

**PRAIRIESTAR METROPOLITAN DISTRICT NOS. 1-4**

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 • 800-741-3254  
Fax: 303-987-2032

August 7, 2019

Town of Berthoud  
Town Clerk  
PO Box 1229  
Berthoud, CO 80513

[CSamora@berthoud.org](mailto:CSamora@berthoud.org)

Enclosed please find the year 2018 information and documents required to be provided to the Town, pursuant to the Annual Report section of the District's Service Plan approved by the Town of Berthoud on July 27, 2010.

Please acknowledge your receipt of the information and documents by signing this letter below and returning to this office via email to [ksteggs@sdmsi.com](mailto:ksteggs@sdmsi.com).

If you have any questions, please contact me.

Sincerely,



Karen J. Steggs  
Assistant to Judy Leyshon  
District Manager

Enclosure

cc: McGeady Becher P.C. – Jennifer Henry  
Division of Local Government  
State Auditor

The above referenced information and documents were received this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Town of Berthoud

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

**ANNUAL REPORT**  
**FOR THE YEAR 2018**  
**PRAIRIESTAR METROPOLITAN DISTRICT NOS. 1-4**

Pursuant to Section VII of the Service Plans approved by the Town of Berthoud, Colorado on July 27, 2010:

1. **Boundary changes made or proposed to the Districts' boundaries as of December 31 of the prior year.** No boundary changes were made or proposed during 2018 for District No. 1. Boundary changes were made for District No. 2 - approximately 28.466 acres of real property were included into its boundaries effective April 6, 2018. Boundary changes were made for District No. 3 - approximately 1.494 acres of real property were included into its boundaries effective April 6, 2018. District No. 4 was inactive during 2018.
2. **Agreements with other governmental entities entered into or proposed as of December 31 of the prior year.** District Nos. 1, 2 and 3 entered into a Second Amended and Restated Facilities Funding, Construction and Operation Agreement March 28, 2018.
3. **A list of all facilities and improvements constructed or acquired by the Districts and those that have been dedicated to and accepted by the Town as of December 31 of the prior year.** No improvements were constructed or acquired by the Districts. There were no improvements or facilities accepted/dedicated by the Town as of December 31, 2018.
4. **Audit of the Districts' financial statements, for the year ending December 31<sup>st</sup> of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.** The Audited Financial Statements for District Nos. 1 and 2 will be sent upon completion. Attached please find the 2018 Application for Exemption from Audit for District No. 3. Please note that District No. 4 is in inactive status pursuant to Section 32-1-104(3)(a), C.R.S. (the "Inactive Status Law"). Therefore, a 2018 Application for Exemption from Audit for District No. 4 was not required.
5. **Notice of continuing disclosure undertaking for events of default by the Districts, which continue beyond a ninety (90) day period, under any Debt instrument.** None.
6. **Any inability of the Districts to pay its obligations as they come due in accordance with the terms of and Debt instruments, which continue beyond a ninety (90) day period.** None.

EXHIBT A

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

<b>NAME OF GOVERNMENT ADDRESS</b>	PrairieStar Metropolitan District No. 3 141 Union Boulevard, Suite 150 Lakewood, Colorado 80228
<b>CONTACT PERSON</b>	Lisa Johnson
<b>PHONE</b>	(303) 987-0835
<b>EMAIL</b>	ljohnson@sdmsl.com
<b>FAX</b>	

For the Year Ended  
12/31/18  
or fiscal year ended:

### PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

<b>NAME:</b>	Diane Wheeler
<b>TITLE</b>	District Accountant
<b>FIRM NAME (if applicable)</b>	Simmons & Wheeler, P.C.
<b>ADDRESS</b>	304 Inverness Way South, Suite 490 Englewood, CO 80112
<b>PHONE</b>	303-689-0833
<b>DATE PREPARED</b>	3/15/19

### PREPARER (SIGNATURE REQUIRED)



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>GOVERNMENTAL</b> <small>(MODIFIED ACCRUAL BASIS)</small>	<b>PROPRIETARY</b> <small>(CASH OR BUDGETARY BASIS)</small>
	<input type="checkbox"/>	<input type="checkbox"/>

## PART 2 - REVENUE

**REVENUE:** All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	<b>Taxes: Property</b> (report mills levied in Question 10-8)	\$ -	
2-2	<b>Specific ownership</b>	\$ -	
2-3	<b>Sales and use</b>	\$ -	
2-4	<b>Other (specify):</b>	\$ -	
2-5	<b>Licenses and permits</b>	\$ -	
2-6	<b>Intergovernmental: Grants</b>	\$ -	
2-7	<b>Conservation Trust Funds (Lottery)</b>	\$ -	
2-8	<b>Highway Users Tax Funds (HUTF)</b>	\$ -	
2-9	<b>Other (specify):</b>	\$ -	
2-10	<b>Charges for services</b>	\$ -	
2-11	<b>Fines and forfeits</b>	\$ -	
2-12	<b>Special assessments</b>	\$ -	
2-13	<b>Investment income</b>	\$ -	
2-14	<b>Charges for utility services</b>	\$ -	
2-15	<b>Debt proceeds</b> (should agree with line 4-4, column 2)	\$ -	
2-16	<b>Lease proceeds</b>	\$ -	
2-17	<b>Developer Advances received</b> (should agree with line 4-4)	\$ -	
2-18	<b>Proceeds from sale of capital assets</b>	\$ -	
2-19	<b>Fire and police pension</b>	\$ -	
2-20	<b>Donations</b>	\$ -	
2-21	<b>Other (specify):</b>	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b>	\$ -	

## PART 3 - EXPENDITURES

**EXPENDITURES:** All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	<b>Administrative</b>	\$ -	
3-2	<b>Salaries</b>	\$ -	
3-3	<b>Payroll taxes</b>	\$ -	
3-4	<b>Contract services</b>	\$ -	
3-5	<b>Employee benefits</b>	\$ -	
3-6	<b>Insurance</b>	\$ -	
3-7	<b>Accounting and legal fees</b>	\$ -	
3-8	<b>Repair and maintenance</b>	\$ -	
3-9	<b>Supplies</b>	\$ -	
3-10	<b>Utilities and telephone</b>	\$ -	
3-11	<b>Fire/Police</b>	\$ -	
3-12	<b>Streets and highways</b>	\$ -	
3-13	<b>Public health</b>	\$ -	
3-14	<b>Culture and recreation</b>	\$ -	
3-15	<b>Utility operations</b>	\$ -	
3-16	<b>Capital outlay</b>	\$ -	
3-17	<b>Debt service principal</b> (should agree with Part 4)	\$ -	
3-18	<b>Debt service interest</b>	\$ -	
3-19	<b>Repayment of Developer Advance Principal</b> (should agree with line 4-4)	\$ -	
3-20	<b>Repayment of Developer Advance Interest</b>	\$ -	
3-21	<b>Contribution to pension plan</b> (should agree to line 7-2)	\$ -	
3-22	<b>Contribution to Fire &amp; Police Pension Assoc.</b> (should agree to line 7-2)	\$ -	
3-23	<b>Other (specify):</b>		
3-24			
3-25			
3-26	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES</b>	\$ -	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

		Yes	No		
4-1	<b>Does the entity have outstanding debt?</b> If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input type="checkbox"/>		
4-2	<b>Is the debt repayment schedule attached? If no, MUST explain:</b> N/A	<input type="checkbox"/>	<input type="checkbox"/>		
4-3	<b>Is the entity current in its debt service payments? If no, MUST explain:</b> N/A	<input type="checkbox"/>	<input type="checkbox"/>		
4-4	<b>Please complete the following debt schedule, if applicable:</b> (please only include principal amounts)(enter all amount as positive numbers)				
	<b>Outstanding at end of prior year*</b>	<b>Issued during year</b>	<b>Retired during year</b>	<b>Outstanding at year-end</b>	
	<b>General obligation bonds</b>	\$ -	\$ -	\$ -	\$ -
	<b>Revenue bonds</b>	\$ -	\$ -	\$ -	\$ -
	<b>Notes/Loans</b>	\$ -	\$ -	\$ -	\$ -
	<b>Leases</b>	\$ -	\$ -	\$ -	\$ -
	<b>Developer Advances</b>	\$ -	\$ -	\$ -	\$ -
	<b>Other (specify):</b>	\$ -	\$ -	\$ -	\$ -
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -

\*must tie to prior year ending balance

		Yes	No
4-5	<b>Does the entity have any authorized, but unissued, debt?</b>	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	<b>How much?</b>		
	\$ 38,150,000.00		
	<b>Date the debt was authorized:</b>		
	11/2/2010		
4-6	<b>Does the entity intend to issue debt within the next calendar year?</b>	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	<b>How much?</b>		
	\$ -		
4-7	<b>Does the entity have debt that has been refinanced that it is still responsible for?</b>	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	<b>What is the amount outstanding?</b>		
	\$ -		
4-8	<b>Does the entity have any lease agreements?</b>	<input type="checkbox"/>	<input type="checkbox"/>
If yes:	<b>What is being leased?</b>		
	<b>What is the original date of the lease?</b>		
	<b>Number of years of lease?</b>		
	<b>Is the lease subject to annual appropriation?</b>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>What are the annual lease payments?</b>		
	\$ -		

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

		Amount	Total
5-1	<b>YEAR-END Total of ALL Checking and Savings Accounts</b>	\$ -	
5-2	<b>Certificates of deposit</b>	\$ -	
	<b>Total Cash Deposits</b>		\$ -
	<b>Investments (if investment is a mutual fund, please list underlying investments):</b>		
		\$ -	
		\$ -	
		\$ -	
		\$ -	
	<b>Total Investments</b>		\$ -
	<b>Total Cash and Investments</b>		\$ -

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	<b>Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5-5	<b>Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no, MUST use this space to provide any explanations:

## PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 6-1 Does the entity have capital assets?  Yes       No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain:  Yes       No

6-3 Complete the following capital assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 7-1 Does the entity have an "old hire" firemen's pension plan?  Yes       No
- 7-2 Does the entity have a volunteer firemen's pension plan?  Yes       No
- If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
<b>TOTAL</b>	<b>\$ -</b>
What is the monthly benefit paid for 20 years of service per retiree as of Jan	\$ -

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No                      N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?  Yes       No       N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:  Yes       No       N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

General Fund	\$ 23,690

## PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

- |            |                                                                                                                                                                                                                                                            | Yes                      | No                       |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>9-1</b> | <b>Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X,</b>                                                                                                                                                        | <input type="checkbox"/> | <input type="checkbox"/> |
|            | <small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small> |                          |                          |

If no, MUST explain:

## PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

- |             |                                                                      | Yes                      | No                       |
|-------------|----------------------------------------------------------------------|--------------------------|--------------------------|
| <b>10-1</b> | <b>Is this application for a newly formed governmental entity?</b>   | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes:     | <b>Date of formation:</b> <input style="width: 300px;" type="text"/> |                          |                          |
| <b>10-2</b> | <b>Has the entity changed its name in the past or current year?</b>  | <input type="checkbox"/> | <input type="checkbox"/> |

If yes: Please list the NEW name & PRIOR name:

- |             |                                               |                          |                          |
|-------------|-----------------------------------------------|--------------------------|--------------------------|
| <b>10-3</b> | <b>Is the entity a metropolitan district?</b> | <input type="checkbox"/> | <input type="checkbox"/> |
|-------------|-----------------------------------------------|--------------------------|--------------------------|

Please indicate what services the entity provides:

- |             |                                                                                       |                          |                          |
|-------------|---------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>10-4</b> | <b>Does the entity have an agreement with another government to provide services?</b> | <input type="checkbox"/> | <input type="checkbox"/> |
|-------------|---------------------------------------------------------------------------------------|--------------------------|--------------------------|

If yes: List the name of the other governmental entity and the services provided:

- |             |                                                                                                       |                          |                          |
|-------------|-------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>10-5</b> | <b>Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during</b> | <input type="checkbox"/> | <input type="checkbox"/> |
|-------------|-------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|

If yes: Date Filed:

- |             |                                                    |                          |                          |
|-------------|----------------------------------------------------|--------------------------|--------------------------|
| <b>10-6</b> | <b>Does the entity have a certified Mill Levy?</b> | <input type="checkbox"/> | <input type="checkbox"/> |
|-------------|----------------------------------------------------|--------------------------|--------------------------|

If yes: Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	-
<b>Total mills</b>	-

Please use this space to provide any explanations or comments:



## PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input type="checkbox"/>	<input type="checkbox"/>

### Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

#### Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

**The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:**

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
  - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
  - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL current governing board members below.		A MAJORITY of the governing board members must complete and sign in the column below.
Board Member 1	Print Board Member's Name Jennifer Davis	I <u>Jennifer Davis</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>3/27/19</u> My term Expires: <u>May 2020</u>
Board Member 2	Print Board Member's Name Scott Sarbaugh	I <u>Scott Sarbaugh</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>3/27/19</u> My term Expires: <u>May 2022</u>
Board Member 3	Print Board Member's Name Richard McCabe	I <u>Richard McCabe</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>3/27/19</u> My term Expires: <u>May 2022</u>
Board Member 4	Print Board Member's Name Neil Almy	I <u>Neil Almy</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2022</u>
Board Member 5	Print Board Member's Name Kathy Sidney	I <u>Kathy Sidney</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2020</u>
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____