

**POWERS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2026**

**POWERS METROPOLITAN DISTRICT  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 1,619,996	\$ 1,995,120	\$ 2,341,470
REVENUES			
Property taxes	517,299	518,836	557,432
Specific ownership taxes	48,669	49,352	52,956
Interest Income	97,505	87,876	85,000
Other Revenue	2,723	796	7,976
Total revenues	<u>666,196</u>	<u>656,860</u>	<u>703,364</u>
Total funds available	<u>2,286,192</u>	<u>2,651,980</u>	<u>3,385,975</u>
EXPENDITURES			
General Fund	83,477	99,812	123,000
Debt Service Fund	207,595	210,698	2,310,000
Total expenditures	<u>291,072</u>	<u>310,510</u>	<u>2,433,000</u>
Total expenditures and transfers out requiring appropriation	<u>291,072</u>	<u>310,510</u>	<u>2,774,141</u>
ENDING FUND BALANCES	<u>\$ 1,995,120</u>	<u>\$ 2,341,470</u>	<u>\$ 611,834</u>
EMERGENCY RESERVE	\$ 4,600	\$ 4,600	\$ 4,900
AVAILABLE FOR OPERATIONS	300,238	351,061	49,076
RESERVE FUND (MAX \$246,200)	250,858	246,200	246,200
SURPLUS FUND (MAX \$311,000)	315,132	311,000	311,000
TOTAL RESERVE	<u>\$ 870,828</u>	<u>\$ 912,861</u>	<u>\$ 611,176</u>

See summary of significant assumptions.

**POWERS METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>			
Commercial	\$ 8,230,140	\$ 8,223,130	\$ 9,170,570
State assessed	59,750	74,100	10,600
Vacant land	350,030	350,030	117,730
Certified Assessed Value	\$ 8,639,920	\$ 8,647,260	\$ 9,298,900
 <b>MILL LEVY</b>			
General	10.000	10.000	9.946
Debt Service	50.000	50.000	50.000
Total mill levy	60.000	60.000	59.946
 <b>PROPERTY TAXES</b>			
General	\$ 86,399	\$ 86,473	\$ 92,487
Debt Service	431,996	432,363	464,945
Levied property taxes	518,395	518,836	557,432
Adjustments to actual/rounding	(1,096)	-	-
Budgeted property taxes	\$ 517,299	\$ 518,836	\$ 557,432
 <b>BUDGETED PROPERTY TAXES</b>			
General	\$ 86,217	\$ 86,473	\$ 92,487
Debt Service	431,083	432,363	464,945
	\$ 517,299	\$ 518,836	\$ 557,432

See summary of significant assumptions.

**POWERS METROPOLITAN DISTRICT  
GENERAL FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 235,768	\$ 304,838	\$ 355,661
<b>REVENUES</b>			
Property taxes	86,216	86,473	92,487
Specific ownership taxes	48,669	49,352	52,956
Interest Income	14,939	14,014	15,000
Other Revenue	2,723	796	2,013
Total revenues	152,547	150,635	162,456
Total funds available	388,315	455,473	518,117
<b>EXPENDITURES</b>			
General and administrative			
Accounting	23,883	20,000	23,000
Auditing	6,350	7,110	8,100
County Treasurer's Fee	1,300	1,297	1,387
Dues and Membership	361	369	500
Insurance	2,675	2,708	3,000
Legal	10,193	20,000	20,000
Banking fees	392	500	500
Contingency	-	-	2,013
Website	882	2,500	1,500
Operations and maintenance			
Repairs and maintenance	-	-	10,000
Grounds maintenance	32,241	40,976	45,000
Sprinkler maintenance	2,973	1,000	3,000
Utilities	2,227	3,352	5,000
Total expenditures	83,477	99,812	123,000
<b>TRANSFERS OUT</b>			
Transfers to other fund	-	-	341,141
Total expenditures and transfers out requiring appropriation	83,477	99,812	464,141
ENDING FUND BALANCES	\$ 304,838	\$ 355,661	\$ 53,976
EMERGENCY RESERVE	\$ 4,600	\$ 4,600	\$ 4,900
AVAILABLE FOR OPERATIONS	300,238	351,061	49,076
TOTAL RESERVE	\$ 304,838	\$ 355,661	\$ 53,976

See summary of significant assumptions.

**POWERS METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 1,384,228	\$ 1,690,282	\$ 1,985,809
REVENUES			
Property taxes	431,083	432,363	464,945
Interest Income	82,566	73,862	70,000
Other Revenue	-	-	5,963
Total revenues	513,649	506,225	540,908
TRANSFERS IN			
Transfers from other funds	-	-	341,141
Total funds available	1,897,877	2,196,507	2,867,858
EXPENDITURES			
General and administrative			
County Treasurer's Fee	6,501	6,485	6,974
Paying agent fees	3,500	3,500	3,500
Contingency	-	-	5,963
Debt Service			
Bond interest	162,594	160,713	158,563
Bond principal	35,000	40,000	45,000
Bond principal - early redemption	-	-	2,090,000
Total expenditures	207,595	210,698	2,310,000
Total expenditures and transfers out requiring appropriation	207,595	210,698	2,310,000
ENDING FUND BALANCES	\$ 1,690,282	\$ 1,985,809	\$ 557,858
RESERVE FUND (MAX \$246,200)	\$ 250,858	\$ 246,200	\$ 246,200
SURPLUS FUND (MAX \$311,000)	315,132	311,000	311,000
TOTAL RESERVE	\$ 565,990	\$ 557,200	\$ 557,200

See summary of significant assumptions.

**POWERS METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Powers Metropolitan District (The District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by court order and decree of the District Court for the County of El Paso on May 20, 2008, and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City of Colorado Springs on February 12, 2008. The District's service area is located in the City of Colorado Springs, Colorado.

The District was organized to provide planning, acquisition, construction, installation and financing of public improvements, including streets, water, wastewater, traffic and safety controls, park and recreation and mosquito control primarily for a commercial development.

The District's voters held an election on May 6, 2008. The election approved general obligation indebtedness of \$40,000,000 for street improvements, \$40,000,000 for water facilities, \$40,000,000 for wastewater facilities, \$40,000,000 for traffic and safety controls, \$40,000,000 for parks and recreation facilities, \$40,000,000 for mosquito control, and \$40,000,000 for refinancing of District debt. The election approved an annual increase in taxes of \$750,000 for general operation and maintenance. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado Constitution or any other law.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$40,000,000.

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 differences 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 METROPOLITAN 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:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>
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.

**Net Investment Income**

Interest earned on the District's available funds has been estimated on average interest rates of approximately 4.00%.

**Expenditures**

**Administrative and Operating Expenditures**

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

**County Treasurer's Fees**

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

**Debt Service**

The District anticipates to make its current interest and principal payment as well as additional principal up to the extent excess revenues are available.

**POWERS METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

The District issued Bonds on October 4, 2018, in the amount of \$3,110,000. The proceeds from the sale of the Bond were used to (i) pay the Project Costs; (ii) fund capitalized interest; (iii) fund the Reserve Fund to the Reserve Requirements, and (iv) pay costs of issuance of the Bonds.

The Bonds were issued as term bonds bearing interest at 5.375%, payable semiannually on June 1 and December 1, beginning on December 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The Bonds mature on December 1, 2048.

The Bonds are secured by and payable solely from Pledged Revenue, net of the cost of collection, which is defined generally in the Indenture as:

- (a) All Property Tax Revenues
- (b) All Capital Fees, if any; and
- (c) Any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The Bonds are secured by amounts on deposit in the Reserve Fund in the Reserve Requirement amount of \$246,200.

Pledged Revenue that is not needed to pay debt service on the Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus amount of \$311,000. In accordance with the Indenture, the Surplus Fund is to be maintained as long as any Bonds are outstanding. When no Bonds are outstanding, any moneys in the Surplus Fund are required to be remitted to the District for application to any lawful purpose of the District. The District has acknowledged that State Law places certain restrictions on the use of money derived from the Required Mill Levy.

A schedule of the debt service requirements for the Bonds is provided.

The District has no operating or capital leases.

**Emergency Reserves**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2026, as defined under TABOR.

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

**POWERS METROPOLITAN DISTRICT  
2026 BUDGET  
SCHEDULE OF DEBT SERVICE TO MATURITY**

\$3,110,000 General Obligation Limited Tax Bonds Series 2018 Interest 5.375% Dated October 4, 2018			
Bonds and Interest Maturing in the Year Ending December 31,	Interest Payable June 1 and December 1 Principal Payable December 1		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 45,000	\$ 158,563	\$ 203,563
2027	45,000	156,143	201,143
2028	55,000	153,725	208,725
2029	55,000	150,769	205,769
2030	65,000	147,813	212,813
2031	65,000	144,318	209,318
2032	75,000	140,825	215,825
2033	80,000	136,794	216,794
2034	90,000	132,493	222,493
2035	95,000	127,656	222,656
2036	100,000	122,550	222,550
2037	105,000	117,175	222,175
2038	115,000	111,531	226,531
2039	125,000	105,350	230,350
2040	135,000	98,631	233,631
2041	140,000	91,375	231,375
2042	155,000	83,850	238,850
2043	160,000	75,519	235,519
2044	175,000	66,919	241,919
2045	185,000	57,513	242,513
2046	200,000	47,569	247,569
2047	210,000	36,819	246,819
2048	475,000	25,531	500,531
Total	<u>\$ 2,950,000</u>	<u>\$ 2,489,431</u>	<u>\$ 5,439,431</u>