

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 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, 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**

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, 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 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 \$4,620; 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 \$231,085; 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 \$4,396,170; and

WHEREAS, at an election held on November 2, 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 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 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 10.000 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 52.565 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 \_\_\_\_\_ 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

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**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT  
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	\$ 174,056	\$ 172,216	\$ 190,451
REVENUES			
Property taxes	151,290	162,420	235,705
Specific ownership taxes	16,492	16,242	23,571
Interest income	4,796	14,000	10,000
Other revenue	-	-	1,124
Total revenues	<u>172,578</u>	<u>192,662</u>	<u>270,400</u>
Total funds available	<u>346,634</u>	<u>364,878</u>	<u>460,851</u>
EXPENDITURES			
General Fund	19,457	19,427	29,315
Debt Service Fund	154,961	155,000	158,000
Total expenditures	<u>174,418</u>	<u>174,427</u>	<u>187,315</u>
Total expenditures and transfers out requiring appropriation	<u>174,418</u>	<u>174,427</u>	<u>187,315</u>
ENDING FUND BALANCES	<u>\$ 172,216</u>	<u>\$ 190,451</u>	<u>\$ 273,536</u>

No assurance provided. See summary of significant assumptions.



**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
<b>ASSESSED VALUATION</b>			
Commercial	\$ 2,990,110	\$ 3,074,650	\$ 4,293,450
State assessed	119,240	109,480	102,100
Vacant land	580	580	620
Certified Assessed Value	<b>\$ 3,109,930</b>	<b>\$ 3,184,710</b>	<b>\$ 4,396,170</b>
 <b>MILL LEVY</b>			
General	1.000	1.000	1.051
Debt Service	50.000	50.000	52.565
Total mill levy	<b>51.000</b>	<b>51.000</b>	<b>53.616</b>
 <b>PROPERTY TAXES</b>			
General	\$ 3,110	\$ 3,185	\$ 4,620
Debt Service	155,496	159,235	231,085
Levied property taxes	158,606	162,420	235,705
Adjustments to actual/rounding	271	-	-
Refunds and abatements	(7,587)	-	-
Budgeted property taxes	<b>\$ 151,290</b>	<b>\$ 162,420</b>	<b>\$ 235,705</b>
 <b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 2,965</b>	<b>\$ 3,185</b>	<b>\$ 4,620</b>
Debt Service	<b>148,325</b>	<b>159,235</b>	<b>231,085</b>
	<b>\$ 151,290</b>	<b>\$ 162,420</b>	<b>\$ 235,705</b>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	2,965	3,185	4,620
Specific ownership taxes	16,492	16,242	23,571
Other revenue	-	-	1,124
Total revenues	<u>19,457</u>	<u>19,427</u>	<u>29,315</u>
Total funds available	<u>19,457</u>	<u>19,427</u>	<u>29,315</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	47	48	69
Intergovernmental expenditures	19,405	19,379	28,122
Interest expense	5	-	-
Contingency	-	-	1,124
Total expenditures	<u>19,457</u>	<u>19,427</u>	<u>29,315</u>
Total expenditures and transfers out requiring appropriation	<u>19,457</u>	<u>19,427</u>	<u>29,315</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT  
DEBT SERVICE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 174,056	\$ 172,216	\$ 190,451
REVENUES			
Property taxes	148,325	159,235	231,085
Interest income	4,796	14,000	10,000
Total revenues	<u>153,121</u>	<u>173,235</u>	<u>241,085</u>
Total funds available	<u>327,177</u>	<u>345,451</u>	<u>431,536</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	2,336	2,389	3,466
Contingency	-	3,386	3,709
Debt Service			
Bond interest	112,625	109,225	105,825
Bond Principal	40,000	40,000	45,000
Total expenditures	<u>154,961</u>	<u>155,000</u>	<u>158,000</u>
Total expenditures and transfers out requiring appropriation	<u>154,961</u>	<u>155,000</u>	<u>158,000</u>
ENDING FUND BALANCES	<u>\$ 172,216</u>	<u>\$ 190,451</u>	<u>\$ 273,536</u>

No assurance provided. See summary of significant assumptions.

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized by Ordinance of the City of Colorado Springs on March 11, 2003, to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District include parking facilities, roadways, lighting, driveways, public utilities and landscaping. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

At an election held on November 2, 2004, the District's electors authorized the issuance of indebtedness in an amount of \$50,000 for operations and maintenance, \$19,000,000 for parking facilities, and \$3,000,000 for park and recreation. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. On November 1, 2005, the District's electors authorized the issuance of additional indebtedness in an amount of \$2,000,000 for water and \$500,000 for storm drainage. On November 7, 2006, the District's electors authorized additional indebtedness of \$19,000,000 for streets, \$3,000,000 for park and recreation, \$250,000 for operations and maintenance, and \$22,000,000 for refunding of debt. The voters also approved an annual increase in taxes of \$25,000 annually, at a mill levy rate not to exceed one mill for operations and maintenance. As set forth in the District's Amended 2004 - 2005 Operating Plan, the City has limited the amount of debt to be issued to a total of \$22,000,000 in the authorized voted categories, without future approval by the City. The 2010 Operating Plan submitted to the City amended the total amount of debt authorized by the City to \$5,000,000.

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

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

**Revenues**

**Property Taxes**

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

The District is required to impose a maximum Required Mill Levy of 53.616 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].

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Property Taxes – (continued)**

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

For property tax collection year 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%			

**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.

**Interest Income**

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

**Expenditures**

**Intergovernmental expenditures**

Pursuant to an Intergovernmental Agreement entered into during 2014 with First & Main Business Improvement District No. 2 (F&M BID No. 2), the intergovernmental expenditures represent transfers to F&M BID No. 2 to provide funding for the overall administrative and operating costs of the District.

**County Treasurer’s Fees**

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

**FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments in 2024 are provided based on the debt amortization schedule from the General Obligation Bonds, Series 2009.

**Debt and Leases**

On January 28, 2009, the District issued \$1,650,000 in General Obligation Limited Tax Bonds for infrastructure improvements. The bonds bear interest at a rate of 8.5%. Bond interest and principal payments are payable annually on December 1; any accrued and unpaid interest will compound on December 1 of each year.

The District has no capital or operating leases.

**Reserves**

**Emergency Reserve**

Pursuant to the Intergovernmental Agreement with F&M BID No. 2, the District transfers all available General Fund revenue to F&M BID No. 2. Therefore, no emergency reserve related to its revenue stream is captured in the District. The Emergency Reserve for the revenue is reflected in F&M BID No. 2.

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



**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:	52.565
	Revenue:	\$ 231,085

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 uninterruptedly 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.

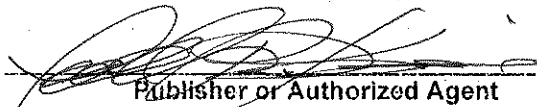
That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said tri-weekly newspapers for the period of 1 consecutive insertion(s), and/or once each week and on the same days of each week; and that the first publication of said notice was in the issue 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 ("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@ciacconnect.com](mailto:Sandy.Brandenburger@ciacconnect.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  
By: /s/ Timothy Seibert  
President  
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