	<u>2,981,842</u>	<u>4,251,000</u>
Total funds available	<u>11,534,912</u>	<u>5,594,570</u>	<u>8,351,000</u>
EXPENDITURES			
General and Administrative			
Accounting	-	-	2,500
Legal	5,547	-	-
Capital Projects			
Repay developer advance	5,742,381	2,491,931	4,100,000
Developer advance - interest expense	-	607,911	143,500
Engineering	1,500	-	5,000
Bond issue costs	40,000	-	-
Capital outlay	5,742,381	2,491,621	4,100,000
Total expenditures	<u>11,531,809</u>	<u>5,591,463</u>	<u>8,351,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>3,107</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>11,531,809</u>	<u>5,594,570</u>	<u>8,351,000</u>
ENDING FUND BALANCES	<u>\$ 3,103</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
2025 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 October 26, 2004.

At an election held on November 2, 2004, the voters approved general obligation indebtedness of \$9,900,000 for street improvements. On November 1, 2005, the District's electors authorized additional indebtedness of \$3,100,000 for water and storm drainage. The voters also approved an annual increase in taxes of \$50,000, 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 2005 operating plan, the City has limited the amount of debt to be issued to a total of \$9,900,000 in the authorized voted categories, without future approval by the City. On November 6, 2018, the District's electors authorized additional indebtedness of \$25,000,000 for water improvements, \$25,000,000 for sanitary sewer improvements, \$25,000,000 for street improvements, \$25,000,000 for traffic and safety improvements, \$25,000,000 for park and recreation improvements, \$25,000,000 for transportation improvements, \$25,000,000 for security improvements, \$25,000,000 for operations and maintenance, \$25,000,000 for refinancing debt, and \$25,000,000 for reimbursement agreements.

Per the approval of the City Council on October 23, 2018, the amount of authorized debt has been increased from \$13,000,000 to \$25,000,000.

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 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.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

The District is required to impose a maximum Required Mill Levy of 18.042 mills for collection in 2025. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up and deficiencies in the Reserve Fund].

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.

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

Specific Ownership Taxes

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 4%.

PIF Fees

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1.25%.

Developer Advance

Developer advances are expected to fund a portion of capital project fund expenditures.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative Expenditures

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

County Treasurer's Fees

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

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Repay Developer Advances

The District anticipates repayment of developer advances as noted in the Capital Projects fund.

Debt Service

Principal and interest payments in 2025 are provided based upon the debt amortization schedules of the Series 2010 General Obligation Bonds, the Series 2016 Limited Tax General Obligation Bonds and the Series 2020 Limited Tax General Obligation Bonds.

Debt and Leases

On December 3, 2010, the District issued \$6,500,000 in General Obligation Bonds. The Bonds mature on December 1, 2040, and bear an interest rate of 8.5% paid annually on December 1. The first interest payment was due on December 1, 2011. 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. On December 1, 2023, the District reissued the bonds at a 7.00% interest rate.

On June 8, 2016, the District issued \$4,765,000 in Limited Tax General Obligation Bonds. The Bonds mature on December 1, 2045, and bear an interest rate of 6.5% paid annually on December 1, with optional call date December 1, 2025. The proceeds from the Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

On September 15, 2020, the District issued a \$13,735,000 Limited Tax General Obligation Drawdown Bonds. The initial Draw was for \$1,535,000. The Bonds mature on December 1, 2049, and bear an interest rate of 7% paid annually on December 1, with optional call date January 1, 2027. The proceeds from the Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs. As of December 31, 2024, the Bond has been fully drawn.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

The District entered into a Facilities Funding and Reimbursement Agreement (Agreement) with the Developer. 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.

The District's current debt service schedules are attached.

The District has no capital or operational leases.

The District has outstanding Developer Advances and activity as follows:

	Balance - December 31, 2023	Additions	Retirements/ Reductions	Balance - December 31, 2024*
Developer Advances	\$310	\$2,491,621	\$2,491,931	\$-
Accrued Interest - Developer				
Advances	450,764	157,147	607,911	-
Total	<u>\$451,074</u>	<u>\$2,648,768</u>	<u>\$3,099,842</u>	<u>\$-</u>
	Balance - December 31, 2024*	Additions	Retirements/ Reductions	Balance - December 31, 2025*
Developer Advances	\$-	\$4,100,000	\$4,100,000	\$-
Accrued Interest - Developer				
Advances	-	143,500	143,500	-
Total	<u>\$-</u>	<u>\$4,243,500</u>	<u>\$4,243,500</u>	<u>\$-</u>

* - Estimated

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2025, as defined under TABOR.

This information is an integral part of the accompanying budget.

INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

\$6,500,000
Series 2010 General Obligation Refunding Bonds
Dated December 3, 2010
Interest Rate 7.00%

Year Ended December 31,	Principal and Interest Due December 1		
	Principal	Interest	Total
2025	\$ 180,000	\$ 361,200	\$ 541,200
2026	195,000	348,600	543,600
2027	210,000	334,950	544,950
2028	230,000	320,250	550,250
2029	250,000	304,150	554,150
2030	270,000	286,650	556,650
2031	290,000	267,750	557,750
2032	315,000	247,450	562,450
2033	345,000	225,400	570,400
2034	375,000	201,250	576,250
2035	405,000	175,000	580,000
2036	355,000	146,650	501,650
2037	385,000	121,800	506,800
2038	415,000	94,850	509,850
2039	450,000	65,800	515,800
2040	490,000	34,300	524,300
	<u>\$ 5,160,000</u>	<u>\$ 3,536,050</u>	<u>\$ 8,696,050</u>

No assurance provided. See summary of significant assumptions.

INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

\$4,765,000

Series 2016 Limited Tax General Obligation Bonds

Dated June 8, 2016

Interest Rate 6.50%

Year Ended December 31,	Principal and Interest Due December 1		
	Principal	Interest	Total
2025	\$ 40,000	\$ 291,850	\$ 331,850
2026	45,000	289,250	334,250
2027	45,000	286,325	331,325
2028	50,000	283,400	333,400
2029	50,000	280,150	330,150
2030	55,000	276,900	331,900
2031	60,000	273,325	333,325
2032	60,000	269,425	329,425
2033	70,000	265,525	335,525
2034	70,000	260,975	330,975
2035	70,000	256,425	326,425
2036	165,000	251,875	416,875
2037	180,000	241,150	421,150
2038	185,000	229,450	414,450
2039	200,000	217,425	417,425
2040	210,000	204,425	414,425
2041	515,000	190,775	705,775
2042	550,000	157,300	707,300
2043	585,000	121,550	706,550
2044	620,000	83,525	703,525
2045	665,000	43,225	708,225
	<u>\$ 4,490,000</u>	<u>\$ 4,774,250</u>	<u>\$ 9,264,250</u>

No assurance provided. See summary of significant assumptions.

INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

\$13,735,000

Series 2020 Limited Tax General Obligation Bonds - Draw 1 - 4

Dated September 15, 2020

Interest Rate 7.00%

Year Ended December 31,	Principal and Interest Due December 1		
	Principal	Interest	Total
2025	\$ 119,000	\$ 953,540	\$ 1,072,540
2026	125,000	945,210	1,070,210
2027	138,000	936,460	1,074,460
2028	144,000	926,800	1,070,800
2029	157,000	916,720	1,073,720
2030	167,000	905,730	1,072,730
2031	180,000	894,040	1,074,040
2032	196,000	881,440	1,077,440
2033	201,000	867,720	1,068,720
2034	219,000	853,650	1,072,650
2035	240,000	838,320	1,078,320
2036	251,000	821,520	1,072,520
2037	265,000	803,950	1,068,950
2038	293,000	785,400	1,078,400
2039	311,000	764,890	1,075,890
2040	334,000	743,120	1,077,120
2041	597,000	719,740	1,316,740
2042	637,000	677,950	1,314,950
2043	683,000	633,360	1,316,360
2044	734,000	585,550	1,319,550
2045	780,000	534,170	1,314,170
2046	1,543,000	479,570	2,022,570
2047	1,651,000	371,560	2,022,560
2048	1,767,000	255,990	2,022,990
2049	1,890,000	132,300	2,022,300
	<u>\$ 13,622,000</u>	<u>\$ 18,228,700</u>	<u>\$ 31,850,700</u>

No assurance provided. See summary of significant assumptions.