

Colorado Springs Special District Policy

A. Introduction, Background and Role of Districts

In Colorado most public infrastructure to support development, such as roads, parks, and utilities, is built by developers. Following voter approval of the Taxpayer Bill of Rights (TABOR) Amendment in 1992, the use of Colorado Revised Statutes (C.R.S.) Title 31 and Title 32 districts has become an important option for both financing the construction of and maintaining these improvements.

These special districts have the authority, granted by the C.R.S., to incur long-term financial obligations, and to levy taxes, subject to voter approval. They operate as political subdivisions under Colorado law, following approval of their creation by the municipalities or counties in which they are located. Special districts formed wholly within the boundaries of the City of Colorado Springs (City) are reviewed and authorized by the municipally elected City Council (Council).

Title 32 Metropolitan Districts, wholly located in the City, are authorized by a Council-approved service plan that establishes limitations and requirements in addition to those set forth in C.R.S. Thereafter, Council's role is ordinarily limited to circumstances where a major modification of a Metropolitan District's authorities or limitations necessitates a service plan amendment. Metropolitan Districts are governed by a board of directors elected from among eligible residents or property owners within their boundaries.

Title 31 Business Improvement Districts (BIDs) are initially created by Council ordinance. Thereafter, their operating plans and budgets are subject to annual Council approval. For taxing purposes, only commercial properties may be included in BIDs. Most City BIDs are authorized by Council to have elected boards of directors comprised of eligible property owners. However, other governance options include Council-appointed boards or direct governance by Council.

Title 31 General Improvement Districts (GIDs) provide another option for financing and/or maintenance of public improvements. GIDs are created by ordinance, with Council operating as the board of directors, as provided by C.R.S.

These Districts currently play a significant role in both the construction financing, ongoing operations and maintenance of public infrastructure in the City of Colorado Springs. This role is expected to continue as existing Districts develop and evolve and new ones are created. The governance, service provisions and financial implications of Districts are important for the City, District taxpayers and the development community.

B. Purpose and Intent of this Policy

The purpose of this Colorado Springs Special District Policy (Policy) is to establish general procedures for processing District requests and to provide Council with parameters to be applied

in support of City Charter and the City's statutory roles in the creation or authorization of Districts, amendments of District plans, authorizations of District debt, and other pertinent Council actions.

This Policy is intended to support the continued use of Districts in a manner that promotes efficient, cost-effective provision of public infrastructure and services. It is also intended to provide for protections that reasonably limit financial risks to the general City and to District residents and taxpayers.

Information about Districts can be complex and difficult to understand for residents and purchasers of properties within District boundaries. Therefore, this Policy is intended to support clear and transparent communication about District obligations and other matters that are important to the City and taxpayers.

C. Applicability

This Policy applies to all newly created C.R.S. Title 32 Special Districts including Metropolitan Districts, Title 31 BIDs, and Title 31 GIDs. Additionally, it is intended to be applied, as applicable and appropriate, to amendments to or annual updates of plans for existing Districts, and with respect to other pertinent City actions concerning Districts.

D. City Discretion

Notwithstanding its intent to support the consistent and equitable creation and use of Districts consistent with this Policy and its associated model district plans, the City Council reserves its discretion under C.R.S. to approve, disapprove or conditionally approve the creation of new districts, amendments of existing districts plans or district authorities.

E. Terms and Definitions.

1. **Amended and Restated Service Plans** - An amended metropolitan district service plan that wholly supersedes and replaces an existing or prior service plan, as further defined in Title 32 of Colorado Revised Statutes.
2. **Authority** - An entity created by intergovernmental agreement (IGA) between or among Districts, or between or among one or more Districts, and another governmental entity as provided in C.R.S. § 29-1-204.
3. **Basis Point** - One hundredth of one percent, used primarily to describe a difference in interest rates, as in the difference between annual interest rates of 2.0% and 2.5% is 50 basis points.
4. **City** - The City of Colorado Springs, acting legislatively through its City Council or administratively through its mayor or chief of staff consistent with Colorado Revised Statutes and the City Charter.
5. **Combination of Districts** - Any combination of Metropolitan Districts, BIDs and/or GIDs that overlay each other that are organized by petition of a property

developer that are specific to property within a single development project and do not serve any property outside of that project such as regional service district or non-developer controlled existing district.

6. **Commercial District** - Any District that does not include any residential properties as further defined for Residential District.
7. **Debt** - Any bond, note debenture, contract or other multiple year financial obligation of a District which is payable in whole or in part from, or which constitutes an encumbrance on, the proceeds of ad valorem property tax or End User Debt Service Fee imposed by the District, or pledged for the purposes of meeting the obligation. (Debt specifically excludes Developer Funding Agreements)
8. **Debt Mill Levy** - For the purpose of this Policy and its associated model plans the debt mill levy is that portion of the overall mill levy of the District, pledged, dedicated or otherwise used to repay formally issued Debt or other Long Term Financial Obligations.
9. **Developer Board of Directors** - Elected or appointed District board of directors' members who are, or are related parties to, the original or subsequent developer(s) of a majority of the District property, and who may have a substantial interest in proceeds of District Debt, Developer Funding Agreements or other contractual obligations.
10. **Developer Funding Agreements** - Short or long-term obligations of Districts entered into between Districts and developers related to advancement or reimbursement of Public Improvements or operations and maintenance costs. Such agreements may or may not accrue interest, but do not qualify as formally issued Debt as defined under this Policy or under TABOR.
11. **District or Districts** - Any Title 31 Business Improvement District or General Improvement District, and any Title 32 Metropolitan District, or combination thereof created, amended, or with other actions taken under the authority of the City.
12. **District Plans** - The City-approved authorizing plans for districts (e.g. Metropolitan District Service Plans, BID Operating Plans and Budgets, and GID ordinances, as may be amended by the City from time to time.
13. **End User** - An owner of property within a District who is not the developer or home builder and takes possession of such property after the issuance of a certificate of occupancy for a residence or commercial structure built on such property. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an end user. A master property developer or business entity that constructs homes or commercial structures, for occupancy or ownership primarily by third parties, is not an end user.

14. **End User Debt Service Fees** - Any fees, rates, tolls or charges assessed or pledged or otherwise obligated to End Users by a District for the payment of Debt. End User Debt Service Fees include any public improvement fees (PIFs) or similar fees, when pledged to District Debt.
15. **External Financial Advisor** - A Certified Municipal Advisor that: (1) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (2) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place (also known as the Redbook); and (3) is not an officer of the Districts.
16. **Index Interest Rate** - The AAA 30-year MMD (Municipal Market Data) index interest rate.
17. **Interest Rate** - The annual rate of charge applied to Debt or other District financial obligations.
18. **Land Development Entitlement** - A City-approved master plan, concept plan or other more detailed land use plan, zoning or combinations thereof, applicable to a substantial proportion of the property to be included in the District(s) and sufficient to support the need for the District(s) along with relevant public improvements financing assumptions and proposed limits.
19. **Limited Service Plan Amendments** - Service Plan amendments that address only one or a limited number of specific modifications of a previously approved metropolitan district service plan, while referencing the original or prior service plan as remaining in force and effect.
20. **Long Term Financial Obligations** - Any District financial obligations including but not limited to Debt, Developer Funding Agreements and applicable contracts, that are regarded as multi-year obligations standard accounting practice.
21. **Maximum Debt Mill Levy** - The maximum mill levy a District or combination of Districts is permitted to impose for the payment of Debt. For the purpose of this Policy, a mill levy certified for contractual obligations is part of the Maximum Debt Mill Levy.
22. **Maximum Debt Mill Levy Imposition Term** - The maximum number of years a District is authorized to have a Debt Mill Levy in place, as further described in this Policy and as may be further addressed in City-approved District Plans.
23. **Maximum Operating Mill Levy** - The maximum mill levy a District or combination of Districts is permitted to impose for operating and maintenance expenses.

24. **Mill Levy Adjustment** - Any statutory, legislative or constitutional changes that adjust or impact that assessed or actual valuation of property or the assessment ratio pursuant to which taxes are calculated.
25. **Model Service Plans** - The most recent version of the single or multiple district model service plans adopted in accordance with this Policy.
26. **Model BID Operating Plan and Budget** - The most recent version of the template for BID Operating Plans and Budgets adopted in accordance with this Policy.
27. **Operating District** - A District that is part of a multiple District organizational structure, with the primary purpose(s) of coordinating or making decisions that impact the other Districts that are part of the structure.
28. **Planning and Community Development Department Director** - The Director of the Colorado Springs Planning and Community Development Department or other position which may be established for the purpose of administering this Policy, or their designee.
29. **Privately Placed Debt** - Debt that is not marketed to multiple independent accredited investors as defined in rule 501(a) promulgated under the securities Act of 1933 by a registered bond underwriter or placed directly with a chartered lending institution or credit union. This definition includes any placement of Debt with a party related to the District as well as placements negotiated or renegotiated with a single investor unrelated to the District.
30. **Public Improvements** - Any capital or site improvements, (or directly related planning or engineering costs) legally determined to be eligible for ownership, maintenance and/or financing by a District in accordance with the applicable State statutes.
31. **Related Party Privately Placed Debt** - Privately Placed Debt that is or will be placed with and directly held by a party related to the issuing District.
32. **Resident Board of Directors Members**- Elected or appointed District board of directors' members who are not related parties to the original or subsequent developer(s) or homebuilders of property within the District, and who do not have a substantial interest in proceeds of District Debt, Developer Advances or other contractual obligations. In addition to resident homeowners, this definition is intended to include non-resident property owners, including businesses or commercial enterprises not related to the original ore subsequent developer(s) or homebuilders.
33. **Residential District** - Any District including land or improvements assessed for residential purposes by the El Paso County Assessor.

34. **Service Plan** - The most recent or currently proposed authorizing document for Metropolitan Districts as further described in C.R.S. Title 32, as approved or proposed to be approved and may be amended by the City.
35. **Special Improvement District** - A district formed by and within a District for the purposes of assessing the cost of specified Public Improvements, as authorized pursuant to C.R.S. § 32-1-1107.7 as may be amended.
36. **Subdistrict** - A district established within a Title 32 special district pursuant to C.R.S. § 32-1-1101(1) (f) as may be amended.
37. **TABOR** - Article X, § 20 of the Colorado Constitution, also known as the Taxpayers Bill of Rights, as its provisions legally pertain to Districts.
38. **Total Debt Issuance Limitation** - The maximum total principal amount of debt that may be issued and outstanding by a District, Districts or Combination of Districts at any one time, as established by the City in District Plans. However, in the event a refinancing of previously issued Debt results in an increase in the principal amount directly necessary to refinance that Debt, only the original principal amount of that Debt may be counted for the purpose of this calculation.

F. Model Plans, Procedures, and Application Review Fees

F.1 Model Plans

1. By separate resolution, Council shall adopt and maintain model service plans consistent with this Policy, to be used for all new metropolitan districts as well as for major amendments of existing service plans
 - a. Amendments of existing service plans may be processed as either Limited Service Plan Amendments or complete Amended and Restated Service Plans, with this determination made by the Planning and Community Development Department Director in consultation with district representatives.
 - b. Metropolitan districts that intend to significantly amend service plans approved prior to August 9, 2022 will be required to submit a complete amended and restated plan.
2. By separate resolution, Council shall adopt a model BID Operating Plan and Budget template, consistent with this Policy, to be used for all new, amended or annually updated BID Operating Plans and Budgets.
3. By separate resolution, Council may adopt a model ordinance for GID creation, and City staff may adopt specific procedures for processing petitions for GID creation and related requests.
4. The basis for review of new or amended metropolitan district service plans or BID operating plans and budgets is expected to be focused on any proposed deviations

from this Policy or the adopted model plans, along with an evaluation of documentation provided in support of required statutory findings and in support of key financing and operational authorities requested.

5. With input from Council, the Planning and Community Development Department Director shall administratively establish processes and specific submittal requirements to support the review and processing of district petitions and other applications.

F.2 Application Review Fees

Council shall adopt and periodically update a schedule of review and processing fees for applicable district applications. These fees shall be commensurate with the actual costs of review and processing.

G. Mill Levy Caps, Mill Levy Imposition Terms, Fees, Interest Rates and Related Revenue Limits

G.1 Mill Levy Caps

1. The Maximum Debt Mill Levy certified for any District or Combination of Districts created or amended under this Policy shall be limited to no more than 50.0 mills. This levy may be subject to upward or downward adjustments addressing any Mill Levy Adjustment or any abatement occurring after, but not before August 9, 2022.
2. The Maximum Operating Mill Levy certified for any residential District or combination of residential Districts created or amended under this Policy shall be limited to no more than 20.0 mills.
3. The Maximum Operating Mill Levy for any BID, or any commercial District shall be limited to no more than 10.0 mills unless justification supporting a higher amount is included as part of the district's financial plan. These levies may be subject to upward or downward adjustments addressing any Mill Levy Adjustment or any abatement occurring after, but not before August 9, 2022.
4. Neither the Maximum Debt Mill Levy nor the Maximum Operating Mill Levy shall be exceeded in the aggregate by any Combination of Districts, except as expressly approved by City Council based on unique or special circumstances or if one or more of the Combination of Districts or other overlapping District has been ordered by a court having jurisdiction to impose a specified mill levy in order to satisfy a judgment or bankruptcy plan.

G.2 Mill Levy Imposition Terms

The Maximum Debt Mill Levy Imposition Term shall be limited to no more than forty (40) years for any Residential District.

G.3 Fees

1. With the exception of public improvement fees (PIFs) or similar fees outside of the purview of municipal government, Districts shall be prohibited from charging End User Debt Service Fees or other fees for the purpose of meeting Long Term Financial Obligations, without the express prior approval of the City Council.
2. Districts may charge user fees for facilities they own and/or operate (e.g., community or recreations centers, or parking garages), charge fees for services they provide, and assess penalties. Districts may charge differentially higher user fees for non-District residents or taxpayers, as long as these fees do not exceed a reasonable market rate.

H. Formal Debt Issuance, Developer Funding Agreements and Contractual Obligations

H.1 City Charter Provisions Pertaining to Debt

1. In accordance with City Charter (Charter) Section 7-100, Districts shall not issue Debt for any purpose other than construction of capital improvements with a public purpose necessary for development.
 - a. This Charter provision is interpreted to encompass the purposes of reimbursing, financing or refinancing any costs of Public Improvements necessary to serve properties within the District(s) and otherwise determined to be eligible under the applicable provisions of Colorado Revised Statutes, as further limited by the City-approved District Plans.
2. As set forth in Charter Section 7-100, the total Debt of any District shall not exceed 10 percent of the total assessed valuation of the taxable property within the District unless approved by at least a two-thirds vote of the entire City Council.
 - a. For the purposes of adhering to this Charter provision, City Council may make this finding by resolution at the time of District creation or authorization, based on financial information included with BID Operating Plans and Budgets, or the new or Amended and Restated Service Plans for Metropolitan Districts
 - b. As further set forth and described in the Model Service Plans and model BID Operating Plans and Budget, this financial information shall at a minimum include the following for the District, Districts, or Combination of Districts:
 - i. Any information required by C.R.S. § 32-1-101 *et. seq.* for metropolitan district service plans, C.R.S. § 31-25-1201 *et. seq.* applicable to the creation of BIDs, or C.R.S. § 31-25-600 *et. seq.* applicable to the creation of GIDs.
 - ii. Estimates of the total Public Improvements costs used to support the proposed Total Debt Issuance Limitation(s) for the project, broken out

by categories of improvements, and with graphic depictions of the location of major improvements. Any contingencies, costs of Debt issuance, or inflation assumptions reflected in these estimates, should be clearly described.

- iii. A financing plan that projects Public Improvements and development phasing for the project, along with initial and good faith assumptions for the amount and potential timing of future debt issuances, based on anticipated District revenues. (It is recognized that financial projections will be uncertain based on market and economic contingencies, particularly for longer term development projects, and are therefore only estimates).
- iv. Service Plans for newly developing areas shall specifically address the potential vulnerability of the development forecasts to market downturns, particularly at the early stages of the forecast period.

H.2 Privately Placed Debt

As further articulated in the Model Service Plans and Model BID Operating Plan and Budget, Districts shall not issue Privately Placed Debt without an opinion from an External Financial Advisor certifying that the interest rate, terms and other applicable provisions of the issuance are comparable with similar marketed securities.

H.3 Limited Default Provisions

Debt issued by Districts with a mill levy pledge shall be structured such that it cannot default as long as the Maximum Debt Mill Levy is being imposed and any related specific ownership tax or non-End User fees continue to be pledged.

H.4 Developer Funding Agreements

District Developer Funding Agreements shall be limited to a term of no greater than twenty (20) years, after which time any remaining balances must be either converted to Debt or shall no longer be considered an obligation of the District(s).

H.5 Interest Rates

1. Notwithstanding the provisions of this Policy that may or may not be more limiting, Districts shall also adhere to any Interest Rate provisions included in C.R.S § 32-1-101 et. seq. or other applicable laws or regulations.
2. The Interest Rate on any Debt shall reflect or be below the market interest rate at the time the Debt is issued.

3. The maximum Interest Rate applied to Developer Funding Agreements shall be limited to no more than the Index Interest Rate plus 400 Basis Points, with no compounding of interest allowed.
4. The Interest Rate for Related Party Privately Placed Debt shall not exceed the Index Interest Rate by more than 400 Basis Points at the time of issuance.
5. Related Party Privately Placed Debt shall not be issued unless it has an optional call date of no more than five (5) years after the date of issuance, at which time the board(s) of any District(s) obligated for repayment of the Related Party Privately Placed Debt shall be notified of the options for financing.
6. All Debt that is not rated as investment grade, shall be issued in minimum denominations of \$100,000 and sold either to accredited investors as defined in rule 501(a) promulgated under the securities Act of 1933 or to the developer(s) of the project.

I. Authorized Functions, Eligible Expenses and Other Limits

I.1 Authorized Functions

1. With the exception of financing Public Improvement costs and performing the administrative and overhead functions or services necessary to operate the District in compliance with applicable laws, Districts shall not have the authority to provide other otherwise permitted services and functions unless these are specifically identified in their District Plans or subsequently approved by an amendment thereto.
2. Districts are prohibited from entering into an inter-governmental agreement creating an Authority or creating Special Improvement Districts or Subdistricts, unless authorized within the Districts' Plans.
3. Districts shall be prohibited from exercising eminent domain or dominant eminent domain authority without the express prior approval of City Council.
4. Districts shall not adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District as provided in C.R.S. § 18-12-214.

I.2 Eligible Expenses

1. Unless specifically approved by the City Council, no District revenues, including proceeds of Debt, shall be used to reimburse the costs of land otherwise required to be dedicated for public use by annexation agreements, City Code, or related ordinances (e.g., Park Land and/or School Land Dedication Ordinances).

3. Unless specifically approved by the City Council, no District revenues, including proceeds of Debt, shall be used to reimburse the costs of City application or impact fees associated with property not owned by the District(s).
4. Unless specifically approved by the City Council, no District revenues, including proceeds of Debt, shall be used to reimburse the costs of water rights. Water or wastewater system development charges or water resource charges shall not be eligible for reimbursement unless they are directly associated with properties owned, developed or maintained by the District(s).
5. The existence of a District shall not be considered a substitute for otherwise required financial assurances required by the City.
6. In the event a District becomes the recipient of reimbursements or other proceeds from a recovery or reimbursement agreement with the City or another entity, associated with Public Improvements previously financed by the District, these funds shall be applied to offset any remaining obligations associated with that financing, and in the event that long term obligation has been met, these proceeds shall be returned to the District taxpayers.

I.3 Limits Related to District Structures, Intergovernmental Agreements (IGAs) and Among Combinations of Districts and District Overlap

1. Multiple Metropolitan District structures may initially be set up with limited and potentially overlapping district boundaries for the purpose of maintaining qualified electors, or to accommodate development phasing flexibility in the early stages of a project. However, District boundaries with little or no assessed valuation shall not be maintained throughout the life of a project for the sole purpose of maintaining control of a Developer Board of Directors over all the Districts in a Combination of Districts.
2. Although the boundaries of Combinations of Districts associated with a project (e.g. a BID and one or more separate but related Metropolitan Districts) may overlap during the early phases of a project, this practice shall not be allowed, without City Council approval, once one or more of the Districts has issued Debt or pledged any of its revenues toward Debt.
3. In cases where Combinations of Districts are bound by an inter-governmental agreement (IGA) that confers significant managerial or financial control to an Operating District, the Operating District is encouraged to establish project development thresholds after which one or two board of directors positions on the Operating District board are made available to a Resident Board of Directors Members, for the purposes of supporting coordination and the ultimate transition of the structure and governance of Districts following project buildout.

I.4 Other Limits

1. Districts shall generally not be created or authorized by the City prior to having an approved Land Development Entitlement in place for all or a substantial majority of the property proposed to be included within the District(s). In circumstances where a petitioner requests approval of one or more District(s) prior to having an approved Land Development Entitlement in place, the City Council, at its discretion, may choose to base approval on overall consistency with the City Comprehensive Plan; however, in these cases, the District(s) shall be not be authorized to levy taxes or enter into any Long Term Financial Obligations until such time a Land Development Entitlement is approved.
2. Districts shall not apply for or accept Conservation Trust Funds or Great Outdoors Colorado funds without the express prior consent of the City Council.
3. Parks and/or trails financed, owned and/or operated by a District shall be open to the general public to the same extent as to District residents, free of charge.
4. District facilities shall not be used for non-public purposes without proper remuneration to the District(s).
5. The names of BIDs or metropolitan districts shall not include the words “Colorado Springs” unless expressly approved by the City Council.

J. Conversion or Dissolution of Districts

1. Metropolitan Districts that were originally created within El Paso County or another municipality as the approving authority, and which subsequently have their boundaries wholly included within City limits, shall petition the City to become the approving jurisdiction of the District within 180 days of all the property within the District becoming annexed into the City. These Metropolitan Districts are strongly encouraged to amend their Service Plan to achieve the maximum practical consistency with this Policy and the Model Service Plans.
2. Districts originally structured with Developer Board of Directors are encouraged to promote and assist in transitioning their respective board of directors to have one or more resident member, as soon as legally possible.
3. Every District Plan shall include language clearly addressing and requiring dissolution by the City, the State of Colorado, or District Court, as applicable, in the event the District has not, or is no longer providing ongoing functions or services as provided per C.R.S. 32-1-101 et. seq.

K. Disclosure and Communication

1. All Districts are required to provide readily accessible, timely and pertinent contact, communications and disclosure information to prospective and existing District residents or taxpayers in accordance with applicable statutory requirements.
2. Districts shall provide and maintain, and make available, disclosure forms and information as required by state law.
3. Each Metropolitan District is required to provide and maintain a website in accordance with C.R.S. 32-1-104.5. Other Districts (i.e. BIDs or GIDs) are also required to provide and maintain websites with the same information required for Metropolitan Districts, to the extent it is applicable. In addition to the information required in C.R.S. 32-1-104.5 the following additional information shall be included in District websites:
 - a. Copy of the District's most recent Service Plan, Operating Plan and Budget, or GID ordinance and any amendments thereof, along with a brief and clear description of its role and purpose.
 - b. Board members should be distinguished as either developer or resident board members.
 - c. A summary of the existing and potential future primary functions and services of the District(s).
 - i. It is recommended that the District's website include a clear listing or graphic depiction of any facilities or properties owned or maintained by the District(s).
 - d. Clear and simple summary of the existing and projected financial obligations of District tax and/or fee payers to include:
 - i. Existing or future mill levies, their purposes, how long they are expected to be in place, and likelihood of increases or decreases.
 - ii. Summary of outstanding Long Term Financial Obligations of the District(s) including Debt and Developer Funding Agreements with terms and interest rates
 - iii. Statement as to whether additional Long Term Financial Obligations are, are not or may be anticipated by the District(s).
 - e. Copies of or links to all current intergovernmental agreements (IGAs).
4. The City anticipates setting up and maintaining a website with limited general information on Districts and including District website addresses as provided to the City.

5. Beginning on October 1st of the year after creation and continuing annually thereafter, all Metropolitan Districts subject to C.R.S. § 32-1-207 shall be required to provide an annual report consistent with the statute and posted on their websites, if required. A copy of this report shall also be submitted to the office of the City Clerk.
6. Beginning in the year following their creation, all BIDs are specifically required to provide a copy of (or link to) their prior year's financial audit to the City's Finance Office on or before March 31st.