

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2023

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

Attached are the 2023 budget and budget message for GSF BUSINESS IMPROVEMENT DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 2, 2022. If there are any questions on the budget, please contact:

CliftonLarsonAllen, LLP  
Attn: Josh Miller  
121 S. Tejon St., Suite 1100  
Colorado Springs, Colorado 80903  
Telephone: 719-635-0330

I, Josh Miller as District Manager of the GSF Business Improvement District, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: \_\_\_\_\_



**RESOLUTION  
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,  
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY  
GSF BUSINESS IMPROVEMENT DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 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 GSF BUSINESS IMPROVEMENT DISTRICT, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the GSF 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 2, 2022 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 \$0; 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 2022 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$470,720 and

WHEREAS, at an election held on November 2, 2021, 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 GSF 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 GSF Improvement District for calendar year 2023.

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 2023 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 2023 budget year, 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 District for the year 2022.

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 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 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 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 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 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 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 2022.

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 2022.

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 by December 15, 2022, 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 on or about December 10, 2022 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 2<sup>nd</sup> day of November, 2022.

GSF BUSINESS IMPROVEMENT DISTRICT

DocuSigned by:  
*Christopher Jenkins*  
\_\_\_\_\_  
1510F4AC1F2745A...  
President

ATTEST:

DocuSigned by:  
*Delroy Johnson*  
\_\_\_\_\_  
57373E398D824FC...  
Secretary

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

**GSF BUSINESS IMPROVEMENT DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**GSF BUSINESS IMPROVEMENT DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/8/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ (26,155)	\$ 200
REVENUES			
Developer advance	-	63,890	51,500
Other revenue	-	1	-
Intergovernmental revenues	-	5,980	5,901
Total revenues	<u>-</u>	<u>69,871</u>	<u>57,401</u>
Total funds available	<u>-</u>	<u>43,716</u>	<u>57,601</u>
EXPENDITURES			
General and administrative			
Accounting	3,674	20,000	22,000
Audit	-	-	4,000
Dues and licenses	-	516	600
Insurance and bonds	-	300	2,500
District management	4,182	9,000	11,000
Legal services	17,847	8,000	10,000
Election expense	452	1,287	3,000
Contingency	-	4,413	3,900
Total expenditures	<u>26,155</u>	<u>43,516</u>	<u>57,000</u>
Total expenditures and transfers out requiring appropriation	<u>26,155</u>	<u>43,516</u>	<u>57,000</u>
ENDING FUND BALANCES	<u>\$ (26,155)</u>	<u>\$ 200</u>	<u>\$ 601</u>
EMERGENCY RESERVE	\$ -	\$ 200	\$ 200
AVAILABLE FOR OPERATIONS	<u>(26,155)</u>	<u>-</u>	<u>401</u>
TOTAL RESERVE	<u>\$ (26,155)</u>	<u>\$ 200</u>	<u>\$ 601</u>

No assurance provided. See summary of significant assumptions.



**GSF BUSINESS IMPROVEMENT DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/8/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Commercial	\$ -	\$ 453,190	\$ 453,190
Industrial	-	1,550	1,550
Vacant land	-	77,290	77,290
	-	532,030	532,030
Adjustments (TIF)	-	(53,580)	(61,310)
Certified Assessed Value	<u>\$ -</u>	<u>\$ 478,450</u>	<u>\$ 470,720</u>
<b>MILL LEVY</b>			
General	0.000	0.000	0.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>PROPERTY TAXES</b>			
General	\$ -	\$ -	\$ -
Levied property taxes	-	-	-
Adjustments to actual/rounding	-	-	-
Refunds and abatements	-	-	-
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**GSF BUSINESS IMPROVEMENT DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The GSF Business Improvement District (“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. Specific improvements and services provided by the District include water services, safety protection devices, parking facilities, paving, lighting, grading, landscaping and storm and wastewater management facilities. The District’s service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

The District was organized by Ordinance of the City of Colorado Springs on April 13, 2021.

Pursuant to the District’s Operating Plan filed annually with the City, the maximum debt mill levy is 50 mills, and the maximum operating mill levy for the payment of administrative, operations and maintenance expenses is 10 mills.

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 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 differences may be material.

**Revenues**

**Developer Advance**

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by Nor’wood Development Group (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.

**Intergovernmental Revenue**

Property taxes generated from the 10.000 mills levied by GSF Metropolitan District No. 1 for operations and maintenance, net of fees, are expected to be transferred to the District, which pays all administrative expenditures of GSF Metropolitan District No. 1 and No. 2.

**GSF BUSINESS IMPROVEMENT DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**General and Administrative Expenditures**

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

**Debt and Leases**

**Developer Advances**

The District has entered into Developer Funding Agreements with the Developer as follows:

**Developer Funding Agreement**

The District entered into a Reimbursement Agreement with Nor'wood Development Group (the "Developer") on May 21, 2021 whereby the District agreed to reimburse the Developer for advances made to or on behalf of the District plus interest at a rate of 8% per annum for costs related to the District's operations and administrative activities.

The District entered into a Facilities Funding and Acquisition Agreement with Nor'wood Development Group (the "Developer") on May 21, 2021 whereby the District agreed to reimburse the Developer for advances made to or on behalf of the District plus interest at a rate of 8% per annum for costs related to the construction of public improvements.

The following is an analysis of the District's long -term obligations through the year-ended December 31, 2023:

	Balance at December 31, 2021	Additions*	Retirement of Long-Term Obligations*	Balance at December 31, 2022	Additions*	Retirement of Long-Term Obligations*	Balance at December 31, 2023	Due Within One Year
Developer Advance - Operating	\$ -	\$ 63,890	\$ -	63,890	\$ 51,500	\$ -	\$ 115,390	\$ -
Accrued Interest - Operating	-	3,006	-	3,006	6,778	-	9,784	-
Total	<u>\$ -</u>	<u>\$ 66,896</u>	<u>\$ -</u>	<u>\$ 66,896</u>	<u>\$ 58,278</u>	<u>\$ -</u>	<u>\$ 125,174</u>	<u>\$ -</u>

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to 3% of fiscal year spending for 2023, as defined under TABOR.

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

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of El Paso County, Colorado.

On behalf of the GSF BUSINESS IMPROVEMENT DISTRICT,  
(taxing entity)<sup>A</sup>

the Board of Directors  
(governing body)<sup>B</sup>

of the GSF BUSINESS IMPROVEMENT DISTRICT  
(local government)<sup>C</sup>


**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 532,030 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: \$ 470,720 (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:** 12/08/2022 for budget/fiscal year 2023.  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<u>PURPOSE</u> <small>(see end notes for definitions and examples)</small>	<u>LEVY</u> <sup>2</sup>	<u>REVENUE</u> <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>0.000</u> mills	<u>\$ 0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	<u>&lt;</u> <u>&gt;</u> mills	<u>\$ &lt;</u> <u>&gt;</u>
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>0.000</u> mills</b>	<b><u>\$ 0</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
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> <small>[ Sum of General Operating Subtotal and Lines 3 to 7 ]</small>	<b><u>0.000</u> mills</b>	<b><u>\$ 0</u></b>

Contact person: Carrie Bartow Daytime phone: (719) 635-0330  
(print)

Signed:  Title: Accountant for the District

*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: \_\_\_\_\_  
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<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, Amy Sweet, Publisher and Executive Editor, or the undersigned Authorized Agent of the Publisher and Executive Editor, do solemnly swear that I am the Publisher and Executive Editor, or Authorized Agent of the Publisher and Executive Editor 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:

24, OCTOBER, A.D. 2022.

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

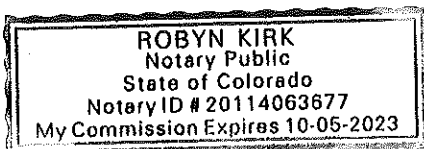
24, OCTOBER, A.D. 2022.

In witness whereof, I have hereunto set my hand this 24th day of October, A.D. 2022.

Publisher and Executive Editor / Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 24th day of October, A.D. 2022.

Notary Public



**NOTICE OF HEARING ON PROPOSED 2023 BUDGET AND 2022 BUDGET AMENDMENT**  
NOTICE IS HEREBY GIVEN that the proposed budgets for the ensuing year of 2023 has been submitted to, GSF 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 2, 2022 via telephone and videoconference. To attend and participate by telephone, dial 1 (720)-547-5281 and enter passcode 505 813 516#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at <https://www.gsfbid.com/> or by contacting Miki Manibog, by email at [miki.manibog@claconnect.com](mailto:manibog@claconnect.com) or by telephone at (719) 635-0330  
NOTICE IS FURTHER GIVEN that an amendment to the 2022 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 2023 budget and the amended 2022 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen, LLP at 121 South Tejon Street Suite 1100, Colorado Springs, CO 80903.. Any interested elector within the District may, at any time prior to final adoption of the 2023 budget and the amended 2022 budget, if required, file or register any objections thereto.  
GSF BUSINESS IMPROVEMENT DISTRICT  
By: /s/ Jeffery Finn, President  
Publication Date: October 24, 2022  
Published in The Transcript  
DT41928