Pueblo Urban Renewal Authority is pleased to present its annual financial report for the year ending December 31, 2025 in .pdf format.

Many of the financial statements are presented as facing pages. Therefore it should be viewed as facing pages in Adobe Acrobat. To set the page layout to facing pages do the following:

From the menu bar -
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Pueblo Urban Renewal Authority
(A Component Unit of the City of Pueblo, Colorado)

Financial Statements
and
Independent Auditors' Report

December 31, 2025

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PUEBLO URBAN RENEWAL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the Pueblo Urban Renewal Authority's financial performance gives an overview of the Authority's financial activities for the year ended December 31, 2025. The analysis should be read in conjunction with the Authority's financial statements that begin on page 4.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4-5) provide information about activities of the Authority as a whole and present a longer-term view of the Authority's finances (also known as government-wide statements). Fund financial statements start on page 6. For governmental activities, these statements (known as fund financial statements) tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the Authority's operations in more detail than the government-wide statements by providing information about the Authority's most significant funds.

Reporting the Authority as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the Authority as a whole begins on page 4. The Statement of Net Position and the Statement of Activities report information about the Authority and its activities as a whole. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies.

These two statements report the Authority's net position and year-over-year changes. You can think of the Authority's net position – the difference between assets, deferred outflows of resources and liabilities and deferred inflows of resources – as one way to measure the Authority's financial health, or financial position. The net position is reported on one day in time, typically the last day of the year. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating.

Due to the nature of redevelopment financing and financial reporting requirements the Authority's liabilities normally exceed assets, thus resulting in a deficit in the governmental activities net position.

In the Statement of Net Position and the Statement of Activities, the Authority is divided into two kinds of activities:

- Governmental activities – The Authority's basic services are reported here. The Authority derives its primary source of revenue from Property Tax Increment, which is then used to help stimulate development by using a wide variety of techniques. The Authority currently participates in a multitude of projects, either by offering direct incentives to private developers, utilizing public/private partnerships, or by directly investing in public improvements. The Authority may only operate in City Council approved "project areas" and property tax increment may only be spent in the project area in which it was collected. Current Authority project areas include: the Expanded Downtown Project Area, the Lake Minnequa Project Area, the North Pueblo Project Area, the South Santa Fe Project Area, the Thunder Village Project Area, Thunder Village Project Area 2, the Saint Charles Project Area, Fountain Creek (East Side) Project Area, the Union Avenue Project Area, the Lower West Side Project Area, the Mitchell Park South Project Area, the EVRAZ Rail Project Area, the Regional Tourism Act Project, and the Vendor Fee (Memorial Hall).

- Business-type activities – The Pueblo Convention Center operations are reported here and include transfers in from the Vendor Fee (Memorial Hall) fund and the Regional Tourism fund to subsidize operations and debt services of the Convention Center.

Reporting the Authority's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 6 and provide detailed information about the most significant funds – not the Authority as a whole. The Authority's two kinds of funds – governmental and proprietary – use different types of accounting approaches.

Governmental Funds

The Authority reports the following major governmental funds:

- The general fund is the primary operating fund of the Authority and is always classified as a major fund. The general fund is used to account for all financial resources of the Authority except those resources, if any, that are required to be accounted for in a separate fund. Major revenue sources include investment earnings and administrative fees paid from the project areas from property tax revenues received in those areas. Primary expenditures include general government, economic development and interest on long-term debt. Other major funds of the Authority include the Expanded Downtown Project Area, Saint Charles Project Area, Lake Minnequa Project Area, Regional Tourism Act Project, Vendor Fee (Memorial Hall) Fund, Evraz District, North Pueblo Project Area and the Debt Service Fund. All other funds, not considered major, are reported in Other Governmental Funds.

Proprietary Fund

The following is a description of the major proprietary fund of the Authority:

- The proprietary fund accounts for the operation of the Authority's Convention Center activities. Activities of the fund include operation and maintenance of the Convention Center, along with accumulation of resources for the payment of principal and interest on the revenue bonds outstanding. The Convention Center is managed by OVG 360 under a management agreement with the Authority. All costs of the Convention Center are financed through charges to users, along with transfers of vendor fee revenues from the Vendor Fee (Memorial Hall) fund and the Regional Tourism fund to subsidize operations and debt service payments.

FINANCIAL SUMMARY

The table below reports a summary of the Statement of Net Position:

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 19,866,692	$ 19,464,081	$ 4,807,082	$ 3,607,288	$ 24,673,774	$ 23,071,369
Restricted assets	14,275,048	24,560,181	3,170,790	3,064,879	17,445,838	27,625,060
Capital assets, net	11,706,409	11,986,033	30,644,734	31,859,755	42,351,143	43,845,788
Total assets	45,848,149	56,010,295	38,622,606	38,531,922	84,470,755	94,542,217
Deferred outflows of resources	693,826	882,090	301,071	364,634	994,897	1,246,724
Current liabilities	230,544	182,198	867,277	1,028,639	1,097,821	1,210,837
Due to primary government	2,084,307	1,884,307	12,200,000	12,200,000	14,284,307	14,084,307
Long-term debt	115,598,102	122,947,211	10,455,776	10,638,321	126,053,878	133,585,532
Total liabilities	117,912,953	125,013,716	23,523,053	23,866,960	141,436,006	148,880,676
Deferred inflows of resources	14,931,631	13,988,498	1,016,309	-	15,947,940	13,988,498
Net investment in capital assets	9,273,709	8,977,657	11,861,696	12,666,478	21,135,405	21,644,135
Restricted for Debt Svc and district projects	2,568,124	2,673,177	-	-	2,568,124	2,673,177
Unrestricted (deficit)	(98,144,442)	(93,760,663)	2,522,619	2,363,118	(95,621,823)	(91,397,545)
Total Net Position (deficit)	$ (86,302,609)	$ (82,109,829)	$ 14,384,315	$ 15,029,596	$ (71,918,294)	$ (67,080,233)

The following table is a brief summary of the reported changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for services	$ 412,736	$ 443,936	$ 2,924,378	$ 3,324,896	$ 3,337,114	$ 3,768,832
Grants and contributions	259,892	588,364	-	-	259,892	588,364
General revenues						
Property Taxes	13,864,494	8,150,228	-	-	13,864,494	8,150,228
Sales tax increment	957,045	889,184	-	-	957,045	889,184
Vendors' fee	2,958,471	3,135,578	-	-	2,958,471	3,135,578
Gain (Loss) on Asset Exchange	-	238,976	(175,925)	-	(175,925)	238,976
Interest earnings (loss)	446,726	532,724	227,114	170,072	673,840	702,796
Miscellaneous	458	3,096	-	-	458	3,096
Total Revenues	18,899,822	13,982,086	2,975,567	3,494,968	21,875,389	17,477,054
Expenses						
General Government	2,489,673	2,201,962	-	-	2,489,673	2,201,962
Economic Development	11,417,205	1,051,461	-	-	11,417,205	1,051,461
Interest on long term debt	5,998,122	5,384,167	-	-	5,998,122	5,384,167
Convention Center	-	-	6,808,450	6,883,668	6,808,450	6,883,668
Total Expenses	19,905,000	8,637,590	6,808,450	6,883,668	26,713,450	15,521,258
Increase(decrease) in net position	(1,005,178)	5,344,496	(3,832,883)	(3,388,700)	(4,838,061)	1,955,796
Transfers in/(out)	(3,187,602)	(3,203,728)	3,187,602	3,203,728	-	-
Changes in net position	(4,192,780)	2,140,768	(645,281)	(184,972)	(4,838,061)	1,955,796
Net position (deficit), January 1	(82,109,829)	(84,250,597)	15,029,596	15,214,568	(67,080,233)	(69,036,029)
Net position (deficit), December 3	$(86,302,609)	$(82,109,829)	$14,384,315	$15,029,596	$(71,918,294)	$(67,080,233)

DETAILED ANALYSES

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The Authority's combined primary government net position decreased by $4.84 million for the year ended December 31, 2025. During 2025, the Authority's revenue totaled $21.88 million and expenses totaled $26.71 million. In 2025, the Authority also received contributions from the City of Pueblo for debt service obligations. The City contributed $257,867 or 40% of the annual bond payment and operations on the Main Street Parking Garage. The contributions were made under the terms of cooperation agreements in place between the City and the Authority. The Authority had total bonds, bank notes payable, obligations and financed purchases of $124,628,854 at December 31, 2025, which is a decrease of $7.4 million from 2024. See detail listing of outstanding bonds payable in Significant Capital Asset and Long-term Financing Activity section below.

Governmental Activities - Change in Net Position. The revenue in governmental activities is primarily derived from property tax increment in the amount of $13.86 million, state sales tax increment to fund the RTA Project in the amount of $957 thousand, and vendors' fees in the amount of $2.96 million. The governmental activities program revenue for 2025 was $673 thousand. Expenses totaled $19.91 million. The resulting change in net position, after transfers, for governmental activities was a decrease of $4.19 million. The decrease was due to increased economic development related expenses.. During 2025, the governmental activities transferred $3.19 million to the Convention Center business-type activity for operations and maintenance of the facility, debt service, and capital assets. The funds were generated by vendors' fees, sales tax increment, bond proceeds and loan proceeds.

Governmental activities primary revenue source is from vendors' fees and property tax increment. The Authority anticipates future property tax increment and vendors' fee revenues will be adequate to cover project expenses and debt service.

Due to the nature of redevelopment financing and financial reporting requirements the Authority liabilities normally exceed assets, thus resulting in a deficit in the governmental activities net position.

Business-Type Activities - Change in Net Position. Program revenues from the Authority's business-type activities which include the Pueblo Convention Center totaled $2.92 million. Expenses totaled $6.81 million. The resulting change in net position, after transfers, for business-type activities was a decrease of $645 thousand. The decrease is primarily due to transfer of property tax increment and vendor fee revenues being insufficient to cover the net operating loss which included $1.35 million in depreciation expense.

Financial Analysis of the Authority's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements.

Governmental Funds. The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Authority's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the General Fund was $1.12 million, while total fund balance was $2.16 million. Fund balance increased by $81 thousand in 2025. Planned project costs for park lighting and urban infill were delayed until 2026. Additionally, payroll and related costs were less than expected due to open positions.

The Regional Tourism fund balance decreased by $222 thousand due to expenditures accrued related to the HARP Boathouse project of $200 thousand.

Vendor Fee fund balance increased by $40 thousand. Vendor fees and investment earnings exceeded debt and O&M transfers out for the current year.

Expanded Downtown District fund balance decreased by $287 thousand. Expenditures and debt service transfers exceeded property tax revenue in the current year.

St. Charles District fund balance decreased by $9.84 million due to ongoing project costs in this district of approximately $9.76 million in the current year.

Lake Minnequa District fund balance increased by $115 thousand. Property tax revenue exceeded expenditures and debt service in the current year.

North Pueblo District fund balance increased by $243 thousand. Property tax revenue exceeded expenditures and debt service transfers in the current year.

Evraz District fund balance decreased by $1.27 million. Expenditures and debt service transfers exceeded property tax revenue in the current year requiring the use of a portion of the debt service reserve balance to be used.

Proprietary Fund. The Authority's proprietary fund provides the same type of information found in the government-wide statements but in more detail. Net position of the Convention Center at the end of the fiscal year was $14.38 million. Other factors concerning the finances of this fund have already been addressed above in the discussion of the Authority's business-type activity.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

At the end of 2025, the Authority had $42.35 million invested in capital assets. The amount represents a decrease of $1.49 million from 2024. These capital assets include land, buildings, improvements, along with furniture and fixtures. The Authority strives to maintain its assets in good working condition.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Non-depreciable assets:						
Land	$ 871,605	$ 871,605	$ 326,094	$ 326,094	$ 1,197,699	$ 1,197,699
Medal of Honor Memorial	-	-	295,097	295,097	295,097	295,097
Depreciable assets:						
Buildings	9,696,435	9,931,245	28,659,332	29,525,154	38,355,767	39,456,399
Improvements	1,088,436	1,151,477	545,291	625,670	1,633,727	1,777,147
Right-to-use assets	19,305	21,415	-	-	19,305	21,415
Fixtures	30,628	10,291	818,920	1,087,740	849,548	1,098,031
Totals:	$11,706,409	$11,986,033	$30,644,734	$31,859,755	$42,351,143	$43,845,788

Debt Administration - Bonds Payable

The Authority has outstanding bonds payable of $124.58 million which is a decrease of $7.30 million from 2024.

	Issue Date	Maturity Date	Purpose	Issue Amount	Interest Rate	12/31/2025 Balance
A	2017	2036	RTA Project	$17,030,000	2.25% to 5.00% (tax exempt)	7,645,000
B	2020	2029	Downtown Expanded	$5,945,000	1.60% (tax exempt)	2,510,000
C	2020	2030	North Pueblo	$3,825,000	2.75% (tax exempt)	1,850,000
D	2020	2032	Lake Minnequa District	$2,545,000	2.95% (tax exempt)	1,485,000
E	2020	2038	Historic Memorial Hall	$9,640,937	2.00% to 4.00% (taxable)	7,396,046
F	2020	2038	Convention Center	$3,114,063	2.00% to 4.00% (taxable)	2,388,954
G	2021	2045	Evraz Project Area	$91,160,033	4.75% to 5.00% (tax exempt)	87,015,000
H	2022	2032	St. Charles	$17,020,000	4.53% (tax exempt)	13,593,226
I	2024	2034	St. Charles	$765,000	5.50% (tax exempt)	701,372
Total outstanding bonds						$ 124,584,598

Due From/To Primary Government

The Authority has several agreements with the City of Pueblo for various projects and activities as follows:

	Governmental Activities	
	2025	**2024**
Due to City of Pueblo for:		
Gateway Plaza	$ 1,884,307	$ 1,884,307
HARP Boathouse project	200,000	-
Convention Center note	12,200,000	12,200,000
Total Due to Primary Government	$14,284,307	$14,084,307

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

Budgetary Highlights

The Authority adopts budgets for all funds and each fund uses the current financial resources measurement and the modified accrual basis of accounting in preparing the budgets. Expenditure estimates in the annual budgets are enacted into law through the passage of a resolution. The board of commissioners may amend the original adopted budget during the year by passing a new resolution to reflect current needs. The level of budgetary control for all funds is at the total fund level which means that total uses cannot exceed total appropriations for that fund. Detailed budget comparison schedules for each fund can be found in the supplementary information section of the audited financial statements. The 2025 budget was amended for additional expenditures.

Additionally, actual expenditures exceeded budgeted expenditures in the Thunder Village District fund by $501.

The 2026 budget reflects several known conditions and policy decisions impacting the Authority's near-term financial planning. A key consideration is the strategic use of fund balance across multiple districts to meet reimbursement obligations and timing differences between revenue collections and required payments, including the Downtown Expanded Art Center Agreement, North Pueblo reimbursement pledge, and residential TIF repayments in Thunder Village Project 2.

Several TIF reimbursement agreements remain under negotiation, particularly within the Lake Minnequa and North Pueblo areas, others pending execution of final agreements.

The Authority continues to monitor the EVRAZ Urban Renewal Area, where projected tax increment revenues are not yet fully meeting debt service requirements, resulting in an anticipated reserve impact again in 2026. County property assessments are currently underway, and management remains cautiously optimistic that future valuation growth will allow revenues to meet or exceed debt service obligations in coming years.

The 2026 budget also reflects the financial impact of the new Leonardo da Vinci Museum of North America lease at the Convention Center, representing a significant operational change in use of the space and lease terms.

In addition, the Authority has established new urban renewal districts and continues to evaluate emerging project areas, which may result in future budget, staffing, and policy considerations. Overall, the 2026 budget balances existing contractual obligations, conservative revenue assumptions, and the Authority's ongoing role in economic development and partnership coordination.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all interested parties. Questions concerning any of the information provided in this report or request for addition information should be addressed to the Executive Director of the Pueblo Urban Renewal Authority Board, 115 E. Riverwalk, Unit 410, Pueblo, CO 81003.

Independent Auditors' Report

Board of Commissioners
Pueblo Urban Renewal Authority
Pueblo, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Pueblo Urban Renewal Authority (the "Authority") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Pueblo Urban Renewal Authority as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pueblo Urban Renewal Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pueblo Urban Renewal Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pueblo Urban Renewal Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pueblo Urban Renewal Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension schedule as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and other schedules as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Haynie

Littleton, Colorado
May 12, 2026

BASIC FINANCIAL STATEMENTS

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)

Statement of Net Position

December 31, 2025

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents	$ 3,882,657	$ 2,915,098	$ 6,797,755
Restricted investments	272,813	-	272,813
Receivables	15,594,441	1,262,429	16,856,870
Internal balances	(559,115)	559,115	-
Inventory and prepaid items	948,709	70,440	1,019,149
Restricted assets under debt obligations:			
Cash and cash equivalents	5,079,830	-	5,079,830
Investments	8,922,405	3,170,790	12,093,195
Capital assets, net of accumulated depreciation:			
Land and non-depreciable assets	871,605	621,191	1,492,796
Buildings	9,696,435	28,659,332	38,355,767
Improvements	1,088,436	545,291	1,633,727
Right of use assets - leases	6,902	-	6,902
Right of use assets - SBITA	12,403	-	12,403
Furniture and fixtures	30,628	818,920	849,548
Total capital assets, net	11,706,409	30,644,734	42,351,143
TOTAL ASSETS	45,848,149	38,622,606	84,470,755
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding	521,554	301,071	822,625
Deferred outflows related to pension	156,288	-	156,288
Deferred outflows related to OPEB	15,984	-	15,984
TOTAL DEFERRED OUTFLOWS OF RESOURCES	693,826	301,071	994,897
LIABILITIES			
Accounts payable and accrued expenses	230,544	657,468	888,012
Advances from others	-	209,809	209,809
Due to primary government	2,084,307	12,200,000	14,284,307
Long-term liabilities:			
Due within one year	8,112,702	783,565	8,896,267
Due in more than one year	107,485,400	9,672,211	117,157,611
TOTAL LIABILITIES	117,912,953	23,523,053	141,436,006
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	48,018	-	48,018
Deferred inflows related to OPEB	25,194	-	25,194
Deferred inflows related to leases	-	1,016,309	1,016,309
Property taxes	14,858,419	-	14,858,419
TOTAL DEFERRED INFLOW OF RESOURCES	14,931,631	1,016,309	15,947,940
NET POSITION			
Net investment in capital assets	9,273,709	11,861,696	21,135,405
Restricted district projects	2,568,124	-	2,568,124
Unrestricted (deficit)	(98,144,442)	2,522,619	(95,621,823)
TOTAL NET POSITION (Deficit)	$ (86,302,609)	$ 14,384,315	$ (71,918,294)

The accompanying notes are an integral part of these financial statements.

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)

Statement of Activities

For the Year Ended December 31, 2025

FUNCTIONS / PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS
Governmental Activities:				
General government	$ 2,489,673	$ 412,736	$ 259,892	$ -
Economic development	11,417,205	-	-	-
Interest and related costs	5,998,122	-	-	-
Total Governmental Activities	19,905,000	412,736	259,892	-
Business-Type Activities:				
Convention Center	6,808,450	2,924,378	-	-
Total Business-Type Activities	6,808,450	2,924,378	-	-
TOTAL	$ 26,713,450	$ 3,337,114	$ 259,892	$ -

Taxes:
- Property taxes levied for general purposes
- Property taxes levied for debt service
- Property taxes levied for reimbursement agreements
- Sales tax increment

Vendor's fee

Gain/(loss) on asset exchange

Investment earnings (loss)

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

NET POSITION (Deficit), BEGINNING

NET POSITION (Deficit), ENDING

The accompanying notes are an integral part of these financial statements

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
$ (1,817,045)	$ -	$ (1,817,045)
(11,417,205)	-	(11,417,205)
(5,998,122)	-	(5,998,122)
(19,232,372)	-	(19,232,372)
-	(3,884,072)	(3,884,072)
-	(3,884,072)	(3,884,072)
$ (19,232,372)	$ (3,884,072)	$ (23,116,444)
$ 6,626	$ -	$ 6,626
3,337,688	-	3,337,688
10,520,180	-	10,520,180
957,045	-	957,045
2,958,471	-	2,958,471
-	(175,925)	(175,925)
446,726	227,114	673,840
458	-	458
(3,187,602)	3,187,602	-
15,039,592	3,238,791	18,278,383
(4,192,780)	(645,281)	(4,838,061)
(82,109,829)	15,029,596	(67,080,233)
$ (86,302,609)	$ 14,384,315	$ (71,918,294)

The accompanying notes are an integral part of these financial statements

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)

Balance Sheet
Governmental Funds
December 31, 2025

		SPECIAL REVENUE FUNDS		
ASSETS	**GENERAL FUND**	**REGIONAL TOURISM**	**VENDOR FEE**	**EXPANDED DOWNTOWN DISTRICT**
Cash and cash equivalents	$ 1,283,189	$ -	$ -	$ 813,195
Restricted cash and cash equivalents	-	4,905,533	-	-
Restricted investments	-	-	1,807,023	-
Accounts and other receivables	7,416	166,598	502,011	57,345
Property taxes receivable	-	-	-	898,281
Prepaid expenses	6,600	-	-	-
Inventory	941,219	-	-	-
Advance to other funds	1,950	-	-	-
TOTAL ASSETS	$ 2,240,374	$ 5,072,131	$ 2,309,034	$ 1,768,821
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 10,589	$ 1,200	$ -	$ 46,314
Accrued liabilities	4,679	-	-	-
Due to primary government	-	200,000	-	-
Advance from other funds	69,543	367,950	193,115	-
TOTAL LIABILITIES	84,811	569,150	193,115	46,314
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	898,281
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	898,281
FUND BALANCES				
Nonspendable	947,819	-	-	-
Restricted	32,634	4,502,981	2,115,919	824,226
Assigned	57,819	-	-	-
Unassigned	1,117,291	-	-	-
TOTAL FUND BALANCES	2,155,563	4,502,981	2,115,919	824,226
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,240,374	$ 5,072,131	$ 2,309,034	$ 1,768,821

The accompanying notes are an integral part of these financial statements.

SPECIAL REVENUE FUNDS						
ST. CHARLES DISTRICT	LAKE MINNEQUA DISTRICT	NORTH PUEBLO DISTRICT	EVRAZ DISTRICT	OTHER GOVERNMENTAL FUNDS	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
$ 87,310	$ 536,890	$ 771,698	$ 333	$ 390,042	$ -	$ 3,882,657
174,297	-	-	-	-	-	5,079,830
-	-	-	7,388,195	-	-	9,195,218
-	-	-	-	2,652	-	736,022
2,948,803	1,573,936	1,203,281	7,976,685	257,433	-	14,858,419
-	-	-	-	890	-	7,490
-	-	-	-	-	-	941,219
-	-	-	-	69,543	-	71,493
$ 3,210,410	$ 2,110,826	$ 1,974,979	$ 15,365,213	$ 720,560	$ -	$ 34,772,348
$ -	$ -	$ -	$ -	$ 167,762	$ -	$ 225,865
-	-	-	-	-	-	4,679
-	-	-	-	-		200,000
-	-	-	-	-	-	630,608
-	-	-	-	167,762	-	1,061,152
2,948,803	1,573,936	1,203,281	7,976,685	257,433	-	14,858,419
2,948,803	1,573,936	1,203,281	7,976,685	257,433	-	14,858,419
-	-	-	-	-	-	947,819
261,607	536,890	771,698	7,388,528	295,365	-	16,729,848
-	-	-	-	-	-	57,819
-	-	-	-	-	-	1,117,291
261,607	536,890	771,698	7,388,528	295,365	-	18,852,777
$ 3,210,410	$ 2,110,826	$ 1,974,979	$ 15,365,213	$ 720,560	$ -	$ 34,772,348

PUEBLO URBAN RENEWAL AUTHORITY
(a component unit of the City of Pueblo, Colorado)
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
For the Year Ended December 31, 2025

Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balance - governmental funds	$ 18,852,777
The deferred outflows below are not current assets or financial resources; and the deferred inflows are not due and payable in the current period and therefore are not reported in the governmental funds.	
Deferred amounts on refunding	521,554
Deferred outflows related to pension	156,288
Deferred outflows related to OPEB	15,984
Deferred inflows related to pension	(48,018)
Deferred inflows related to OPEB	(25,194)
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:	
Capital assets	13,940,483
Accumulated depreciation and amortization	(2,234,074)
Net capital assets	11,706,409
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds balance sheet. Long-term liabilities at year-end consist of:	
Revenue bonds payable	(114,550,644)
Premium on revenue bonds payable	(165,758)
Lease obligations	(6,169)
Subscription-based information technology arrangements (SBITA) obligations	(7,332)
Due to primary government	(1,884,307)
Net pension liability	(378,283)
Net OPEB liability	(23,437)
Accrued interest payable	(424,566)
Compensated absences	(41,913)
Total long-term liabilities	(117,482,409)
Total net position - governmental activities	$ (86,302,609)

The accompanying notes are an integral part of these financial statements.

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PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
December 31, 2025

		SPECIAL REVENUE FUNDS		
	GENERAL FUND	**REGIONAL TOURISM**	**VENDOR FEE**	**EXPANDED DOWNTOWN DISTRICT**
REVENUES:				
Property taxes	$ -	$ -	$ -	$ 921,520
Intergovernmental	-	895,820	-	259,892
Charges for services	357,416	-	-	55,320
Vendor fees	-	-	2,958,471	-
Investment earnings (loss)	1,239	-	68,320	1,274
Miscellaneous	-	-	-	-
TOTAL REVENUES	358,655	895,820	3,026,791	1,238,006
EXPENDITURES:				
Current:				
General government	1,451,138	47,706	-	265,761
Economic development	55,612	200,000	-	505,332
Debt Service:				
Principal	10,041	-	-	-
Interest	1,008	-	-	-
Capital outlay	33,349	-	-	-
TOTAL EXPENDITURES	1,551,148	247,706	-	771,093
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,192,493)	648,114	3,026,791	466,913
OTHER FINANCING SOURCES (USES)				
Issuance of lease and SBITA obligations	9,599	-	-	-
Transfers in	1,328,224	-	-	-
Transfers out	(64,649)	(870,217)	(2,987,045)	(753,610)
TOTAL OTHER FINANCING SOURCES (USES)	1,273,174	(870,217)	(2,987,045)	(753,610)
NET CHANGE IN FUND BALANCES	80,681	(222,103)	39,746	(286,697)
FUND BALANCES, BEGINNING	2,074,882	4,725,084	2,076,173	1,110,923
FUND BALANCES, ENDING	$ 2,155,563	$ 4,502,981	$ 2,115,919	$ 824,226

The accompanying notes are an integral part of these financial statements.

SPECIAL REVENUE FUNDS						
ST. CHARLES DISTRICT	LAKE MINNEQUA DISTRICT	NORTH PUEBLO DISTRICT	EVRAZ DISTRICT	OTHER GOVERNMENTAL FUNDS	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
$ 2,519,454	$ 1,478,111	$ 909,963	$ 7,745,499	$ 377,947	$ -	$ 13,952,494
-	-	-	-	61,225	-	1,216,937
-	-	-	-	-	-	412,736
-	-	-	-	-	-	2,958,471
1,835	-	94	373,764	200	-	446,726
-	-	-	458	-	-	458
2,521,289	1,478,111	910,057	8,119,721	439,372	-	18,987,822
37,792	22,075	13,638	138,263	13,473	-	1,989,846
10,201,026	300,624	197,747	-	206,863	-	11,667,204
-	-	-	-	-	7,023,557	7,033,598
-	-	-	-	-	6,032,779	6,033,787
-	-	-	-	-	-	33,349
10,238,818	322,699	211,385	138,263	220,336	13,056,336	26,757,784
(7,717,529)	1,155,412	698,672	7,981,458	219,036	(13,056,336)	(7,769,962)
-	-	-	-	-	-	9,599
-	-	-	-	64,649	13,056,336	14,449,209
(2,126,470)	(1,040,233)	(455,225)	(9,247,200)	(92,162)	-	(17,636,811)
(2,126,470)	(1,040,233)	(455,225)	(9,247,200)	(27,513)	13,056,336	(3,178,003)
(9,843,999)	115,179	243,447	(1,265,742)	191,523	-	(10,947,965)
10,105,606	421,711	528,251	8,654,270	103,842	-	29,800,742
$ 261,607	$ 536,890	$ 771,698	$ 7,388,528	$ 295,365	$ -	$ 18,852,777

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2025

Net change in fund balances - total governmental funds	$ (10,947,965)
Capital outlays are reported in the governmental funds as an expenditure; however, for governmental activities, these costs are shown in the statement of net position and allocated over their estimated useful lives as depreciation expense.	
Depreciation expense	(301,264)
Amortization of right to use leased and SBITA assets	(11,709)
Capital outlay	33,349
Net amount	(279,624)
The governmental funds report the proceeds from the issuance of notes payable and other obligations as other financing sources and the repayments of principal on these notes and other obligations as expenditures. Interest expense is recognized as an expenditure in the governmental funds when it is due, while interest expense is recognized when incurred in the statement of activities. In addition, interest expense reported in the statement of activities includes amortization of bond issuance premiums and deferred amounts on refunding which are recognized in the governmental funds in the period incurred. The net effect of these differences in the treatment of notes payable and other liabilities is as follows:	
Amortization of interest-related costs	(53,497)
Amortization of bond premium	12,750
Interest expense on bonds, notes and balance due to primary government - change in accrual	76,412
Issuance of bonds, leases and SBITA obligations	(9,599)
Principal payments on debt obligations	7,033,598
Net amount	7,059,664
In the statement of activities, certain operating expenses are measured by the amount earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount paid.	
Change in compensated absences	19,199
Recognition and measurement of the changes in the net pension asset, together with pension-related deferred outflows of resources and deferred inflows of resources in the financial statements using the economic resources measurement focus and the accrual basis of accounting are not current financial resources and, therefore, are not reported in the governmental funds.	38,036
Recognition and measurement of the changes in the net other post-employment benefit (OPEB) liability, together with OPEB-related deferred outflows of resources and deferred inflows of resources in the financial statements using the economic resources measurment focus and the accrual basis of accounting are not current financial resources and, therefore, are not reported in the governmental funds.	5,912
Revenue that was earned and accrued in the statement of net position in the prior year, but deferred in the governmental funds, has been recognized in the current year governmental funds.	(88,002)
Change in net position - governmental activities	$ (4,192,780)

The accompanying notes are an integral part of these financial statements.

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Proprietary Fund
Statement of Net Position
December 31, 2025

	Business-Type Activity Enterprise Fund Convention Center
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 2,915,098
Accounts receivable	150,986
Lease receivable	1,069,799
Inventories	46,345
Due from other funds	559,115
Accrued interest receivable	41,644
Prepaid expenses	24,095
Restricted investments	3,170,790
Total Current Assets	7,977,872
Non-Current Assets:	
Capital assets:	
Land	326,094
Medal of honor	295,097
Buildings	40,418,302
Improvements	1,790,622
Furniture & fixtures	1,810,346
Accumulated depreciation	(13,995,727)
Total capital assets	30,644,734
Total Non-Current Assets	30,644,734
TOTAL ASSETS	38,622,606
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	301,071
LIABILITIES	
Current Liabilities:	
Accounts payable	130,106
Accrued expenses	527,362
Advances from others	209,809
Accrued interest payable	400,877
Current portion of obligations under financed purchases	41,553
Current portion of bonds payable	341,135
Total Current Liabilities	1,650,842
Non-Current Liabilities:	
Obligations under financed purchases	2,703
Due to primary government	12,200,000
Bonds payable	9,669,508
Total Non-Current Liabilities	21,872,211
TOTAL LIABILITIES	23,523,053
DEFERRED INFLOWS OF RESOURCES	
Leases	1,016,309
NET POSITION	
Net investment in capital assets	11,861,696
Unrestricted	2,522,619
TOTAL NET POSITION	$ 14,384,315

The accompanying notes are an integral part of these financial statements.

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Proprietary Fund
Statement of Revenues, Expenditures
and Changes in Fund Net Position
For the Year Ended December 31, 2025

	Business-Type Activity Enterprise Fund Convention Center
OPERATING REVENUES	
Charges for services	$ 2,924,378
TOTAL OPERATING REVENUES	2,924,378
OPERATING EXPENSES	
Contractual expenses	4,240,707
General administration	350,000
Depreciation	1,354,180
TOTAL OPERATING EXPENSES	5,944,887
OPERATING INCOME (LOSS)	(3,020,509)
NON-OPERATING REVENUES (EXPENSES)	
Loss on disposal of assets	(175,925)
Interest income	173,624
Rental income	53,490
Interest expense	(863,563)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(812,374)
INCOME (LOSS) BEFORE TRANSFERS	(3,832,883)
Transfers in - capital	430,000
Transfers in - operating	2,757,602
CHANGE IN NET POSITION	(645,281)
NET POSITION, BEGINNING OF YEAR	15,029,596
NET POSITION, END OF YEAR	$ 14,384,315

The accompanying notes are an integral part of these financial statements.

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Proprietary Fund
Statement of Cash Flows
For the Year Ended December 31, 2025

	Business-Type Activity Enterprise Fund Convention Center
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 3,000,159
Cash paid for goods and services	(4,348,377)
Cash paid for interfund services	(379,167)
NET CASH FROM OPERATING ACTIVITIES	(1,727,385)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	131,980
Sale of investments	782,397
Purchase of investments	(888,308)
NET CASH FROM INVESTING ACTIVITIES	26,069
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers in	1,671,082
NET CASH FROM NON-CAPITAL FINANCING ACTIVITIES	1,671,082
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Debt-related transfers in	1,086,520
Increase in capital-related advances to other funds	(327,590)
Capital expenditures	(348,796)
Capital-related transfers in	430,000
Interest paid on capital-related debt	(636,891)
Principal paid on capital-related debt	(345,654)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(142,411)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(172,645)
CASH AND CASH EQUIVALENTS	
Beginning of Year	3,087,743
End of Year	$ 2,915,098
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES	
Operating income (loss)	$ (3,020,509)
Depreciation	1,354,180
Change in accounts receivable, net	107,140
Change in inventory	(808)
Change in prepaids	7,454
Change in accounts payable and accrued expenses	(114,316)
Change in amounts due from other funds	(47,192)
Change in deposits	(13,334)
NET CASH FROM OPERATING ACTIVITIES	$ (1,727,385)
SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
Loss on disposal of fixed assets	$ (175,925)

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Pueblo Urban Renewal Authority (the Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The significant accounting principles and policies utilized by the Authority are described below:

Reporting Entity

The Authority, an independent body corporate and politic, was established on March 9, 1959, by the City Council of the City (the "City Council") pursuant to the Urban Renewal Law, for the purpose of undertaking certain urban renewal activities within the City and stimulate development in specifically designated Urban Renewal Areas ("Project Areas"). The City Council has approved 12 active Project Areas to be carried out by the Authority.

For financial reporting purposes, The Authority is a component unit of the City of Pueblo. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The City is financially accountable because the mayor appoints the majority of the Authority's Board of Commissioners, subject to City Council approval, and the Authority cannot actually undertake any urban renewal projects unless the City approves an urban renewal plan.

As required by GAAP, management has considered all potential component units in defining its reporting entity. Based on the criteria established by GAAP, the Authority has no component units.

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the Authority as a whole) and fund financial statements. The government-wide financial statements, which include the statement of net position and the statement of activities, report information on all the activities of the Authority. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a function or activity. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or activity; (2) grants and contributions that are restricted to meeting the operational requirements of a particular function or activity; and (3) grants and contributions that are restricted to meeting the capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues. The net cost by function or business-type activity is normally covered by property tax increment or other unrestricted revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Separate fund financial statements are provided for the governmental funds and the proprietary fund. Major individual governmental funds and the major individual enterprise fund are reported in separate columns. The nonmajor funds are combined in a column in the fund financial statements and are detailed in the combining section of the report.

The government-wide focus is more on the sustainability of the Authority as a whole and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

Measurement Focus and Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fund financial statements for the proprietary fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property tax increment is recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenue to be available if collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred as is the case with accrual accounting. However, debt service expenditures are recorded only when the liability has matured and payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds, while issuance of long-term debt is reported as other financing sources.

Property tax increment, interest, grants and charges for services are considered susceptible to accrual, while other revenues are recorded when received in cash because they are generally not measurable until received in cash.

Governmental activities, business-type activities and the proprietary fund are accounted for using the flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these activities are included on the statements of net position. The proprietary fund-type operating statement distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The principal operating revenues of the Authority's convention center are charges to customers for sales and services. Operating expenses for the enterprise fund include cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental Funds
The Authority reports the following major governmental funds:

- The general fund is the primary operating fund of the Authority and is always classified as a major fund. The general fund is used to account for all financial resources of the Authority except those resources, if any, that are required to be accounted for in a separate fund.

- The regional tourism fund is a special revenue fund created to fund a regional tourism plan to attract new and out-of-state visitors to downtown Pueblo. Funds are provided by the State of Colorado's RTA grant and expenditures consist of economic development, mainly in relation to the expansion of the Pueblo Convention Center.

- The vendor fee fund is a special revenue fund used to account for the collection of a vendor fee and improvements and upgrades to the City's Memorial Hall. The electorate of the City of Pueblo, Colorado approved the issuance of $10,000,000 of bonds to finance the project. Voter approval included the continuation of the collection of 3.3% of the City's sales and use tax revenues which will provide the on-going revenues to service the bonded debt. Expenditures include economic development and transfers to cover debt service, convention center operations and capital needs.

- The expanded downtown district fund is a special revenue fund used to account for activities within this district's boundaries. Funds are provided by incremental property taxes and intergovernmental revenues and expenditures include economic development and transfers.

- The St. Charles district fund is a special revenue fund used to account for activities within this district's boundaries. Funds are provided by incremental property taxes and expenditures consist of economic development payments to the business and other entities.

- The Lake Minnequa district fund is a special revenue fund used to account for infrastructure improvements in an area in and around Lake Minnequa on behalf of the City. Funds are provided by incremental property taxes and expenditures consist of economic development and transfers.

- The north pueblo district fund is a special revenue fund used to account for the Authority's commitment to assist in the funding of the Dillon Flyover project. The primary revenue sources are from incremental property taxes and primary government funding, with expenditures being dedicated to the project.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

- The Evraz district fund is a special revenue fund used to account for the Authority's commitment to assist in the funding of the construction and financing of a new long-rail mill at the Rocky Mountain Steel plant. The primary revenue sources are from incremental property taxes, with expenditures being dedicated to the project.

- The debt service fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest on certain of the Authority's debt obligations. The primary revenue sources are transfers from other funds.

- Other governmental funds are a summarization of all other governmental special revenue funds.

Proprietary Fund
The following is a description of the major proprietary fund of the Authority:

Pueblo Convention Center accounts for the operations of the Authority's convention center. Activities of the fund include operation and maintenance of the convention center. The convention center is managed by OVG360 under a management agreement with the Authority. All costs of the convention center are financed through charges to users, along with an allocation of the City's sales and use tax revenues collected through a transfer from the vendor fee fund and the regional tourism fund.

Other Fund Types
The Authority reports the following fund types:

Special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The other special revenue funds, other than those characterized as major, are:

- Thunder Village District
- Thunder Village District 2
- Union Avenue District
- Fountain Creek District
- Lower Westside District
- Mitchell Park South District

The special revenue funds (South Santa Fe district and Demonstration Project fund) have been included with the general fund because they do not meet the criteria to be reported as special revenue funds under generally accepted accounting principles. South Santa Fe district had no fund balance or activity in 2025.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Cash and Cash Equivalents and Investments

Cash and cash equivalents, including restricted cash and cash equivalents, includes cash on hand and demand deposits. Restricted investments consist of money market funds held at bank trust departments that are classified as short-term money market investments that mature within one year of acquisition date and are reported at cost as allowed under generally accepted accounting principles.

Cash Equivalents

For purposes of the statement of cash flows, the Authority considers cash and cash equivalents to be cash on hand, demand deposits, and all highly liquid investments with original maturities of three months or less when acquired.

Receivables

Receivables include amounts due from customers for services provided and are reported, if necessary, net of an allowance for uncollectible accounts. Receivables also include vendor’s fees and incremental property taxes assessed and collected within the Authority’s boundaries along with other notes receivable issued in conjunction with an on-going program of the Authority.

Inventories and Prepaid Items

Inventories in the proprietary fund consist principally of food and drink products that are valued at the lower of cost (first-in, first-out basis) or market. Inventory in the general fund consists of residential real estate properties constructed by the District and held for sale and are valued at cost. Prepaid items represent payments made for expenditures/expenses to be charged to a future accounting period.

Capital Assets

Capital assets, which include land, buildings, improvements, and furniture and fixtures, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. A capitalization level of $1,500 has been established and the criterion for capitalization also includes: (1) increasing the capacity or operating efficiency, or (2) extending the useful life of the asset. Capital assets are defined as assets with an estimated useful life of greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at estimated fair value at the time received. Normal maintenance and repairs that do not add to the value of the asset or materially extend the useful life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Capital assets of the Authority are depreciated using the straight-line method over the following estimated useful lives:

	Governmental Activities	Business-Type Activities
Buildings	40 years	7-50 years
Improvements	5-10 years	10-40 years
Furniture and fixtures	5-10 years	5-20 years

Lease Receivable

The Authority's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized over the term of the lease.

For individual lease contracts where information about discount rate implicit in the lease is not included, the Authority has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

Lease Obligations

The Authority determines if an arrangement is a lease at inception. Leases are included in capital assets and lease obligations in the statement of net position.

Lease assets represent the Authority's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or an exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease obligation, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease obligations represent the Authority's obligation to make lease payments arising from the lease. Lease obligations are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the Authority will exercise that option.

The Authority recognizes payments for short-term leases with an initial lease term of 12 months or less as expenses as incurred, and these leases are not included as lease obligations or right-of-use lease assets on the statement of net position.

For individual lease contracts where information about discount rate implicit in the lease is not included, the Authority has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

SBITA Obligations

The Authority determines if an arrangement is a subscription-based information technology arrangement (SBITAs) at inception. SBITAs are included in capital assets and SBITA obligations in the statement of net position.

SBITA assets represent the Authority's control of the right to use an underlying asset for the arrangement term, as specified in the contract, in an exchange or an exchange-like transaction. SBITA assets are recognized at the commencement date based on the initial measurement of the SBITA obligation, plus any payments made to the provider at or before the commencement of the arrangement term and certain direct costs. SBITA assets are amortized in a systematic and rational manner over the shorter of the arrangement term or the useful life of the underlying asset.

SBITA obligations represent the Authority's obligation to make payments arising from the arrangement. SBITA obligations are recognized at the commencement date based on the present value of expected payments over the arrangement term, less any incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the arrangement when it is reasonably certain that the Authority will exercise that option.

The Authority recognizes payments for short-term SBITA contracts with an initial term of 12 months or less as expenses as incurred, and these arrangements are not included as SBITA obligations or right-of-use SBITA assets on the statement of net position.

For individual SBITA contracts where information about discount rate implicit in the arrangement is not included, the Authority has elected to use the incremental borrowing rate to calculate the present value of expected payments.

Long-Term Obligations

In the government-wide financial statements and the fund financial statements for the proprietary fund, long-term debt is reported as liabilities in the applicable statement of net position. Bond premiums and, when applicable, deferred amounts on refunding are amortized over the life of the obligation using the interest method and are reflected as a component of interest expense. Deferred amounts on refunding are reported as deferred outflows of resources in accordance with generally accepted accounting principles.

In the governmental fund financial statements, bond premiums and bond issue costs are recognized during the current period. The face amount of the debt issue, along with the related premium, is reported as other financing sources, while debt issue costs are reported as debt service expenditures.

The Authority has a paid time off policy that allows employees to accrue up to 336 hours of paid time off that will be paid upon termination. The policy does not differentiate between vacation and sick pay. In accordance with GASB Statement No. 101, Compensated Absences, the Authority recognizes a liability for compensated absences for unused PTO that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or paid in cash upon termination. The compensated absences liability is measured based on employees' pay rates in effect at the end of the fiscal year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Retirement Plan

The Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Post-Employment Benefits (OPEB)

The Authority participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB. OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Equity

Governmental funds report fund balance in classifications based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for the Authority's governmental funds consists of the following:

- Nonspendable – includes amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash such as inventories, prepaid items and long-term notes receivable.

- Restricted – includes amounts that are restricted for specific purposes stipulated by external resource providers constitutionally or through enabling legislation.

- Committed – includes amounts that can only be used for the specific purposes determined by the passage of a resolution of the Authority's board of commissioners. Commitments may be modified or changed only by the Authority's board of commissioners approving a new resolution.

- Assigned – includes amounts intended to be used by the Authority for specific purposes that are neither restricted nor committed. Intent is expressed by the Authority's executive director to which the assigned amounts are to be used for specific purposes. Assigned amounts include appropriations of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget.

- Unassigned – this is the residual classification for the general fund and negative fund balances in other governmental funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, fund balance is reduced in the order of restricted, committed, assigned and unassigned.

In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets – this classification consists of capital assets net of accumulated depreciation and reduced by outstanding related debt that is attributed to the acquisition, construction or improvement of capital assets.

Restricted net position – this classification consists of restrictions created by external creditors, grantors, contributors, laws or regulations of other governments, enabling legislation and constitutional provisions.

Unrestricted net position (deficit) – this classification represents the remainder of net position (deficit) that does not meet the definition of "net investment in capital assets" or "restricted net position". When both restricted and unrestricted resources are available for net position use, it is the Authority's policy to use restricted resources first and then use unrestricted resources as they are needed.

Incremental Property Taxes

The Authority receives incremental property tax revenue for each of the active Urban Renewal Areas. Incremental property tax revenues are the property tax revenues in excess of an amount equal to the ad valorem property taxes produced by the levy at the rates fixed for such year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Urban Renewal Area upon a valuation for assessment equal to the property tax base amount. The property tax base amount is certified by the County Assessor as the valuation for assessment of all taxable property within the urban Renewal area last certified by the County Assessor prior to the adoption of the Urban Renewal Area Plan. The base amount may be proportionately adjusted for general assessments in accordance with Colorado law.

Property taxes are levied by various taxing entities in each of the project areas by certification to the County Commissioners. 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. 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 incremental property taxes collected monthly to the Authority.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncements

For 2025, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 102, Certain Risk Disclosures. GASB Statement No. 102 provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

For 2025, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

For 2025, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 104, Disclosure of Certain Capital Assets. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. Implementation of this standard had no impact to the Authority's financial statements.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Authority adheres to the following procedures in establishing its budgets. Prior to November 1 of each year, the executive director submits to the board of commissioners a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the board of commissioners to obtain comments. The Authority adopts budgets for all funds and the budget for each fund generally is adopted using generally accepted accounting principles, based on the fund type. In addition, appropriations lapse at the end of the year.

Expenditure estimates in the annual budgets are enacted into law through the passage of an appropriation resolution. The board of commissioners may amend the original adopted budget during the year by passing a new resolution. The 2024 budget was amended for additional expenditures. The legal level of budgetary control for all funds is at the total fund level, which means that total expenditures and other financing uses that exceed budgeted appropriations may be in violation of State statutes.

Additionally, actual expenditures exceeded budgeted expenditures in the Thunder Village District fund by $501.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents and investments are summarized as follows:

Cash on hand	$ 4,350
Demand deposits	11,873,235
Total cash and cash equivalents	$ 11,877,585
Money market funds held at bank trust departments	$ 2,059,899
ColoTrust	10,306,109
Total investments	$ 12,366,008

Reported in the financial statements as follows:

	Governmental Activities	Business-Type Activity	Total
Cash and cash equivalents	$ 3,882,657	$ 2,915,098	$ 6,797,755
Restricted cash and cash equivalents under debt obligations	5,079,830	-	5,079,830
	$ 8,962,487	$ 2,915,098	$ 11,877,585
Restricted investments	$ 272,813	$ -	$ 272,813
Restricted investments under debt obligations	8,922,405	3,170,790	12,093,195
	$ 9,195,218	$ 3,170,790	$ 12,366,008

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued

Deposits

As of December 31, 2025, the carrying amount of the Authority's deposits was $11,873,235 and the bank balance was $11,949,486. Of the bank balance, $750,000 was covered by federal depository insurance and $11,199,486 was collateralized in single financial institution collateral pools maintained by the individual financial institutions that hold these deposits. Colorado law requires that depository institutions must apply for and be designated as an eligible public depository before the institution can accept public monies. The depository institution must pledge eligible collateral as security for all public deposits held by that institution that are not insured by depository insurance. The market value of the collateral that each institution pledges as security must equal at least 102% of the total uninsured deposits held by that institution. Generally, the eligible collateral in the collateral pools is held by the depository institution or its agent in the name of the depository institution.

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk. As of December 31, 2025, deposits with a bank balance of $11,949,486 are uninsured but are not exposed to custodial credit risk because they are collateralized with securities held by the pledging financial institution's agent in the Authority's name.

Investments

The Authority is subject to the provisions of Colorado Revised Statutes 24-75-601 which are entitled "Concerning Investment in Securities by Public Entities". This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, banker's acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed investment contracts and U.S. dollar-denominated corporate or bank debt. The statute also includes a provision limiting any investment to a five-year maturity unless the governing body authorizes a longer period.

Fair Value Measurement and Application – The Authority categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Authority had no investments as of December 31, 2025 that were measured under the fair value inputs.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued

COLOTRUST

The Authority has invested $10,306,109 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1. The Trust offers shares in threes portfolios, COLOTRUST PRIME, COLOTRUST PLUS+ and COLOTRUST EDGE. COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to $1.00, offer daily liquidity. All portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

Interest rate risk – The Authority does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk – State law limits investments in money market funds to funds that are registered as an investment company; the fund investment policies must seek to maintain a constant price and no sales or bond fee can be added to the purchase or redemption price. The Authority has no investment policy that would further limit its investment choices.

The following shows the various investment types held by the District as of December 31, 2025 and the associated rating and fair value input level:

	Moody's Rating	S&P Rating
Reported as Investments:		
ColoTrust	N/A	AAAm
Money market funds	N/A	AAAm

NOTE 4 – RECEIVABLES

Receivables held by Governmental Funds at December 31, 2025, consist of the following:

	Governmental Funds				
	General Fund	Regional Tourism	Vendor Fee	Expanded Downtown District	St Charles District
Accounts	$ 7,416	$ -	$ -	$ 57,345	$ -
Vendors Fee	-	-	502,011	-	-
Sales Tax Increment	-	166,598	-	-	-
Property Taxes	-	-	-	898,281	2,948,803
	$ 7,416	$ 166,598	$ 502,011	$ 955,626	$ 2,948,803

	Governmental Funds				
	Lake Minnequa District	North Pueblo District	Evraz District	Other Governmental Funds	Total
Accounts	$ -	$ -	$ -	$ -	$ 64,761
Vendors Fee	-	-	-	-	502,011
Sales Tax Increment	-	-	-	2,652	169,250
Property Taxes	1,573,936	1,203,281	7,976,685	257,433	14,858,419
	$ 1,573,936	$ 1,203,281	$7,976,685	$ 260,085	$ 15,594,441

Leases Receivable

The Authority, within the governmental activities, has entered into various long-term agreements to lease parking spots in the Main Street parking garage. The Authority has analyzed these lease arrangements to determine the applicability of GASB 87 and has concluded that these leases consist of variable payments rather than fixed payment streams, as tenants can, upon written notice, increase or decrease the number of parking spots at the tenants option. GASB 87 further states that future payments based on future performance of the lessee should not be included in the measurement of lease receivable. Rather, those variable payments should be recognized as inflows of resources in the period to which the payments relate. Therefore, these leases have not been included in measuring a lease receivable.

NOTE 4 – RECEIVABLES, Continued

Lease receivables held in Business-Type Activities at December 31, 2025, consist of the following:

The Authority entered into an agreement to lease the PBR Building portion of the convention center to Pueblo STEAM Works d.b.a. Leonardo da Vinci Museum of North America on June 30, 2025, with an initial 10-year term ending on June 30, 2035. The lease contained two additional 10-year renewal options with uncertain terms to be negotiated. The lease does not require lease payments for the 1st year. The lease receivable was discounted using a rate of 4%, the rate of the Authority's line of credit when the lease was initiated.

For the year ended December 31, 2025, the Convention Center reported $53,490 in lease revenue and $41,644 in lease interest revenues. There was $1,069,799 in lease receivable and $1,016,309 in the related deferred inflow of resources for the year ended December 31, 2025.

NOTE 5 – ADVANCES TO/FROM OTHER FUNDS AND TRANSFERS

The following table summarizes advances to/from other funds at December 31, 2025:

	Advances to Other Funds	Advances from Other Funds
Major governmental funds -		
Advance due Convention Center major enterprise fund from Regional Tourism	$ -	$ 366,000
Advance due Convention Center major enterprise fund from Vendor Fee	-	193,115
Advance due Fountain Creek nonmajor governmental fund from General Fund	-	4,894
Advance due Thunder Village District 2 nonmajor governmental fund from General Fund	-	64,649
Nonmajor governmental funds -		
Advance due Thunder Village District 2 from General Fund	64,649	-
Advance due Fountain Creek from General Fund	4,894	-
Major enterprise fund -		
Advance due from Regional Tourism	366,000	-
Advance due from Vendor Fee	193,115	-
	$ 628,658	$ 628,658

The advances to other funds were provided to assist with activities in the recipient funds.

NOTE 5 – ADVANCES TO/FROM OTHER FUNDS AND TRANSFERS, Continued

Transfers for the year ended December 31, 2025 are as follows:

	Transfers in	Transfers out
Governmental funds -		
General Fund	$ 1,328,224	$ (64,649)
Regional Tourism	-	(870,217)
Expanded Downtown District	-	(753,610)
St. Charles District	-	(2,126,470)
Lake Minnequa District	-	(1,040,233)
Vendor Fee - operating	-	(2,557,045)
Vendor Fee - capital	-	(430,000)
Debt Service	13,056,336	-
North Pueblo District	-	(455,225)
Evraz District	-	(9,247,200)
Other governmental funds	64,649	(92,162)
Total governmental funds	$ 14,449,209	$ (17,636,811)
Enterprise fund -		
Pueblo Convention Center - operating	2,757,602	-
Pueblo Convention Center - capital	430,000	-
Total enterprise fund	3,187,602	-
	$ 17,636,811	$ (17,636,811)

The transfers to the general fund from the major and nonmajor governmental funds were generally for administrative functions. The transfers to the debt service fund were for principal and interest on debt obligations. The transfers to the Pueblo Convention Center enterprise fund were for debt service, operations, maintenance expenses and capital improvements.

NOTE 6 – DUE FROM/TO PRIMARY GOVERNMENTS

The amounts due to the primary government (City of Pueblo, Colorado), are summarized as follows:

Due to City of Pueblo, Colorado for -	
Gateway Plaza project note	$ 1,884,307
HARP Boathouse project	200,000
Convention Center Expansion Loan	12,200,000
Total due to City of Pueblo, Colorado	$ 14,284,307

NOTE 6 – DUE FROM/TO PRIMARY GOVERNMENTS, Continued

The activities associated with the amounts owing the City are as follows:

	Balance January 1, 2025	Additions	Payments/ Reductions	Balance December 31, 2025	Due Within One Year
Governmental activities:					
Gateway Plaza project note	$ 1,884,307	$ -	$ -	$ 1,884,307	$ -
HARP Boathouse project	-	200,000	-	200,000	200,000
Total governmental activities	$ 1,884,307	$ 200,000	$ -	$ 2,084,307	$ 200,000

	Balance January 1, 2025	Additions	Payments/ Reductions	Balance December 31, 2025	Due Within One Year
Business-type activities:					
Convention Center expansion note	$ 12,200,000	$ -	$ -	$ 12,200,000	$ -
Total business-type activities	$ 12,200,000	$ -	$ -	$ 12,200,000	$ -

Convention Center Expansion Loan – City of Pueblo

The City of Pueblo issued two promissory notes on March 14, 2017.

The principal amount of the first note is $12,200,000 with a maturity date of December 31, 2027, with the right to extend the maturity date to December 31, 2037. Principal is due on or before the maturity date, together with interest on draws related to eligible costs until December 31, 2022, at the rate of 2% per annum; commencing January 1, 2023 until the maturity date at the rate of 3% per annum on the unpaid balance until paid. Accrued interest will be paid semi-annually on June 1 and December 1 of each year until maturity. Such monies are to be used by the Authority to finance the design, construction and improvement of an expansion to the Pueblo Convention Center Exhibition Hall and attached facility on the real property. As of December 31, 2021, $12,200,000 of eligible costs had been drawn from this loan and are reflected in the amount payable to the City of Pueblo. The Authority has pledged the convention center land, buildings and improvements to the City of Pueblo as collateral on this note. The net carrying amount of these assets is $29,825,814.

The principal amount of the second note is $2,200,000 with a maturity date of December 31, 2027, with the right to extend the maturity date to December 31, 2037. This note bears no interest. The entire principal balance shall be due and payable upon maturity. This note is for eligible costs related to the expansion to the Gateway Plaza project. In 2018 the Authority amended the Regional Tourism Act Project Cooperation Agreement with the City of Pueblo. This amendment states that the Authority will reimburse the City of Pueblo for Gateway Plaza design costs up to $258,954 if any remaining monies from the $2.2 million loan are available after the project is complete. As of December 31, 2025, the City of Pueblo has incurred $258,871.

NOTE 6 – DUE FROM/TO PRIMARY GOVERNMENTS, Continued

During 2025, the Authority entered an agreement with the City to reimburse certain capital expenditures made by the City up to $200,000 relating to the construction of the HARP Boathouse. These expenditures are allowable under the provisions of the RTA.

The Authority executed an additional promissory note for $112,800 with the City of Pueblo on March 5, 2019. However, this amount has not been recorded due to uncertainty about repayment.

NOTE 7 – CAPITAL ASSETS

Capital assets for the year ended December 31, 2025, were as follows:

	Balance January 1, 2025	Additions	Conveyances or Retirements	Balance December 31, 2025
Governmental activities:				
Non-depreciable assets:				
Land	$ 871,605	$ -	$ -	$ 871,605
Total non-depreciable assets	871,605	-	-	871,605
Depreciable assets:				
Buildings	11,740,468	-	-	11,740,468
Improvements	1,260,820	-	-	1,260,820
Furniture and fixtures	10,377	23,750	-	34,127
Right-to-use assets lease - equipment	15,191	-	(4,838)	10,353
Right-to-use assets SBITA	23,552	9,599	(10,040)	23,111
Total depreciable assets	13,050,408	33,349	(14,878)	13,068,879
Less Accumulated depreciation and amortization for:				
Buildings	(1,809,223)	(234,810)	-	(2,044,033)
Improvements	(109,343)	(63,041)	-	(172,384)
Furniture and fixtures	(86)	(3,413)	-	(3,499)
Right-to-use assets lease - equipment	(5,681)	(2,608)	4,838	(3,451)
Right-to-use assets - SBITA	(11,647)	(9,101)	10,040	(10,708)
Total accumulated depreciation and amortization	(1,935,980)	(312,973)	14,878	(2,234,075)
Depreciable assets, net	11,114,428	(279,624)	-	10,834,804
Governmental activities assets, net	$ 11,986,033	$ (279,624)	$ -	$ 11,706,409
Less outstanding capital debt				(2,510,000)
Plus deferred amount on refunding				77,300
Net investment in capital assets				$ 9,273,709

NOTE 7 – CAPITAL ASSETS, Continued

	Balance January 1, 2025	Additions	Conveyances or Retirements	Balance December 31, 2025
Business-type activities:				
Non-depreciable assets:				
Land	$ 326,094	$ -	$ -	$ 326,094
Medal of honor memorial	295,097	-	-	295,097
Total non-depreciable assets	621,191	-	-	621,191
Depreciable assets:				
Buildings	40,142,847	275,455	-	40,418,302
Improvements	1,793,122	-	(2,500)	1,790,622
Furniture and fixtures	2,267,387	39,629	(496,670)	1,810,346
Total depreciable assets	44,203,356	315,084	(499,170)	44,019,270
Less accumulated depreciation for:				
Buildings	(10,617,693)	(1,141,277)	-	(11,758,970)
Improvements	(1,167,452)	(80,004)	2,125	(1,245,331)
Furniture and fixtures	(1,179,647)	(132,899)	321,120	(991,426)
Total accumulated depreciation	(12,964,792)	(1,354,180)	323,245	(13,995,727)
Depreciable assets, net	31,238,564	(1,039,096)	(175,925)	30,023,543
Business-type activities assets, net	$ 31,859,755	$ (1,039,096)	$ (175,925)	$ 30,644,734
Less outstanding capital debt				(22,278,210)
Plus investments and cash restricted for capital debt				3,170,790
Plus net of unamortized discounts and premiums				23,311
Plus deferred amount on refunding				301,071
Net investment in capital assets				$ 11,861,696

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities –	
General government	$ 312,973
Total depreciation and amortization expense	$ 312,973
Business-type activities –	
Pueblo Convention Center	$ 1,354,180
Total depreciation expense	$ 1,354,180

NOTE 8 – LONG-TERM LIABILITIES

Following is a summary of changes in long-term liabilities in the government-wide financial statements for the year ended December 31, 2025:

	Balance January 1, 2025	Additions	Payments/ Reductions	Balance December 31, 2025	Due Within One Year
Governmental activities:					
Revenue bonds					
Expanded Downtown refunding Series 2020	$ 3,105,000	$ -	$ (595,000)	$ 2,510,000	$ 605,000
Lake Minnequa TIF refunding, Series 2020	1,675,000	-	(190,000)	1,485,000	195,000
North Pueblo TIF refunding Series 2020	2,190,000	-	(340,000)	1,850,000	350,000
Memorial Hall taxable refunding Series 2020	7,883,573	-	(487,527)	7,396,046	498,865
Unamortized premium	178,508	-	(12,750)	165,758	-
Evraz TIF Series 2021A	88,095,000	-	(1,080,000)	87,015,000	4,670,000
Evraz TIF Series 2021B	3,065,033	-	(3,065,033)	-	-
St Charles TIF Series 2022	14,795,595	-	(1,202,369)	13,593,226	1,256,836
St Charles TIF Series 2024	765,000	-	(63,628)	701,372	63,628
Total revenue bonds	121,752,709	-	(7,036,307)	114,716,402	7,639,329
Other obligations					
Accrued interest payable	500,978	5,920,701	(5,997,113)	424,566	424,566
Compensated absences	61,112	-	(19,199)	41,913	41,913
Lease obligations	8,973	-	(2,804)	6,169	2,098
SBITA obligations	4,970	9,599	(7,237)	7,332	4,796
Net pension liability	574,093	-	(195,810)	378,283	-
Net OPEB liability	44,376	-	(20,939)	23,437	-
Total other obligations	1,194,502	5,930,300	(6,243,102)	881,700	473,373
Total governmental activities	$ 122,947,211	$ 5,930,300	$ (13,279,409)	$ 115,598,102	$ 8,112,702

All of the above governmental activity obligations, with the exception of the compensated absences liability, are serviced by the debt service fund.

NOTE 8 – LONG-TERM LIABILITIES, Continued

	Balance January 1, 2025	Additions	Payments/ Reductions	Balance December 31, 2025	Due Within One Year
Business-type activity:					
Revenue bonds					
Convention Center sales tax increment Series	$ 7,780,000	$ -	$ (135,000)	$ 7,645,000	$ 180,000
Unamortized discount	(83,839)	-	6,987	(76,852)	-
Convention Center taxable refunding Series 2020	2,546,427	-	(157,473)	2,388,954	161,135
Unamortized premium	57,659	-	(4,118)	53,541	-
Total revenue bonds	10,300,247	-	(289,604)	10,010,643	341,135
Obligation under financed purchases	88,831	-	(44,575)	44,256	41,553
Accrued interest payable	249,243	1,015,197	(863,563)	400,877	400,877
Total business-type activities	$ 10,638,321	$ 1,015,197	$ (1,197,742)	$ 10,455,776	$ 783,565

The following is a description of each individual issue for the governmental activities:

Revenue Bonds

Expanded Downtown Revenue Refunding Bonds, Series 2020 $5,945,000, series 2020 revenue refunding bonds; interest rate 1.60%; due in semi-annual installments, including annual interest ranging from $627,499 to $660,400 through December 2029;	$ 2,510,000
Lake Minnequa Tax Increment Revenue Refunding Bonds, Series 2020 $2,545,000, series 2020 tax increment revenue refunding bonds; interest rate 2.95%; due in semi-annual installments, including annual interest, ranging from $196,903 to $240,180 through December 2032;	1,485,000
North Pueblo Tax Increment Revenue Refunding Bonds, Series 2020 $3,825,000, series 2020 tax increment revenue refunding bonds; interest rate 2.75%; due in semi-annual installments, including annual interest, ranging from $398,100 to $402,692 through December 2030;	1,850,000
Memorial Hall Taxable Revenue Refunding Bonds, Series 2020 $9,640,937, series 2020 taxable revenue refunding bonds; interest rate ranges from 2.00% to 4.00%; due in semi-annual installments, including annual interest, ranging from $236,022 to $677,445 through December 2038;	7,396,046

NOTE 8 – LONG-TERM LIABILITIES, Continued

Evraz Project Tax Increment Revenue Bonds, Series 2021A $88,095,000, series 2021 tax increment revenue bonds; interest rate 4.75%; due in semi-annual installments, including annual interest, ranging from $2,092,256 to $6,763,606 through December 2045;	87,015,000
St. Charles Taxable Revenue Refunding Bonds, Series 2022 $17,020,000, series 2022 taxable increment revenue bonds; interest rate 4.53%; due in semi-annual installments, including annual interest, ranging from $1,849,432 to $1,872,609 through December 2034;	13,593,226
St. Charles Taxable Revenue Refunding Bonds, Series 2024 $765,000, series 2024 taxable increment revenue bonds; interest rate 5.50%; due in semi-annual installments, including annual interest, ranging from $105,236 to $77,707 through December 2033, with a final installment of $202,923 in December 2034;	701,372
	114,550,644

Other Obligations

Accrued interest payable	424,566
Compensated absences	41,913
Lease obligations	6,169
SBITA obligations	7,332
Net pension liability	378,283
Net OPEB liability	23,437
Total other obligations	881,700
Total Governmental Activities	$ 115,432,344

The debt service requirements for the governmental activities revenue bonds and notes payable are as follows:

	Governmental Activities					
Year Ending	Revenue Bonds		SBITA Obligations		Lease Obligations	
December 31,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 7,639,331	$ 5,094,786	$ 4,796	$ 387	$ 2,098	$ 392
2027	7,546,382	4,777,493	2,536	3	2,261	229
2028	7,567,232	4,465,916	-	-	1,810	57
2029	7,548,221	5,154,557	-	-	-	-
2030	6,874,587	3,845,102	-	-	-	-
2031-2035	28,981,356	14,950,459	-	-	-	-
2036-2040	22,118,535	9,325,727	-	-	-	-
2041-2045	26,275,000	3,865,790	-	-	-	-
	$ 114,550,644	$ 51,479,830	$ 7,332	$ 390	$ 6,169	$ 678

NOTE 8 – LONG-TERM LIABILITIES, Continued

Expanded Downtown Revenue Refunding Bonds, Series 2020

The $7,363,000 series 2017 revenue refunding bonds were issued by the Authority to advance refund $7,193,000 of outstanding series 2006 revenue bonds. The bonds were refunded in July 2020.

The $5,945,000 series 2020 revenue refunding bonds were issued by the Authority to refund $6,026,700 of outstanding series 2017 revenue refunding bonds, which were issued to be used in the expanded urban renewal project area, specifically to assist in the financing and construction of a parking garage. Interest and principal on this note are payable from the pledged incremental property taxes generated within the Expanded Downtown district. Supplemental funding comes from the City of Pueblo, Colorado, based on the agreement that the City will pay 40% of the net revenues received less expenditures paid. The District completed the refunding in 2020 to reduce its total debt service payments over the next nine years by $649,312 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $652,167.

Lake Minnequa Tax Increment Revenue Refunding Bonds, Series 2020

The $2,420,000 series 2018 revenue refunding bonds were issued by the Authority to advance refund $2,420,000 of outstanding series 2011 revenue bonds. The bonds were refunded in July 2020.

The $2,545,000 series 2020 tax increment revenue refunding bonds were issued by the Authority to refund $2,172,594 of outstanding series 2018 revenue refunding bonds, which were issued to provide funds for the construction of certain infrastructure and other improvements in the Lake Minnequa district. An additional $500,000 was borrowed as part of the refunding for additional district infrastructure improvements. Interest and principal on this note are payable from the pledged incremental property taxes generated within the Lake Minnequa district. The District completed the refunding in 2020 to reduce its total debt service payments over the next 12 years by $69,983 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $95,014.

North Pueblo Tax Increment Revenue Refunding Bonds, Series 2020

The $4,000,000 multi-draw term bank note was issued to provide assistance for the construction of the Dillon flyover infrastructure project together with other improvements in the North Pueblo district. Interest and principal on this note are payable from the pledged incremental property taxes generated within the North Pueblo district. In connection with this note, the Authority entered into an agreement with the City of Pueblo, which allows for the City, at its discretion, to fund any shortfalls in the Authority's ability to make debt service payments from pledged incremental property taxes. The agreement provides that if the North Pueblo district eventually provides the Authority with a surplus of incremental property taxes, the Authority will repay the shortfall payments made by the City, along with 5% of simple interest. During 2025, the City did not pay any debt service shortfall.

NOTE 8 – LONG-TERM LIABILITIES, Continued

The $3,825,000 series 2020 tax increment revenue refunding bonds were issued by the Authority to refund $2,476,110 outstanding balance of the 2013 multi-draw term bank note, and $1,509,744 notes payable the City of Pueblo, Colorado. The bank note and notes due to the City of Pueblo, Colorado were issued to provide assistance for the construction of the Dillon flyover infrastructure project together with other improvements in the North Pueblo district. Interest and principal on these bonds are payable from the pledged incremental property taxes generated within the North Pueblo district. The District completed the refunding in 2020 to reduce its total debt service payments over the next 10 years by $190,586 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $177,241.

Memorial Hall and Convention Center Taxable Revenue Refunding Bonds, Series 2020

The $10,000,000 series 2011B improvement revenue bonds were issued by the Authority for the purpose of providing funds for the remodeling and restoring of the historic Memorial Hall which is within the expanded downtown district. The bonds were partially refunded in July 2020. The remaining $225,000 bonds mature annually beginning in 2020 with final payment in 2021.

In July 2020, the Authority entered into a refunding transaction whereby the series 2020 taxable revenue refunding bonds were issued to partially refund $12,595,000 the Authority's series 2011B refunding and improvement revenue bonds in both governmental activities and business-type activities. The series 2020 bonds were issued in the amount of $12,755,000. The net proceeds of $12,680,848 (after payment of $561,144 in underwriting fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt payments on the series 2011B refunding and improvement bonds beginning with bonds maturing in 2022. The total amount deposited with the escrow agent was $12,680,848, which included the $11,775,000 refunded bonds, $73,205 in current interest, and deferred amounts on refunding of $832,643. As a result of this transaction, the series 2011B refunding and improvement bonds maturing in 2022 through 2038 are considered to be defeased in-substance and the liability for those bonds has been removed from the government-wide and proprietary fund statements of net position. The Authority completed the advance refunding in 2020 to reduce its total debt service payments over the next 18 years by $2,865,550 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $2,345,592.

Of the total series 2020 bonds issued, $9,640,937 was attributed to governmental activities. Underwriting fees of $306,835, issuance costs of $117,309, and the deferred amounts on refunding of $629,358 were similarly allocated to governmental activities in 2020. Debt service savings of $2,165,942 and an economic gain of $1,772,928 was attributed to governmental activities.

NOTE 8 – LONG-TERM LIABILITIES, Continued

Interest and principal on these bonds are payable from the proceeds of the pledged revenue which consists of 3.3% of the City of Pueblo's sales and use tax collections. On a monthly basis, the City of Pueblo remits 3.3% of its sales and use tax collections to the trustee for debt service on the series 2011B refunding and improvement bonds (through 2021) and the series 2020 taxable revenue refunding bonds on behalf of the Authority. A portion of these monthly collections is allocated by the trustee for operations and maintenance and debt service of the Authority's convention center. The revenue recognized from these transactions totaled $3,037,007 for the year ended December 31, 2023 and is reported in the caption "vendor's fee" in the accompanying financial statements.

Evraz Tax Increment Revenue Bonds, Series 2021A and 2021B

The $88,095,000 Tax Increment Revenue Bonds Series 2021A and the $3,065,033 Tax Increment Revenue Bonds Series 2021B bonds were issued by the Authority for the purpose of providing funds for a portion of certain public improvements of the long-rail mill to be constructed in the EVRAZ Rail Urban Renewal Area. These public improvements are primarily of environmental in nature and are all certified as public improvements necessary for the project. Interest and principal on this note are payable from the pledged incremental property taxes generated within the EVRAZ Rail Urban Renewal Area.

St. Charles Tax Increment Revenue Bonds, Series 2022

The $17,020,000 Tax Increment Revenue Bonds Series 2022 were issued by the Authority for the purpose of providing funds for a portion of certain public improvements including projects selected by Pueblo County, Pueblo City Schools and District 70 School District. These include improvements to a regional sports facility, Pueblo West High School and a new County roadway extension. Interest and principal on this note are payable from these entities' pledged portions of incremental property taxes generated within the St. Charles Urban Renewal Area.

St. Charles Tax Increment Revenue Bonds, Series 2024

The $765,000 Tax Increment Revenue Bonds Series 2024 were issued by the Authority for the purpose of providing funds for a portion of certain public improvements projects selected by Pueblo City-County Library District, which includes improvements to the elevators at their main location. Interest and principal on this note are payable from these entity's pledged portions of incremental property taxes generated within the St. Charles Urban Renewal Area.

Lease Obligations

The Authority entered into two separate lease agreements for telephone equipment and a copier to be used in the administrative office. The phone lease began on June 1, 2022 and ended on June 1, 2025 with an initial value of $4,838 and 36 monthly payments of $145. The copier lease began on September 1, 2023 and ends on September 1, 2028 with an initial value of $10,353 and 60 monthly payments of $207. There were no stated interest rates in the leases so the Authority used the current line of credit rate at the time the lease was initiated to calculate the initial present value.

NOTE 8 – LONG-TERM LIABILITIES, Continued

SBITA Obligations

The Authority entered into two separate subscription-based information technology arrangements (SBITAs) for internet-based telephone service and offsite data storage. The phone service agreement began on June 1, 2022 and ends on June 1, 2025 with an initial value of $10,040 and 36 monthly payments of $300. The data storage agreement began on September 1, 2023 and ended on September 1, 2025 with an initial value of $8,889 and 24 monthly payments of $400. A 24-month extension of these agreements was entered into that continues to May 1, 2027 with an initial value of $9,980 and 24 monthly payments of $432. There were no stated interest rates in the leases so the Authority used the equivalent current line of credit rate if it had been in place at the time the agreements were initiated to calculate the initial present value.

The following is a description of the individual issues for the business-type activity:

Revenue Bonds

Convention Center Sales Tax Increment Revenue Bonds, Series 2017	
$17,030,000, series 2017 sales tax increment revenue bonds; interest rate ranges from 2.25% to 5.00%; due in semi-annual installments, including annual interest, ranging from $396,575 to $3,741,250 through June 2036;	$ 7,645,000
Convention Center Taxable Revenue Refunding Bonds, Series 2020	
$3,114,063, series 2020 taxable revenue refunding bonds; interest rate ranges from 2.00% to 4.00%; due in semi-annual installments, including annual interest, ranging from $76,236 to $218,818 through December 2038;	2,388,954
	10,033,954
Obligation under Financed Purchases	
$91,000 of obligation under a financed purchase; interest rate of 4.25%; due in monthly installments including interest of $1,257 through August 2026;	9,896
$193,498 of obligation under a financed purchase; interest rate of 4.54%; due in monthly installments including interest of $2,714 through February 2027;	34,360
	44,256
Total Business-Type Activities	$ 10,078,210

NOTE 8 – LONG-TERM LIABILITIES, Continued

The debt service requirements for the business-type activity bonds and financed purchases are as follows:

	Business-type Activity			
Year Ending	Revenue Bonds		Financed Purchases	
December 31,	Principal	Interest	Principal	Interest
2026	$ 341,135	$ 419,081	$ 41,553	$ 1,067
2027	396,018	407,146	2,703	10
2028	469,680	392,562	-	-
2029	530,901	375,144	-	-
2030	444,563	357,001	-	-
2031-2035	3,585,192	1,453,953	-	-
2036-2038	4,266,465	125,174	-	-
	$ 10,033,954	$ 3,530,061	$ 44,256	$ 1,077

Convention Center Sales Tax Increment Revenue Bonds, Series 2017

The $17,030,000 series 2017 sales tax increment revenue bonds were issued by the Authority for the purpose of providing funds for the design, construction, equipping and improvement of Phase 1, and component parts of Phases 2 and 3 of the RTA Project consisting of the expansion of the Pueblo Convention Center. Interest and principal on this note are payable from the pledged incremental state sales taxes generated within the established 2012 boundaries of the City of Pueblo. As mentioned below in Note 15, the Authority, in conjunction with the Colorado Economic Development Commission (the "Commission"), approved a resolution dedicating specified sales tax increment revenue for approved regional tourism projects. This agreement specifies a percentage of sales tax increment revenue will be dedicated to the Project in the amount of 24.7% of state sales tax revenue collected within the Regional Tourism Zone in excess of the Base Year Revenue (calculated as state sales tax revenue collected by the State from taxable transactions occurring within the Regional Tourism Zone during the twelve-month period from May 1, 2011 and ending on April 30, 2012) until April 30, 2022. Thereafter 3.3% of state sales tax revenue collected within the Regional Tourism Zone in excess of the Base Year Revenue will be dedicated to the Project until the earlier of either the date on which $35.7 million in state sales tax increment revenue has been paid or payment in full has been made on the bonds associated with financing the project, provided no single bond shall have a maturity date of 30 years. There is an option, with written notification to the Commission to extend the financing term to a date not to exceed 50 years. The funds received for the states sales tax increment revenue are being used to pay debt service on the Convention Center State Sales Tax Increment Revenue Bonds.

NOTE 8 – LONG-TERM LIABILITIES, Continued

Memorial Hall and Convention Center Taxable Revenue Refunding Bonds, Series 2020

The $3,890,000 series 2011B tax-exempt revenue refunding bonds were issued by the Authority to advance refund $2,420,000 of outstanding series 2011 revenue bonds, which were issued to provide funds for the construction of certain infrastructure and other improvements in the original downtown district. The bonds were partially refunded in July 2020 and the remaining $305,000 bonds matured in 2020 with final payment in 2021.

In July 2020, the Authority entered into a refunding transaction whereby the series 2020 taxable revenue refunding bonds were issued to partially refund $12,595,000 the Authority's series 2011B refunding and improvement revenue bonds in both governmental activities and business-type activities. The series 2020 bonds were issued in the amount of $12,755,000. The net proceeds of $12,680,848 (after payment of $561,144 in underwriting fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt payments on the series 2011B refunding and improvement bonds beginning with bonds maturing in 2022. The total amount deposited with the escrow agent was $12,680,848, which included the $11,775,000 refunded bonds, $73,205 in current interest, and deferred amounts on refunding of $832,643. As a result of this transaction, the series 2011B refunding and improvement bonds maturing in 2022 through 2038 are considered to be defeased in-substance and the liability for those bonds has been removed from the government-wide and proprietary fund statements of net position. The Authority completed the advance refunding in 2020 to reduce its total debt service payments over the next 18 years by $2,865,550 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $2,345,592.

Of the total series 2020 bonds issued, $3,114,063 was attributed to the business-type activity. Underwriting fees of $99,109, issuance costs of $37,891 and the deferred amounts on refunding of $203,285 were similarly allocated to the business-type activity in 2020. Debt service savings of $699,608 and an economic gain of $572,663 are attributed to business-type activities.

Interest and principal on these bonds are payable from the proceeds of the pledged revenue which consists of 3.3% of the City of Pueblo's sales and use tax collections. On a monthly basis, the City of Pueblo remits 3.3% of its sales and use tax collections to the trustee for debt service on the series 2011B refunding and improvement bonds (through 2021) and the series 2020 taxable revenue refunding bonds on behalf of the Authority. A portion of these monthly collections is allocated by the trustee for operations and maintenance and debt service of the Authority's convention center. The revenue recognized from these transactions totaled $2,958,471 for the year ended December 31, 2025 and is reported in the caption "vendor's fee" in the accompanying financial statements.

NOTE 9 – NET POSITION

Restricted net position represents net position whose uses are subject to constraints that are either (1) legally imposed by creditors (such as debt covenants), grantors, or laws on regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislations. Restricted net position for governmental and business-type activities is summarized as follows:

District projects	$ 2,568,124

NOTE 10 – FUND BALANCES

At December 31, 2025, fund balances for the governmental funds consist of the following:

	Governmental Funds						
	Nonspendable		Restricted		Assigned		
	Inventories	Prepaids	District Projects	Debt Service	Demonstration Project	Unassigned	Total Fund Balance
General Fund	$ 941,219	$ 6,600	$ 32,634	$ -	$ 57,819	$ 1,117,291	$ 2,155,563
Regional Tourism	-	-	-	4,502,981	-	-	4,502,981
Vendor fee	-	-	19,668	2,096,251	-	-	2,115,919
Expanded Dowtown District	-	-	824,226	-	-	-	824,226
St. Charles District	-	-	87,310	174,297	-	-	261,607
Lake Minnequa District	-	-	536,890	-	-	-	536,890
North Pueblo District	-	-	771,698	-	-	-	771,698
Evraz District	-	-	333	7,388,195	-	-	7,388,528
Other Governmental Funds	-	-	295,365	-	-	-	295,365
Total Governmental Funds	$ 941,219	$ 6,600	$ 2,568,124	$14,161,724	$ 57,819	$1,117,291	$ 18,852,777

NOTE 10 – FUND BALANCES, Continued

The Demonstration Project fund does not meet the criteria to be classified as a special revenue fund and, therefore, the activities of this fund have been included with the general fund in accordance with generally accepted accounting principles as follows:

	General Fund	Demonstration Project	Eliminations	Combined General Fund
Fund balance, January 1, 2025	$ 1,055,352	$ 1,019,530	$ -	$ 2,074,882
Revenues and other financing sources:				
Charges for services	357,416	-	-	357,416
Interest	1,074	165	-	1,239
Contributions	-	-	-	-
Other	-	-	-	-
Disposal of assets	-	-	-	-
Debt proceeds	9,599	-	-	9,599
Transfers in	1,328,224	-	-	1,328,224
Total revenues and other financing sources	1,696,313	165	-	1,696,478
Expenditures and other financing uses:				
General government	1,448,884	2,254	-	1,451,138
Economic development	37,209	18,403	-	55,612
Principal	10,041	-	-	10,041
Interest	1,008	-	-	1,008
Capital outlay	33,349	-	-	33,349
Transfer out	64,649	-	-	64,649
Total expenditures and other financing uses	1,595,140	20,657	-	1,615,797
Fund balance, December 31, 2025	$ 1,156,525	$ 999,038	$ -	$ 2,155,563

NOTE 11 – RISKS AND UNCERTAINTIES

The Authority is exposed to various risks of loss related to torts, property and casualty, errors and omissions, injuries to employees and health claims. All of these risks of loss are covered by commercial insurance. Settled claims from the commercial policies have not exceeded insurance coverage in any of the past three years.

NOTE 11 – RISKS AND UNCERTAINTIES, Continued

Constraints and Concentrations

Evraz Project Area – This project represents a significant concentration producing approximately 37% of the Authority's government-wide revenues. These revenues are highly dependent on the success of Evraz North America or a subsequent operator to continue to pay the related property tax going forward.

Vendor fee revenue, Convention Center customer charges and St. Charles District tax increment revenues each represent more than 10% of the Authority's overall government-wide revenues.

NOTE 12 – RETIREMENT PLAN

Plan Description and Benefit Provisions

Eligible employees of the Authority are provided with pensions through the Local Government Division Trust Fund (LGDTF), a cost-sharing, multiple-employer defined benefit pension plan administered by Public Employees' Retirement Association of Colorado (PERA). Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2024

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annualized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

NOTE 12 – RETIREMENT PLAN, Continued

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, will receive the maximum annual increase (A1) or A1 cap of 1.00 percent unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of 1.00 percent A1 cap or the average Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned A1 cap by up to 0.25 percent based on the parameters specified C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive benefits.

Contributions Provisions as of December 31, 2025

Eligible employees of the Authority are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Employee contribution rates for the period of January 1, 2024 through December 31, 2025 are summarized on the table below:

	01/01/2025 through 12/31/2025
Employee contribution rate	9.00%

Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

NOTE 12 – RETIREMENT PLAN, Continued

The employer contribution requirements for all employees are summarized in the table below:

	01/01/2025 through 12/31/2025
Employer contribution rate	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	-1.02%
Amount apportioned to the LGDTF	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.11%
Total Employer contribution rate to the LGDTF	13.79%

Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Authority were $80,760 for the year ended December 31, 2025.

NOTE 12 – RETIREMENT PLAN, Continued

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions
The net pension liability for the LGDTF was measured as of December 31, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the total pension liability to December 31, 2024. The Authority's proportion of the net pension liability (asset) was based on the Authority's contributions to the LGDTF for the calendar year 2024 relative to the total contributions of participating employers.

At December 31, 2025, the Authority reported a liability of $378,283 for its proportionate share of the net pension liability.

At December 31, 2024, the Authority's proportion was approximately 0.062 percent, which was a decrease of .016 percent from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Authority recognized pension expense of $42,724. At December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 28,545	$ -
Net difference between projected and actual earnings on pension plans investments	35,598	-
Changes in assumptions or other inputs	11,164	-
Changes in proportionate share	-	48,018
Differences between contributions recognized and proportionate share of contributions	221	-
Contributions subsequent to the measurement date	80,760	-
Total	$ 156,288	$ 48,018

The $80,760 of deferred outflows of resources related to pensions, resulting from the Authority's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended	
2026	$ 37,778
2027	73,840
2028	(60,254)
2029	(23,854)
	$ 27,510

NOTE 12 – RETIREMENT PLAN, Continued

Actuarial Assumptions

The TPL in the December 31, 2023 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% – 11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07	1.00%
PERA benefit structure hired after 12/31/06 [1]	Financed by the AIR

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund was $0.486 million.

All mortality assumptions are developed on a benefit-weighted basis and apply generational mortality. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019.

	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubG-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubG-2010 Healthy Retiree	Males: 94% of rates prior to age 80 90% of rates age 80 and older Females: 87% of rates prior to age 80 107% of rates age 80 and older
Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of rates for all ages Females: 105% of rates for all ages
Disabled	PubNS-2010 Disabled Retiree	99% of rates for all ages

The actuarial assumptions used in the December 31, 2023, valuation were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

NOTE 12 – RETIREMENT PLAN, Continued

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024.

Salary increases, including wage inflation 3.40% - 13.00%

Salary scale assumptions were altered to better reflect actual experience.

Rates of termination/withdrawal, retirement, ad disability were revised to more closely reflect actual experience.

The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubG-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubG-2010 Healthy Retiree	Males: 90% of rates for all ages Females: 85% of rates prior to age 85 105% of rates age 85 and older
Beneficiaries	Pub-2010 Contingent Survivor	Males: 92% of rates for all ages Females: 100% of rates for all ages
Disabled	PubNS-2010 Disabled Retiree	95% of rates for all ages

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies performed at least every four years, and asset/liability studies performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

NOTE 12 – RETIREMENT PLAN, Continued

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. As of the most recent reaffirmation of the long-term expected rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51.00%	5.00%
Fixed Income	23.00%	2.60%
Private Equity	10.00%	7.60%
Real Estate	10.00%	4.10%
Alternatives[1]	6.00%	5.20%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount Rate

The discount rate used to measure the TPL was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

NOTE 12 – RETIREMENT PLAN, Continued

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were $0.486 million and $0.020 million, respectively.

Based on the above assumptions and methods, the LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25 percent) or 1-percentage point higher (8.25 percent):

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1 % Increase (8.25%)
Proportionate share of the net pension liability	$ 827,986	$ 378,283	$ 481

Pension Plan Fiduciary Net Position

Detailed information about the LGDTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 13 – POST-EMPLOYMENT BENEFITS

OPEB Plan Description and Benefit Provisions

Eligible employees of the Authority are provided with OPEB through the HCTF – a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions
Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Authority were $5,986 for the year ended December 31, 2025.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2025, the Authority reported a liability of $23,437 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The Authority's proportion of the net OPEB liability was based on the Authority's contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2043, the Authority's proportion was 0.0049 percent, which was a decrease of 0.0013 percent from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Authority recognized OPEB expense of $74. At December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 5,170
Net difference between projected and actual earnings on OPEB plan investments	80	-
Changes in assumptions	268	7,492
Changes in proportionate share	9,650	12,438
Differences between contributions recognized and proportionate share of contributions	-	94
Contributions subsequent to the measurement date	5,986	-
PURA Total	$ 15,984	$ 25,194

$ 5,986 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended	
2026	$ (1,879)
2027	(1,641)
2028	(2,930)
2029	(3,576)
2030	(3,433)
Thereafter	(1,737)
	$ (15,196)

Actuarial assumptions. The TOL in the December 31, 2023 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.20 – 11.30 percent
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	16.00 percent in 2024, then 6.75 percent in 2025, gradually decreasing to 4.50 percent in 2034
MAPD PPO #2	105.00 percent in 2024, then 8.55 percent in 2025, gradually decreasing to 4.50 percent in 2034
Medicare Part A premiums	3.50 percent for 2024, gradually increasing to 4.50 percent in 2033

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund was $0.486 million.

Each year the per capita health care costs were developed by plan option. As of the December 31, 2023, actuarial valuation, costs are based on 2024 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the United Healthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.20%	2.30%
69	2.80%	2.20%
70	2.70%	1.60%
71	3.10%	0.50%
72	2.30%	0.70%
73	1.20%	0.80%
74	0.90%	1.50%
75-85	0.90%	1.30%
86and older	0.00%	0.00%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$ 1,710	$ 1,420	$ 585	$ 486	$ 1,897	$ 1,575
70	$ 1,921	$ 1,589	$ 657	$ 544	$ 2,130	$ 1,763
75	$ 2,122	$ 1,670	$ 726	$ 571	$ 2,353	$ 1,853

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$ 6,536	$ 5,429	$ 4,241	$ 3,523	$ 7,063	$ 5,866
70	$ 7,341	$ 6,073	$ 4,764	$ 3,941	$ 7,933	$ 6,563
75	$ 8,110	$ 6,385	$ 5,262	$ 4,143	$ 8,763	$ 6,900

The 2024 Medicare Part A premium is $505 per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. PERACare Medicare plan rates are applied where members have no premium-free Part A and where those premiums are already exceeding the maximum subsidy. MAPD PPO #2 has a separate trend because the first year rates are still below the maximum subsidy and to reflect the estimated impact of the Inflation Reduction Act for that plan option.

The PERA benefit structure health care cost trend rates that were used to measure the TOL are summarized in the table below:

Year	PERACare Medicare Plans	MAPO PPO #21	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

Mortality assumptions used in the December 31, 2023, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubG-2010 Employee	N/A
Post-Retirement (Retiree),		
Non-Disabled	PubG-2010 Healthy Retiree	Males: 94% of rates prior to age 80 90% of rates age 80 and older Females: 87% of rates prior to age 80 107% of rates age 80 and older
Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of rates for all ages Females: 105% of rates for all ages
Disabled	PubNS-2010 Disabled Retiree	99% of rates for all ages

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect the costs for the 2024 plan year.

- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for the plan option.

- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

The actuarial assumptions used in the December 31, 2023, valuations were based on the results of the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were reviewed and adopted by the PERA Board on November 20, 2020.

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Salary increases, including wage inflation	3.40% - 13.00%

The following health care costs assumptions were used in the foll forward calculation for the HCTF.

- Salary scale assumptions were altered to better reflect actual experience.

- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

- Participation rates were reduced.

- MAPD premium costs are not longer age graded.

Plan	With Medicare Part A	Without Medicare Part A
MAPD PPO #1	$ 1,824	$ 6,972
MAPD PPO #2	624	4,524
MAPD HMO (Kaiser)	2,040	7,596

The adjustments for credibility applied to the PUB-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. Note that in all categories, the mortality tables are generationally projected using the 2024 adjusted MP-2021 project scale. These assumptions updated for the Division Trust Funds, were also applied in the roll forward calculations for the HCTF using a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubG-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubG-2010 Healthy Retiree	Males: 90% of rates for all ages Females: 85% of rates prior to age 85 105% of rates age 85 and older
Beneficiaries	Pub-2010 Contingent Survivor	Males: 92% of rates for all ages Females: 100% of rates for all ages
Disabled	PubNS-2010 Disabled Retiree	95% of rates for all ages

The actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed annually and updated, as appropriate, by the PERA Board's actuary.

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

Several factors were considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51.00%	5.00%
Fixed Income	23.00%	2.60%
Private Equity	10.00%	7.16%
Real Estate	10.00%	4.10%
Alternatives[1]	6.00%	5.20%
Total	**100.00%**	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 percent.

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

Sensitivity of the Authority's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1 % Increase in Trend Rates
Initial PERACare Medicare trend rate	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Proportionate share of the net OPEB liability	$ 22,806	$ 23,437	$ 24,152

Discount rate

The discount rate used to measure the TOL was 7.25 percent. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2023, and the financial status of the HCTF as of the current measurement date (December 31, 2024). In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

NOTE 13 – POST-EMPLOYMENT BENEFITS, Continued

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were $0.020 million and $0.486 million, respectively.

Based on the above assumptions and methods, the FNP for the HCTF was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority's proportionate share of the net OPEB liability to changes in the discount rate

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25 percent) or one-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1 % Increase (8.25%)
Proportionate share of the net OPEB liability	$ 28,723	$ 23,437	$ 18,881

OPEB plan fiduciary net position. Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

The Authority entered into an agreement with Thunder Village Metropolitan District and Thunder Village Metropolitan District 2 (the District) which provides that the Authority will reimburse the District for the costs of certain public improvements. As of December 31, 2025, the District has approximately $6,191,531 of unreimbursed expenses. The Authority's obligation, however, is limited to the amount of actual tax increment revenues generated within the Thunder Village Metropolitan District project area until 2032 and the Thunder Village Metropolitan District 2 project area until 2045.

In 2012, the City of Pueblo and the Authority, in conjunction with the Colorado Economic Development Commission, approved a resolution dedicating specified sales tax increment revenue for approved regional tourism projects (See Note 8). As required by the resolution and agreement, the Authority has established a special fund to receive these funds. For the year ended December 31, 2025, the Authority recognized sales tax increment revenues of $877,537.

NOTE 14 – COMMITMENTS AND CONTINGENCIES, Continued

The Authority entered into an agreement with Lot 1, LLC which provides that the Authority will reimburse Lot 1, LLC for the costs of certain public improvements. As of December 31, 2025, Lot 1, LLC has approximately $127,734 of unreimbursed expenses. The Authority's obligation, however, is limited to fifty percent (50%) of the amount of actual incremental property taxes generated by the property in question within the Downtown Expanded Project Area until 2029.

The Authority entered into an agreement with Full Plate Management, LLC which provides that the Authority will reimburse Full Plate Management, LLC for the costs of certain public improvements. As of December 31, 2025, Full Plate Management, LLC has approximately $2,857,635 of unreimbursed expenses. The Authority's obligation, however, is limited to eighty-eight percent (88%) of the amount of actual incremental property taxes generated by the property in question within the Union Avenue Project Area until 2034.

Colorado voters passed an amendment to the state constitution in November, 1992 which contains several limitations, including revenue raising, spending abilities and other specific requirements affecting state and local governments. The amendment, commonly known as the Tabor Amendment, is complex and subject to judicial interpretation; however, the Authority believes it is in compliance with the requirements of the amendment. The Authority believes it is exempt from the provisions of the amendment because it is not a taxing body, nor does it have the power to hold elections.

NOTE 15 – SUBSEQUENT EVENTS

The Authority has evaluated its December 31, 2025 financial statements for subsequent events through April 2, 2026, the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)

General Fund

Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual

For the Year Ended December 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES					
Charges for services	$ 357,416	$ 357,416	$ -	$ 357,416	$ -
Interest	100	866	766	1,074	208
Other	-	7,057	7,057	-	(7,057)
TOTAL REVENUES	357,516	365,339	7,823	358,490	(6,849)
EXPENDITURES					
Current:					
General government	1,505,543	1,573,887	68,344	1,448,884	125,003
Economic development	200,076	150,950	(49,126)	37,209	113,741
Debt service	-	-	-	11,049	(11,049)
Capital outlay	-	-	-	33,349	(33,349)
TOTAL EXPENDITURES	1,705,619	1,724,837	19,218	1,530,491	194,346
OTHER FINANCING SOURCES AND (USES)					
Loan proceeds	-	-	-	9,599	9,599
Transfers in	1,348,103	1,330,614	(17,489)	1,328,224	(2,390)
Transfers out	-	-	-	(64,649)	(64,649)
Transfers in fund balance	-	28,884	28,884	-	(28,884)
TOTAL OTHER FINANCING SOURCES AND (USES)	1,348,103	1,359,498	11,395	1,273,174	(86,324)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	101,173	$ 101,173
FUND BALANCE, BEGINNING OF YEAR				1,055,352	
FUND BALANCE, END OF YEAR				1,156,525	
GAAP ADJUSTMENTS					
Consolidation of the Demonstration District Fund				999,038	
FUND BALANCE - GAAP BASIS				$ 2,155,563	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Reconciliation of the Budgetary Basis of Accounting
to GAAP Basis of Accounting
General Fund
For the Year Ended December 31, 2025

Budgetary Basis

Explanation of differences between budgetary revenues and other financing sources and GAAP revenues and other financing sources, together with budgetary expenditures and other financing uses and GAAP expenditures and other financing uses

REVENUES AND OTHER FINANCING SOURCES

Actual amounts (budgetary basis) of revenues and other financing sources from the budgetary comparison schedule	$ 1,696,313
Differences - budget to GAAP	
Revenues and other financing sources from the Demonstration Project Fund which is consolidated with the general fund for GAAP reporting purposes	165
GAAP basis revenues and other financing sources	$ 1,696,478

EXPENDITURES AND OTHER FINANCING USES

Actual amounts (budgetary basis) of expenditures and other financing uses from the budgetary comparison schedule	1,595,140
Differences - budget to GAAP	
Expenditures and other financing uses from the Demonstration Project Fund which is consolidated with the general fund for GAAP reporting purposes less eliminations	20,657
GAAP basis expenditures and other financing uses	$ 1,615,797

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Demonstration Project District (Included in General Fund)
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS		VARIANCE BETWEEN ORIGINAL AND		VARIANCE WITH
	ORIGINAL	FINAL	FINAL BUDGET	ACTUAL	FINAL BUDGET
REVENUES					
Interest	$ -	$ 176	$ 176	$ 165	$ (11)
TOTAL REVENUES	-	176	176	165	(11)
EXPENDITURES					
Current:					
General Government	-	2,254	2,254	2,254	-
Economic development	250,000	405,904	155,904	18,403	387,501
TOTAL EXPENDITURES	250,000	408,158	158,158	20,657	387,501
OTHER FINANCING SOURCES AND (USES)					
Transfers in	250,000	250,000	-	-	(250,000)
Transfers in fund balance	-	157,982	157,982	-	(157,982)
TOTAL OTHER FINANCING SOURCES AND (USES)	250,000	407,982	157,982	-	(407,982)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	(20,492)	$ (20,492)
FUND BALANCE, BEGINNING OF YEAR				1,019,530	
FUND BALANCE, END OF YEAR				$ 999,038	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Regional Tourism Fund
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS		VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL			
REVENUES					
Intergovernmental - sales tax increment	$ 985,003	$ 877,537	$ (107,466)	$ 895,820	$ 18,283
TOTAL REVENUES	985,003	877,537	(107,466)	895,820	18,283
EXPENDITURES					
Current:					
General government	8,000	51,190	43,190	47,706	3,484
Economic development	105,909	200,000	94,091	200,000	-
TOTAL EXPENDITURES	113,909	251,190	137,281	247,706	3,484
OTHER FINANCING SOURCES AND (USES)					
Transfers out	(871,094)	(871,094)	-	(870,217)	877
Transfer in fund balance	-	244,747	244,747	-	(244,747)
TOTAL OTHER FINANCING SOURCES AND USES	(871,094)	(626,347)	244,747	(870,217)	(243,870)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	(222,103)	$ (222,103)
FUND BALANCE, BEGINNING OF YEAR				4,725,084	
FUND BALANCE, END OF YEAR				$ 4,502,981	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Vendor Fee
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS		VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL			
REVENUES					
Vendors fees	$ 3,037,007	$ 3,037,007	$ -	$ 2,958,471	$ (78,536)
Interest	-	63,488	63,488	68,320	4,832
TOTAL REVENUES	3,037,007	3,100,495	63,488	3,026,791	(73,704)
EXPENDITURES					
Current:					
Economic development	-	20,000	20,000	-	20,000
TOTAL EXPENDITURES	-	20,000	20,000	-	20,000
OTHER FINANCING SOURCES AND (USES)					
Transfers out	(3,007,045)	(3,080,495)	(73,450)	(2,987,045)	93,450
TOTAL OTHER FINANCING SOURCES AND (USES)	(3,007,045)	(3,080,495)	(73,450)	(2,987,045)	93,450
NET CHANGE IN FUND BALANCE	$ 29,962	$ -	$ (29,962)	39,746	$ 39,746
FUND BALANCE, BEGINNING OF YEAR				2,076,173	
FUND BALANCE, END OF YEAR				$ 2,115,919	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Expanded Downtown District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES					
Property taxes	$ 944,408	$ 934,155	$ (10,253)	$ 921,520	$ (12,635)
Intergovernmental	257,872	257,872	-	259,892	2,020
Charges for services	-	-	-	55,320	55,320
Interest	1,320	1,232	(88)	1,274	42
TOTAL REVENUES	1,203,600	1,193,259	(10,341)	1,238,006	44,747
EXPENDITURES					
Current:					
General government	63,920	315,267	251,347	265,761	49,506
Economic development	381,671	522,895	141,224	505,332	17,563
TOTAL EXPENDITURES	445,591	838,162	392,571	771,093	67,069
OTHER FINANCING SOURCES AND (USES)					
Transfers out	(758,009)	(755,097)	2,912	(753,610)	1,487
Transfer in fund balance	-	400,000	400,000	-	(400,000)
TOTAL OTHER FINANCING SOURCES AND (USES)	(758,009)	(355,097)	402,912	(753,610)	(398,513)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	(286,697)	$ (286,697)
FUND BALANCE, BEGINNING OF YEAR				1,110,923	
FUND BALANCE, END OF YEAR				$ 824,226	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
St. Charles District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS		VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL			
REVENUES:					
Property taxes	$ 2,575,768	$ 2,544,608	$ (31,160)	$ 2,519,454	$ (25,154)
Interest	1,000	1,191	191	1,835	644
TOTAL REVENUES	2,576,768	2,545,799	(30,969)	2,521,289	(24,510)
EXPENDITURES					
Current:					
General government	-	38,169	38,169	37,792	377
Economic development	600,466	10,437,454	9,836,988	10,201,026	236,428
TOTAL EXPENDITURES	600,466	10,475,623	9,875,157	10,238,818	236,805
OTHER FINANCING SOURCES AND (USES)					
Transfers out	(2,021,234)	(2,126,470)	(105,236)	(2,126,470)	-
Transfers in fund balance	44,932	10,056,294	10,011,362	-	(10,056,294)
TOTAL OTHER FINANCING SOURCES AND (USES)	(1,976,302)	7,929,824	9,906,126	(2,126,470)	(10,056,294)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	(9,843,999)	$ (9,843,999)
FUND BALANCE, BEGINNING OF YEAR				10,105,606	
FUND BALANCE, END OF YEAR				$ 261,607	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Lake Minnequa District
Schedule of Revenues, Expenditures
and Change in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS		VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL			
REVENUES					
Property taxes	$ 1,463,975	$ 1,458,589	$ (5,386)	$ 1,478,111	$ 19,522
TOTAL REVENUES	1,463,975	1,458,589	(5,386)	1,478,111	19,522
EXPENDITURES					
Current:					
General government	-	-	-	22,075	(22,075)
Economic development	519,376	516,957	(2,419)	300,624	216,333
TOTAL EXPENDITURES	519,376	516,957	(2,419)	322,699	194,258
OTHER FINANCING SOURCES AND (USES)					
Transfers out	(1,044,599)	(1,041,632)	2,967	(1,040,233)	1,399
Transfers in	100,000	100,000	-	-	(100,000)
TOTAL OTHER FINANCING SOURCES AND (USES)	(944,599)	(941,632)	2,967	(1,040,233)	(98,601)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	115,179	$ 115,179
FUND BALANCE, BEGINNING OF YEAR				421,711	
FUND BALANCE, END OF YEAR				$ 536,890	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
North Pueblo District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES					
Property taxes	$ 931,228	$ 907,405	$ (23,823)	$ 909,963	$ 2,558
Interest	500	96	(404)	94	(2)
TOTAL REVENUES	931,728	907,501	(24,227)	910,057	2,556
EXPENDITURES					
Current:					
General government	-	13,638	13,638	13,638	-
Economic development	226,503	197,747	(28,756)	197,747	-
TOTAL EXPENDITURES	226,503	211,385	(15,118)	211,385	-
TOTAL FINANCING SOURCES AND (USES)					
Transfer in fund balance	-	9,109	9,109	-	(9,109)
Transfers out	(705,225)	(705,225)	-	(455,225)	250,000
TOTAL OTHER FINANCING SOURCES AND (USES)	(705,225)	(696,116)	9,109	(455,225)	240,891
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	243,447	$ 243,447
FUND BALANCE, BEGINNING OF YEAR				528,251	
FUND BALANCE, END OF YEAR				$ 771,698	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Evraz District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	VARIANCE BETWEEN ORIGINAL AND FINAL BUDGET	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES					
Property taxes	$ 7,764,557	$ 7,699,325	$ (65,232)	$ 7,745,499	$ 46,174
Interest	-	372,611	372,611	373,764	1,153
Other	-	-	-	458	458
TOTAL REVENUES	7,764,557	8,071,936	307,379	8,119,721	47,785
EXPENDITURES					
Current:					
General government	4,000	138,263	134,263	138,263	-
TOTAL EXPENDITURES	4,000	138,263	134,263	138,263	-
TOTAL FINANCING SOURCES AND (USES)					
Transfer in fund balance	1,483,919	1,313,527	(170,392)	-	(1,313,527)
Transfers out	(9,244,476)	(9,247,200)	(2,724)	(9,247,200)	-
TOTAL OTHER FINANCING SOURCES AND (USES)	(7,760,557)	(7,933,673)	(173,116)	(9,247,200)	(1,313,527)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	(1,265,742)	$ (1,265,742)
FUND BALANCE, BEGINNING OF YEAR				8,654,270	
FUND BALANCE, END OF YEAR				$ 7,388,528	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Retirement Plan Required Supplementary Information
For the Year Ended December 31, 2025

Schedule of Proportionate Share of the Net Pension and OPEB Liability and Related Ratios

Colorado PERA - Pension

Year Ending*	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Actual Member Payroll	as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2016	0.038%	$ 429,236	$ 239,406	179.29%	76.90%
12/31/2017	0.039%	$ 533,355	$ 308,342	172.98%	73.65%
12/31/2018	0.051%	$ 562,700	$ 336,780	167.08%	79.37%
12/31/2019	0.051%	$ 645,451	$ 405,156	159.31%	75.96%
12/31/2020	0.059%	$ 430,277	$ 470,419	91.47%	86.26%
12/31/2021	0.067%	$ 347,696	$ 511,440	67.98%	90.88%
12/31/2022	0.069%	$ (58,927)	$ 663,193	-8.89%	101.49%
12/31/2023	0.081%	$ 812,888	$ 687,064	118.31%	82.99%
12/31/2024	0.078%	$ 574,093	$ 574,130	99.99%	88.03%
12/31/2025	0.062%	$ 378,283	$ 586,876	64.46%	90.45%

Colorado PERA - OPEB

Year Ending*	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Actual Member Payroll	as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2018	0.004%	$ 50,980	$ 336,780	15.14%	17.50%
12/31/2019	0.004%	$ 54,211	$ 405,156	13.38%	17.03%
12/31/2020	0.005%	$ 50,647	$ 470,419	10.77%	24.49%
12/31/2021	0.005%	$ 48,338	$ 511,440	9.45%	32.78%
12/31/2022	0.005%	$ 46,074	$ 663,193	6.95%	39.40%
12/31/2023	0.007%	$ 53,360	$ 687,064	7.77%	38.57%
12/31/2024	0.006%	$ 44,376	$ 574,130	7.73%	46.16%
12/31/2025	0.005%	$ 23,437	$ 586,876	3.99%	59.83%

** The data provided in this schedule is based as of the measurement date of the Authority's net pension liability, which is as of the beginning of the year.*

Schedules of Employer Contributions

Colorado PERA - Pension

Year Ending	Statutorily Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Member Payroll	Contributions as a Percentage of Covered Payroll
12/31/2016	$ 30,357	$ 32,799	$ 2,442	$ 239,406	13.7%
12/31/2017	$ 39,098	$ 41,806	$ 2,708	$ 308,342	13.6%
12/31/2018	$ 42,704	$ 42,704	$ -	$ 336,780	12.7%
12/31/2019	$ 51,374	$ 51,374	$ -	$ 405,156	12.7%
12/31/2020	$ 60,907	$ 60,907	$ -	$ 470,419	12.9%
12/31/2021	$ 67,510	$ 67,510	$ -	$ 511,440	13.2%
12/31/2022	$ 89,356	$ 89,356	$ -	$ 663,193	13.5%
12/31/2023	$ 93,662	$ 93,662	$ -	$ 687,064	13.6%
12/31/2024	$ 79,006	$ 79,006	$ -	$ 574,130	13.8%
12/31/2025	$ 80,760	$ 80,760	$ -	$ 586,876	13.8%

Colorado PERA - OPEB

Year Ending*	Statutorily Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Member Payroll	Contributions as a Percentage of Covered Payroll
12/31/2018	$ 3,435	$ 3,435	$ -	$ 336,780	1.02%
12/31/2019	$ 4,133	$ 4,133	$ -	$ 405,156	1.02%
12/31/2020	$ 4,798	$ 4,798	$ -	$ 470,419	1.02%
12/31/2021	$ 5,217	$ 5,217	$ -	$ 511,440	1.02%
12/31/2022	$ 6,765	$ 6,765	$ -	$ 663,193	1.02%
12/31/2023	$ 7,008	$ 7,008	$ -	$ 687,064	1.02%
12/31/2024	$ 5,856	$ 5,856	$ -	$ 574,130	1.02%
12/31/2025	$ 5,986	$ 5,986	$ -	$ 586,876	1.02%

PUEBLO URBAN RENEWAL AUTHORITY
(A COMPONENT UNIT OF THE CITY OF PUEBLO, COLORADO)
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025

BUDGETARY INFORMATION

The Authority adheres to the following procedures in establishing the budgetary data reflected in the budgetary comparison schedules.

Prior to November 1 of each year, the executive director submits to the board of commissioners a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the board of commissioners to obtain comments. The Authority adopts budgets for all funds and each fund uses the current financial resources measurement focus and the modified accrual basis of accounting in preparing the budgets. In addition, appropriations lapse at the end of the year.

Expenditure estimates in the annual budgets are enacted into law through the passage of an appropriation resolution. The board of commissioners may amend the original adopted budget during the year by passing a new resolution to reflect current needs. The 2025 budget was amended for additional expenditures.

The legal level of budgetary control for all funds is at the total fund level which means that total expenditures and other financing uses cannot legally exceed total appropriations for that fund.

Explanation of budget variances over $100,000:

Fund	Budget line item	Variance	Explanation
General Fund	General Government	$ 125,003	Payroll and related costs were less than expected due to open positions; professional fees for project area creation were paid by developers rather than the Authority as initally planned.
General Fund	Economic Development	113,741	Planned project for Park lighting was delayed until 2026; community engagement expenditures were less than planned due to a decrease in sponsorship requests.
Demonstration	Economic Development	387,501	Planned projects for additional urban infill have been delayed.
Demonstration	Transfers in	(250,000)	Budgeted transfer was not made because planned project did not occur.
St. Charles	Economic Development	236,428	Library district projects were not completed as planned and will payout in 2026; Excess TIF was less than expected and was based on collections.
North Pueblo	Transfer out	250,000	Budgeted transfer was not made because planned project did not occur.

SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2024 Changes in Plan Provisions Since 2023

Colorado PERA - Pension

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional disaffiliation payment allocations to the Local Government Division Trust Fund was $0.486 million.

Colorado PERA - OPEB

- As of the December 31, 2024, measurement date, the fiduciary net position (FNP) and related disclosure components for the Health Care Trust Fund (HCTF) reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund was $0.486 million.

SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2024 Changes in Assumptions or Other Inputs Since 2023

Colorado PERA - Pension

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The Pub-2010 Public Retirement Plans Mortality base tables were retained for purposes of active, retired, disabled, and beneficiary lives, with revised adjustments for credibility and gender, where applicable. In addition, the applied generational projection scale was updated to the 2024 adjusted scale MP-2021.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

Colorado PERA - OPEB

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on experience. In addition, the mortality projection scale was updated to the 2024 adjusted scale MP-2021 to reflect future improvements in mortality for all groups.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

OTHER SUPPLEMENTARY INFORMATION

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Combining Balance Sheet
Other Governmental Funds
December 31, 2025

	SPECIAL REVENUE FUNDS		
	THUNDER VILLAGE DISTRICT	THUNDER VILLAGE DISTRICT 2	UNION AVENUE DISTRICT
ASSETS			
Cash and cash equivalents	$ 68	$ 99,644	$ 30,549
Accounts and other receivables	-	-	2,652
Prepaids	890	-	-
Property taxes receivable	95,168	9,772	7,524
Advance to other funds	-	64,649	-
TOTAL ASSETS	96,126	174,065	40,725
LIABILITIES, DEFFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	890	164,220	2,652
TOTAL LIABILITIES	890	164,220	2,652
DEFERRED INFLOWS OF RESOURCES			
Property taxes	95,168	9,772	7,524
TOTAL DEFERRED INFLOWS OF RESOURCES	95,168	9,772	7,524
FUND BALANCES			
Restricted	68	73	30,549
TOTAL FUND BALANCES	68	73	30,549
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 96,126	$ 174,065	$ 40,725

SPECIAL REVENUE FUNDS			
FOUNTAIN CREEK DISTRICT	MITCHELL PARK SOUTH DISTRICT	LOWER WESTSIDE DISTRICT	TOTALS
$ 55,387	$ 138,359	$ 66,035	$ 390,042
-	-	-	2,652
-	-	-	890
39,278	92,419	13,272	257,433
4,894	-	-	69,543
99,559	230,778	79,307	720,560
-	-	-	167,762
-	-	-	167,762
39,278	92,419	13,272	257,433
39,278	92,419	13,272	257,433
60,281	138,359	66,035	295,365
60,281	138,359	66,035	295,365
$ 99,559	$ 230,778	$ 79,307	$ 720,560

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 2025

	SPECIAL REVENUE FUNDS		
	THUNDER VILLAGE DISTRICT	THUNDER VILLAGE DISTRICT 2	UNION AVENUE DISTRICT
REVENUES			
Property taxes	$ 184,381	$ 3,282	$ 6,626
Intergovernmental - sales tax increment	-	-	61,225
Interest	27	50	26
TOTAL REVENUES	184,408	3,332	67,877
EXPENDITURES			
Current:			
General government	2,764	573	98
Economic development	90,809	66,003	50,051
TOTAL EXPENDITURES	93,573	66,576	50,149
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	90,835	(63,244)	17,728
OTHER FINANCING SOURCES (USES)			
Transfers in	-	64,649	-
Transfers out	(90,808)	(1,354)	-
TOTAL OTHER FINANCING SOURCES (USES)	(90,808)	63,295	-
NET CHANGE IN FUND BALANCES	27	51	17,728
FUND BALANCES, BEGINNING,	41	22	12,821
FUND BALANCES, END OF YEAR	$ 68	$ 73	$ 30,549

SPECIAL REVENUE FUNDS			
FOUNTAIN CREEK DISTRICT	MITCHELL PARK SOUTH DISTRICT	LOWER WESTSIDE DISTRICT	TOTALS
$ 28,094	$ 143,782	$ 11,782	$ 377,947
-	-	-	61,225
42	-	55	200
28,136	143,782	11,837	439,372
417	9,446	175	13,473
-	-	-	206,863
417	9,446	175	220,336
27,719	134,336	11,662	219,036
-	-	-	64,649
-	-	-	(92,162)
-	-	-	(27,513)
27,719	134,336	11,662	191,523
32,562	4,023	54,373	103,842
$ 60,281	$ 138,359	$ 66,035	$ 295,365

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Thunder Village District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
Property taxes	$ 183,861	$ 184,381	$ 520
Interest	19	27	8
TOTAL REVENUES	183,880	184,408	528
EXPENDITURES			
Current:			
General government	2,729	2,764	(35)
Economic development	90,844	90,809	35
TOTAL EXPENDITURES	93,573	93,573	-
OTHER FINANCING SOURCES AND (USES)			
Transfers out	(90,307)	(90,808)	(501)
TOTAL OTHER FINANCING SOURCES AND (USES)	(90,307)	(90,808)	(501)
NET CHANGE IN FUND BALANCE	$ -	27	$ 27
FUND BALANCE, BEGINNING OF YEAR		41	
FUND BALANCE, END OF YEAR		$ 68	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Thunder Village District 2
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
Property taxes	$ 180,841	$ 3,282	$ (177,559)
Intergovernmental revenue	64,649	-	(64,649)
Interest	18	50	32
TOTAL REVENUES	245,508	3,332	(242,176)
EXPENDITURES			
Current:			
General government	2,730	573	2,157
Economic development	241,424	66,003	175,421
TOTAL EXPENDITURES	244,154	66,576	177,578
OTHER FINANCING SOURCES AND (USES)			
Transfers in	-	64,649	64,649
Transfers out	(1,354)	(1,354)	-
TOTAL OTHER FINANCING SOURCES AND (USES)	(1,354)	63,295	64,649
NET CHANGE IN FUND BALANCE	$ -	51	$ 51
FUND BALANCE, BEGINNING OF YEAR		22	
FUND BALANCE, END OF YEAR		$ 73	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Union Avenue District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
Property Tax Increment	$ 7,465	$ 6,626	$ (839)
Intergovernmental - sales tax increment	55,000	61,225	6,225
Interest	24	26	2
TOTAL REVENUES	62,489	67,877	5,388
EXPENDITURES			
Current:			
General government	112	98	14
Economic development	72,377	50,051	22,326
TOTAL EXPENDITURES	72,489	50,149	22,340
OTHER FINANCING SOURCES AND (USES)			
Transfers in fund balance	10,000	-	(10,000)
TOTAL OTHER FINANCING SOURCES AND (USES)	10,000	-	(10,000)
NET CHANGE IN FUND BALANCE	$ -	17,728	$ 17,728
FUND BALANCE, BEGINNING OF YEAR		12,821	
FUND BALANCE, END OF YEAR		$ 30,549	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Fountain Creek District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
Property taxes	$ 28,652	$ 28,094	$ (558)
Interest	40	42	2
TOTAL REVENUES	28,692	28,136	(556)
EXPENDITURES			
Current:			
General government	-	417	(417)
Economic development	28,692	-	28,692
TOTAL EXPENDITURES	28,692	417	28,275
NET CHANGE IN FUND BALANCE	$ -	27,719	$ 27,719
FUND BALANCE, BEGINNING OF YEAR		32,562	
FUND BALANCE, END OF YEAR		$ 60,281	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Mitchell Park South District
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
Property taxes	$ 144,272	$ 143,782	$ (490)
TOTAL REVENUES	144,312	143,782	(530)
EXPENDITURES			
Current:			
General government	8,413	9,446	(1,033)
Economic development	135,859	-	135,859
TOTAL EXPENDITURES	144,272	9,446	134,826
NET CHANGE IN FUND BALANCE	$ 40	134,336	$ 134,296
FUND BALANCE, BEGINNING OF YEAR		4,023	
FUND BALANCE, END OF YEAR		$ 138,359	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Lower West Side
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
Property taxes	$ 11,748	$ 11,782	$ 34
Interest	53	55	2
TOTAL REVENUES	11,801	11,837	36
EXPENDITURES			
Current:			
General government	-	175	(175)
Economic development	11,801	-	11,801
TOTAL EXPENDITURES	11,801	175	11,626
NET CHANGE IN FUND BALANCE	$ -	11,662	$ 11,662
FUND BALANCE, BEGINNING OF YEAR		54,373	
FUND BALANCE, END OF YEAR		$ 66,035	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Debt Service Fund
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
TOTAL REVENUES	$ -	$ -	$ -
EXPENDITURES			
Debt service:			
Principal	7,023,557	7,023,557	-
Interest	6,032,779	6,032,779	-
TOTAL EXPENDITURES	13,056,336	13,056,336	-
OTHER FINANCING SOURCES AND (USES)			
Transfers in	13,056,336	13,056,336	-
TOTAL OTHER FINANCING SOURCES AND (USES)	13,056,336	13,056,336	-
NET CHANGE IN FUND BALANCE	$ -	-	$ -
FUND BALANCE, BEGINNING OF YEAR		-	
FUND BALANCE, END OF YEAR		$ -	

PUEBLO URBAN RENEWAL AUTHORITY

(a component unit of the City of Pueblo, Colorado)
Pueblo Convention Center Enterprise Fund
Schedule of Revenues, Expenditures
and Change in Net Position—Budget and Actual
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS FINAL	ACTUAL BUDGET BASIS	VARIANCE WITH FINAL BUDGET
REVENUES			
Charges for services	$ 3,265,122	$ 2,924,378	$ (340,744)
Investment earnings	-	173,624	173,624
Rent income	-	53,490	53,490
TOTAL REVENUES	3,265,122	3,151,492	(113,630)
EXPENDITURES			
Current:			
Contractual expenditures	4,538,553	4,240,707	297,846
General administration	350,000	350,000	-
Debt service	1,199,009	1,209,217	(10,208)
Capital outlay	430,000	348,796	81,204
TOTAL EXPENDITURES	6,517,562	6,148,720	368,842
OTHER FINANCING SOURCES AND (USES)			
Transfers in	2,822,440	2,757,602	(64,838)
Capital contributions	430,000	430,000	-
TOTAL OTHER FINANCING SOURCES AND (USES)	3,252,440	3,187,602	(64,838)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES AND (USES)	$ -	190,374	$ 190,374
ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS			
Capital outlay		348,796	
Depreciation expense		(1,354,180)	
Loss on disposal		(175,925)	
Principal payment on debt		345,654	
CHANGE IN NET POSITION - GAAP BASIS		$ (645,281)	

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Pueblo Urban Renewal Authority
Pueblo, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Pueblo Urban Renewal Authority (the Authority), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated May 12, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Haynie

Littleton, Colorado
May 12, 2026

PUEBLO URBAN RENEWAL AUTHORITY
(A COMPONENT UNIT OF THE CITY OF PUEBLO, COLORADO)
Schedule of Findings and Questioned Costs
DECEMBER 31, 2025

1. Summary of Auditors' Results

Type of report issued on the financial statements:	**Unmodified**
Material weaknesses in financial reporting internal control noted:	**None**
Significant deficiency(s) identified that are not considered to be material weaknesses in financial reporting:	**None identified**
Material noncompliance noted:	**None**

2. Summary Schedule of Prior Audit Findings

None