

**INTERQUEST NORTH
BUSINESS IMPROVEMENT DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026**

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 7,584,452	\$ 6,054,890	\$ 6,200,551
REVENUES			
Property taxes	658,850	618,987	324,727
Specific ownership taxes	61,715	61,858	30,849
PIF revenue	2,896,150	2,750,000	2,875,000
Interest income	381,283	305,870	100,200
Developer advance	2,491,621	-	3,400,000
Bond issuance proceeds	118,000	-	-
Other revenue	1,422	-	2,456
Total revenues	<u>6,609,041</u>	<u>3,736,715</u>	<u>6,733,232</u>
TRANSFERS IN	<u>3,260,523</u>	<u>1,893,105</u>	<u>4,751,500</u>
Total funds available	<u>17,454,016</u>	<u>11,684,710</u>	<u>17,685,283</u>
EXPENDITURES			
General Fund	534,863	1,579,195	571,500
Debt Service Fund	2,012,277	2,008,754	1,989,088
Capital Projects Fund	5,591,463	3,105	7,626,500
Total expenditures	<u>8,138,603</u>	<u>3,591,054</u>	<u>10,187,088</u>
TRANSFERS OUT	<u>3,260,523</u>	<u>1,893,105</u>	<u>4,751,500</u>
Total expenditures and transfers out requiring appropriation	<u>11,399,126</u>	<u>5,484,159</u>	<u>14,938,588</u>
ENDING FUND BALANCES	<u>\$ 6,054,890</u>	<u>\$ 6,200,551</u>	<u>\$ 2,746,695</u>
EMERGENCY RESERVE	\$ 3,600	\$ 3,400	\$ 2,700
AVAILABLE FOR OPERATIONS	(402,864)	17,262	61,147
TOTAL RESERVE	<u>\$ (399,264)</u>	<u>\$ 20,662</u>	<u>\$ 63,847</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/25

ACTUAL	ESTIMATED	BUDGET
2024	2025	2026

ASSESSED VALUATION

Commercial	\$ 49,589,520	\$ 46,534,380	\$ 51,768,710
State assessed	-	75,300	86,600
Vacant land	816,790	816,790	1,854,140
Certified Assessed Value	\$ 50,406,310	\$ 47,426,470	\$ 53,709,450

MILL LEVY

General	1.041	1.043	1.046
Debt Service	12.000	12.000	5.000
Total mill levy	13.041	13.043	6.046

PROPERTY TAXES

General	\$ 52,473	\$ 49,466	\$ 56,180
Debt Service	604,876	569,118	268,547
Levied property taxes	657,349	618,584	324,727
Adjustments to actual/rounding	-	403	-
Refunds and abatements	1,501	-	-
Budgeted property taxes	\$ 658,850	\$ 618,987	\$ 324,727

BUDGETED PROPERTY TAXES

General	\$ 52,593	\$ 49,498	\$ 56,180
Debt Service	606,257	569,489	268,547
	\$ 658,850	\$ 618,987	\$ 324,727

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31**

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (266,214)	\$ (399,264)	\$ 20,662
REVENUES			
Property taxes	52,593	49,498	56,180
Specific ownership taxes	61,715	61,858	30,849
Interest income	4,290	870	200
Other revenue	1,422	-	2,456
Total revenues	<u>120,020</u>	<u>112,226</u>	<u>89,685</u>
TRANSFERS IN			
Transfers from other funds	<u>281,793</u>	<u>1,890,000</u>	<u>525,000</u>
Total funds available	<u>135,599</u>	<u>1,602,962</u>	<u>635,347</u>
EXPENDITURES			
General and administrative			
Accounting	49,965	50,000	52,500
Auditing	5,100	5,600	6,000
County treasurer's fee	1,309	742	843
Dues and membership	643	620	1,200
Insurance	2,945	3,725	4,400
District management	19,884	12,000	15,000
Legal	4,136	55,000	60,000
Miscellaneous	7,861	250	300
PIF collection expense	21,718	25,000	27,000
Banking fees	-	300	350
Security	69,162	97,938	101,000
Consulting Services	-	31,500	-
Election	96	2,000	-
Contingency	-	3,558	3,102
Website	-	2,800	3,000
Operations and maintenance			
Repairs and maintenance	126,472	1,065,441	67,000
Engineering	500	-	-
Landscaping	54,324	60,585	62,000
Pest control	-	350	400
Capital reserve	28,805	28,805	28,805
Marketing	8,490	10,399	11,000
Snow removal	81,727	76,334	79,000
Water - non utilities	11,757	7,328	8,000
Signage	2,570	1,152	1,000
Management staff	11,819	13,134	14,000
Stormwater	6,043	5,200	5,500
Other grounds expense	11,112	11,438	12,000
Electricity	8,425	7,896	8,000
Ground Lease	-	100	100
Total expenditures	<u>534,863</u>	<u>1,579,195</u>	<u>571,500</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>3,105</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>534,863</u>	<u>1,582,300</u>	<u>571,500</u>
ENDING FUND BALANCES	<u>\$ (399,264)</u>	<u>\$ 20,662</u>	<u>\$ 63,847</u>
EMERGENCY RESERVE	\$ 3,600	\$ 3,400	\$ 2,700
AVAILABLE FOR OPERATIONS	(402,864)	17,262	61,147
TOTAL RESERVE	<u>\$ (399,264)</u>	<u>\$ 20,662</u>	<u>\$ 63,847</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 7,847,563	\$ 6,454,154	\$ 6,179,889
REVENUES			
Property taxes	606,257	569,489	268,547
PIF revenue	2,896,150	2,750,000	2,875,000
Interest income	376,984	305,000	100,000
Total revenues	<u>3,879,391</u>	<u>3,624,489</u>	<u>3,243,547</u>
Total funds available	<u>11,726,954</u>	<u>10,078,643</u>	<u>9,423,436</u>
EXPENDITURES			
General and administrative			
County treasurer's fee	15,098	8,537	4,028
Contingency	-	1,533	2,000
Debt Service	-		
PIF rebate	54,728	53,094	35,000
Bond interest	1,624,451	1,606,590	1,583,060
Bond principal	318,000	339,000	365,000
Total expenditures	<u>2,012,277</u>	<u>2,008,754</u>	<u>1,989,088</u>
TRANSFERS OUT			
Transfers to other fund	3,260,523	1,890,000	4,751,500
Total expenditures and transfers out requiring appropriation	<u>5,272,800</u>	<u>3,898,754</u>	<u>6,740,588</u>
ENDING FUND BALANCES	<u>\$ 6,454,154</u>	<u>\$ 6,179,889</u>	<u>\$ 2,682,848</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31**

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,103	\$ -	\$ -
REVENUES			
Interest income	9	-	-
Developer advance	2,491,621	-	3,400,000
Bond issuance proceeds	118,000	-	-
Total revenues	<u>2,609,630</u>	<u>-</u>	<u>3,400,000</u>
TRANSFERS IN			
Transfers from other funds	<u>2,978,730</u>	<u>3,105</u>	<u>4,226,500</u>
Total funds available	<u>5,591,463</u>	<u>3,105</u>	<u>7,626,500</u>
EXPENDITURES			
General and Administrative			
Accounting	-	-	2,500
Capital Projects			
Repay developer advance	2,491,931	-	3,400,000
Developer advance - interest expense	607,911	-	119,000
Engineering	-	-	5,000
Bond issue costs	-	3,105	-
Capital outlay	2,491,621	-	4,100,000
Total expenditures	<u>5,591,463</u>	<u>3,105</u>	<u>7,626,500</u>
Total expenditures and transfers out requiring appropriation	<u>5,591,463</u>	<u>3,105</u>	<u>7,626,500</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

**INTERQUEST NORTH 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 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. 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
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

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 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 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 9.50% 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
2026 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
2026 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, 2024	Additions	Retirements/ Reductions	Balance - December 31, 2025*
Developer Advances	\$ -	\$ -	\$ -	\$ -
Accrued Interest - Developer				
Advances	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Balance -		Retirements/ Reductions	Balance -
	December 31, 2025*	Additions	December 31, 2026*	December 31, 2026*
Developer Advances	\$ -	\$ 3,400,000	\$ 3,400,000	\$ -
Accrued Interest - Developer				
Advances	-	119,000	119,000	-
Total	<u>\$ -</u>	<u>\$ 3,519,000</u>	<u>\$ 3,519,000</u>	<u>\$ -</u>

* - Estimated

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%

<u>Year Ended December 31,</u>	<u>Principal and Interest Due December 1</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$ 4,980,000</u>	<u>\$ 3,174,850</u>	<u>\$ 8,154,850</u>

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
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>\$ 4,450,000</u>	<u>\$ 4,482,400</u>	<u>\$ 8,932,400</u>

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

Dated September 15, 2020

Interest Rate 7.00%

Year Ended December 31,	Principal and Interest Due December 1		
	Principal	Interest	Total
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>\$ 13,503,000</u>	<u>\$ 17,275,160</u>	<u>\$ 30,778,160</u>

See summary of significant assumptions.