

LETTER OF BUDGET TRANSMITTAL


Date: January 30, 2024

To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached are the 2024 budget and budget message for FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 30, 2023. If there are any questions on the budget, please contact:

Josh Miller, District Manager  
c/o CliftonLarsonAllen LLP  
121 S. Tejon Street, Suite 1100  
Colorado Springs, CO 80903  
Telephone number: 303-779-5710

I, Josh Miller, District Manager of the First & Main Business Improvement District No. 2, hereby certify that the attached is a true and correct copy of the 2024 budget.

By:   
\_\_\_\_\_  
Josh Miller, District Manager

**RESOLUTION  
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,  
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY  
FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the First & Main Business Improvement District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 30, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$15,188; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$759,887; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ 0 ; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of El Paso is \$14,479,000; and

WHEREAS, at an election held on November 8, 2004, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2 OF EL PASO COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the First & Main Business Improvement District No. 2 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 1.049 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 52.482 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

*[remainder of page intentionally left blank; signature page follows]*

ADOPTED this 30<sup>th</sup> day of November, 2023.

FIRST & MAIN BUSINESS IMPROVEMENT  
DISTRICT NO. 2

DocuSigned by:  
*Timothy Seibert*  
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President

ATTEST:

DocuSigned by:  
*David Jenkins*  
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Secretary

**ATTACH COPY OF THE ADOPTED BUDGET AND  
THE CERTIFICATION OF TAX LEVIES**

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING, DECEMBER 31, 2024**

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 2,445,842	\$ 3,137,064	\$ 3,273,219
REVENUES			
Property taxes	643,159	675,288	775,075
Specific ownership taxes	67,814	67,473	77,508
Interest income	55,614	170,000	137,000
Intergovernmental revenues	19,405	19,379	46,176
PIF revenue	728,980	750,000	787,500
Bond issuance proceeds	10,641,000	-	-
Total revenues	<u>12,155,972</u>	<u>1,682,140</u>	<u>1,823,259</u>
TRANSFERS IN	<u>-</u>	<u>13,586</u>	<u>-</u>
Total funds available	<u>14,601,814</u>	<u>4,832,790</u>	<u>5,096,478</u>
EXPENDITURES			
General Fund	111,351	104,128	155,000
Debt Service Fund	712,797	1,441,857	1,414,000
Capital Projects Fund	10,640,602	-	-
Total expenditures	<u>11,464,750</u>	<u>1,545,985</u>	<u>1,569,000</u>
ENDING FUND BALANCES	<u>\$ 3,137,064</u>	<u>\$ 3,273,219</u>	<u>\$ 3,527,478</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	\$ 3,200 238,024	\$ 3,400 230,596	\$ 4,600 225,268
TOTAL RESERVE	<u>\$ 241,224</u>	<u>\$ 233,996</u>	<u>\$ 229,868</u>



**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
<b>ASSESSED VALUATION</b>			
Commercial	\$ 12,521,650	\$ 13,147,830	\$ 14,395,730
State assessed	56,500	72,360	72,770
Vacant land	210,070	9,710	10,500
	12,788,220	13,229,900	14,479,000
<b>MILL LEVY</b>			
General	1.000	1.000	1.049
Debt Service	50.000	50.000	52.482
Total mill levy	51.000	51.000	53.531
<b>PROPERTY TAXES</b>			
General	\$ 12,788	\$ 13,230	\$ 15,188
Debt Service	639,411	661,495	759,887
Levied property taxes	652,199	674,725	775,075
Adjustments to actual/rounding	318	-	-
Refunds and abatements	(9,358)	-	-
Budgeted property taxes	\$ 643,159	\$ 674,725	\$ 775,075
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 12,611	\$ 13,230	\$ 15,188
Debt Service	630,548	661,495	759,887
	\$ 643,159	\$ 674,725	\$ 775,075

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**GENERAL FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 247,991	\$ 241,224	\$ 233,996
REVENUES			
Property taxes	12,606	13,236	15,188
Specific ownership taxes	67,814	67,473	77,508
Interest income	4,759	10,000	12,000
Intergovernmental revenues	19,405	19,379	46,176
Total revenues	<u>104,584</u>	<u>110,088</u>	<u>150,872</u>
Total funds available	<u>352,575</u>	<u>351,312</u>	<u>384,868</u>
EXPENDITURES			
General and administrative			
Accounting	33,024	34,000	58,950
Auditing	8,300	8,673	14,105
County Treasurer's fee	192	199	228
PIF Services	25,791	25,000	25,000
Dues and membership	612	825	1,408
Insurance	3,757	4,500	6,950
District management	20,125	11,000	18,700
Legal	15,449	15,000	22,000
Miscellaneous	1,695	1,500	2,148
Ground Lease	-	200	200
Election	2,406	3,231	-
Contingency	-	-	5,311
Total expenditures	<u>111,351</u>	<u>104,128</u>	<u>155,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>13,188</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>111,351</u>	<u>117,316</u>	<u>155,000</u>
ENDING FUND BALANCES	<u>\$ 241,224</u>	<u>\$ 233,996</u>	<u>\$ 229,868</u>
EMERGENCY RESERVE	\$ 3,200	\$ 3,400	\$ 4,600
AVAILABLE FOR OPERATIONS	238,024	230,596	225,268
TOTAL RESERVE	<u>\$ 241,224</u>	<u>\$ 233,996</u>	<u>\$ 229,868</u>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 2,197,851	\$ 2,895,442	\$ 3,039,223
REVENUES			
Property taxes	630,553	662,052	759,887
PIF revenue	728,980	750,000	787,500
Interest income	50,855	160,000	125,000
Total revenues	<u>1,410,388</u>	<u>1,572,052</u>	<u>1,672,387</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>13,586</u>	<u>-</u>
Total funds available	<u>3,608,239</u>	<u>4,481,080</u>	<u>4,711,610</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	9,596	9,931	11,398
Contingency	-	-	4,362
Debt Service			
Bond Interest - Series 2009	170,000	165,325	160,225
Bond Interest - Series 2011 PIF	132,600	127,500	121,550
Bond Interest - Series 2015 GO	106,988	104,963	102,600
Bond Interest - Series 2015 PIF	103,613	100,575	97,200
Bond Interest - Series 2022 GO	-	266,127	256,165
Bond Interest - Series 2022 PIF	-	452,436	435,500
Bond Principal - Series 2009	55,000	60,000	65,000
Bond Principal - Series 2011 PIF	60,000	70,000	75,000
Bond Principal - Series 2015 GO	30,000	35,000	35,000
Bond Principal - Series 2015 PIF	45,000	50,000	50,000
Total expenditures	<u>712,797</u>	<u>1,441,857</u>	<u>1,414,000</u>
Total expenditures and transfers out requiring appropriation	<u>712,797</u>	<u>1,441,857</u>	<u>1,414,000</u>
ENDING FUND BALANCES	<u>\$ 2,895,442</u>	<u>\$ 3,039,223</u>	<u>\$ 3,297,610</u>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**CAPITAL PROJECTS FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 398	\$ -
REVENUES			
Bond issuance proceeds	10,641,000	-	-
Total revenues	<u>10,641,000</u>	<u>-</u>	<u>-</u>
Total funds available	<u>10,641,000</u>	<u>398</u>	<u>-</u>
EXPENDITURES			
Capital Projects			
Repay developer advance	10,525,602	-	-
Bond issue costs	115,000	-	-
Total expenditures	<u>10,640,602</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>398</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>10,640,602</u>	<u>398</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 398</u>	<u>\$ -</u>	<u>\$ -</u>

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized by Ordinance of the City of Colorado Springs on September 23, 2008, to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District include water, sanitation, street, storm, park and recreation, and the operation and maintenance of the District. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

On November 4, 2008, the District's electors authorized the issuance of indebtedness in an amount not to exceed \$5,000,000 for water, \$20,000,000 for streets, \$5,000,000 for sanitation, \$5,000,000 for park and recreation, and \$20,000,000 for refunding of debt. The voters also approved an annual increase in taxes of \$150,000 annually, at a mill levy rate not to exceed one mill for operations and maintenance. The election also allows the District to retain all revenues without regard to the limitations contained within Article X, Section 20 of the Colorado constitution. As set forth in the District's 2009 operating plan, the City has limited the amount of debt to be issued to a total of \$20,000,000 in the authorized voted categories, without further approval by the City.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those difference may be material.

**Revenues (continued)**

**Property Taxes (continued)**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District is required to impose a maximum Required Mill Levy of 53.531 mills for collection in 2024. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up and deficiencies in the Reserve Fund].

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Property Taxes (continued)**

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

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

The calculation of the taxes levied is displayed on page 3 of the Budget at the total adopted mill levy of 53.531 mills.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 10% of the property taxes collected.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

**Intergovernmental Revenue**

Pursuant to Intergovernmental Agreements entered into during 2014 and 2023 with First & Main Business Improvement District and First & Main North Business Improvement District, respectively, the intergovernmental revenue represents transfers from First & Main Business Improvement District and First & Main North Business Improvement District to provide funding for the overall administrative and operating costs for the Districts.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**2024 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Public Improvement Fees**

The District anticipates receiving \$750,000 in Public Improvement Fees (PIF) during 2024. Pursuant to the PIF Covenant, these fees are pledged revenue to be used toward the repayment of the Series 2011, Series 2015, and Series 2022 Public Improvement Fee Revenue Bonds.

**Expenditures**

**Administrative and Operating Expenditures**

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

**County Treasurer's Fees**

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

**Debt Service**

Principal and interest payments in 2024 are provided based on the debt amortization schedules from the General Obligation Bond Series 2009, the Public Improvement Fee Revenue Bond Series 2011, the Limited Tax General Obligation Bond Series 2015, the Public Improvement Fee Revenue Bond Series 2015, the Limited Tax General Obligation Bond Series 2022, and the Public Improvement Fee Revenue Bond Series 2022.

**Debt and Leases**

On January 28, 2009, the District issued \$2,400,000 in General Obligation Bonds Series 2009 (Series 2009 Bonds). The Series 2009 Bonds are due December 1, 2038, and bear an interest rate of 8.5% paid annually on December 1. The proceeds from the Series 2009 Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

On January 12, 2011, the District issued \$2,000,000 in Public Improvement Fee Revenue Bonds (Series 2011 Bonds). The Series 2011 Bonds are due December 1, 2035, and bear an interest rate of 8.5% paid annually on December 1. The Series 2011 Bonds are subject to redemption prior to maturity on or after December 1, 2012. The Series 2011 Bonds will be repaid by pledged revenues consisting of public improvement fee revenues and payable to the District pursuant to the Public Improvement Fee Covenant. The proceeds from the Series 2011 Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

On April 22, 2015, the District issued \$1,750,000 in Limited Tax General Obligation Bonds (Series 2015 GO Bonds). The Series 2015 GO Bonds are due December 1, 2044, and bear an interest rate of 6.75% paid annually on December 1, in addition to mandatory sinking fund redemptions. The Series 2015 GO Bonds are subject to redemption prior to maturity on or after December 1, 2024. The proceeds from the Series 2015 GO Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

On April 22, 2015, the District issued \$1,725,000 in Public Improvement Fee Revenue Bonds (Series 2015 PIF Bonds). The Series 2015 PIF Bonds are due December 1, 2039, and bear an interest rate of 6.75% paid annually on December 1. The Series 2015 PIF Bonds are subject to redemption prior to maturity on or after December 1, 2024. The Series 2015 PIF Bonds will be repaid by pledged revenues consisting of public improvement fee revenues and payable to the District pursuant to the Public Improvement Fee Covenant. The proceeds from the Series 2015 PIF Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

On November 17, 2022, the District issued \$6,700,000 in Public Improvement Fee Revenue Bonds (Series 2022 PIF Bonds). The Series 2022 PIF Bonds are due December 1, 2051, and bear an interest rate of 6.50% paid annually on December 1. The Series 2022 PIF Bonds will be repaid by pledged revenues consisting of public improvement fee revenues and payable to the District pursuant to the Public Improvement Fee Covenant. The proceeds from the Series 2022 PIF Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

On November 17, 2022, the District issued \$3,941,000 in Limited Tax General Obligation Bonds (Series 2022 GO Bonds). The Series 2022 GO Bonds are due December 1, 2051, and bear an interest rate of 6.50% paid annually on December 1. The proceeds from the Series 2022 GO Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

The District has no capital or operating leases.

**Developer Advances**

The District has outstanding developer advances. The anticipated developer advances are as follows:

	Balance at December 31, 2022	Additions	Retirements	Balance at December 31, 2023*	Additions	Retirements	Balance at December 31, 2024*
Interest on							
Developer Advances	\$ 10,803,415	\$ -	\$ -	\$ 10,803,415	\$ -	\$ -	\$ 10,803,415
<b>Total</b>	<b>\$ 10,803,415</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,803,415</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,803,415</b>

\* - Estimated

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2024, as defined under TABOR.

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



**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending <u>December 31,</u></b>	<b>\$2,400,000 General Obligation Bonds Series 2009 Dated January 28, 2009 Interest Rate of 8.5% Interest and Principal Payable December 1</b>			<b>\$2,000,000 Public Improvement Fee Revenue Bonds Series 2011 Dated January 12, 2011 Interest Rate of 8.5% Interest and Principal Payable December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 65,000	\$ 160,225	\$ 225,225	\$ 75,000	\$ 121,550	\$ 196,550
2025	70,000	154,700	224,700	80,000	115,175	195,175
2026	80,000	148,750	228,750	85,000	108,375	193,375
2027	85,000	141,950	226,950	95,000	101,150	196,150
2028	90,000	134,725	224,725	100,000	93,075	193,075
2029	100,000	127,075	227,075	110,000	84,575	194,575
2030	110,000	118,575	228,575	120,000	75,225	195,225
2031	120,000	109,225	229,225	130,000	65,025	195,025
2032	130,000	99,025	229,025	140,000	53,975	193,975
2033	140,000	87,975	227,975	150,000	42,075	192,075
2034	150,000	76,075	226,075	165,000	29,325	194,325
2035	165,000	63,325	228,325	180,000	15,300	195,300
2036	180,000	49,300	229,300	-	-	-
2037	190,000	34,000	224,000	-	-	-
2038	210,000	17,850	227,850	-	-	-
	<u>\$ 1,885,000</u>	<u>\$ 1,522,775</u>	<u>\$ 3,407,775</u>	<u>\$ 1,430,000</u>	<u>\$ 904,825</u>	<u>\$ 2,334,825</u>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
(Continued)

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>\$1,750,000</b>			<b>\$1,725,000</b>		
	<b>Limited Tax General Obligation Bonds</b>			<b>Public Improvement Fee Revenue Bonds</b>		
	<b>Series 2015</b>			<b>Series 2015</b>		
	<b>Dated April 22, 2015</b>			<b>Dated April 22, 2015</b>		
	<b>Interest Rate of 6.75%</b>			<b>Interest Rate of 6.75%</b>		
	<b>Interest and Principal</b>			<b>Interest and Principal</b>		
	<b>Payable December 1</b>			<b>Payable December 1</b>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 35,000	\$ 102,600	\$ 137,600	\$ 50,000	\$ 97,200	\$ 147,200
2025	35,000	100,238	135,238	55,000	93,825	148,825
2026	40,000	97,875	137,875	60,000	90,113	150,113
2027	45,000	95,175	140,175	65,000	86,063	151,063
2028	45,000	92,138	137,138	70,000	81,675	151,675
2029	50,000	89,100	139,100	75,000	76,950	151,950
2030	50,000	85,725	135,725	75,000	71,888	146,888
2031	55,000	82,350	137,350	85,000	66,825	151,825
2032	60,000	78,638	138,638	90,000	61,088	151,088
2033	65,000	74,588	139,588	95,000	55,013	150,013
2034	65,000	70,200	135,200	100,000	48,600	148,600
2035	70,000	65,813	135,813	110,000	41,850	151,850
2036	75,000	61,088	136,088	115,000	34,425	149,425
2037	80,000	56,025	136,025	125,000	26,663	151,663
2038	85,000	50,625	135,625	130,000	18,225	148,225
2039	95,000	44,888	139,888	140,000	9,450	149,450
2040	100,000	38,475	138,475	-	-	-
2041	105,000	31,725	136,725	-	-	-
2042	115,000	24,638	139,638	-	-	-
2043	120,000	16,875	136,875	-	-	-
2044	130,000	8,775	138,775	-	-	-
	<u>\$ 1,520,000</u>	<u>\$ 1,367,554</u>	<u>\$ 2,887,554</u>	<u>\$ 1,440,000</u>	<u>\$ 959,853</u>	<u>\$ 2,399,853</u>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
(Continued)

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>\$3,941,000</b>			<b>\$6,700,000</b>		
	<b>Limited Tax General Obligation Bonds</b>			<b>Public Improvement Fee Revenue Bonds</b>		
	<b>Series 2022</b>			<b>Series 2022</b>		
	<b>Dated November 17, 2022</b>			<b>Dated November 17, 2022</b>		
	<b>Interest Rate of 6.50%</b>			<b>Interest Rate of 6.50%</b>		
	<b>Interest and Principal</b>			<b>Interest and Principal</b>		
	<b>Payable December 1</b>			<b>Payable December 1</b>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ -	\$ 256,165	\$ 256,165	\$ -	\$ 435,500	\$ 435,500
2025	-	256,165	256,165	-	435,500	435,500
2026	-	256,165	256,165	-	435,500	435,500
2027	-	256,165	256,165	-	435,500	435,500
2028	-	256,165	256,165	-	435,500	435,500
2029	-	256,165	256,165	-	435,500	435,500
2030	-	256,165	256,165	-	435,500	435,500
2031	-	256,165	256,165	-	435,500	435,500
2032	-	256,165	256,165	-	435,500	435,500
2033	-	256,165	256,165	-	435,500	435,500
2034	-	256,165	256,165	-	435,500	435,500
2035	-	256,165	256,165	-	435,500	435,500
2036	-	256,165	256,165	85,000	435,500	520,500
2037	-	256,165	256,165	100,000	429,975	529,975
2038	-	256,165	256,165	120,000	423,475	543,475
2039	125,000	256,165	381,165	140,000	415,675	555,675
2040	140,000	248,040	388,040	305,000	406,575	711,575
2041	151,000	238,940	389,940	335,000	386,750	721,750
2042	163,000	229,125	392,125	370,000	364,975	734,975
2043	177,000	218,530	395,530	405,000	340,925	745,925
2044	192,000	207,025	399,025	445,000	314,600	759,600
2045	343,000	194,545	537,545	485,000	285,675	770,675
2046	370,000	172,250	542,250	525,000	254,150	779,150
2047	394,000	148,200	542,200	570,000	220,025	790,025
2048	425,000	122,590	547,590	620,000	182,975	802,975
2049	453,000	94,965	547,965	675,000	142,675	817,675
2050	488,000	65,520	553,520	730,000	98,800	828,800
2051	520,000	33,800	553,800	790,000	51,350	841,350
	<u>\$ 3,941,000</u>	<u>\$ 6,072,170</u>	<u>\$ 10,013,170</u>	<u>\$ 6,700,000</u>	<u>\$ 9,980,100</u>	<u>\$ 16,680,100</u>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
(Continued)

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>TOTAL ALL BONDS</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 225,000	\$ 1,173,240	\$ 1,398,240
2025	240,000	1,155,603	1,395,603
2026	265,000	1,136,778	1,401,778
2027	290,000	1,116,003	1,406,003
2028	305,000	1,093,278	1,398,278
2029	335,000	1,069,365	1,404,365
2030	355,000	1,043,078	1,398,078
2031	390,000	1,015,090	1,405,090
2032	420,000	984,391	1,404,391
2033	450,000	951,316	1,401,316
2034	480,000	915,865	1,395,865
2035	525,000	877,953	1,402,953
2036	455,000	836,478	1,291,478
2037	495,000	802,828	1,297,828
2038	545,000	766,340	1,311,340
2039	500,000	726,178	1,226,178
2040	545,000	693,090	1,238,090
2041	591,000	657,415	1,248,415
2042	648,000	618,738	1,266,738
2043	702,000	576,330	1,278,330
2044	767,000	530,400	1,297,400
2045	828,000	480,220	1,308,220
2046	895,000	426,400	1,321,400
2047	964,000	368,225	1,332,225
2048	1,045,000	305,565	1,350,565
2049	1,128,000	237,640	1,365,640
2050	1,218,000	164,320	1,382,320
2051	1,310,000	85,150	1,395,150
	<b>\$ 16,916,000</b>	<b>\$ 20,807,277</b>	<b>\$ 37,723,277</b>

No assurance provided. See summary of significant assumptions.

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of EL PASO COUNTY, Colorado.

**On behalf of the** FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2,

the BOARD OF DIRECTORS

of the FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 14,479,000 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 14,479,000 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** 01/04/2024 for budget/fiscal year 2024  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>1.049</u> mills	<u>\$15,188</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ <
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>1.049</b> > mills	<b>\$15,188</b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>52.482</u> mills	<u>\$ 759,887</u>
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>53.531</b> mills	<b>\$775,075</b>

Contact person: Carrie Bartow Phone: (719) 635-0330  
Signed: *Carrie Bartow* Title: \_\_\_\_\_

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates?  Yes  No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:****BONDS<sup>J</sup>:**

- |    |                   |                               |
|----|-------------------|-------------------------------|
| 1. | Purpose of Issue: | Public Infrastructure         |
|    | Series:           | 2009 General Obligation Bonds |
|    | Date of Issue:    | January 28, 2009              |
|    | Coupon Rate:      | 8.50%                         |
|    | Maturity Date:    | December 1, 2038              |
|    | Levy:             | 19.096                        |
|    | Revenue:          | \$ 276,491                    |
|    |                   |                               |
| 2. | Purpose of Issue: | Public Infrastructure         |
|    | Series:           | 2015 General Obligation Bonds |
|    | Date of Issue:    | April 22, 2015                |
|    | Coupon Rate:      | 6.75%                         |
|    | Maturity Date:    | December 1, 2044              |
|    | Levy:             | 11.667                        |
|    | Revenue:          | \$168,927                     |

**CONTRACTS<sup>K</sup>:**

- |    |                      |       |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
|    | Title:               | _____ |
|    | Date:                | _____ |
|    | Principal Amount:    | _____ |
|    | Maturity Date:       | _____ |
|    | Levy:                | _____ |
|    | Revenue:             | _____ |
|    |                      |       |
| 4. | Purpose of Contract: | _____ |
|    | Title:               | _____ |
|    | Date:                | _____ |
|    | Principal Amount:    | _____ |
|    | Maturity Date:       | _____ |
|    | Levy:                | _____ |
|    | Revenue:             | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- 1. Purpose of Issue: Public Infrastructure
- Series: 2022 General Obligation Bonds
- Date of Issue: November 17, 2022
- Coupon Rate: 6.50%
- Maturity Date: December 1, 2051
- Levy: 21.719
- Revenue: \$314,469
  
- 2. Purpose of Issue: \_\_\_\_\_
- Series: \_\_\_\_\_
- Date of Issue: \_\_\_\_\_
- Coupon Rate: \_\_\_\_\_
- Maturity Date: \_\_\_\_\_
- Levy: \_\_\_\_\_
- Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

- 3. Purpose of Contract: \_\_\_\_\_
- Title: \_\_\_\_\_
- Date: \_\_\_\_\_
- Principal Amount: \_\_\_\_\_
- Maturity Date: \_\_\_\_\_
- Levy: \_\_\_\_\_
- Revenue: \_\_\_\_\_
  
- 4. Purpose of Contract: \_\_\_\_\_
- Title: \_\_\_\_\_
- Date: \_\_\_\_\_
- Principal Amount: \_\_\_\_\_
- Maturity Date: \_\_\_\_\_
- Levy: \_\_\_\_\_
- Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**Proof of Publication**

**THE TRANSCRIPT**  
Colorado Springs, Colorado

STATE OF COLORADO, } ss.  
COUNTY OF EL PASO }

I, Fran Zankowski, Publisher, or the undersigned Authorized Agent of the Publisher, do solemnly swear that I am the Publisher, or Authorized Agent of the Publisher of The Transcript; that the same is a tri-weekly newspaper and published in the County of El Paso, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterrupted in said County of El Paso for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a tri-weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

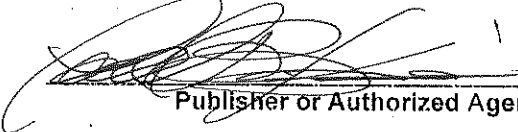
That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said tri-weekly newspapers for the period of 1 consecutive insertion(s), and/or once each week and on the same days of each week; and that the first publication of said notice was in the issue of said newspaper dated:

**15, NOVEMBER, A.D. 2023.**

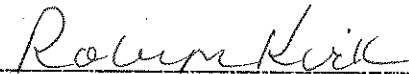
And that the last publication of said notice was in the issue of said newspaper dated:

**15, NOVEMBER, A.D. 2023.**

In witness whereof, I have hereunto set my hand this 15th day of November, A.D. 2023.

  
\_\_\_\_\_  
Publisher or Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 15th day of November, A.D. 2023.

  
\_\_\_\_\_  
Notary Public

ROBYN KIRK  
Notary Public  
State of Colorado  
Notary ID # 20114063677  
My Commission Expires 10-05-2027

**NOTICE OF HEARING  
ON PROPOSED 2024  
BUDGET AND 2023  
BUDGET AMENDMENT**  
NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2024 has been submitted to the First & Main Business Improvement District No. 2 ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held at 9:30 a.m. on November 30, 2023 via telephone and videoconference. To attend and participate by telephone, dial (720) 547-5281 and enter conference ID: 570 616 280#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at [www.firstandmainbid.com](http://www.firstandmainbid.com) or by contacting Sandy Brandenburger by email at [Sandy.Brandenburger@cliaconnect.com](mailto:Sandy.Brandenburger@cliaconnect.com) or by telephone at (303) 265-7883.  
NOTICE IS FURTHER GIVEN that an amendment to the 2023 budget of the District may also be considered at the above-referenced meeting and public hearing of the Board of Directors of the District. A copy of the proposed 2024 budget and the amended 2023 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen, LLP at 121 South Tejon Street Suite 1100, Colorado Springs, Colorado 80903. Any interested elector within the District may, at any time prior to final adoption of the 2024 budget and the amended 2023 budget, if required, file or register any objections thereto.  
FIRST & MAIN  
BUSINESS IMPROVEMENT  
DISTRICT NO. 2  
By: /s/ Timothy Seibert  
President  
Publication Date: November 15, 2023  
Published in The Transcript  
DT43302