PERCHERON PARK AND RECREATION DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

PERCHERON PARK AND RECREATION DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/30/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property Taxes	-	-	61,012
Specific Ownership Taxes	-	-	5,796
Interest Income	-	2	-
Developer Advance	-	25,892	10,000
Other Revenue	-	-	1,192
Total Revenues	-	25,894	78,000
Total Funds Available	-	25,894	78,000
EXPENDITURES			
General Fund	-	25,894	42,000
Debt Service Fund	-	-	1,000
Total Expenditures	-	25,894	43,000
Total Expenditures and Transfers Out Requiring Appropriation	-	25,894	43,000
ENDING FUND BALANCES	$ -	$ -	$ 35,000
EMERGENCY RESERVE	$ -	$ -	$ 1,400
AVAILABLE FOR OPERATIONS	-	-	600
TOTAL RESERVE	$ -	$ -	$ 2,000

See summary of significant assumptions.

PERCHERON PARK AND RECREATION DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/30/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Agricultural	$ -	$ -	$ 4,670
Vacant Land	-	-	5,677,180
Certified Assessed Value	$ -	$ -	$ 5,681,850
MILL LEVY			
General	0.000	0.000	5.369
Debt Service	0.000	0.000	5.369
Total Mill Levy	0.000	0.000	10.738
PROPERTY TAXES			
General	$ -	$ -	$ 30,506
Debt Service	-	-	30,506
Levied Property Taxes	-	-	61,012
Adjustments to Actual/Rounding	-	-	-
Budgeted Property Taxes	$ -	$ -	$ 61,012
BUDGETED PROPERTY TAXES			
General	**$ -**	**$ -**	**$ 30,506**
Debt Service	**-**	**-**	**30,506**
	$ -	**$ -**	**$ 61,012**

See summary of significant assumptions.

PERCHERON PARK AND RECREATION DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/30/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property Taxes	-	-	30,506
Specific Ownership Taxes	-	-	2,898
Interest Income	-	2	-
Developer Advance	-	25,892	10,000
Other Revenue	-	-	596
Total Revenues	-	25,894	44,000
Total Funds Available	-	25,894	44,000
EXPENDITURES			
General and Administrative			
Accounting	-	12,000	13,000
County Treasurer's Fee	-	-	458
District Management	-	1,200	5,000
Dues and Membership	-	200	800
Election	-	3,200	-
Engineering	-	-	-
Insurance	-	1,294	2,200
Legal	-	6,000	12,000
Miscellaneous	-	-	2,000
Website	-	2,000	1,000
Contingency	-	-	5,542
Total Expenditures	-	25,894	42,000
Total Expenditures and Transfers Out Requiring Appropriation	-	25,894	42,000
ENDING FUND BALANCES	$ -	$ -	$ 2,000
EMERGENCY RESERVE	$ -	$ -	$ 1,400
AVAILABLE FOR OPERATIONS	-	-	600
TOTAL RESERVE	$ -	$ -	$ 2,000

See summary of significant assumptions.

PERCHERON PARK AND RECREATION DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/30/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property Taxes	-	-	30,506
Specific Ownership Taxes	-	-	2,898
Other Revenue	-	-	596
Total Revenues	-	-	34,000
Total Funds Available	-	-	34,000
EXPENDITURES			
County Treasurer's Fee	-	-	458
Contingency	-	-	542
Total Expenditures	-	-	1,000
Total Expenditures and Transfers Out Requiring Appropriation	-	-	1,000
ENDING FUND BALANCES	$ -	$ -	$ 33,000

See summary of significant assumptions.

PERCHERON PARK AND RECREATION DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Percheron Park and Recreation District ("the District"), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City of Colorado Springs, El Paso County, Colorado on August 27, 2024, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of public improvements relating to parks and recreation services for the use and benefit of all anticipated inhabitants and taxpayers of the District as well as the surrounding region. Any parks constructed or maintained by the District shall comply with City Code 4.6.101, et seq. It is contemplated that the District may enter into one or more intergovernmental agreements with the City and/or one or more other special districts in the region in order to cooperatively provide the public improvements and park and recreation services. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

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 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 Information page of the budget.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. As of December 31, 2025, the adjusted maximum mill levy for debt service is 5.369 mills. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal and interest on the Bonds as the same become due and payable.

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 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 forecast assumes that the District's share will be equal to approximately 9.50% of the property taxes collected.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by Nor'wood Development Group (Developer). Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.0%.

Expenditures

General and Administrative Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, and insurance.

County Treasurer's Collection Fees

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

Capital Outlay

The District does not anticipate infrastructure improvement during 2026.

PERCHERON PARK AND RECREATION DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

Developer Advances

The District has entered into a Reimbursement Agreement with Nor'wood Development Group (Developer) pursuant to which the District agrees to reimburse the Developer for the advances made to or on behalf of the District plus interest of 8% annually for costs related to the construction of public improvements subject to the limitations set forth in the Service Plan. The following is an analysis of the District's long-term obligations through the year-ended December 31, 2026:

	Balance at December 31, 2024	Additions*	Retirement of Long-Term Obligations*	Balance at December 31, 2025*
Developer Advances:				
Developer Advances - Operating	$ -	$ 25,892	$ -	$ 25,892
Accrued Interest - Developer Advances:				
Operating	-	1,036	-	1,036
Total	$ -	$ 26,928	$ -	$ 26,928

	Balance at December 31, 2025*	Additions*	Retirement of Long-Term Obligations*	Balance at December 31, 2026*
Developer Advances:				
Developer Advances - Operating	$ 25,892	$ 10,000	$ -	$ 35,892
Accrued Interest - Developer Advances:				
Operating	1,036	2,471	-	3,507
Total	$ 26,928	$ 12,471	$ -	$ 39,399

*Estimated

The District has no debt nor any operating or capital leases.

This information is an integral part of the accompanying budget.