

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2025

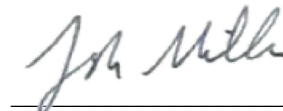
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2025 budget and budget message for LA PUERTA BUSINESS IMPROVEMENT DISTRICT in Las Animas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 2, 2024. If there are any questions on the budget, please contact:

Josh Miller
CliftonLarsonAllen LLP
121 South Tejon St., Suite 1100
Colorado Springs, CO 801903
Telephone number: 719-284-7226

I, Josh Miller, District Manager of the La Puerta Business Improvement District, hereby certify that the attached is a true and correct copy of the 2025 Budget.

By:



Josh Miller

**RESOLUTION
TO ADOPT 2025 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
LA PUERTA BUSINESS IMPROVEMENT DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2025 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 LA PUERTA BUSINESS IMPROVEMENT DISTRICT, LAS ANIMAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2025, AND ENDING ON THE LAST DAY OF DECEMBER, 2025,

WHEREAS, the Board of Directors of the La Puerta 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 December 2, 2024 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 \$24,253; 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 \$0; 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 2024 valuation for assessment for the District as certified by the County Assessor of Las Animas is \$2,333,380; and

WHEREAS, at an election held on May 2, 2023, 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 LA PUERTA BUSINESS IMPROVEMENT DISTRICT OF LAS ANIMAS 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 La Puerta Business Improvement District for calendar year 2025.

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 2025 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 2025 budget year, there is hereby levied a tax of 10.394 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

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 2024.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2025 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 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2024.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2025 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 2024.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2025 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 2024.

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 2024.

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 Las Animas 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 Las Animas 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 2nd day of December, 2024.

LA PUERTA BUSINESS IMPROVEMENT
DISTRICT

DocuSigned by:
Gina Cimino
C069AD02CFB2436...

President

ATTEST:

DocuSigned by:
Timothy Lamb
E7908DCE18B141D...

Secretary

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

**LA PUERTA
BUSINESS IMPROVEMENT DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025**

**LA PUERTA BUSINESS IMPROVEMENT DISTRICT
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ 2,941	\$ 28,164
REVENUES			
Property taxes	14,918	24,253	24,253
Specific ownership taxes	-	970	1,213
Developer advance	-	-	5,050,000
PIF Revenue	-	-	50,000
Total revenues	14,918	25,223	5,125,466
Total funds available	14,918	28,164	5,153,630
EXPENDITURES			
General Fund	11,977	-	60,364
Capital Projects Fund	-	-	5,025,500
Total expenditures	11,977	-	5,085,864
Total expenditures and transfers out requiring appropriation	11,977	-	5,085,864
ENDING FUND BALANCES	\$ 2,941	\$ 28,164	\$ 67,766
EMERGENCY RESERVE	\$ 500	\$ 800	\$ 800
AVAILABLE FOR OPERATIONS	2,441	27,364	42,466
TOTAL RESERVE	\$ 2,941	\$ 28,164	\$ 43,266

**LA PUERTA BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Commercial	1,491,820	2,333,380	2,333,380
Certified Assessed Value	<u>\$ 1,491,820</u>	<u>\$ 2,333,380</u>	<u>\$ 2,333,380</u>

MILL LEVY

General	10.000	10.394	10.394
Total mill levy	<u>10.000</u>	<u>10.394</u>	<u>10.394</u>

PROPERTY TAXES

General	\$ 14,918	\$ 24,253	\$ 24,253
Levied property taxes	<u>14,918</u>	<u>24,253</u>	<u>24,253</u>
Budgeted property taxes	<u>\$ 14,918</u>	<u>\$ 24,253</u>	<u>\$ 24,253</u>

BUDGETED PROPERTY TAXES

General	\$ 14,918	\$ 24,253	\$ 24,253
	<u>\$ 14,918</u>	<u>\$ 24,253</u>	<u>\$ 24,253</u>

**LA PUERTA BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ 2,941	\$ 28,164
REVENUES			
Property taxes	14,918	24,253	24,253
Specific ownership taxes	-	970	1,213
Developer advance	-	-	50,000
Total revenues	14,918	25,223	75,466
Total funds available	14,918	28,164	103,630
EXPENDITURES			
General and administrative			
Accounting	11,753	-	22,000
County Treasurer's Fee	224	-	364
Dues and Membership	-	-	1,000
Insurance	-	-	4,000
District management	-	-	15,000
Legal	-	-	15,000
Contingency	-	-	3,000
Total expenditures	11,977	-	60,364
Total expenditures and transfers out requiring appropriation	11,977	-	60,364
ENDING FUND BALANCES	\$ 2,941	\$ 28,164	\$ 43,266
EMERGENCY RESERVE	\$ 500	\$ 800	\$ 800
AVAILABLE FOR OPERATIONS	2,441	27,364	42,466
TOTAL RESERVE	\$ 2,941	\$ 28,164	\$ 43,266

**LA PUERTA BUSINESS IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	-	5,000,000
PIF Revenue	-	-	50,000
Total revenues	-	-	5,050,000
Total funds available	-	-	5,050,000
EXPENDITURES			
General and Administrative			
Accounting	-	-	5,500
PIF Collection Fees	-	-	9,000
Capital Projects			
Engineering	-	-	11,000
Capital outlay	-	-	5,000,000
Total expenditures	-	-	5,025,500
Total expenditures and transfers out requiring appropriation	-	-	5,025,500
ENDING FUND BALANCES	\$ -	\$ -	\$ 24,500

**LA PUERTA BUSINESS IMPROVEMENT DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized 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. The further goal of the District is to align with the aims of the City and the Trinidad Urban Renewal Authority to reduce, eliminate and prevent the spread of blight within the City of Trinidad, specifically supporting development of the “La Puerta de Colorado” project. The District's service area is located entirely within the City of Trinidad, Las Animas County, Colorado.

The District was organized by the City of Trinidad, Colorado by Ordinance in 2018.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$15,000,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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 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.

**LA PUERTA BUSINESS IMPROVEMENT DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
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 6.00% of the property taxes collected.

Public Improvement Fee

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of up to 2.00%.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

Administrative Expenditures

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

**LA PUERTA BUSINESS IMPROVEMENT DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Expenditures – (continued)

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt and Leases

The District has no debt, capital or operating leases.

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**TO:** County Commissioners¹ of _____, Colorado.On behalf of the _____,
(taxing entity)^Athe _____,
(governing body)^Bof the _____,
(local government)^C**Hereby** officially certifies the following mills
to be levied against the taxing entity's GROSS \$ _____
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)**Note:** If the assessor certified a NET assessed valuation
(AV) different than the GROSS AV due to a Tax
Increment Financing (TIF) Area^F 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: (NET^G 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:** _____ for budget/fiscal year _____.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> mills	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> \$
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> mills	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> \$

Contact person: _____ Daytime phone: _____
(print)

Signed: _____ Title: _____
Carrie Santos

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.

¹ 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.

² 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^J:

1. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

2. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

CONTRACTS^K:

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.