

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

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

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Scott Sarbaugh	President	2022/May 2022
Neil Almy	Treasurer	2022/May 2022
Jennifer Davis	Assistant Secretary	2020/May 2020
Richard McCabe	Assistant Secretary	2022/May 2022
Kathy Sidney	Assistant Secretary	2020/May 2020
Judy Leyshon	Secretary	

DATE: September 11, 2019

TIME: 6:00 P.M.

PLACE: Town of Berthoud
Conference Room 2nd Floor
807 Mountain Avenue
Berthoud, Colorado 80513

I. ADMINISTRATIVE MATTERS

A. Present Disclosures and Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices.

C. Consent Agenda – These items are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless requested; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- Approval of Minutes of the March 27, 2019 Regular Meeting (enclosure).
-

D. Discuss new legislation for posting meeting notices on website (enclosure).

E. Review and consider adoption of First Amendment to Resolution No. 2018-09-01, Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices (enclosure).

- F. Review and consider adoption of Resolution No. 2019-09-01, Resolution of the Board of Directors of the PrairieStar Metropolitan District No. 1 Establishing Regular Meeting Dates, Time and Location, Establishing District Website, and Designating Location for 24–Hour Notices (enclosure).
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- G. Discuss §32-1-809, C.R.S. – Transparency Notice reporting requirements and mode of eligible elector notification.
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II. PUBLIC COMMENT

Note to reader: Pursuant to the Joint Resolution between District Nos. 1 and 2 regarding adoption of Policies and Procedures Governing the Enforcement of the Protective Covenants of PrairieStar; District No. 1 is the Operating District and District No. 2 is the Taxing District. It is the intent that District No. 2 provide covenant enforcement services and that District No. 1 provide all improvements and perform all operational services on behalf of the Districts.

- A. Public Comment.
-

III. FINANCIAL MATTERS

- A. Review and ratify approval of payment of claims for the following periods (enclosures):

Fund	Period Ending April 17, 2018	Period Ending May 15, 2018	Period Ending June 15, 2018	Period Ending July 20, 2018
General	\$ 8,013.96	\$ 14,517.85	\$ 6,238.60	\$ 12,285.27
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 7,790.58	\$ 12,424.66	\$ 6,238.83	\$ 1,516.25
Total	\$ 15,804.54	\$ 26,942.51	\$ 12,477.43	\$ 13,801.52

Fund	Period Ending Aug. 14, 2018	Period Ending Sept. 17, 2018	Period Ending Oct. 18, 2018	Period Ending Nov. 19, 2018
General	\$ 9,303.26	\$ 8,512.99	\$ 15,013.58	\$ 15,258.07
Debt	\$ -0-	\$ -0-	\$ 3,000.00	\$ -0-
Capital	\$ 1,098.00	\$ 4,260.00	\$ 2,260.00	\$ 4,986.35
Total	\$ 10,401.26	\$ 12,772.99	\$ 20,273.58	\$ 20,244.42

Fund	Period Ending Dec. 17, 2018	Period Ending Jan. 15, 2019	Period Ending Feb. 12, 2019	Period Ending March 15, 2019
General	\$ 6,072.67	\$ 6,871.34	\$ 9,794.51	\$ 6,969.76
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 3,724.00	\$ -0-	\$ 1,057.73	\$ -0-
Total	\$ 9,796.67	\$ 6,871.34	\$ 10,852.24	\$ 6,969.76

Fund	Period Ending April 16, 2019	Period Ending May 22, 2019	Period Ending June 20, 2019	Period Ending July 19, 2019
General	\$ 12,979.68	\$ 47,632.04	\$ 7,898.99	\$ 11,880.92
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 12,979.68	\$ 47,632.04	\$ 7,898.99	\$ 11,880.92

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- B. Review and accept unaudited financial statements through the periods ending June 30, 2019 (enclosure).
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- C. Consider opening a ColoTrust account.
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- D. Review and consider approval of 2017 Audit and authorize execution of Representations Letter (enclosures).
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- E. Review and consider approval of 2018 Audit and authorize execution of Representations Letter (enclosures).
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- F. Consider appointment of Dazzio & Associates, PC to perform the 2019 Audit for an amount not to exceed \$ _____ (to be distributed).
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- G. Conduct Public Hearing to consider Amendment to 2019 Budget and (if necessary) consider adoption of Resolution to Amend the 2019 Budget and Appropriate Expenditures.
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- H. Conduct Public Hearing on the proposed 2020 Budget and consider adoption of Resolution No. 2019-09-___ to Adopt the 2020 Budget and Appropriate Sums of Money and Resolution No. 2019-09-___ to Set Mill Levies (for General Fund _____, Debt Service Fund _____ for a total mill levy of _____) (enclosures – preliminary assessed valuation, Resolutions and draft 2020 Budget).
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- I. Consider authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.
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V. LEGAL MATTERS

- A. Consider adoption of Resolution No. 2019-09-__ ; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of mail ballot election (enclosure). Self-Nomination forms are due by February 28, 2020. Discuss the need for ballot issues and/or questions.
-

VI. OTHER BUSINESS

- A. _____
-

VII. ADJOURNMENT **NO FURTHER MEETINGS ARE SCHEDULED FOR 2019**

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1 HELD MARCH 27, 2019

A Regular Meeting of the Board of Directors of the PrairieStar Metropolitan District No. 1 (referred to hereafter as "Board") was convened on Wednesday, the 27th day of March, 2019, at 6:00 P.M., at the Berthoud Community Center; 248 Welch Avenue, Berthoud, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Scott Sarbaugh
Richard McCabe
Jennifer Davis

Upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the absences of Neil Almy and Kathy Sidney were excused.

Also In Attendance Were:

Judy Leyshon, David Solin and Peggy Ripko; Special District Management Services, Inc.

Elizabeth Cortese, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

Homeowners in Attendance Were:

Kristyn Degi; Community Liaison
Anton Camarota
Rob Craver
Ricia Reilly White
Marilyn Turner
Jim Lacock
Srihari Varadarajan

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Leyshon noted that a quorum was

RECORD OF PROCEEDINGS

present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members in accordance with the statute. Attorney Cortese noted that all Directors' Disclosure Statements had been filed.

ADMINISTRATIVE MATTERS

Agenda: Ms. Leyshon distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the Agenda was approved, as presented.

Approval of Meeting Location: The Board entered into discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, and upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated, date, time and location. The Board further noted that notice of this location was duly posted and that they had not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries.

Designation of 24-hour Posting Location: Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24-hours prior to each meeting at the following location: At the entry of Wagonbend and Berthoud Parkway.

Resignation and Appointment of Secretary to the Board: The Board considered the resignation of Lisa A. Jacoby and the appointment of Judy L. Leyshon as Secretary to the Board.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the Board accepted the resignation of Lisa A. Jacoby and the appointment of Judy L. Leyshon as Secretary to the Board.

RECORD OF PROCEEDINGS

CONSENT AGENDA:

The Board considered the following items on the consent Agenda:

- Approval of Minutes of the September 26, 2018 Regular meeting.
- Ratify approval of Second Amendment to Management Agreement between the District and Special District Management Services, Inc.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote unanimously carried, the Board approved and/or ratified approval, as appropriate, of the above Consent Agenda items.

PUBLIC COMMENT

Note to reader: Pursuant to the Joint Resolution between District No. 1 and No. 2 regarding adoption of Policies and Procedures Governing the Enforcement of the Protective Covenants of PrairieStar - District No. 1 is the Operating District and District No. 2 is the Taxing District. It is the intent that District No. 2 provide covenant enforcement services and that District No. 1 provide all improvements and perform all services on behalf of the Districts.

Public Comment: Homeowners addressed the Board regarding various concerns related to District No. 2 as well as those related to the developer and/or builders.

Mr. Craver addressed his concern regarding lack of snow removal on the streets after snow storms.

Director Sarbaugh noted that the District's plan is consistent with the Town of Berthoud's policy and areas of responsibility for snow removal. However, the bus route has been elevated and the Town will now be plowing the bus routes. Director Sarbaugh noted that residents can increase taxes to have the streets plowed.

Mr. Camarota addressed the Board regarding his concern that the detention pond has a lot of contaminants in the water. There is stagnant water and mosquitos. He noted that the water eventually goes to the community garden.

Director Sarbaugh responded that the ponds are supplied from a community tap (which is treated District drinking water). The ponds have constant flow. Part of the pond will be wetlands which could produce mosquitos. The water is managed the same as the Town code. Grading on ponds are designed to hold 200% of 100-year flood which is able to drain to zero. Currently using water from snow melt for earthwork. Have not used water from the tap yet. Director McCabe noted that there are ponds in 1/2 of the 1st filing, 3rd filing and 2/3rd of the 4th filing, which will use the ponds.

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Director Sarbaugh also noted that there are plans for a second park near Mission Homes and that the community garden is progressing well.

Mr. Lacock reported to the Board that vehicles are crossing over County Road 17 and driving down the path. He suggested to the Board that maybe putting a fence across the path temporarily would deter vehicles from crossing over County Road 17 and driving down the path.

Director Sarbaugh noted that he would look into it.

FINANCIAL MATTERS

Unaudited Financials: Ms. Wheeler presented unaudited financial statements through the period ending December 31, 2018 with the Board. Following discussion, the Board deferred acceptance pending amendments.

2017 and 2018 Audits: Following discussion, upon motion duly made by Director McCabe, seconded by Director Sarbaugh and, upon vote, unanimously carried, the Board ratified approval of the engagement of Dazzio & Associates, PC to perform the 2017 and 2018 Audits.

2017 Budget Amendment Hearing: The President opened the public hearing to consider Amending the 2017 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2017 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No comments were received from the public in attendance and the public hearing was closed.

Following review and discussion, Director Sarbaugh moved to adopt Resolution No. 2019-03-01 to Amend the 2017 Budget, Director Davis seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-03-01 to Amend the 2017 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2018 Budget Amendment Hearing: The President opened the public hearing to consider Amending the 2018 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2018 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing and no

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comments were received from the public in attendance and the public hearing was closed.

Following review and discussion, Director Sarbaugh moved to adopt Resolution No. 2019-03-02 to Amend the 2018 Budget, Director Davis seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-03-02 to Amend the 2018 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

5th Certification of District Eligible Improvement Costs: The Board reviewed the Engineers Report and Certification #5 prepared by Manhard Consulting, Ltd. of District eligible improvements totaling \$3,176,927.61.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the Board accepted the Engineers Report and Certification #5 of District eligible costs totaling \$3,176,927.61.

Preparation of 2020 Budget: Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director Davis and, upon vote, unanimously carried, the Board appointed Simmons & Wheeler, P.C. to prepare the 2020 Budget.

LEGAL MATTERS

Inclusion Agreement between the District, PrairieStar Metropolitan District No. 2 and PrairieStar, Inc.: Attorney Cortese presented to the Board an Inclusion Agreement between the District, PrairieStar Metropolitan District No. 2 and PrairieStar, Inc.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director Davis and, upon vote, unanimously carried, the Board approved the Inclusion Agreement between the District, PrairieStar Metropolitan District No. 2 and PrairieStar, Inc.

Public Hearing on the Inclusion of less than one (1.0) acre of property owned by Cooperland, LLC: President Sarbaugh opened the public hearing to consider the inclusion of approximately less than once acre of real property owned by Cooperland, LLC into the District.

It was noted that publication of Notice stating that the Board would consider the inclusion of the property and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written

RECORD OF PROCEEDINGS

objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following discussion, upon motion duly made by Director Davis, seconded by Director McCabe and, upon vote, unanimously carried, the Board approved the exclusion of the property as described in the Petition and adopted Resolution No. 2019-03-03; Resolution for Inclusion of Real Property. A copy of Resolution No. 2019-03-03 is attached hereto and incorporated herein by this reference.

Public Hearing on the Exclusion of less than one (1.0) acre of property owned by Cooperland, LLC: President Sarbaugh opened the public hearing to consider the exclusion of approximately less than one acre of real property owned by Cooperland, LLC out of the District.

It was noted that publication of Notice stating that the Board would consider the exclusion of the property and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following discussion, upon motion duly made by Director Davis, seconded by Director McCabe and, upon vote, unanimously carried, the Board approved the exclusion of the property as described in the Petition and adopted Resolution No. 2019-03-04; Resolution for Exclusion of Real Property. A copy of Resolution No. 2019-03-04 is attached hereto and incorporated herein by this reference.

Service Agreement for Engineering Services between the District and Ranger Engineering, LLC: Attorney Cortese presented to the Board a Service Agreement for Engineering Services between the District and Ranger Engineering, LLC.

Following discussion, upon motion duly made by Director Davis, seconded by Director McCabe and, upon vote, unanimously carried, the Board approved the Service Agreement for Engineering Services between the District and Ranger Engineering, LLC.

OTHER MATTERS

There were no other matters presented.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Sarbaugh, seconded by Director Davis and, upon vote, unanimously carried, and the meeting was adjourned.

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Respectfully submitted,

By _____
Secretary for the Meeting

PRAIRIESTAR METROPOLITAN DISTRICTS 1-4

March 27, 2019

Please print your name, address and phone number and the issue(s) you are interested in addressing at this meeting.

NAME	ADDRESS	TELEPHONE/EMAIL	ISSUE(S) TO BE ADDRESSED
Anton Camarota	481 Country Rd	602 692 9777 anton.camarota@smi.com	Catchment pond
Rob Craver	500 TEN GALLON DR.	970-775-2303	FLOWING
RICIA REILLY WHITE	450 COUNTRY RD.	303-775-6622	
Kristyn Degi	2910 Big Thunder	9705562531	
Mandy Turner	894 PrairieStar	603-765-5903	
Jim Lacock	731 WAGON BEND RD	(866) 836-7551	
Srihari Vrabala	2828 Urbaug Pt.	970 2865187	

RESOLUTION TO AMEND 2017 BUDGET
PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

WHEREAS, the Board of Directors of the PrairieStar Metropolitan District No. 1 adopted an amended budget and appropriated funds for the fiscal year 2017 as follows:

General Fund	\$	83,995
Debt Service Fund	\$	-0-
Capital Projects Fund	\$	44,000

WHEREAS, the necessity has arisen for additional expenditures in the Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2017; and

WHEREAS, the expenditure of such funds could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from developer advances.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the PrairieStar Metropolitan District No. 1 shall and hereby does amend the amended Budget for the fiscal year 2017 and adopts a supplemental budget and appropriation for the Capital Projects Fund for the fiscal year 2017, as follows:

Capital Projects Fund	\$	4,300,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 27th day of March, 2019.

PRAIRIESTAR METROPOLITAN DISTRICT
NO. 1

By: 
Secretary

PrairieStar Metropolitan District No. 1
Amended Budget
Capital Projects Fund
For the Year ended December 31, 2017

	<u>Adopted Budget 2017</u>	<u>Amended Budget 2017</u>
Beginning fund balance	\$ 25,891	\$ 25,891
Revenues:		
Developer advances	-	4,274,109
Miscellaneous	-	-
Total revenues	<u>-</u>	<u>4,274,109</u>
Total funds available	<u>25,891</u>	<u>4,300,000</u>
Expenditures:		
Accounting	4,200	4,200
Legal	6,000	6,000
Management fees	7,200	7,200
Capital improvements	-	4,274,109
Transfer to General Fund	1,491	1,491
Engineering	7,000	7,000
Total expenditures	<u>25,891</u>	<u>4,300,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>

RESOLUTION TO AMEND 2018 BUDGET
PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

WHEREAS, the Board of Directors of the PrairieStar Metropolitan District No. 1 adopted an amended budget and appropriated funds for the fiscal year 2018 as follows:

General Fund	\$	100,000
Debt Service Fund	\$	-0-
Capital Projects Fund	\$	36,000

WHEREAS, the necessity has arisen for additional expenditures in the Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2018; and

WHEREAS, the expenditure of such funds could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from developer advance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the PrairieStar Metropolitan District No. 1 shall and hereby does amend the amended Budget for the fiscal year 2018 and adopts a supplemental budget and appropriation for the Capital projects Fund for the fiscal year 2018, as follows:

Capital Projects Fund:	\$	4,2500,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 27th day of March, 2019.

PRAIRIESTAR METROPOLITAN DISTRICT
NO. 1

By: 
Secretary

PrairieStar Metropolitan District No. 1
Amended Budget
Capital Projects Fund
For the Year ended December 31, 2018

	Adopted Budget <u>2018</u>	Amended Budget <u>2018</u>
Beginning fund balance	\$ -	\$ 2,273
Revenues:		
Developer advances	36,700	4,247,727
Miscellaneous	<u>-</u>	<u>-</u>
Total revenues	<u>36,700</u>	<u>4,247,727</u>
Total funds available	<u>36,700</u>	<u>4,250,000</u>
Expenditures:		
Accounting	8,000	7,750
Legal	6,200	12,000
Management fees	7,500	9,000
Capital improvements	-	4,192,500
Transfer to General Fund	-	-
Engineering	<u>15,000</u>	<u>28,750</u>
Total expenditures	<u>36,700</u>	<u>4,250,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>

RESOLUTION NO. 2019-03-01

RESOLUTION OF THE BOARD OF DIRECTORS OF
PRAIRIESTAR METROPOLITAN DISTRICT NO. 1
FOR INCLUSION OF REAL PROPERTY

A. Cooperland, LLC, a Colorado limited liability company, the 100% fee owner of the Property (hereinafter defined) has petitioned the PrairieStar Metropolitan District No. 1 (the “**District**”) for the inclusion into the District’s boundaries of the real property hereinafter described (“**Property**”).

B. Public Notice has been published in accordance with law, calling for a public hearing on the request for approval of said Petition.

C. The statutory requirements of Section 32-1-401(1)(a), C.R.S., for submission of a petition for inclusion to the Board of Directors of the District (“**Board**”), including a legal description of the Property, a statement that assent to the inclusion of the Property was obtained by the 100% fee owner thereof and acknowledgment in the same manner as required for conveyances of land, were presented to and have been satisfied and approved by the Board.

D. The District may consider the enlargement or extension of its facilities in the exercise of discretion as a governmental function in the interest of public health, safety and welfare.

E. The District is capable of serving the Property with facilities of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1, LARIMER COUNTY, COLORADO:

1. That the Board of Directors of the District shall and hereby does order the inclusion of the Property described herein within the boundaries of the District.

2. The name and address of the Petitioner and the legal description of the Property are as follows:

Petitioner: Cooperland, LLC, a Colorado limited liability company

Address of Petitioner: 2738 Pine Street
Boulder, Colorado 80302

Legal Description: Approximately less than one (1.0) acre of land legally described on Exhibit A attached hereto and incorporated herein.

3. That approval of this inclusion is further subject to the following:

(a) On and after the effective date of this inclusion (which shall be the date of recording of the Court Order approving the inclusion by the Clerk and Recorder of Larimer County, Colorado, unless otherwise specified in the Court Order), the Property shall be subject to the rules and regulations of the District, and the payment of any and all taxes, fees, rates and charges of the District.

Dated this 27th day of March, 2019.

PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1

By: _____

President

Attest:

Judy Lopez
Secretary

EXHIBIT A

Legal Description



ENGINEERING
PLANNING
SURVEYING

☐☐ P 303.682.1131
F 303.682.1149

☐☐ info@civilarts.us
www.civilarts.us

☐☐ 1500 Kansas Avenue, Suite 2-E
Longmont, CO 80501

EXHIBIT "A"

March 4, 2019

A description of a PrairieStar Metropolitan District Filing No. 1 located in the S1/2 of Section 2, T4N, R69W of the 6th P.M., in Larimer County, Colorado. For: PrairieStar, Inc.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

A tract of land located in the S1/2 of Section 2, T4N, R69W of the 6th P.M., County of Larimer, State of Colorado, described as follows:

COMMENCING at the W1/4 Corner of said Section 2, from which the Southwest Corner of said Section 2 bears S00°37'55"E, 2663.62 feet (Basis of Bearing), thence S63°39'53"E, 4043.12 feet to the Westerly Right-of-way Line of the Burlington Northern & Santa Fe Railroad and the POINT OF BEGINNING;

Thence S3°06'38"E, 20.00 feet along the Westerly Right-of-way Line of said Burlington Northern & Santa Fe Railroad;

Thence S86°53'22"W, 20.00 feet at right angles from the Westerly Right-of-way Line of said Burlington Northern & Santa Fe Railroad;

Thence N3°06'38"W, 20.00 feet parallel with the Westerly Right-of-way Line of said Burlington Northern & Santa Fe Railroad;

Thence N86°53'22"E, 20.00 feet at right angles from the Westerly Right-of-way Line of said Burlington Northern & Santa Fe Railroad to the POINT OF BEGINNING.

Area = 400 square feet, more or less.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.


Frank N. Drexel 24305
Colorado Professional Land
Surveyor No. 24305
1500 Kansas Ave #2-E, Longmont, CO 80501
Date: _____

File: 46527-MD1.doc

Project: 465-27

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

POINT OF COMMENCEMENT
 W1/4 COR. SEC. 2
 T4N, R69W, 6TH P.M.
 FOUND #6 REBAR W/ 2-1/2" ALUM.
 CAP MKD. "LS 25619 1996" 0.2'
 ABOVE GROUND LEVEL

NOTE
 THIS EXHIBIT MAP IS INTENDED
 ONLY AS AN AID TO FOLLOW
 THE ATTACHED LEGAL
 DESCRIPTION AND DOES NOT
 REPRESENT A LAND SURVEY
 PLAT ACCORDING TO
 COLORADO STATUTES.



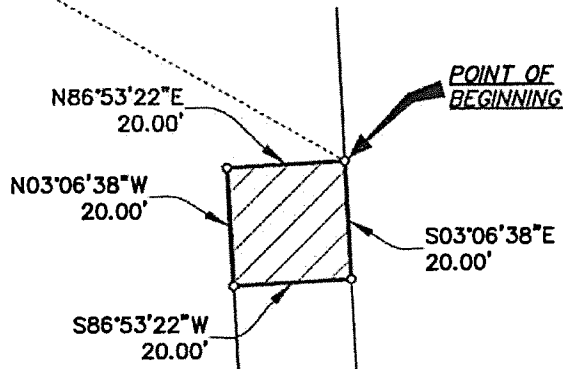
EXHIBIT MAP
 SCALE: 1"=30'
 DATE: 03-03-19
 DWG: 46527-EB

S00°37'55"E 2663.62'
 (BASIS OF BEARING)
 W. LINE SW1/4, SEC. 2

LARIMER COUNTY ROAD 17

PRAIRIESTAR
 FILING NO. 5

TRACT U



BURLINGTON NORTHERN &
 SANTA FE RAILROAD
 (COLORADO & SOUTHERN RAILROAD)

E. LINE PRAIRIESTAR
 FILING NO. 5
 W. LINE BURLINGTON
 NORTHERN & SANTA
 FE RAILROAD

SW COR. SEC. 2
 FOUND #6 REBAR W/ 2-1/2"
 ALUM. CAP MKD. "CIVILARTS
 DREXEL PLS 24305 2006" IN
 MONUMENT BOX.
 FOUND #6 REBAR W/ 3-1/4"
 ALUM. CAP MKD. "KING
 SURVEYORS INC JONES LS
 22098 2005" IN MONUMENT
 BOX 0.31'N. & 0.54'E.

U.S. HIGHWAY 287



ENGINEERING :: 1500 Kansas Ave., Suite 2-E
 PLANNING :: Longmont, CO 80501
 SURVEYING :: P 303 682 1131
 F 303 682 1148

CERTIFICATION

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2019-03-01, Resolution of the Board of Directors of PrairieStar Metropolitan District No. 1, Resolution for Inclusion of Real Property.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

Date: 3/27/19

By: Judy Lupton
Secretary

RESOLUTION NO. 2019-03-02

**RESOLUTION OF THE BOARD OF DIRECTORS OF
PRAIRIESTAR METROPOLITAN DISTRICT NO. 1**

RESOLUTION FOR EXCLUSION OF REAL PROPERTY

A. Cooperland, LLC, a Colorado limited liability company (the “**Petitioners**”), the 100% fee owner of the Property (defined herein) has petitioned the PrairieStar Metropolitan District No. 1 (the “**District**”) for the exclusion from the boundaries of said District of the real property hereinafter described on Exhibit A attached hereto and incorporated herein (the “**Property**”).

B. Public Notice has been published in accordance with Section 32-1-501(2), C.R.S., calling for a public hearing on the request for approval of said Petition.

C. No written objection was filed by any person in the District to the Petition.

D. The Board of Directors has taken into consideration all of the factors set forth in Section 32-1-501(3), C.R.S.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PRAIRIESTAR METROPOLITAN DISTRICT NO. 1, LARIMER COUNTY, COLORADO:

1. The Board of Directors finds that:

(a) exclusion of the Property is in the best interests of the Property to be excluded;

(b) exclusion of the Property is in the best interests of the District;

(c) exclusion of the Property is in the best interests of the county or counties in which the District is located;

(d) the relative costs to the Property to be excluded from the provision of the District’s services exceed the benefits of the Property remaining within the District’s boundaries;

(e) under its current service plan the District does not have the ability to provide economical and sufficient service to both the Property seeking exclusion and all of the properties located within the District boundaries;

(f) the District does not have the ability to provide services to the Property to be excluded at a reasonable cost compared with the cost which would be imposed by other entities in the surrounding area providing similar services;

(g) denying the petition may have a negative impact on employment and other economic conditions in the District and surrounding areas;

(h) denying the petition may have a negative economic impact on the region and on the District, surrounding area and State as a whole;

(i) an economically feasible alternative service may be available; and

(j) it should not be necessary for the District to levy any additional costs on other property within the District if the Petition for Exclusion is granted.

2. The Board of Directors of the District shall and hereby does, order that the Petition for Exclusion be granted and the Property be excluded from the boundaries of the District subject to Petitioner paying the costs associated with processing the petition and requesting the court enter the Order for Exclusion, and recording thereof.

3. The Board of Directors of the District shall and hereby does further acknowledge and resolve that in accordance with Section 32-1-503, C.R.S., the Property described herein shall be obligated to the same extent as all other property within the District with respect to and shall be subject to the levy of taxes for the payment of that proportion of the outstanding indebtedness of the District and interest thereon existing immediately prior to the effective date of the Order for Exclusion (“**Outstanding Indebtedness**”).

4. The Board of Directors of the District shall and hereby does further order that, in accordance with Section 32-1-503(1), C.R.S., upon the effective date of the Order excluding the Property, the Property shall not be subject to any property tax levied by the Board of Directors of the District for the operating costs of the District.

5. The Board of Directors of the District shall and hereby does further resolve that in its discretion it may establish, maintain, enforce and, from time to time, modify service charges, tap fees, and other rates, fees, tolls and charges, upon residents or users in the area of the District as it existed prior to the exclusion, including the Property, to supplement the proceeds of tax levies in the payment of the Outstanding Indebtedness and the interest thereon.

The name and address of the Petitioner of one hundred percent (100%) of the Property and the legal description of said Property are as follows:

Petitioner:	Cooperland, LLC, a Colorado limited liability company
Address of Petitioner:	2738 Pine Street Boulder, Colorado 80302
Legal Description of the Property:	Approximately less than one (1.0) acre of land legally described on Exhibit A and incorporated herein by this reference.


APPROVED AND ADOPTED March 27, 2019.

**PRAIRIE STAR METROPOLITAN
DISTRICT NO. 1**

By: 

President

Attest:



Secretary

EXHIBIT A
Legal Description



ENGINEERING
PLANNING
SURVEYING

☐☐ P 303.682.1131
☐☐ F 303.682.1149

☐☐ info@civilarts.us
☐☐ www.civilarts.us

☐☐ 1860 Lefthand Circle, Suite A
☐☐ Longmont, CO 80501

May 7, 2010

A description of PrairieStar Metropolitan District No. 1 located in the S1/2 of Section 2, T4N, R69W of the 6th P.M., in Larimer County, Colorado. For: Sarbaugh Realty Group.

LEGAL DESCRIPTION
PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

A Parcel of land located in the S1/2 of Section 2, T4N, R69W of the 6th P.M., County of Larimer, State of Colorado, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 2, from which the W1/4 Corner of said Section 2 bears N00°37'55"W, 2663.62 feet (Basis of Bearing), thence N75°23'26"E, 3299.46 feet to a point on the Westerly Line of proposed Lot 2, Block 4, PrairieStar, a proposed subdivision of the Town of Berthoud, Colorado and the POINT OF BEGINNING;

Thence N00°15'55"E, 20.00 feet along said Westerly Line;

Thence S89°44'05"E, 20.00 feet;

Thence S00°15'55"W, 20.00 feet;

Thence N89°44'05"W, 20.00 feet to the POINT OF BEGINNING;

Area = 400 square feet or 0.009 acre, more or less.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

Peter D. Steger
Colorado Professional Land
Surveyor No. 25379
1860 Lefthand Cir #A, Longmont, CO 80501

Date: _____
File: 4657-LGL PS METRO DIST 1.doc Project: 465-7

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

SHEET 2 OF 2



DISTRICT MAP

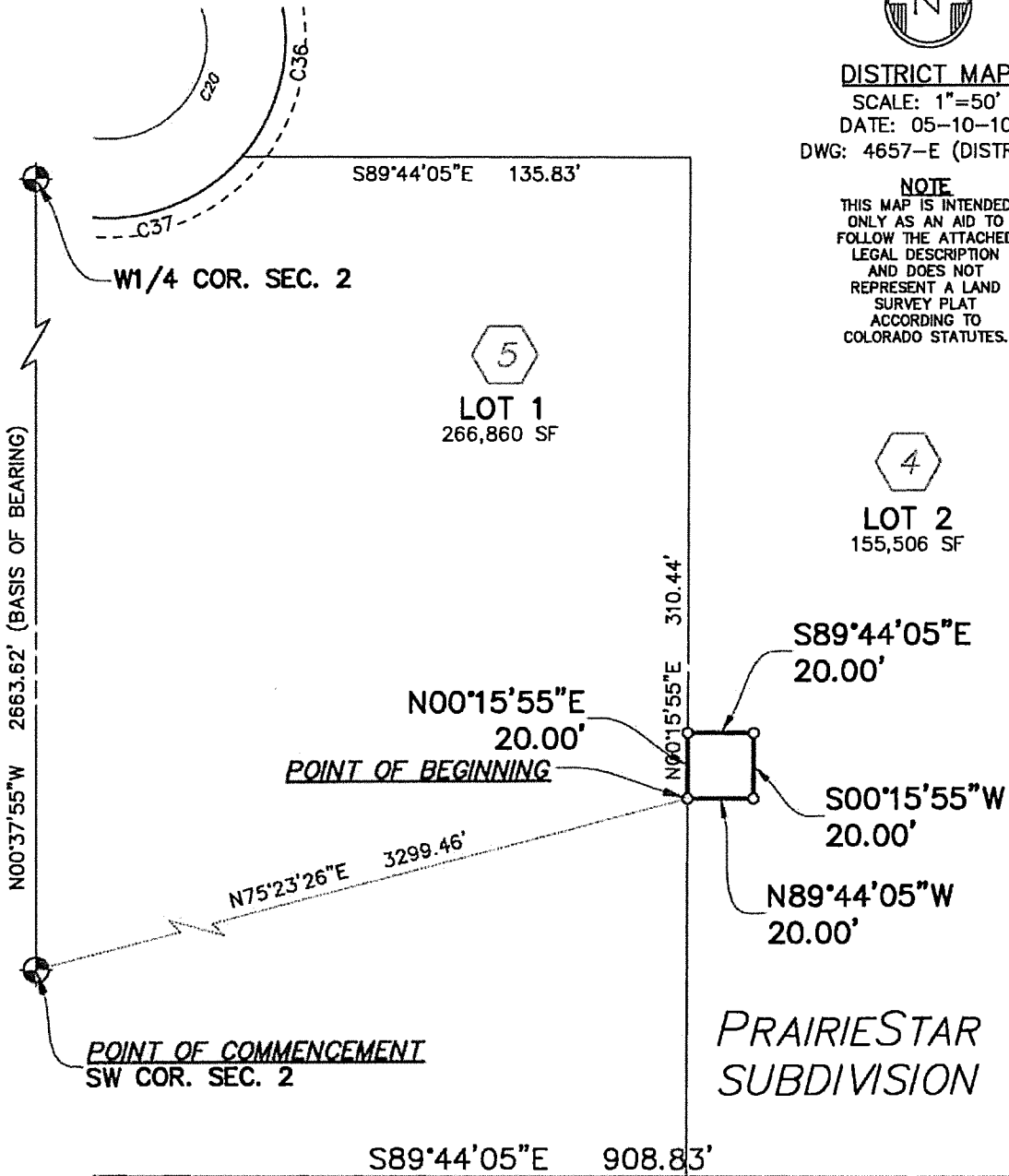
SCALE: 1"=50'

DATE: 05-10-10

DWG: 4657-E (DISTRICT)

NOTE

THIS MAP IS INTENDED ONLY AS AN AID TO FOLLOW THE ATTACHED LEGAL DESCRIPTION AND DOES NOT REPRESENT A LAND SURVEY PLAT ACCORDING TO COLORADO STATUTES.



U.S. HIGHWAY NO. 287



ENGINEERING :: 1800 Leffland Circle, Suite A
PLANNING :: Longmont, CO 80501
SURVEYING :: P 303.882.1131
F 303.882.1149

CERTIFICATION

The undersigned hereby certifies that the foregoing is a true and correct copy of Resolution No. 2019-03-02, Resolution of the Board of Directors of PrairieStar Metropolitan District No. 1, Resolution for Exclusion of Real Property.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

Date: 3/27/19

By: Judy Lupina
Secretary



MEMORANDUM

To: Special District Board of Directors
From: McGeady Becher
Date: August 30, 2019
Re: Legislative Changes to Public Meeting Notice Requirements

Introduction

The Colorado legislature recently passed House Bill 19-1087 (“HB 19-1087”) which changes public meeting notice requirements of local public bodies, including counties, municipalities and special districts. The intent of the legislation is for local governments to transition from posting notices of public meetings in physical locations to posting notices online at the local government’s website, social media account or other official online presence of the local government.

Historically, under Colorado’s Open Meetings Law, a local government has been required to post notices of public meetings at a designated public place within the boundaries of the local government. In addition, Title 32 has required special districts to post notices of regular and special meetings at three designated public places within the boundaries of the district and at the office of the local county clerk and recorder. Title 32 has also required that the notices for special board meetings be posted at least 72 hours prior to the meeting.

New Public Meeting Notice Requirements pursuant to HB 19-1087

With the passage of HB 19-1087, effective as of August 2, 2019, special districts may satisfy the public notice requirements of the Open Meetings Law and Title 32 by posting notices of regular and special meetings, with specific agenda information if available, on a public website of the special district at least 24 hours in advance of the meeting. If a district is unable to post a notice on a public website (for example, if a district is in the process of establishing its website), the district shall continue to post its meeting notices in a physical location within the boundaries of the district. Posting in one physical location within the district will satisfy the public notice requirements; districts no longer have to post in three locations. In addition, districts no longer have to post special board meeting notices 72 hours in advance; posting

notices at least 24 hours prior to the meeting is sufficient. Also, districts will no longer have to post notices at the county clerk and recorder's office.

The online notices must be posted on a public website of the local government. The notices must be accessible to the public at no charge. To the extent feasible, the local government shall make the notices searchable by type of meeting, date of meeting, time of meeting and agenda contents, and shall consider linking the notices to any appropriate social media accounts of the local government.

Establishing a District Website

The legislature recognizes that a number of factors may affect a local government's ability to easily establish a website and post meeting notices online, including the availability of reliable broadband, the lack of cellular telephone and other data services, and fiscal or staffing constraints of local governments. Accordingly, the legislature encourages local governments to avail themselves of existing public resources for creating a website and receiving content management assistance from the Colorado Statewide Internet Portal Authority ("SIPA") or other statewide associations representing local government entities. The SIPA website is at www.colorado.gov/sipa.

A question has arisen as to whether posting public meeting notices on the website of a district management company will satisfy the public notice requirement. Posting meeting notices on the website of a district management company will most likely not satisfy the posting requirements of Colorado's Open Meetings Law, as amended by HB 19-1087. The legislation specifies that a local public body will be deemed to have given full and timely notice when the meeting notice is posted *on a public website of the local public body* (emphasis added). This language is repeated several times throughout the bill. When read in concert with the provision of HB 19-1087 encouraging local governments to avail themselves of free public resources such as SIPA when creating their websites, it is reasonable to conclude that the legislature intends a local government to post meeting notices on its own public website in order to satisfy public notice requirements.

Designate a Physical Posting Location as a Back-Up

A local government, at its discretion, may post a physical notice within its boundaries in addition to posting the online notice but is not required to do so. In the event that the local government is unable to post the notice online due to exigent or emergency circumstances such as a power outage or an interruption in internet service that would prevent the public from accessing the notice online, it must designate a public place within its boundaries at which it may post a physical notice at least 24 hours before a meeting.

Recommended Action

The legislature will be closely monitoring the transition to providing notices of public meetings online over the next two years and, if significant progress is not made, it will enact

legislation mandating the online posting, except in very narrow circumstances that are beyond the control of a local government.

In light of the passage of HB 19-1087, which will be codified as Section 24-6-402(2)(c)(I)-(IV), C.R.S. and will amend Section 32-1-903(2), C.R.S., we recommend our special district clients do the following:

- 1. Establish a district website if such website does not already exist.**
 - a. Should a district need assistance in creating its website or receiving content management assistance, it is encouraged to avail itself of existing public resources such as SIPA at www.colorado.gov/sipa.

- 2. Beginning August 2, 2019, post regular and special meeting notices and the meeting agenda on the district website at least 24 hours prior to the meeting.**
 - a. To the extent feasible, the notices shall be searchable by type of meeting, date of meeting, time of meeting and agenda contents and shall be linked to any appropriate social media accounts of the district;
 - b. Although HB 19-1087 requires posting of specific agenda information *if available* (emphasis added), our special district clients should continue to post the meeting agenda 24 hours prior to meetings because of conflicts requirements.
 - c. Note: the requirement to file conflict disclosures with the Secretary of State at least 72 hours prior to a regular and special meeting pursuant to Section 32-1-902(3)(b) is not affected by HB 19-1087 and remains the same.

- 3. Designate a physical posting location within the district's boundaries, should the district be unable to post the meeting notice online at least 24 hours prior to the meeting because the district has not yet established the district website or due to exigent or emergency circumstances.**

- 4. Provide the address of the district's website to the Colorado Department of Local Affairs.**

- 5. Approve a resolution to establish a district website and designate location for 24-hour posting.**

Please contact McGeady Becher P.C. with any questions related to HB 19-1087 or this Memorandum.

**FIRST AMENDMENT TO RESOLUTION NO. 2018-09-01,
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES**

A. On September 26, 2018, PrairieStar Metropolitan District No. 1 (the “**District**”) adopted Resolution No. 2018-09-01 Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices (the “**Resolution**”); and

B. The District desires to amend the Resolution due to Colorado legislative changes (the “**First Amendment**”).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of PrairieStar Metropolitan District No. 1, Larimer County, Colorado:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Resolution.

2. Amendment to Recital C of Resolution. Recital C of the Resolution is hereby deleted in its entirety.

3. Amendment to Section 7 of Resolution. Section 7 of the Resolution is hereby deleted in its entirety.

4. Amendment to Section 8 of Resolution. Section 8 of the Resolution is hereby deleted in its entirety.

5. Except as expressly set forth herein, the Resolution continues to be effective without modification.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO FIRST AMENDMENT TO RESOLUTION NO. 2018-09-01,
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES]**

RESOLUTION APPROVED AND ADOPTED ON September 11, 2019.

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1**

By: _____
President

Attest:

Secretary

RESOLUTION NO. 2019-09-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION,
ESTABLISHING DISTRICT WEBSITE AND
DESIGNATING LOCATION FOR 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings ("**Notice of Meeting**") will be physically posted at least 24 hours prior to each meeting ("**Designated Public Place**").

C. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to physically post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting, if a special district posts the Notice of Meeting online at a public website of the special district ("**District Website**") at least 24 hours prior to each regular and special meeting

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

E. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

F. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 1 (the "**District**"), Larimer County, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the "**District Board**") has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be

inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2020 shall be held on _____ at the Berthoud Community Center, 248 Welch Avenue, Berthoud, Colorado 80513, in Larimer County, Colorado.

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District Board authorizes establishment of a District Website, if such District Website does not already exist, in order to provide full and timely notice of regular and special meetings of the District Board online pursuant to the provisions of Section 24-6-402(2)(c)(III), C.R.S.

8. That the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

9. That if the District is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(III), C.R.S., at the following Designated Public Place:

(a) _____

10. _____, or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING
DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND
DESIGNATING LOCATION FOR 24-HOUR NOTICES]**

RESOLUTION APPROVED AND ADOPTED on September 11, 2019.

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1**

By: _____
President

Attest:

Secretary

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1214						
04/17/2018	Hindman Sanchez P.C.	1119 3/18	Covenant Control	1-681	599.00	599.00
Total 1214:						599.00
1215						
04/17/2018	Manhard Consulting, LTD	32646	Engineering	3-784	1,215.00	1,215.00
Total 1215:						1,215.00
1216						
04/17/2018	McGeady Becher P.C.	1075M 3/18	Legal	1-675	1,922.80	1,922.80
04/17/2018	McGeady Becher P.C.	1075M 3/18	Legal	3-675	2,884.20	2,884.20
Total 1216:						4,807.00
1217						
04/17/2018	Special Dist Management Srvs	30901	Management	1-680	977.64	977.64
04/17/2018	Special Dist Management Srvs	30901	Management	3-680	1,466.46	1,466.46
04/17/2018	Special Dist Management Srvs	30901	Accounting	1-612	290.44	290.44
04/17/2018	Special Dist Management Srvs	30901	Accounting	3-612	435.66	435.66
04/17/2018	Special Dist Management Srvs	30901	Audit	1-615	191.80	191.80
04/17/2018	Special Dist Management Srvs	30901	Election	1-635	150.70	150.70
04/17/2018	Special Dist Management Srvs	30901	Miscellaneous	1-685	215.68	215.68
04/17/2018	Special Dist Management Srvs	31462	Management	1-680	487.72	487.72
04/17/2018	Special Dist Management Srvs	31462	Management	3-680	731.58	731.58
04/17/2018	Special Dist Management Srvs	31462	Election	1-635	95.90	95.90
04/17/2018	Special Dist Management Srvs	31462	Miscellaneous	1-685	56.20	56.20
04/17/2018	Special Dist Management Srvs	31497	Management	1-680	694.16	694.16
04/17/2018	Special Dist Management Srvs	31497	Management	3-680	1,041.24	1,041.24
04/17/2018	Special Dist Management Srvs	31497	Accounting	1-612	10.96	10.96
04/17/2018	Special Dist Management Srvs	31497	Accounting	3-612	16.44	16.44
04/17/2018	Special Dist Management Srvs	31497	Insurance/SDA Du	1-670	13.70	13.70
04/17/2018	Special Dist Management Srvs	31497	Covenant Control	1-681	1,500.00	1,500.00
04/17/2018	Special Dist Management Srvs	31497	Election	1-635	95.90	95.90
04/17/2018	Special Dist Management Srvs	31497	Miscellaneous	1-685	199.54	199.54
Total 1217:						8,671.72
1218						
04/17/2018	T. Charles Wilson Insurance	6000	Insurance/SDA Du	1-670	475.00	475.00
Total 1218:						475.00
1219						
04/17/2018	Xcel Energy	586287212	Utilities - Xcel	1-793	11.52	11.52
04/17/2018	Xcel Energy	586289734	Utilities - Xcel	1-793	13.70	13.70
04/17/2018	Xcel Energy	586294358	Utilities - Xcel	1-793	11.60	11.60
Total 1219:						36.82
Grand Totals:						15,804.54

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 8,013.96		\$ 7,790.58	\$ 15,804.54
	\$ -			\$ -
Total Disbursements from Checking Acct	\$8,013.96	\$0.00	\$7,790.58	\$15,804.54

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1220						
05/15/2018	Ballard Spahr, LLP	20180405300	Legal	1-675	1,925.00	1,925.00
Total 1220:						1,925.00
1221						
05/15/2018	Berthoud Weekly Surveyor, LLC	30269	Election	1-635	208.00	208.00
Total 1221:						208.00
1222						
05/15/2018	Hindman Sanchez P.C.	1119 4/18	Covenant Control	1-681	309.00	309.00
Total 1222:						309.00
1223						
05/15/2018	Manhard Consulting, LTD	33804	Engineering	3-784	3,783.75	3,783.75
Total 1223:						3,783.75
1224						
05/15/2018	McGeady Becher P.C.	1075M 4/18	Legal	1-675	7,346.87	7,346.87
05/15/2018	McGeady Becher P.C.	1075M 4/18	Legal	3-675	6,173.95	6,173.95
05/15/2018	McGeady Becher P.C.	1075M 4/18	Election	1-635	17.50	17.50
Total 1224:						13,538.32
1225						
05/15/2018	Special Dist Management Svcs	32785	Management	1-680	773.64	773.64
05/15/2018	Special Dist Management Svcs	32785	Management	3-680	1,160.46	1,160.46
05/15/2018	Special Dist Management Svcs	32785	Accounting	1-612	213.72	213.72
05/15/2018	Special Dist Management Svcs	32785	Accounting	3-612	320.58	320.58
05/15/2018	Special Dist Management Svcs	32785	Election	1-635	137.00	137.00
05/15/2018	Special Dist Management Svcs	32785	Miscellaneous	1-685	73.74	73.74
05/15/2018	Special Dist Management Svcs	33002	Management	1-680	186.32	186.32
05/15/2018	Special Dist Management Svcs	33002	Management	3-680	279.48	279.48
05/15/2018	Special Dist Management Svcs	33002	Election	1-635	219.20	219.20
05/15/2018	Special Dist Management Svcs	33002	Miscellaneous	1-685	9.16	9.16
05/15/2018	Special Dist Management Svcs	33118	Management	1-680	443.56	443.56
05/15/2018	Special Dist Management Svcs	33118	Management	3-680	665.34	665.34
05/15/2018	Special Dist Management Svcs	33118	Accounting	1-612	27.40	27.40
05/15/2018	Special Dist Management Svcs	33118	Accounting	3-612	41.10	41.10
05/15/2018	Special Dist Management Svcs	33118	Election	1-635	137.00	137.00
05/15/2018	Special Dist Management Svcs	33118	Covenant Control	1-681	1,500.00	1,500.00
05/15/2018	Special Dist Management Svcs	33118	Miscellaneous	1-685	419.70	419.70
Total 1225:						6,607.40
1226						
05/15/2018	Town of Berthoud	868.1 4/18	Utilities - Town of	1-794	42.14	42.14
05/15/2018	Town of Berthoud	9716.1 4/18	Utilities - Town of	1-794	408.07	408.07
05/15/2018	Town of Berthoud	9717.1 4/18	Utilities - Town of	1-794	83.49	83.49
Total 1226:						533.70
1227						
05/15/2018	Xcel Energy	590250150	Utilities - Xcel	1-793	14.12	14.12
05/15/2018	Xcel Energy	590250985	Utilities - Xcel	1-793	11.52	11.52

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
05/15/2018	Xcel Energy	590255242	Utilities - Xcel	1-793	11.70	11.70
Total 1227:						37.34
Grand Totals:						26,942.51

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 14,517.85		\$ 12,424.66	\$ 26,942.51
	\$ -			\$ -
Total Disbursements from Checking Acct	\$14,517.85	\$0.00	\$12,424.66	\$26,942.51

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1228						
06/15/2018	Hindman Sanchez P.C.	754579	Covenant Control	1-681	84.00	84.00
Total 1228:						84.00
1229						
06/15/2018	Manhard Consulting, LTD	34567	Engineering	3-784	1,250.00	1,250.00
06/15/2018	Manhard Consulting, LTD	34582	Engineering	3-784	1,001.25	1,001.25
Total 1229:						2,251.25
1230						
06/15/2018	McGeady Becher P.C.	1075M 5/18	Legal	1-675	504.20	504.20
06/15/2018	McGeady Becher P.C.	1075M 5/18	Legal	3-675	756.30	756.30
06/15/2018	McGeady Becher P.C.	1075M 5/18	Legal	3-675	943.00	943.00
Total 1230:						2,203.50
1231						
06/15/2018	Special Dist Management Srvs	33843	Management	1-680	65.76	65.76
06/15/2018	Special Dist Management Srvs	33843	Management	3-680	98.64	98.64
06/15/2018	Special Dist Management Srvs	33843	Accounting	1-612	16.44	16.44
06/15/2018	Special Dist Management Srvs	33843	Accounting	3-612	24.66	24.66
06/15/2018	Special Dist Management Srvs	33843	Election	1-635	219.20	219.20
06/15/2018	Special Dist Management Srvs	33843	Insurance/SDA Du	1-670	13.70	13.70
06/15/2018	Special Dist Management Srvs	33843	Miscellaneous	1-685	10.07	10.07
06/15/2018	Special Dist Management Srvs	33852	Management	1-680	422.28	422.28
06/15/2018	Special Dist Management Srvs	33852	Management	3-680	633.42	633.42
06/15/2018	Special Dist Management Srvs	33852	Accounting	1-612	438.40	438.40
06/15/2018	Special Dist Management Srvs	33852	Accounting	3-612	657.60	657.60
06/15/2018	Special Dist Management Srvs	33852	Election	1-635	342.50	342.50
06/15/2018	Special Dist Management Srvs	33852	Miscellaneous	1-685	59.73	59.73
06/15/2018	Special Dist Management Srvs	34346	Management	1-680	363.44	363.44
06/15/2018	Special Dist Management Srvs	34346	Management	3-680	545.16	545.16
06/15/2018	Special Dist Management Srvs	34346	Accounting	1-612	219.20	219.20
06/15/2018	Special Dist Management Srvs	34346	Accounting	3-612	328.80	328.80
06/15/2018	Special Dist Management Srvs	34346	Election	1-635	178.10	178.10
06/15/2018	Special Dist Management Srvs	34346	Covenant Control	1-681	1,500.00	1,500.00
06/15/2018	Special Dist Management Srvs	34346	Audit	1-615	41.10	41.10
06/15/2018	Special Dist Management Srvs	34346	Miscellaneous	1-685	508.55	508.55
Total 1231:						6,686.75
1232						
06/15/2018	Town of Berthoud	9716.1 5/18	Utilities - Town of	1-794	376.26	376.26
06/15/2018	Town of Berthoud	9717.1 5/18	Utilities - Town of	1-794	24.16	24.16
06/15/2018	Town of Berthoud	9865.1 5/18	Utilities - Town of	1-794	698.59	698.59
06/15/2018	Town of Berthoud	9868.1 5/18	Utilities - Town of	1-794	116.05	116.05
Total 1232:						1,215.06
1233						
06/15/2018	Xcel Energy	594052213	Utilities - Xcel	1-793	13.56	13.56
06/15/2018	Xcel Energy	594055599	Utilities - Xcel	1-793	11.61	11.61
06/15/2018	Xcel Energy	594059571	Utilities - Xcel	1-793	11.70	11.70
Total 1233:						36.87

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
Grand Totals:						<u>12,477.43</u>

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 6,238.60		\$ 6,238.83	\$ 12,477.43
	\$ -			\$ -
Total Disbursements from Checking Acct	\$6,238.60	\$0.00	\$6,238.83	\$12,477.43

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1234						
07/20/2018	Coe, Andrea	REIMBURSE REVI	Miscellaneous	1-685	50.00	50.00
Total 1234:						50.00
1235						
07/20/2018	Dazzio & Associates, PC	238	Audit	1-615	4,250.00	4,250.00
Total 1235:						4,250.00
1236						
07/20/2018	Hindman Sanchez P.C.	119 E 6/18	Covenant Control	1-681	462.00	462.00
Total 1236:						462.00
1237						
07/20/2018	Manhard Consulting, LTD	35418	Engineering	3-784	1,516.25	1,516.25
Total 1237:						1,516.25
1238						
07/20/2018	McGeady Becher P.C.	1075M 6/18	Legal	1-675	398.10	398.10
Total 1238:						398.10
1239						
07/20/2018	Special Dist Management Svcs	35418	Management	1-680	1,003.90	1,003.90
07/20/2018	Special Dist Management Svcs	35418	Accounting	1-612	1,137.10	1,137.10
07/20/2018	Special Dist Management Svcs	35418	Election	1-635	178.10	178.10
07/20/2018	Special Dist Management Svcs	35418	Miscellaneous	1-685	54.90	54.90
07/20/2018	Special Dist Management Svcs	35508	Management	1-680	82.20	82.20
07/20/2018	Special Dist Management Svcs	35508	Election	1-635	150.70	150.70
07/20/2018	Special Dist Management Svcs	35508	Miscellaneous	1-685	1.20	1.20
07/20/2018	Special Dist Management Svcs	35691	Management	1-680	583.90	583.90
07/20/2018	Special Dist Management Svcs	35691	Accounting	1-612	109.60	109.60
07/20/2018	Special Dist Management Svcs	35691	Election	1-635	164.40	164.40
07/20/2018	Special Dist Management Svcs	35691	Audit	1-615	301.40	301.40
07/20/2018	Special Dist Management Svcs	35691	Covenant Control	1-681	1,500.00	1,500.00
07/20/2018	Special Dist Management Svcs	35691	Miscellaneous	1-685	518.78	518.78
Total 1239:						5,786.18
1240						
07/20/2018	Town of Berthoud	9716.1 6/18	Utilities - Town of	1-794	257.75	257.75
07/20/2018	Town of Berthoud	9717.1 6/18	Utilities - Town of	1-794	24.16	24.16
07/20/2018	Town of Berthoud	9865.1 6/18	Utilities - Town of	1-794	893.37	893.37
07/20/2018	Town of Berthoud	9868.1 6/18	Utilities - Town of	1-794	126.52	126.52
Total 1240:						1,301.80
1241						
07/20/2018	Xcel Energy	598066759	Utilities - Xcel	1-793	14.28	14.28
07/20/2018	Xcel Energy	598077963	Utilities - Xcel	1-793	.26	.26
07/20/2018	Xcel Energy	598079330	Utilities - Xcel	1-793	22.65	22.65
Total 1241:						37.19

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
Grand Totals:						<u>13,801.52</u>

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 12,285.27		\$ 1,516.25	\$ 13,801.52
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$12,285.27	\$0.00	\$1,516.25	\$13,801.52

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1242						
08/14/2018	Berthoud Weekly Surveyor, LLC	30678	Miscellaneous	1-685	38.28	38.28
Total 1242:						38.28
1243						
08/14/2018	Hindman Sanchez P.C.	119 E	Covenant Control	1-681	48.00	48.00
Total 1243:						48.00
1244						
08/14/2018	Manhard Consulting, LTD	36311	Engineering	3-784	1,060.00	1,060.00
Total 1244:						1,060.00
1245						
08/14/2018	McGeady Becher P.C.	1075M 7/18	Legal	1-675	488.50	488.50
08/14/2018	McGeady Becher P.C.	1075M 7/18	Audit	1-615	990.00	990.00
08/14/2018	McGeady Becher P.C.	1075M 7/18	Legal	3-675	38.00	38.00
Total 1245:						1,516.50
1246						
08/14/2018	Special Dist Management Srvs	37160	Management	1-680	799.60	799.60
08/14/2018	Special Dist Management Srvs	37160	Insurance/SDA Du	1-670	13.70	13.70
08/14/2018	Special Dist Management Srvs	37160	Election	1-635	13.70	13.70
08/14/2018	Special Dist Management Srvs	37160	Accounting	1-612	972.70	972.70
08/14/2018	Special Dist Management Srvs	37160	Audit	1-615	27.40	27.40
08/14/2018	Special Dist Management Srvs	37160	Miscellaneous	1-685	39.96	39.96
08/14/2018	Special Dist Management Srvs	37172	Management	1-680	150.70	150.70
08/14/2018	Special Dist Management Srvs	37172	Election	1-635	13.70	13.70
08/14/2018	Special Dist Management Srvs	37172	Miscellaneous	1-685	.60	.60
08/14/2018	Special Dist Management Srvs	37308	Management	1-680	1,603.30	1,603.30
08/14/2018	Special Dist Management Srvs	37308	Insurance/SDA Du	1-670	13.70	13.70
08/14/2018	Special Dist Management Srvs	37308	Election	1-635	13.70	13.70
08/14/2018	Special Dist Management Srvs	37308	Accounting	1-612	369.90	369.90
08/14/2018	Special Dist Management Srvs	37308	Audit	1-615	95.90	95.90
08/14/2018	Special Dist Management Srvs	37308	Contingency	1-795	1,500.00	1,500.00
08/14/2018	Special Dist Management Srvs	37308	Miscellaneous	1-685	569.36	569.36
Total 1246:						6,197.92
1247						
08/14/2018	Town of Berthoud	9716.1 7/18	Utilities - Town of	1-794	306.58	306.58
08/14/2018	Town of Berthoud	9717.1 7/18	Utilities - Town of	1-794	27.65	27.65
08/14/2018	Town of Berthoud	9865.1 7/18	Utilities - Town of	1-794	1,032.77	1,032.77
08/14/2018	Town of Berthoud	9868.1 7/18	Utilities - Town of	1-794	136.99	136.99
Total 1247:						1,503.99
1248						
08/14/2018	Xcel Energy	601755679	Utilities - Xcel	1-793	11.40	11.40
08/14/2018	Xcel Energy	601755713	Utilities - Xcel	1-793	11.26	11.26
08/14/2018	Xcel Energy	601783551	Utilities - Xcel	1-793	13.91	13.91
Total 1248:						36.57

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
Grand Totals:						<u>10,401.26</u>

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 9,303.26		\$ 1,098.00	\$ 10,401.26
	\$ -			\$ -
Total Disbursements from Checking Acct	\$9,303.26	\$0.00	\$1,098.00	\$10,401.26

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1249						
09/17/2018	Hindman Sanchez P.C.	1119 E	Covenant Control	1-681	486.00	486.00
Total 1249:						<u>486.00</u>
1250						
09/17/2018	Manhard Consulting, LTD	36619	Engineering	3-784	4,260.00	4,260.00
Total 1250:						<u>4,260.00</u>
1251						
09/17/2018	McGeady Becher P.C.	1075M 8/18	Legal	1-675	545.00	545.00
09/17/2018	McGeady Becher P.C.	1075M 8/18	Audit	1-615	17.50	17.50
Total 1251:						<u>562.50</u>
1252						
09/17/2018	Special Dist Management Srvs	38215	Management	1-680	95.90	95.90
09/17/2018	Special Dist Management Srvs	38263	Management	1-680	926.80	926.80
09/17/2018	Special Dist Management Srvs	38263	Accounting	1-612	1,260.40	1,260.40
09/17/2018	Special Dist Management Srvs	38263	Insurance/SDA Du	1-670	41.10	41.10
09/17/2018	Special Dist Management Srvs	38263	Miscellaneous	1-685	42.52	42.52
09/17/2018	Special Dist Management Srvs	38579	Management	1-680	1,190.90	1,190.90
09/17/2018	Special Dist Management Srvs	38579	Accounting	1-612	232.90	232.90
09/17/2018	Special Dist Management Srvs	38579	Insurance/SDA Du	1-670	41.10	41.10
09/17/2018	Special Dist Management Srvs	38579	Covenant Control	1-681	1,500.00	1,500.00
09/17/2018	Special Dist Management Srvs	38579	Miscellaneous	1-685	550.39	550.39
Total 1252:						<u>5,882.01</u>
1253						
09/17/2018	Town of Berthoud	9716.1 8/18	Utilities - Town of	1-794	292.62	292.62
09/17/2018	Town of Berthoud	9717.1 8/18	Utilities - Town of	1-794	41.61	41.61
09/17/2018	Town of Berthoud	9865.1 8/18	Utilities - Town of	1-794	1,074.59	1,074.59
09/17/2018	Town of Berthoud	9868.01 8/18	Utilities - Town of	1-794	136.99	136.99
Total 1253:						<u>1,545.81</u>
1254						
09/17/2018	Xcel Energy	605569771	Utilities - Xcel	1-793	14.05	14.05
09/17/2018	Xcel Energy	605573228	Utilities - Xcel	1-793	22.62	22.62
Total 1254:						<u>36.67</u>
Grand Totals:						<u><u>12,772.99</u></u>

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 8,512.99		\$ 4,260.00	\$ 12,772.99
	\$ -			\$ -
Total Disbursements from Checking Acct	\$8,512.99	\$0.00	\$4,260.00	\$12,772.99

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1255						
10/18/2018	Berthoud Weekly Surveyor, LLC	30925	Miscellaneous	1-685	45.94	45.94
Total 1255:						45.94
1256						
10/18/2018	CO Special Districts P&L Pool	19W61152-2563	Prepaid Expenses	1-143	350.00	350.00
Total 1256:						350.00
1257						
10/18/2018	Hindman Sanchez P.C.	119 8 9/18	Legal - Covenant E	1-682	841.00	841.00
Total 1257:						841.00
1258						
10/18/2018	Manhard Consulting, LTD	38076	Engineering	3-784	2,260.00	2,260.00
Total 1258:						2,260.00
1259						
10/18/2018	McGeady Becher P.C.	1075M 9/18	Legal	1-675	601.50	601.50
Total 1259:						601.50
1260						
10/18/2018	Special Dist Management Srvs	38948	Management	1-680	2,985.80	2,985.80
10/18/2018	Special Dist Management Srvs	38948	Insurance/SDA Du	1-670	27.40	27.40
10/18/2018	Special Dist Management Srvs	38948	Accounting	1-612	1,446.60	1,446.60
10/18/2018	Special Dist Management Srvs	38948	Miscellaneous	1-685	196.97	196.97
10/18/2018	Special Dist Management Srvs	38995	Management	1-680	986.40	986.40
10/18/2018	Special Dist Management Srvs	38995	Accounting	1-612	27.40	27.40
10/18/2018	Special Dist Management Srvs	38995	Miscellaneous	1-685	50.60	50.60
10/18/2018	Special Dist Management Srvs	40046	Management	1-680	3,148.90	3,148.90
10/18/2018	Special Dist Management Srvs	40046	Accounting	1-612	368.30	368.30
10/18/2018	Special Dist Management Srvs	40046	Insurance/SDA Du	1-670	27.40	27.40
10/18/2018	Special Dist Management Srvs	40046	Covenant Control	1-681	1,500.00	1,500.00
10/18/2018	Special Dist Management Srvs	40046	Miscellaneous	1-685	675.10	675.10
Total 1260:						11,440.87
1261						
10/18/2018	Town of Berthoud	9716.1 9/18	Utilities - Town of	1-794	355.35	355.35
10/18/2018	Town of Berthoud	9717.1 9/18	Utilities - Town of	1-794	43.35	43.35
10/18/2018	Town of Berthoud	9865.1 9/18	Utilities - Town of	1-794	1,165.20	1,165.20
10/18/2018	Town of Berthoud	9868.1 9/18	Utilities - Town of	1-794	133.50	133.50
Total 1261:						1,697.40
1262						
10/18/2018	UMB Bank N.A.	591046	Paying Agent Fees	2-668	3,000.00	3,000.00
Total 1262:						3,000.00
1263						
10/18/2018	Xcel Energy	609255216	Utilities - Xcel	1-793	14.42	14.42
10/18/2018	Xcel Energy	609259807	Utilities - Xcel	1-793	11.35	11.35
10/18/2018	Xcel Energy	609260843	Utilities - Xcel	1-793	11.10	11.10

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
						<u>36.87</u>
						<u><u>20,273.58</u></u>

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 15,013.58	\$ 3,000.00	\$ 2,260.00	\$ 20,273.58
	\$ -			\$ -
Total Disbursements from Checking Acct	\$15,013.58	\$3,000.00	\$2,260.00	\$20,273.58

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1264						
11/19/2018	Altitude Community Law P.C.	1119 10/18	Legal - Covenant E	1-682	417.00	417.00
Total 1264:						417.00
1265						
11/19/2018	Berthoud Fire Protection District	RENTAL 2018	Miscellaneous	1-685	100.00	100.00
Total 1265:						100.00
1266						
11/19/2018	CO Special Dist P&L Pool	32C61152-1549	Prepaid Expenses	1-143	2,013.31	2,013.31
Total 1266:						2,013.31
1267						
11/19/2018	Manhard Consulting, LTD	38210	Engineering	3-784	4,986.35	4,986.35
Total 1267:						4,986.35
1268						
11/19/2018	McGeady Becher P.C.	1075M 10/18	Legal	1-675	5,187.50	5,187.50
Total 1268:						5,187.50
1269						
11/19/2018	Simmons & Wheeler P.C	23323	Accounting	1-612	500.00	500.00
Total 1269:						500.00
1270						
11/19/2018	Special Dist Management Srvs	40679	Management	1-680	41.10	41.10
11/19/2018	Special Dist Management Srvs	40679	Miscellaneous	1-685	14.80	14.80
11/19/2018	Special Dist Management Srvs	40912	Management	1-680	1,690.10	1,690.10
11/19/2018	Special Dist Management Srvs	40912	Accounting	1-612	1,109.70	1,109.70
11/19/2018	Special Dist Management Srvs	40912	Audit	1-615	274.00	274.00
11/19/2018	Special Dist Management Srvs	40912	Insurance/SDA Du	1-670	27.40	27.40
11/19/2018	Special Dist Management Srvs	40912	Miscellaneous	1-685	187.68	187.68
11/19/2018	Special Dist Management Srvs	41696	Management	1-680	305.70	305.70
11/19/2018	Special Dist Management Srvs	41696	Accounting	1-612	41.10	41.10
11/19/2018	Special Dist Management Srvs	41696	Insurance/SDA Du	1-670	13.70	13.70
11/19/2018	Special Dist Management Srvs	41696	Audit	1-615	54.80	54.80
11/19/2018	Special Dist Management Srvs	41696	Covenant Control	1-681	1,500.00	1,500.00
11/19/2018	Special Dist Management Srvs	41696	Miscellaneous	1-685	689.78	689.78
Total 1270:						5,949.86
1271						
11/19/2018	T. Charles Wilson Insurance	6722	Prepaid Expenses	1-143	495.00	495.00
Total 1271:						495.00
1272						
11/19/2018	Town of Berthoud	9716.1 10/18	Utilities - Town of	1-794	100.94	100.94
11/19/2018	Town of Berthoud	9717.1 10/18	Utilities - Town of	1-794	23.91	23.91
11/19/2018	Town of Berthoud	9865.1 10/18	Utilities - Town of	1-794	363.65	363.65
11/19/2018	Town of Berthoud	9868.1 10/18	Utilities - Town of	1-794	70.68	70.68

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
Total 1272:						<u>559.18</u>
1273						
11/19/2018	Xcel Energy	613088213	Utilities - Xcel	1-793	11.14	11.14
11/19/2018	Xcel Energy	613088401	Utilities - Xcel	1-793	13.85	13.85
11/19/2018	Xcel Energy	613095278	Utilities - Xcel	1-793	11.23	11.23
Total 1273:						<u>36.22</u>
Grand Totals:						<u><u>20,244.42</u></u>

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 15,258.07	\$ -	\$ 4,986.35	\$ 20,244.42
	\$ -		\$	\$ -
Total Disbursements from Checking Acct	\$15,258.07	\$0.00	\$4,986.35	\$20,244.42

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1274						
12/17/2018	Manhard Consulting, LTD	39081	Engineering	3-784	3,724.00	3,724.00
Total 1274:						3,724.00
1275						
12/17/2018	McGeady Becher P.C.	1075M 11/18	Legal	1-675	145.50	145.50
Total 1275:						145.50
1276						
12/17/2018	Playground Safety Solutions, LL	090118	Miscellaneous	1-685	250.00	250.00
Total 1276:						250.00
1277						
12/17/2018	Special Dist Management Srvs	42547	Management	1-680	1,763.00	1,763.00
12/17/2018	Special Dist Management Srvs	42547	Accounting	1-612	465.80	465.80
12/17/2018	Special Dist Management Srvs	42547	Insurance/SDA Du	1-670	13.70	13.70
12/17/2018	Special Dist Management Srvs	42864	Management	1-680	191.80	191.80
12/17/2018	Special Dist Management Srvs	43050	Management	1-680	1,243.00	1,243.00
12/17/2018	Special Dist Management Srvs	43050	Accounting	1-612	137.00	137.00
12/17/2018	Special Dist Management Srvs	43050	Audit	1-615	13.70	13.70
12/17/2018	Special Dist Management Srvs	43050	Covenant Control	1-681	1,500.00	1,500.00
12/17/2018	Special Dist Management Srvs	43050	Miscellaneous	1-685	213.92	213.92
Total 1277:						5,541.92
1278						
12/17/2018	Town of Berthoud	9716.1 11/18	Utilities - Town of	1-794	20.67	20.67
12/17/2018	Town of Berthoud	9717.1 11/18	Utilities - Town of	1-794	20.67	20.67
12/17/2018	Town of Berthoud	9865.1 11/18	Utilities - Town of	1-794	21.82	21.82
12/17/2018	Town of Berthoud	9868.1 11/18	Utilities - Town of	1-794	21.82	21.82
Total 1278:						84.98
1279						
12/17/2018	Xcel Energy	616934730	Utilities - Xcel	1-793	27.92	27.92
12/17/2018	Xcel Energy	616937557	Utilities - Xcel	1-793	11.30	11.30
12/17/2018	Xcel Energy	616941641	Utilities - Xcel	1-793	11.05	11.05
Total 1279:						50.27
Grand Totals:						9,796.67

Prairie Star Metropolitan District No.1
October-17

	General	Debt	Capital	Totals
Disbursements	\$ 6,072.67	\$ -	\$ 3,724.00	\$ 9,796.67
	\$ -			\$ -
Total Disbursements from Checking Acct	\$6,072.67	\$0.00	\$3,724.00	\$9,796.67

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1280						
01/15/2019	Altitude Community Law P.C.	1119 E 12/18	Legal - Covenant E	1-682	24.00	24.00
Total 1280:						24.00
1281						
01/15/2019	McGeady Becher P.C.	1075M 12/18	Legal	1-675	1,105.69	1,105.69
Total 1281:						1,105.69
1282						
01/15/2019	Simmons & Wheeler P.C	23650	Accounting	1-612	376.50	376.50
Total 1282:						376.50
1283						
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 1	Management	1-680	1,109.00	1,109.00
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 1	Accounting	1-612	424.70	424.70
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 1	Audit	1-615	54.80	54.80
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 1	Miscellaneous	1-685	46.31	46.31
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 2	Management	1-680	1,108.30	1,108.30
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 2	Audit	1-615	13.70	13.70
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 2	Covenant Control	1-681	2,000.00	2,000.00
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 2	Miscellaneous	1-685	247.56	247.56
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 3	Management	1-680	178.10	178.10
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 3	Audit	1-615	13.70	13.70
01/15/2019	Special Dist Management Srvs	DECEMBER 2018 3	Miscellaneous	1-685	8.80	8.80
Total 1283:						5,204.97
1284						
01/15/2019	Town of Berthoud	9716.1 12/18	Utilities - Town of	1-794	20.92	20.92
01/15/2019	Town of Berthoud	9717.1 12/18	Utilities - Town of	1-794	20.92	20.92
01/15/2019	Town of Berthoud	9865.1 12/18	Utilities - Town of	1-794	22.07	22.07
01/15/2019	Town of Berthoud	9868.1 12/18	Utilities - Town of	1-794	22.07	22.07
Total 1284:						85.98
1285						
01/15/2019	Xcel Energy	6208031148	Utilities - Xcel	1-793	11.13	11.13
01/15/2019	Xcel Energy	620804634	Utilities - Xcel	1-793	11.22	11.22
01/15/2019	Xcel Energy	620804870	Utilities - Xcel	1-793	51.85	51.85
Total 1285:						74.20
Grand Totals:						6,871.34

Prairie Star Metropolitan District No.1
January-19

	General	Debt	Capital	Totals
Disbursements	\$ 6,871.34	\$ -	\$ -	\$ 6,871.34
	\$ -			\$ -
Total Disbursements from Checking Acct	\$6,871.34	\$0.00	\$0.00	\$6,871.34

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1286						
02/12/2019	Altitude Community Law P.C.	1119 E 1/19	Legal - Covenant E	1-682	174.00	174.00
Total 1286:						<u>174.00</u>
1287						
02/12/2019	CO Special Dist P&L Pool	19W61200-2569	Insurance/SDA Du	1-670	350.00	350.00
02/12/2019	CO Special Dist P&L Pool	32C61200-1594	Insurance/SDA Du	1-670	2,013.31	2,013.31
Total 1287:						<u>2,363.31</u>
1288						
02/12/2019	Manhard Consulting, LTD	40832	Engineering	3-784	1,057.73	1,057.73
Total 1288:						<u>1,057.73</u>
1289						
02/12/2019	Simmons & Wheeler P.C	23827	Accounting	1-612	247.50	247.50
Total 1289:						<u>247.50</u>
1290						
02/12/2019	Special Dist Management Svcs	JAN 2019 1	Management	1-680	1,954.00	1,954.00
02/12/2019	Special Dist Management Svcs	JAN 2019 1	Accounting	1-612	644.00	644.00
02/12/2019	Special Dist Management Svcs	JAN 2019 1	Audit	1-615	14.00	14.00
02/12/2019	Special Dist Management Svcs	JAN 2019 1	Miscellaneous	1-685	18.20	18.20
02/12/2019	Special Dist Management Svcs	JAN 2019 2	Management	1-680	815.50	815.50
02/12/2019	Special Dist Management Svcs	JAN 2019 2	Accounting	1-612	14.00	14.00
02/12/2019	Special Dist Management Svcs	JAN 2019 2	Audit	1-615	14.00	14.00
02/12/2019	Special Dist Management Svcs	JAN 2019 2	Covenant Control	1-681	2,000.00	2,000.00
02/12/2019	Special Dist Management Svcs	JAN 2019 2	Miscellaneous	1-685	516.18	516.18
02/12/2019	Special Dist Management Svcs	JAN 2019 3	Management	1-680	364.00	364.00
02/12/2019	Special Dist Management Svcs	JAN 2019 3	Audit	1-615	28.00	28.00
Total 1290:						<u>6,381.88</u>
1291						
02/12/2019	T. Charles Wilson Insurance	6724	Insurance/SDA Du	1-670	495.00	495.00
Total 1291:						<u>495.00</u>
1292						
02/12/2019	Town of Berthoud	9716.1 1/19	Utilities - Town of	1-794	20.92	20.92
02/12/2019	Town of Berthoud	9717.1 1/19	Utilities - Town of	1-794	20.92	20.92
02/12/2019	Town of Berthoud	9865.1 1/19	Utilities - Town of	1-794	22.07	22.07
02/12/2019	Town of Berthoud	9868.1 1/19	Utilities - Town of	1-794	22.07	22.07
Total 1292:						<u>85.98</u>
1293						
02/12/2019	Xcel Energy	624752650	Utilities - Xcel	1-793	24.34	24.34
02/12/2019	Xcel Energy	624758080	Utilities - Xcel	1-793	11.33	11.33
02/12/2019	Xcel Energy	624958886	Utilities - Xcel	1-793	11.17	11.17
Total 1293:						<u>46.84</u>
Grand Totals:						<u><u>10,852.24</u></u>

Prairie Star Metropolitan District No.1
February-19

	General	Debt	Capital	Totals
Disbursements	\$ 9,794.51	\$ -	\$ 1,057.73	\$ 10,852.24
	\$ -			\$ -
Total Disbursements from Checking Acct	\$9,794.51	\$0.00	\$1,057.73	\$10,852.24

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1294						
03/15/2019	Altitude Community Law P.C.	1119 E 2/19	Legal - Covenant E	1-682	631.00	631.00
Total 1294:						631.00
1295						
03/15/2019	McGeady Becher P.C.	1075M 1/19	Legal	1-675	976.50	976.50
Total 1295:						976.50
1296						
03/15/2019	Rademacher, Jennifer	REIMBURSE 3/19	Covenant Control	1-681	50.00	50.00
Total 1296:						50.00
1297						
03/15/2019	Simmons & Wheeler P.C	23991	Accounting	1-612	684.37	684.37
Total 1297:						684.37
1298						
03/15/2019	Special Dist Management Srvs	FEB 2019 1	Management	1-680	519.00	519.00
03/15/2019	Special Dist Management Srvs	FEB 2019 1	Accounting	1-612	406.00	406.00
03/15/2019	Special Dist Management Srvs	FEB 2019 2	Management	1-680	429.00	429.00
03/15/2019	Special Dist Management Srvs	FEB 2019 2	Accounting	1-612	14.00	14.00
03/15/2019	Special Dist Management Srvs	FEB 2019 2	Covenant Control	1-681	2,000.00	2,000.00
03/15/2019	Special Dist Management Srvs	FEB 2019 2	Miscellaneous	1-685	451.39	451.39
03/15/2019	Special Dist Management Srvs	FEB 2019 3	Management	1-680	42.00	42.00
Total 1298:						3,861.39
1299						
03/15/2019	Special District Association	DUES 2019 1	Insurance/SDA Du	1-670	337.95	337.95
03/15/2019	Special District Association	DUES 2019 2	Insurance/SDA Du	1-670	305.80	305.80
Total 1299:						643.75
1300						
03/15/2019	Town of Berthoud	3/19	Utilities - Town of	1-794	22.07	22.07
03/15/2019	Town of Berthoud	3/19	Utilities - Town of	1-794	20.92	20.92
03/15/2019	Town of Berthoud	3/19	Utilities - Town of	1-794	22.07	22.07
03/15/2019	Town of Berthoud	3/19	Utilities - Town of	1-794	20.92	20.92
Total 1300:						85.98
1301						
03/15/2019	Xcel Energy	62834220	Utilities - Xcel	1-793	11.33	11.33
03/15/2019	Xcel Energy	628632204	Utilities - Xcel	1-793	14.27	14.27
03/15/2019	Xcel Energy	628659358	Utilities - Xcel	1-793	11.17	11.17
Total 1301:						36.77
Grand Totals:						6,969.76

Prairie Star Metropolitan District No.1
March-19

	General	Debt	Capital	Totals
Disbursements	\$ 6,969.76	\$ -	\$ -	\$ 6,969.76
	\$ -			\$ -
Total Disbursements from Checking Acct	\$6,969.76	\$0.00	\$0.00	\$6,969.76

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1302						
04/16/2019	Altitude Community Law P.C.	MARCH 2019	Legal - Covenant E	1-682	96.00	96.00
Total 1302:						96.00
1303						
04/16/2019	DP Media Network LLC	1004247	Miscellaneous	1-685	514.00	514.00
Total 1303:						514.00
1304						
04/16/2019	McGeady Becher P.C.	1075M 2/19	Legal	1-675	1,437.50	1,437.50
Total 1304:						1,437.50
1305						
04/16/2019	Simmons & Wheeler P.C	24151	Accounting	1-612	927.19	927.19
Total 1305:						927.19
1306						
04/16/2019	Special Dist Management Srvs	MARCH 2019 1	Management	1-680	3,102.50	3,102.50
04/16/2019	Special Dist Management Srvs	MARCH 2019 1	Accounting	1-612	392.00	392.00
04/16/2019	Special Dist Management Srvs	MARCH 2019 1	Miscellaneous	1-685	276.27	276.27
04/16/2019	Special Dist Management Srvs	MARCH 2019 2	Management	1-680	1,596.00	1,596.00
04/16/2019	Special Dist Management Srvs	MARCH 2019 2	Covenant Control	1-681	2,000.00	2,000.00
04/16/2019	Special Dist Management Srvs	MARCH 2019 2	Miscellaneous	1-685	661.66	661.66
04/16/2019	Special Dist Management Srvs	MARCH 2019 3	Management	1-680	854.00	854.00
04/16/2019	Special Dist Management Srvs	MARCH 2019 3	Miscellaneous	1-685	76.40	76.40
04/16/2019	Special Dist Management Srvs	MARCH 2019 4	Management	1-680	924.00	924.00
Total 1306:						9,882.83
1307						
04/16/2019	Town of Berthoud	4/19	Utilities - Town of	1-794	22.07	22.07
04/16/2019	Town of Berthoud	4/19	Utilities - Town of	1-794	20.92	20.92
04/16/2019	Town of Berthoud	4/19	Utilities - Town of	1-794	22.07	22.07
04/16/2019	Town of Berthoud	4/19	Utilities - Town of	1-794	20.92	20.92
Total 1307:						85.98
1308						
04/16/2019	Xcel Energy	632474774	Utilities - Xcel	1-793	11.17	11.17
04/16/2019	Xcel Energy	632474823	Utilities - Xcel	1-793	13.68	13.68
04/16/2019	Xcel Energy	632478324	Utilities - Xcel	1-793	11.33	11.33
Total 1308:						36.18
Grand Totals:						12,979.68

Prairie Star Metropolitan District No.1

April-19

	General	Debt	Capital	Totals
Disbursements	\$ 12,979.68	\$ -	\$ -	\$ 12,979.68
	\$ -			\$ -
Total Disbursements from Checking Acct	\$12,979.68	\$0.00	\$0.00	\$12,979.68

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1309						
05/22/2019	Altitude Community Law P.C.	780688	Legal - Covenant E	1-682	36.00	36.00
Total 1309:						36.00
1310						
05/22/2019	Manhard Consulting, LTD	42998	Engineering	3-784	6,614.10	6,614.10
Total 1310:						6,614.10
1311						
05/22/2019	McGeady Becher P.C.	1075M 3/19	Legal	1-675	21,973.00	21,973.00
05/22/2019	McGeady Becher P.C.	1075M 4/19	Legal	1-675	9,679.50	9,679.50
Total 1311:						31,652.50
1312						
05/22/2019	Simmons & Wheeler P.C	24295	Accounting	1-612	3,351.25	3,351.25
Total 1312:						3,351.25
1313						
05/22/2019	Special Dist Management Srvs	APRIL 2019 1	Management	1-680	1,323.50	1,323.50
05/22/2019	Special Dist Management Srvs	APRIL 2019 1	Accounting	1-612	322.00	322.00
05/22/2019	Special Dist Management Srvs	APRIL 2019 1	Miscellaneous	1-685	91.05	91.05
05/22/2019	Special Dist Management Srvs	APRIL 2019 2	Management	1-680	794.50	794.50
05/22/2019	Special Dist Management Srvs	APRIL 2019 2	Covenant Control	1-681	2,000.00	2,000.00
05/22/2019	Special Dist Management Srvs	APRIL 2019 2	Miscellaneous	1-685	284.67	284.67
05/22/2019	Special Dist Management Srvs	APRIL 2019 3	Management	1-680	462.00	462.00
05/22/2019	Special Dist Management Srvs	APRIL 2019 3	Miscellaneous	1-685	17.00	17.00
05/22/2019	Special Dist Management Srvs	APRIL 2019 4	Management	1-680	532.00	532.00
Total 1313:						5,826.72
1314						
05/22/2019	Xcel Energy	636166950	Utilities - Xcel	1-793	13.15	13.15
05/22/2019	Xcel Energy	636172146	Utilities - Xcel	1-793	11.25	11.25
05/22/2019	Xcel Energy	636172895	Utilities - Xcel	1-793	11.09	11.09
Total 1314:						35.49
201901						
05/22/2019	Town of Berthoud	5/19	Utilities - Town of	1-794	30.92	30.92
05/22/2019	Town of Berthoud	5/19	Utilities - Town of	1-794	22.07	22.07
05/22/2019	Town of Berthoud	5/19	Utilities - Town of	1-794	32.07	32.07
05/22/2019	Town of Berthoud	5/19	Utilities - Town of	1-794	30.92	30.92
Total 201901:						115.98
Grand Totals:						47,632.04

Prairie Star Metropolitan District No. 1
May-19

	General	Debt	Capital	Totals
Disbursements	\$ 47,632.04	\$ -	\$ -	\$ 47,632.04
	\$ -			\$ -
Total Disbursements from Checking Acct	\$47,632.04	\$0.00	\$0.00	\$47,632.04

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1315						
06/20/2019	Altitude Community Law P.C.	1119 E	Legal - Covenant E	1-682	24.00	24.00
Total 1315:						24.00
1316						
06/20/2019	Simmons & Wheeler P.C	24454	Accounting	1-612	345.92	345.92
Total 1316:						345.92
1317						
06/20/2019	Special Dist Management Srvs	MAY 2019 1	Management	1-680	1,974.00	1,974.00
06/20/2019	Special Dist Management Srvs	MAY 2019 1	Accounting	1-612	714.00	714.00
06/20/2019	Special Dist Management Srvs	MAY 2019 1	Miscellaneous	1-685	108.31	108.31
06/20/2019	Special Dist Management Srvs	MAY 2019 2	Management	1-680	1,960.00	1,960.00
06/20/2019	Special Dist Management Srvs	MAY 2019 2	Bond Issuance Co	1-618	2,047.50	2,047.50
06/20/2019	Special Dist Management Srvs	MAY 2019 2	Miscellaneous	1-685	133.65	133.65
06/20/2019	Special Dist Management Srvs	MAY 2019 3	Management	1-680	42.00	42.00
06/20/2019	Special Dist Management Srvs	MAY 2019 3	Miscellaneous	1-685	1.60	1.60
06/20/2019	Special Dist Management Srvs	MAY 2019 4	Management	1-680	238.00	238.00
Total 1317:						7,219.06
1318						
06/20/2019	Town of Berthoud	JUNE 2019	Utilities - Town of	1-794	53.48	53.48
06/20/2019	Town of Berthoud	JUNE 2019	Utilities - Town of	1-794	179.12	179.12
06/20/2019	Town of Berthoud	JUNE 2019	Utilities - Town of	1-794	20.92	20.92
06/20/2019	Town of Berthoud	JUNE 2019	Utilities - Town of	1-794	20.92	20.92
Total 1318:						274.44
1319						
06/20/2019	Xcel Energy	640039308	Utilities - Xcel	1-793	13.15	13.15
06/20/2019	Xcel Energy	640039803	Utilities - Xcel	1-793	11.17	11.17
06/20/2019	Xcel Energy	640050951	Utilities - Xcel	1-793	11.25	11.25
Total 1319:						35.57
Grand Totals:						7,898.99

Prairie Star Metropolitan District No.1
June-19

	General	Debt	Capital	Totals
Disbursements	\$ 7,898.99	\$ -	\$ -	\$ 7,898.99
	\$ -			\$ -
Total Disbursements from Checking Acct	\$7,898.99	\$0.00	\$0.00	\$7,898.99

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1320						
07/19/2019	McGeady Becher P.C.	1075M 5/19	Legal	1-675	507.50	507.50
07/19/2019	McGeady Becher P.C.	1075M 6/19	Legal	1-675	227.70	227.70
Total 1320:						735.20
1321						
07/19/2019	Ranger Engineering, LLC	1080	Engineering	3-784	3,490.50	3,490.50
Total 1321:						3,490.50
1322						
07/19/2019	Simmons & Wheeler P.C	24606	Accounting	1-612	681.68	681.68
Total 1322:						681.68
1323						
07/19/2019	Special Dist Management Srvs	JUNE 2019 1	Management	1-680	1,414.00	1,414.00
07/19/2019	Special Dist Management Srvs	JUNE 2019 1	Accounting	1-612	364.00	364.00
07/19/2019	Special Dist Management Srvs	JUNE 2019 1	Miscellaneous	1-685	171.74	171.74
07/19/2019	Special Dist Management Srvs	JUNE 2019 2	Management	1-680	336.00	336.00
07/19/2019	Special Dist Management Srvs	JUNE 2019 2	Bond Issuance Co	1-618	2,145.00	2,145.00
07/19/2019	Special Dist Management Srvs	JUNE 2019 2	Miscellaneous	1-685	1,114.78	1,114.78
07/19/2019	Special Dist Management Srvs	JUNE 2019 3	Management	1-680	14.00	14.00
07/19/2019	Special Dist Management Srvs	JUNE 2019 3	Miscellaneous	1-685	2.20	2.20
07/19/2019	Special Dist Management Srvs	JUNE 2019 4	Management	1-680	28.00	28.00
Total 1323:						5,589.72
1324						
07/19/2019	Xcel Energy	644089098	Utilities - Xcel	1-793	13.20	13.20
07/19/2019	Xcel Energy	644091400	Utilities - Xcel	1-793	10.38	10.38
07/19/2019	Xcel Energy	644093286	Utilities - Xcel	1-793	10.64	10.64
Total 1324:						34.22
201902						
07/19/2019	Town of Berthoud	7/19	Utilities - Town of	1-794	40.64	40.64
07/19/2019	Town of Berthoud	7/19	Utilities - Town of	1-794	111.19	111.19
07/19/2019	Town of Berthoud	7/19	Utilities - Town of	1-794	1,001.20	1,001.20
07/19/2019	Town of Berthoud	7/19	Utilities - Town of	1-794	196.57	196.57
Total 201902:						1,349.60
Grand Totals:						11,880.92

Prairie Star Metropolitan District No.1
July-19

	General	Debt	Capital	Totals
Disbursements	\$ 11,880.92	\$ -	\$ -	\$ 11,880.92
	\$ -			\$ -
Total Disbursements from Checking Acct	\$11,880.92	\$0.00	\$0.00	\$11,880.92

PrairieStar Metropolitan District No. 1
Financial Statements

June 30, 2019

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
PrairieStar Metropolitan District No. 1

Management is responsible for the accompanying financial statements of each major fund of PrairieStar Metropolitan District No. 1, as of and for the period ended June 30, 2019, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to PrairieStar Metropolitan District No. 1 because we performed certain accounting services that impaired our independence.

Simmons & Wheeler, P.C.

August 31, 2019
Englewood, Colorado

PrairieStar Metropolitan District No. 1
Balance Sheet - Governmental Funds and Account Groups
June 30, 2019

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets				
Current assets				
Checking	\$ 8,941	\$ -	\$ -	\$ 8,941
Due From District #2	59,035	-	-	59,035
Due from other funds	-	-	-	-
	<u>\$ 67,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,976</u>
Liabilities and Equity				
Current liabilities				
Accounts Payable	\$ 18,406	\$ -	\$ -	\$ 18,406
Due to other funds	-	-	-	-
	<u>18,406</u>	<u>-</u>	<u>-</u>	<u>18,406</u>
Total liabilities	<u>18,406</u>	<u>-</u>	<u>-</u>	<u>18,406</u>
Fund Equity				
Investment in fixed assets	-	-	-	-
Fund balance (deficit)	49,570	-	-	49,570
	<u>49,570</u>	<u>-</u>	<u>-</u>	<u>49,570</u>
	<u>\$ 67,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,976</u>

PrairieStar Metropolitan District No. 1
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Six Months Ended June 30, 2019
General Fund

See Accountant's Compilation Report

	<u>Annual</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues			
Transfer Fees	\$ 1,800	\$ 6,150	\$ 4,350
Landscape Review Fees	2,000	4,600	2,600
Developer Advances	31,935	74,151	42,216
Miscellaneous Income	620	2	(618)
Transfer From District No. 2	53,620	54,166	546
Transfer From District No. 3	500	-	(500)
Interest Income	-	-	-
	<u>90,475</u>	<u>139,069</u>	<u>48,594</u>
Expenditures			
Accounting	8,000	8,916	(916)
Audit	6,800	-	6,800
Covenant Enforcement	24,000	8,050	15,950
District Management	12,000	23,910	(11,910)
Insurance/SDA	7,250	6,360	890
Legal	15,000	35,763	(20,763)
Legal - Covenant Enforcement	10,000	-	10,000
Miscellaneous Expense	5,000	4,439	561
Utilities	-	2,499	(2,499)
Emergency reserve	2,425	-	2,425
	<u>90,475</u>	<u>89,937</u>	<u>538</u>
Change in fund balance	-	49,132	49,132
Fund balance beginning	-	438	438
Fund balance ending	<u>\$ -</u>	<u>\$ 49,570</u>	<u>\$ 49,570</u>

PrairieStar Metropolitan District No. 1
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Six Months Ended June 30, 2019
Capital Projects Fund
See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Developer Advances	\$ 32,500	\$ 14,849	\$ (17,651)
Transfer From District No. 2	-	-	-
	<u>32,500</u>	<u>14,849</u>	<u>(17,651)</u>
Expenditures			
Accounting	-	-	-
Legal	10,000	-	10,000
District Management	7,500	-	7,500
Engineering	-	10,105	(10,105)
Capital Improvements	<u>15,000</u>	<u>-</u>	<u>15,000</u>
	<u>32,500</u>	<u>10,105</u>	<u>22,395</u>
 Change in fund balance	 -	 4,744	 4,744
Fund balance beginning	<u>2,273</u>	<u>(4,744)</u>	<u>(7,017)</u>
 Fund balance (deficit) ending	 <u>\$ 2,273</u>	 <u>\$ -</u>	 <u>\$ (2,273)</u>

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

September 2, 2019

Dazzio & Associates, PC
8200 S. Quebec St., Suite A3259
Centennial, Colorado 80112

This representation letter is provided in connection with your audit of the financial statements of PrairieStar Metropolitan District No. 1, which comprise the respective financial position of the governmental activities and each major fund as of December 31, 2017, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of September 2, 2019, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 1, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

- 8) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 9) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the District and involves—
 - Management, or
 - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 17) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

- 18) We agree with the findings of the specialist, Tamarack Consulting, LLC., in their reports regarding certification of costs related to constructed public improvements associated with the District and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 28) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34 .

- 32) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 36) Deposits are properly classified as to risk and are properly disclosed.
- 37) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 38) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 39) With respect to the supplementary information as listed in the table of contents on which an in-relation-to opinion is issued the (Supplementary Information):
 - a) We acknowledge our responsibility for presenting the Supplementary Information in accordance with accounting principles generally accepted in the United States of America, and we believe the Supplementary Information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the Supplementary Information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the Supplementary Information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signed _____

Title: Board Member

Signed _____

Title: District Manager

Signed _____

Title: Accountant for the District

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1**

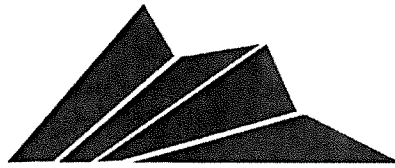
Financial Statements

December 31, 2017

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
PrairieStar Metropolitan District No. 1
Larimer County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the PrairieStar Metropolitan District No. 1 as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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303-905-0809 • info@dazziocpa.com

• Member American Institute of Certified Public Accountants • Member Colorado Society of Certified Public Accountants •

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the PrairieStar Metropolitan District No. 1, as of December 31, 2017, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the PrairieStar Metropolitan District No. 1's basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects Fund (the Supplementary Information) is presented for purposes of additional analysis and legal compliance and are not a required part of the financial statements.

The Supplementary Information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

September 2, 2019

BASIC FINANCIAL STATEMENTS

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

STATEMENT OF NET POSITION

December 31, 2017

	<u>Governmental Activities</u>
Assets	
Cash	\$ 5,826
Due from PrairieStar Metropolitan District No. 2	678
Prepaid Expense	2,974
	<hr/>
Total Assets	<u>9,478</u>
Liabilities	
Accounts Payable	11,365
Noncurrent Liabilities:	
Due In More Than One Year	5,376,277
	<hr/>
Total Liabilities	<u>5,387,642</u>
Net Position	
Restricted	
Emergencies	560
Unrestricted	(5,378,724)
	<hr/>
Total Net Position	<u><u>\$ (5,378,164)</u></u>

The notes to the financial statements are an integral part of this statement.

PrairieStar Metropolitan District No. 1

Statement of Activities
For the Year Ended December 31, 2017

Function/Program Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Administration	\$ 82,308	\$ 3,625	\$ 14,089	\$ -	\$ (64,594)
Interest and Related Costs on Long-term Debt	502,114	-	-	-	(502,114)
Transfer of Public Improvements to other Governmental Activities	4,321,872	-	-	-	(4,321,872)
Total Governmental Activities	\$ 4,906,294	\$ 3,625	\$ 14,089	\$ -	(4,888,580)
		General Revenues:			
		Miscellaneous			973
		Total General Revenues			973
		Changes In Net Position			(4,887,607)
		Net Position - Beginning			(490,557)
		Net Position - Ending			\$ (5,378,164)

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

**BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2017

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Assets			
Cash	\$ 5,826	\$ -	\$ 5,826
Due from PrairieStar Metropolitan District No. 2	678	-	678
Prepaid Expenditures	<u>2,974</u>	<u>-</u>	<u>2,974</u>
Total Assets	<u>\$ 9,478</u>	<u>\$ -</u>	<u>\$ 9,478</u>
Liabilities			
Accounts Payable	<u>\$ 7,526</u>	<u>\$ 3,839</u>	<u>\$ 11,365</u>
Fund Balances			
Nonspendable			
Prepaid Expenses	2,974	-	2,974
Restricted			
Emergencies	560	-	560
Unassigned	<u>(1,582)</u>	<u>(3,839)</u>	<u>(5,421)</u>
Total Fund Balances	<u>1,952</u>	<u>(3,839)</u>	<u>(1,887)</u>
Total Liabilities and Fund Balances	<u>\$ 9,478</u>	<u>\$ -</u>	<u>\$ 9,478</u>

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

December 31, 2017

Total Fund Balances - Governmental Funds \$ (1,887)

Total net position reported for governmental activities in the statement of
of net position is different because:

Long-term liabilities applicable to the District's governmental
activities are not due and payable in the current period and
accordingly are not reported as fund liabilities. All liabilities,
both current and long-term, are reported in the statement of
net position.

Balances at December 31, 2017 are:

Developer Advance - Operations	\$ (171,662)	
Developer Advance - Operations - Accrued Interest	(18,816)	
Developer Advance - Capital	(4,682,236)	
Developer Advance - Capital - Accrued Interest	<u>(503,563)</u>	<u>(5,376,277)</u>

Net Position - Governmental Activities \$ (5,378,164)

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2017

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues			
Transfer from PrairieStar			
Metropolitan District No. 2	\$ 14,089	\$ -	\$ 14,089
Transfer Fees	2,625	-	2,625
Landscape Review Fees	1,000	-	1,000
Miscellaneous Income	973	-	973
Total Revenues	<u>18,687</u>	<u>-</u>	<u>18,687</u>
Expenditures			
Management	7,716	11,532	19,248
Accounting	5,450	8,176	13,626
Audit	9,526	-	9,526
Election	108	-	108
Insurance	6,475	-	6,475
Legal	7,129	10,694	17,823
Covenant Control Enforcement	30,863	-	30,863
Miscellaneous	15,041	-	15,041
Engineering	-	13,115	13,115
Project Construction	-	4,213,809	4,213,809
Total Expenditures	<u>82,308</u>	<u>4,257,326</u>	<u>4,339,634</u>
Excess Revenues Over (Under)			
Expenditures	(63,621)	(4,257,326)	(4,320,947)
Other Financing Sources			
Developer Advances	59,155	4,253,487	4,312,642
Net Change in Fund Balances	(4,466)	(3,839)	(8,305)
Fund Balances - Beginning	6,418	-	6,418
Fund Balances - Ending	<u>\$ 1,952</u>	<u>\$ (3,839)</u>	<u>\$ (1,887)</u>

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds \$ (8,305)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital outlay	\$ 4,257,326	
Transfer of public improvements to other governments	<u>(4,321,872)</u>	(64,546)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:

Developer Advance - Operations	(59,155)	
Developer Advance - Operations - Accrued Interest	(10,663)	
Developer Advance - Capital	(4,253,487)	
Developer Advance - Capital - Accrued Interest	<u>(491,451)</u>	<u>(4,814,756)</u>

Change in Net Position - Governmental Activities \$ (4,887,607)

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Year Ended December 31, 2017

(With Comparative Totals for the Year Ended December 31, 2016)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2016 Actual
Revenues					
Transfer from PrairieStar Metropolitan District No. 2	\$ 13,144	\$ 13,144	\$ 14,089	\$ 945	\$ 8,406
Transfer Fees	-	1,725	2,625	900	1,600
Landscape Review Fees	-	750	1,000	250	350
Miscellaneous Income	-	633	973	340	-
Total Revenues	13,144	16,252	18,687	2,435	10,356
Expenditures					
Current					
Management	4,800	5,000	7,716	(2,716)	9,842
Accounting	2,800	5,200	5,450	(250)	7,476
Audit	6,800	6,800	9,526	(2,726)	6,781
Election	-	-	108	(108)	1,171
Insurance	7,250	7,250	6,475	775	7,024
Legal	4,000	7,000	7,129	(129)	12,957
Statutory Compliance	-	-	-	-	79
Covenant Control Enforcement	10,000	27,000	30,863	(3,863)	21,548
Miscellaneous	6,000	6,000	15,041	(9,041)	7,807
Contingency	19,871	17,504	-	17,504	-
Emergency Reserve	1,871	2,241	-	2,241	-
Total Expenditures	63,392	83,995	82,308	1,687	74,685
Excess Expenditures over Revenues	(50,248)	(67,743)	(63,621)	4,122	(64,329)
Other Financing Sources					
Developer Advances	47,715	61,325	59,155	(2,170)	64,353
Transfers In	1,491	-	-	-	-
Total Other Financing Sources	49,206	61,325	59,155	(2,170)	64,353
Net Change in Fund Balance	(1,042)	(6,418)	(4,466)	1,952	24
Fund Balance - Beginning	1,042	6,418	6,418	-	6,394
Fund Balance - Ending	\$ -	\$ -	\$ 1,952	\$ 1,952	\$ 6,418

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Note 1 – Definition of Reporting Entity

The PrairieStar Metropolitan District No. 1 (the “District”), was originally organized by recorded Order and Decree of the District Court for the County of Larimer on December 8, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District operates under a Service Plan approved by the Town of Berthoud (the “Town”) on July 27, 2010. The District’s service boundaries are located entirely within the Town. The District is one of four related districts: PrairieStar Metropolitan Districts Nos. 1, 2, 3 and 4 (the “Districts”). The Districts entered into a Memorandum of Understanding that defines the various responsibilities the Districts (see Note 6). As of December 31, 2017, the Districts have the same membership of their respective Boards of Directors.

Pursuant to the Service Plan, the District has the power to provide for the design, acquisition, construction, installation, relocating, redeveloping and financing of certain water, sanitation, storm water, street, traffic and safety protection, transportation, mosquito control, park and recreation, television relay and translator, and fire protection improvements and services.

It is anticipated that when completed, the District will transfer much of the public improvements to the Town or other appropriate entities for ownership and operations and maintenance. It is anticipated that certain landscaping and parks and recreation improvements will be retained by the District for operations and maintenance thereof.

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable to any other organization, nor is the District a component unit of any other primary governmental entity.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Note 2 – Summary of Significant Accounting Policies

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these financial statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District reports the following major governmental funds:

General Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund – This fund is used to account for the acquisition and construction of the District's major capital facilities.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2017.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

The District imposed a mill levy for collections years 2014 through 2017, but there was not sufficient valuation to generate property tax revenues.

Capital Assets

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets defined by the District as assets include improvements to buildings and equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bonds payable are reported net of the applicable bond premiums and discounts. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight method and charged to interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, even if withheld from the actual new proceeds received, are reported as debt services expenditures, in both the government-wide statements and fund financial statements.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Net Position and Fund Equity

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as restricted and unrestricted.

Restricted Net Position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation

Unrestricted Net Position represents assets that do not have any third-party limitations on their use.

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed fund balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Assigned fund balance – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

Deficit Fund Balance

The Capital Projects Fund reported a deficit in the fund financial statements as of December 31, 2018. The deficit will be eliminated with the receipt of future developer advances.

Note 3 – Cash and Investments

Cash Deposits

Custodial credit risk

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution’s internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2017, the District’s deposits amounting to \$5,826 were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Investments

The District has adopted an investment policy by which it follows state statutes regarding investments.

The District generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of US local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

At December 31, 2017, the District did not have any investments.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2017

Note 4 – Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2017 follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Construction in progress	\$ 64,546	\$4,257,326	\$4,321,872	\$ -

During the year ended December 31, 2017, capital assets amounting to \$4,321,872 were dedicated to other governmental entities. The District is in the process of completing the infrastructure improvements and upon completion, some assets will also be dedicated. Any remaining assets will remain with the District and be depreciated.

Note 5 – Long-Term Obligations

The following is an analysis of changes in the District’s long-term obligations for the year ended December 31, 2017:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Developer Advances					
Capital					
Principal	\$ 428,749	\$4,253,487	\$ -	\$ 4,682,236	\$ -
Interest	12,112	491,451	-	503,563	-
Operating					
2013-2018 - Principal	64,902	-	-	64,902	-
2013-2018 - Interest	7,838	5,192	-	13,030	-
MYOFA - Principal	47,605	59,155	-	106,760	-
MYOFA - Interest	315	5,471	-	5,786	-
	\$ 561,521	\$4,814,756	\$ -	\$ 5,376,277	\$ -

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Developer Advances

The District entered into Operation Funding Agreements and a Facilities Funding and Acquisition Agreement with Prairiestar, Inc. (the "Developer") as follows:

Operation Funding Agreements

2013 - 2018 Operation Funding Agreement ("2013–2018 OFA")

On December 3, 2012, the District entered into a 2013–2018 OFA with the Developer.

The District anticipates a shortfall in operations revenues of \$5,400 (the "Shortfall Amount") for the fiscal years 2013 through 2018. The Developer advances funds necessary to fund, or directly pay, the District's operations and maintenance expenses on a periodic basis as needed for fiscal years 2013 through 2018 up to the Shortfall Amount. The agreement was amended on December 3, 2015 to increase the Shortfall Amount for fiscal years 2013 through 2018 to \$250,000.

The advances accrue simple interest at a rate of 8.0% per annum from the date of deposit in the District's account. The repayment obligations do not constitute a multiple fiscal year financial obligation and are subject to annual appropriation. The obligation of the Developer to advance funds under the 2013–2018 OFA expire on March 15, 2019. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to the 2013–2018 OFA on or before December 31, 2058, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

The District intends to repay amounts advanced by the Developer pursuant to the 2013–2018 OFA, to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties, and charges and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations and maintenance expenses, which repayment is subject to annual budget and appropriation.

At December 31, 2017, the outstanding principal and interest owed on the 2013–2018 OFA is \$64,902 and \$13,030, respectively.

The 2013–2018 OFA was terminated on August 3, 2016 when the Multiple-Year Operations Funding Agreement was executed.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Multiple-Year Operations Funding Agreement (MYOFA)

On August 3, 2016, the District entered into a MYOFA with the Developer. The District's current financial forecast of increases in assessed valuation due to growth, and expenditures for operations and maintenance expenses (Operations Expense), the District anticipates annual shortfalls in revenues available for Operations Expenses to be incurred for fiscal year 2016 and in each fiscal year thereafter until 2032. The District shall be required to impose on a yearly basis during the term of this Agreement a mill levy of at least 10 mills, but not more than the mill levy limit in the Service Plan ("Operations Mill Levy"). for the Operations Expenses of the District. The revenue generated from the Operations Mill Levy plus specific ownership taxes generated as a result of the Operations Mill Levy shall be the "Operations Revenue." The MYOFA provides that the Developer will advance funds to the District in an amount equal to the difference between the Assumed Annual Budget Amount, equal to the operation and maintenance budget for the following fiscal year and the Operations Revenue (the Shortfall Amount). The Assumed Annual Budget Amount for fiscal years 2016 and 2017 is estimated to be \$76,150 and \$93,860, respectively, and for fiscal years 2018 through 2021, approximately \$131,560, so that in each such year the Developer will be required to fund the difference between the Assumed Annual Budget Amount and the Operations Revenue. Starting in fiscal year 2022, the Assumed Annual Budget Amount will equal the average of the actual total amount expended by the District in its General Fund plus any budgeted operating reserves, in the previous three-year period.

If the District imposes an Operations Mill Levy of less than 10 mills, the Developer is not obligated under this Agreement to fund any difference between the Operations Revenue that would be generated from the 10 mills Operations Mill Levy plus specific ownership taxes generated as a result of the Operations Mill Levy and the revenue generated from the Operations Mill Levy actually imposed in the applicable year. Amounts advanced under the MYOFA accrue interest at 8% per annum.

The obligation of the Developer to advance funds under the MYOFA expires on December 31, 2056. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to the MYOFA on or before December 31, 2056, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

This MYOFA may be terminated after December 31, 2023 if the Operations Revenue for the two most recent consecutive years was equal to or more than the Assumed Annual Budget Amount during such two-year period.

At December 31, 2017, the outstanding principal and interest owed to the Developer for amounts advances under the MYOFA is \$106,760 and \$5,786, respectively.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Priority of Payments

Payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: (a) first to accrued and unpaid interest and then principal on amounts received on the 2013-2018 OFA prior to its termination, but which remain outstanding, and then (b) first to the accrued and unpaid interest and then to the principal amount due pursuant to the MYOFA.

Facilities Funding and Acquisition Agreement

On December 14, 2010, with an effective date of December 8, 2010 (the "Organization Date"), the District entered into a Facilities Funding and Acquisition Agreement with the Developer ("FFAA"). The FFAA acknowledges that the Developer has expended funds for the organization of the District and, upon independent verification and approval of those expenses, provides for the reimbursement of those costs. The advances will accrue simple interest at a rate of 8.0% per annum. Advances for organizational expenses accrue interest from the Organization Date. Advances for construction related expenses accrue interest either from the organization date, the date of deposit in the District's account or the date the verified costs were incurred by the Developer. Repayments by the District to the Developer shall be first applied to accrued interest and then to principal. No payment is required until the District issues bonds.

At December 31, 2017, the outstanding principal and interest owed on the FFAA is \$4,682,236 and \$503,563, respectively.

The District and Developer entered into a First Amendment to the FFAA on August 3, 2016, in order to acknowledge that District No. 2 will issue bonds on behalf of the Districts. The Amendment to the FFAA evidences an intent to reimburse the Developer, but shall not constitute a debt or indebtedness, nor a multiple fiscal year financial obligation.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Authorized Debt

On November 2, 2010 and on May 6, 2014, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$915,600,000 at an interest rate not to exceed 18% per annum. At December 31, 2017, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 2, 2010	Amount Authorized on May 6, 2014	Authorized but Unissued at December 31, 2016
Streets	\$ 38,150,000	\$ 38,150,000	\$ 76,300,000
Parks and Recreation	38,150,000	38,150,000	76,300,000
Water	38,150,000	38,150,000	76,300,000
Sanitation/Storm Sewer	38,150,000	38,150,000	76,300,000
Transportation	38,150,000	38,150,000	76,300,000
Mosquito Control	38,150,000	38,150,000	76,300,000
Traffic and Safety Protection	38,150,000	38,150,000	76,300,000
Fire Protection and EMR	38,150,000	38,150,000	76,300,000
Television Relay and Translation	38,150,000	38,150,000	76,300,000
Operations and Maintenance	38,150,000	38,150,000	76,300,000
Debt Refundings	38,150,000	38,150,000	76,300,000
Intergovernmental Agreements	38,150,000	38,150,000	76,300,000
	<u>\$ 457,800,000</u>	<u>\$ 457,800,000</u>	<u>\$ 915,600,000</u>

Per the Service Plan, the District is limited to issuing \$38,150,000 in debt.

Note 6 – Intergovernmental Agreements

Intergovernmental Agreement with the Town

On December 14, 2010, the District entered into an Intergovernmental Agreement (“Agreement”) with the Town whereby the District agreed to various restrictions and notification requirements related to areas such as District dissolution, tax or fee impositions, bond issuances, boundary expansions and service expansions.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Memorandum of Understanding

A Memorandum of Understanding was entered into on December 14, 2010 by and among the District, District No. 2, District No. 3 and District No. 4 ("MOU"). Under the Service Plan, the Districts are required to work together and coordinate their efforts with respect to all activities contemplated in the Service Plan including but not limited to the management and administration of the Districts, the provision of essential services by the Districts, and the financing, construction, operation and maintenance of public improvements.

The MOU acknowledges that the District shall provide for the financing, construction, design, operation and maintenance of the public improvements, as well as the overall administration of the Districts and further acknowledges that the District has the authority to enter into agreement(s) and other obligations with the Developer of the property to provide for the financing of such services. The MOU acknowledges that the Districts will enter into a Facilities, Funding, Construction and Operations Agreement detailing such services ("FFCOA"). The MOU also provides that the FFCOA shall provide for District No. 2, District No. 3 and District No. 4 to remit revenues to the District for all costs incurred by the District pursuant to the MOU based on an allocable basis to be set forth in the FFCOA.

Facilities, Funding, Construction and Operations Agreement ("FFCOA")

On December 9, 2014, with an effective date of December 5, 2013, the District entered into a FFCOA with PrairieStar Metropolitan District No. 2 ("District No. 2). Pursuant to the FFCOA, the District serves as the Operating District which will operate, maintain, finance and construct (including funding thereof) certain of the Public Improvements and the Taxing District will contribute to the costs of construction, operation, management and maintenance of such Public Improvements. District No. 2 serves as the Taxing District. As of the Effective Date of this Agreement, District No. 3 and District No. 4 continue to be inactive. Consistent with the terms of the MOU, the Districts intend for District No. 3 and District No. 4 to also be parties to this Agreement and therefore, at such time as District No. 3 and District No. 4 each become active, this Agreement will be presented to District No. 3 and District No. 4 for consideration and they will each be given the opportunity to become a party to this Agreement, and until such time, the MOU shall continue to govern the rights and obligations with respect to District No. 3 and District No. 4.

Each Taxing District anticipates receiving revenue from the imposition of a mill levy against all property within its respective boundaries and specific ownership taxes, and, if imposed or assessed at the direction of the Operating District, the collection of fees, charges, rates and tolls. All revenue received by the Taxing District will be transferred to the Operating District.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

On August 3, 2016, the FFCOA was amended and restated ("Amended FFCOA") to recognize the Taxing District's issuance of Bonds and to reflect the changed debt structure of the Districts. Pursuant to the Amended FFCOA, either of the Districts may issue bonds for the construction, acquisition, or reimbursement of costs. Each District that determines to issue Bonds hereunder the proceeds of which will be utilized for Public Improvements shall be an "Issuing District". Each Taxing District anticipates receiving revenue from the imposition of a mill levy against all property within its respective boundaries and specific ownership taxes, and, if imposed or assessed at the direction of the Operating District, the collection of fees, charges, rates and tolls. All revenue received by the Taxing District will be transferred to the Operating District. However, if the Taxing District is the Issuing District and if the Taxing District pledges its debt service mill levy, specific ownership taxes attributable to such mill levy and other revenue of the Taxing District to the repayment of the Bond Requirements related to its Bonds, the Taxing District shall not be required to transfer the Taxing District Pledged Revenue to the Operating District.

During the year ending December 31, 2017, \$14,809 was transferred from District No. 2, representing funds received from the imposition of District No. 2's operating mill levy and other unrestricted funds.

Note 7 – Net Position

The District has a net position consisting of two components –restricted and unrestricted.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2017, amounting to \$560.

Unrestricted net position represents assets that do not have any third party limitations on their use.

The District's unrestricted net position as of December 31, 2017 totaled \$(5,378,724). This deficit amount was the result of the District being responsible for the financing and repayment of debt obligations and advances for the construction of public improvements and operations.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Note 8 – Related Party

All of the members of the Board of Directors are employees, officers, owners or are otherwise associated with the Developer of the District and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed.

Note 9 – Economic Dependency

The District has not yet established a revenue base sufficient to pay the District's operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon actions by the Developer to advance funds for operations of the District.

Note 10 – Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or natural disasters.

The District is a member of the Colorado Special Districts Property and Liability Pool (the "Pool"). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for general and public officials' liability coverage. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds, which the Pool determines are not needed for purposes of the Pool, may be returned to the members pursuant to a distribution formula.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Note 11 – Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualification as an Enterprise will require judicial interpretation.

On May 6, 2014, the District's electors approved the following ballot issues:

Shall PrairieStar Metropolitan District No. 1 taxes be increased \$38,150,000 annually or such lesser amount as necessary to pay the District's administration, operations, maintenance, and capital expenses, by the imposition of ad valorem property taxes levied in any year, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such taxes and any investment income thereon be collected, retained and spent by the District in fiscal year 2014 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Shall PrairieStar Metropolitan District No. 1 taxes be increased \$38,150,000 annually or such lesser amount as necessary to pay the District's administration, operations, maintenance, and capital expenses, by the imposition of a fee or fees imposed, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such fees and

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

any investment income thereon be collected, retained and spent by the District in fiscal year 2014 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Shall PrairieStar Metropolitan District No. 1 be authorized to collect, receive, retain, and spend the full amount of all taxes, tax increment revenues, tap fees, park fees, facility fees, public improvement fees, service charges, inspection charges, administrative charges, grants or any other fee, rate, toll, penalty, or charge authorized by law, covenants or contract to be imposed, collected or received by the District during 2014 and each fiscal year thereafter, such amounts to constitute a voter-approved revenue change and be collected, retained and spent by the District without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any subsequent year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, and without limiting in any year the amount of other revenues that may be collected, received, retained and spent by the District?

SUPPLEMENTARY INFORMATION

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

CAPITAL PROJECTS FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

For the Year Ended December 31, 2017

(With Comparative Totals for the Year Ended December 31, 2016)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2016 Actual</u>
Revenues					
Transfer from District No. 2	\$ -	\$ -	\$ -		\$ 3,755,968
Expenditures					
Capital					
Management	7,200	11,600	11,532	68	16,765
Accounting	4,200	8,200	8,176	24	11,214
Legal	6,000	10,700	10,694	6	21,258
Covenant Control	-	-	-	-	1,260
Engineering	7,000	14,000	13,115	885	14,049
Project Construction	-	4,255,500	4,213,809	41,691	-
Repay Developer Advance-Principal	-	-	-	-	3,154,564
Repay Developer Advance-Interest	-	-	-	-	601,404
Total Expenditures	<u>24,400</u>	<u>4,300,000</u>	<u>4,257,326</u>	<u>42,674</u>	<u>3,820,514</u>
Excess Expenditures over Revenues	<u>(24,400)</u>	<u>(4,300,000)</u>	<u>(4,257,326)</u>	<u>42,674</u>	<u>(64,546)</u>
Other Financing Sources					
Developer Advances	-	4,300,000	4,253,487	(46,513)	64,546
Net Change in Fund Balance	<u>(25,891)</u>	<u>-</u>	<u>(3,839)</u>	<u>(3,839)</u>	<u>-</u>
Fund Balance - Beginning	<u>25,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,839)</u>	<u>\$ (3,839)</u>	<u>\$ -</u>

See the Accompanying Independent Auditor's Report

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

September 3, 2019

Dazzio & Associates, PC
8200 S. Quebec St., Suite A3259
Centennial, Colorado 80112

This representation letter is provided in connection with your audit of the financial statements of PrairieStar Metropolitan District No. 1, which comprise the respective financial position of the governmental activities and each major fund as of December 31, 2018, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of September 3, 2019, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 1, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.

- 9) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the District and involves—
- Management, or
 - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 17) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

- 18) We agree with the findings of the specialist, Tamarack Consulting, LLC., in their reports regarding certification of costs related to constructed public improvements associated with the District and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 28) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 30) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34 .
- 33) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

- 34) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 35) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 36) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 37) Deposits are properly classified as to risk and are properly disclosed.
- 38) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 39) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 40) With respect to the supplementary information as listed in the table of contents on which an in-relation-to opinion is issued the (Supplementary Information):
 - a) We acknowledge our responsibility for presenting the Supplementary Information in accordance with accounting principles generally accepted in the United States of America, and we believe the Supplementary Information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the Supplementary Information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the Supplementary Information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signed _____

Title: Board Member

Signed _____

Title: District Manager

Signed _____

Title: Accountant for the District

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1**

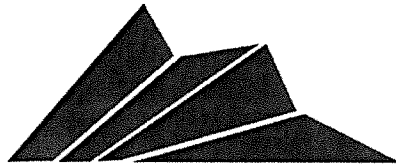
Financial Statements

December 31, 2018

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

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Dazio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
PrairieStar Metropolitan District No. 1
Larimer County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the PrairieStar Metropolitan District No. 1 as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the PrairieStar Metropolitan District No. 1, as of December 31, 2018, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the PrairieStar Metropolitan District No. 1's basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects Fund (the Supplementary Information) is presented for purposes of additional analysis and legal compliance and are not a required part of the financial statements.

The Supplementary Information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

September 3, 2019

BASIC FINANCIAL STATEMENTS

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

STATEMENT OF NET POSITION

December 31, 2018

	<u>Governmental Activities</u>
Assets	
Cash	\$ 5,756
Due from PrairieStar Metropolitan District No. 2	4,869
Prepaid Expense	2,858
Capital Assets Not Being Depreciated	<u>3,892,603</u>
Total Assets	<u>3,906,086</u>
Liabilities	
Accounts Payable	17,789
Noncurrent Liabilities:	
Due In More Than One Year	<u>10,094,253</u>
Total Liabilities	<u>10,112,042</u>
Net Position	
Net Investment In Capital Assets	1,048,127
Restricted	
Emergencies	1,550
Unrestricted	<u>(7,255,633)</u>
Total Net Position	<u>\$ (6,205,956)</u>

The notes to the financial statements are an integral part of this statement.

PrairieStar Metropolitan District No. 1

Statement of Activities
For the Year Ended December 31, 2018

Function/Program Activities	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Administration	\$ 112,075	\$ 13,475	\$ 34,929	\$ (63,671)
Interest and Related Costs on Long-term Debt	767,397	-	-	(767,397)
Total Governmental Activities	\$ 879,472	\$ 13,475	\$ 34,929	\$ (831,068)
		General Revenues:		
		Miscellaneous		3,276
		Total General Revenues		3,276
		Changes In Net Position		(827,792)
		Net Position - Beginning		(5,378,164)
		Net Position - Ending		\$ (6,205,956)

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

**BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2018

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Assets			
Cash	\$ 5,756	\$ -	\$ 5,756
Due from PrairieStar Metropolitan District No. 2	4,869	-	4,869
Prepaid Expenditures	2,858	-	2,858
Due from Other Funds	3,686	-	3,686
Total Assets	<u>\$ 17,169</u>	<u>\$ -</u>	<u>\$ 17,169</u>
Liabilities			
Accounts Payable	\$ 16,731	\$ 1,058	\$ 17,789
Due to Other Funds	-	3,686	3,686
Total Liabilities	<u>16,731</u>	<u>4,744</u>	<u>21,475</u>
Fund Balances			
Nonspendable			
Prepaid Expenses	2,858	-	2,858
Restricted			
Emergencies	1,550	-	1,550
Unassigned	(3,970)	(4,744)	(8,714)
Total Fund Balances	<u>438</u>	<u>(4,744)</u>	<u>(4,306)</u>
Total Liabilities and Fund Balances	<u>\$ 17,169</u>	<u>\$ -</u>	<u>\$ 17,169</u>

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

December 31, 2018

Total Fund Balances - Governmental Funds		\$ (4,306)
Total net position reported for governmental activities in the statement of of net position is different because:		
Construction in Process		3,892,603
<p>Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position.</p> <p>Balances at December 31, 2018 are:</p>		
Developer Advance - Operations	\$ (230,543)	
Developer Advance - Operations - Accrued Interest	(34,225)	
Developer Advance - Capital	(8,573,934)	
Developer Advance - Capital - Accrued Interest	(1,255,551)	(10,094,253)
Net Position - Governmental Activities		<u>\$ (6,205,956)</u>

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2018

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues			
Transfer from PrairieStar			
Metropolitan District No. 2	\$ 34,929	\$ -	\$ 34,929
Transfer Fees	9,525	-	9,525
Landscape Review Fees	3,950	-	3,950
Miscellaneous Income	3,276	-	3,276
Total Revenues	<u>51,680</u>	<u>-</u>	<u>51,680</u>
Expenditures			
Management	48,564	8,055	56,619
Accounting	3,647	3,148	6,795
Audit	5,573	-	5,573
Election	2,187	-	2,187
Insurance	6,105	-	6,105
Legal	20,386	11,024	31,410
Covenant Control Enforcement	13,806	-	13,806
Utilities	8,930	-	8,930
Miscellaneous	2,877	-	2,877
Engineering	-	26,424	26,424
Project Construction	-	3,843,952	3,843,952
Total Expenditures	<u>112,075</u>	<u>3,892,603</u>	<u>4,004,678</u>
Excess Revenues Over (Under)			
Expenditures	(60,395)	(3,892,603)	(3,952,998)
Other Financing Sources			
Developer Advances	58,881	3,891,698	3,950,579
Net Change in Fund Balances	(1,514)	(905)	(2,419)
Fund Balances - Beginning	1,952	(3,839)	(1,887)
Fund Balances - Ending	<u>\$ 438</u>	<u>\$ (4,744)</u>	<u>\$ (4,306)</u>

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

Net Change in Fund Balances - Total Governmental Funds \$ (2,419)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital outlay \$ 3,892,603

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:

Developer Advance - Operations	\$ (58,881)	
Developer Advance - Operations - Accrued Interest	(15,409)	
Developer Advance - Capital	(3,891,698)	
Developer Advance - Capital - Accrued Interest	(751,988)	(4,717,976)

Change in Net Position - Governmental Activities \$ (827,792)

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2017 Actual
Revenues					
Transfer from PrairieStar Metropolitan District No. 2	\$ 32,210	\$ 32,210	\$ 34,929	\$ 2,719	\$ 14,089
Transfer Fees	1,800	1,725	9,525	7,800	2,625
Landscape Review Fees	750	750	3,950	3,200	1,000
Miscellaneous Income	-	2,037	3,276	1,239	973
Total Revenues	34,760	36,722	51,680	14,958	18,687
Expenditures					
Current					
Management	8,000	8,000	48,564	(40,564)	7,716
Accounting	5,500	5,500	3,647	1,853	5,450
Audit	6,800	6,800	5,573	1,227	9,526
Election	2,000	2,000	2,187	(187)	108
Insurance	7,250	7,250	6,105	1,145	6,475
Legal	8,000	8,000	20,386	(12,386)	7,129
Covenant Control Enforcement	20,000	20,000	13,806	6,194	30,863
Utilities	-	-	8,930	(8,930)	-
Miscellaneous	6,000	6,000	2,877	3,123	15,041
Contingency	12,000	35,407	-	35,407	-
Emergency Reserve	1,043	1,043	-	1,043	-
Total Expenditures	76,593	100,000	112,075	(12,075)	82,308
Excess Expenditures over Revenues	(41,833)	(63,278)	(60,395)	2,883	(63,621)
Other Financing Sources					
Developer Advances	41,833	61,325	58,881	(2,444)	59,155
Net Change in Fund Balance	-	(1,953)	(1,514)	439	(4,466)
Fund Balance - Beginning	-	1,953	1,952	(1)	6,418
Fund Balance - Ending	\$ -	\$ -	\$ 438	\$ 438	\$ 1,952

The notes to the financial statements are an integral part of this statement.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Note 1 – Definition of Reporting Entity

The PrairieStar Metropolitan District No. 1 (the “District”), was originally organized by recorded Order and Decree of the District Court for the County of Larimer on December 8, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District operates under a Service Plan approved by the Town of Berthoud (the “Town”) on July 27, 2010. The District’s service boundaries are located entirely within the Town. The District is one of four related districts: PrairieStar Metropolitan Districts Nos. 1, 2, 3 and 4 (the “Districts”). The Districts entered into a Memorandum of Understanding that defines the various responsibilities the Districts (see Note 6). As of December 31, 2018, the Districts have the same membership of their respective Boards of Directors.

Pursuant to the Service Plan, the District has the power to provide for the design, acquisition, construction, installation, relocating, redeveloping and financing of certain water, sanitation, storm water, street, traffic and safety protection, transportation, mosquito control, park and recreation, television relay and translator, and fire protection improvements and services.

It is anticipated that when completed, the District will transfer much of the public improvements to the Town or other appropriate entities for ownership and operations and maintenance. It is anticipated that certain landscaping and parks and recreation improvements will be retained by the District for operations and maintenance thereof.

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable to any other organization, nor is the District a component unit of any other primary governmental entity.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Note 2 – Summary of Significant Accounting Policies

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these financial statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District reports the following major governmental funds:

General Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund – This fund is used to account for the acquisition and construction of the District's major capital facilities.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2018.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

The District imposed a mill levy for collections years 2014 through 2017, but there was not sufficient valuation to generate property tax revenues.

Capital Assets

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets defined by the District as assets include improvements to buildings and equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bonds payable are reported net of the applicable bond premiums and discounts. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight method and charged to interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, even if withheld from the actual new proceeds received, are reported as debt services expenditures, in both the government-wide statements and fund financial statements.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Net Position and Fund Equity

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as restricted and unrestricted.

Restricted Net Position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation

Unrestricted Net Position represents assets that do not have any third-party limitations on their use.

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed fund balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Assigned fund balance – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

Deficit Fund Balance

The Capital Projects Fund reported a deficit in the fund financial statements as of December 31, 2018. The deficit will be eliminated with the receipt of future developer advances.

Note 3 – Cash and Investments

Cash Deposits

Custodial credit risk

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution’s internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2018, the District’s deposits amounting to \$5,826 were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Investments

The District has adopted an investment policy by which it follows state statutes regarding investments.

The District generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of US local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

At December 31, 2018, the District did not have any investments.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

Note 4 – Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2018 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Construction in progress	\$ -	\$ 3,892,603	\$ -	\$ 3,892,603

The District is in the process of completing the infrastructure improvements and upon completion, some assets will also be dedicated. Any remaining assets will remain with the District and be depreciated.

Note 5 – Long-Term Obligations

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2018:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Developer Advances					
Capital					
Principal	\$ 4,682,236	\$ 3,891,698	\$ -	\$ 8,573,934	\$ -
Interest	503,563	751,988	-	1,255,551	-
Operating					
2013-2018 - Principal	64,902	-	-	64,902	-
2013-2018 - Interest	13,030	5,192	-	18,222	-
MYOFA - Principal	106,760	58,881	-	165,641	-
MYOFA - Interest	5,786	10,217	-	16,003	-
	<u>\$ 5,376,277</u>	<u>\$ 4,717,976</u>	<u>\$ -</u>	<u>\$ 10,094,253</u>	<u>\$ -</u>

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Developer Advances

The District entered into Operation Funding Agreements and a Facilities Funding and Acquisition Agreement with Prairiestar, Inc. (the "Developer") as follows:

Operation Funding Agreements

2013 - 2018 Operation Funding Agreement ("2013–2018 OFA")

On December 3, 2012, the District entered into a 2013–2018 OFA with the Developer.

The District anticipates a shortfall in operations revenues of \$5,400 (the "Shortfall Amount") for the fiscal years 2013 through 2018. The Developer advances funds necessary to fund, or directly pay, the District's operations and maintenance expenses on a periodic basis as needed for fiscal years 2013 through 2018 up to the Shortfall Amount. The agreement was amended on December 3, 2015 to increase the Shortfall Amount for fiscal years 2013 through 2018 to \$250,000.

The advances accrue simple interest at a rate of 8.0% per annum from the date of deposit in the District's account. The repayment obligations do not constitute a multiple fiscal year financial obligation and are subject to annual appropriation. The obligation of the Developer to advance funds under the 2013–2018 OFA expire on March 15, 2019. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to the 2013–2018 OFA on or before December 31, 2058, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

The District intends to repay amounts advanced by the Developer pursuant to the 2013–2018 OFA, to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties, and charges and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations and maintenance expenses, which repayment is subject to annual budget and appropriation.

At December 31, 2018, the outstanding principal and interest owed on the 2013–2018 OFA is \$64,902 and \$18,222, respectively.

The 2013–2018 OFA was terminated on August 3, 2016 when the Multiple-Year Operations Funding Agreement was executed.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Multiple-Year Operations Funding Agreement (MYOFA)

On August 3, 2016, the District entered into a MYOFA with the Developer. The District's current financial forecast of increases in assessed valuation due to growth, and expenditures for operations and maintenance expenses (Operations Expense), the District anticipates annual shortfalls in revenues available for Operations Expenses to be incurred for fiscal year 2016 and in each fiscal year thereafter until 2032. The District shall be required to impose on a yearly basis during the term of this Agreement a mill levy of at least 10 mills, but not more than the mill levy limit in the Service Plan ("Operations Mill Levy"). for the Operations Expenses of the District. The revenue generated from the Operations Mill Levy plus specific ownership taxes generated as a result of the Operations Mill Levy shall be the "Operations Revenue." The MYOFA provides that the Developer will advance funds to the District in an amount equal to the difference between the Assumed Annual Budget Amount, equal to the operation and maintenance budget for the following fiscal year and the Operations Revenue (the Shortfall Amount). The Assumed Annual Budget Amount for fiscal years 2016 and 2017 is estimated to be \$76,150 and \$93,860, respectively, and for fiscal years 2018 through 2021, approximately \$131,560, so that in each such year the Developer will be required to fund the difference between the Assumed Annual Budget Amount and the Operations Revenue. Starting in fiscal year 2022, the Assumed Annual Budget Amount will equal the average of the actual total amount expended by the District in its General Fund plus any budgeted operating reserves, in the previous three-year period.

If the District imposes an Operations Mill Levy of less than 10 mills, the Developer is not obligated under this Agreement to fund any difference between the Operations Revenue that would be generated from the 10 mills Operations Mill Levy plus specific ownership taxes generated as a result of the Operations Mill Levy and the revenue generated from the Operations Mill Levy actually imposed in the applicable year. Amounts advanced under the MYOFA accrue interest at 8% per annum.

The obligation of the Developer to advance funds under the MYOFA expires on December 31, 2056. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to the MYOFA on or before December 31, 2056, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

This MYOFA may be terminated after December 31, 2023 if the Operations Revenue for the two most recent consecutive years was equal to or more than the Assumed Annual Budget Amount during such two-year period.

At December 31, 2018, the outstanding principal and interest owed to the Developer for amounts advances under the MYOFA is \$165,641 and \$16,003, respectively.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Priority of Payments

Payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: (a) first to accrued and unpaid interest and then principal on amounts received on the 2013-2018 OFA prior to its termination, but which remain outstanding, and then (b) first to the accrued and unpaid interest and then to the principal amount due pursuant to the MYOFA.

Facilities Funding and Acquisition Agreement

On December 14, 2010, with an effective date of December 8, 2010 (the "Organization Date"), the District entered into a Facilities Funding and Acquisition Agreement with the Developer ("FFAA"). The FFAA acknowledges that the Developer has expended funds for the organization of the District and, upon independent verification and approval of those expenses, provides for the reimbursement of those costs. The advances will accrue simple interest at a rate of 8.0% per annum. Advances for organizational expenses accrue interest from the Organization Date. Advances for construction related expenses accrue interest either from the organization date, the date of deposit in the District's account or the date the verified costs were incurred by the Developer. Repayments by the District to the Developer shall be first applied to accrued interest and then to principal. No payment is required until the District issues bonds.

At December 31, 2018, the outstanding principal and interest owed on the FFAA is \$8,573,934 and \$1,255,551, respectively.

The District and Developer entered into a First Amendment to the FFAA on August 3, 2016, in order to acknowledge that District No. 2 will issue bonds on behalf of the Districts. The Amendment to the FFAA evidences an intent to reimburse the Developer, but shall not constitute a debt or indebtedness, nor a multiple fiscal year financial obligation.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Authorized Debt

On November 2, 2010 and on May 6, 2014, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$915,600,000 at an interest rate not to exceed 18% per annum. At December 31, 2018, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 2, 2010	Amount Authorized on May 6, 2014	Authorized but Unissued at December 31, 2016
Streets	\$ 38,150,000	\$ 38,150,000	\$ 76,300,000
Parks and Recreation	38,150,000	38,150,000	76,300,000
Water	38,150,000	38,150,000	76,300,000
Sanitation/Storm Sewer	38,150,000	38,150,000	76,300,000
Transportation	38,150,000	38,150,000	76,300,000
Mosquito Control	38,150,000	38,150,000	76,300,000
Traffic and Safety Protection	38,150,000	38,150,000	76,300,000
Fire Protection and EMR	38,150,000	38,150,000	76,300,000
Television Relay and Translation	38,150,000	38,150,000	76,300,000
Operations and Maintenance	38,150,000	38,150,000	76,300,000
Debt Refundings	38,150,000	38,150,000	76,300,000
Intergovernmental Agreements	38,150,000	38,150,000	76,300,000
	<u>\$ 457,800,000</u>	<u>\$ 457,800,000</u>	<u>\$ 915,600,000</u>

Per the Service Plan, the District is limited to issuing \$38,150,000 in debt.

Note 6 – Intergovernmental Agreements

Intergovernmental Agreement with the Town

On December 14, 2010, the District entered into an Intergovernmental Agreement (“Agreement”) with the Town whereby the District agreed to various restrictions and notification requirements related to areas such as District dissolution, tax or fee impositions, bond issuances, boundary expansions and service expansions.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Memorandum of Understanding

A Memorandum of Understanding was entered into on December 14, 2010 by and among the District, District No. 2, District No. 3 and District No. 4 ("MOU"). Under the Service Plan, the Districts are required to work together and coordinate their efforts with respect to all activities contemplated in the Service Plan including but not limited to the management and administration of the Districts, the provision of essential services by the Districts, and the financing, construction, operation and maintenance of public improvements.

The MOU acknowledges that the District shall provide for the financing, construction, design, operation and maintenance of the public improvements, as well as the overall administration of the Districts and further acknowledges that the District has the authority to enter into agreement(s) and other obligations with the Developer of the property to provide for the financing of such services. The MOU acknowledges that the Districts will enter into a Facilities, Funding, Construction and Operations Agreement detailing such services ("FFCOA"). The MOU also provides that the FFCOA shall provide for District No. 2, District No. 3 and District No. 4 to remit revenues to the District for all costs incurred by the District pursuant to the MOU based on an allocable basis to be set forth in the FFCOA.

Facilities, Funding, Construction and Operations Agreement ("FFCOA")

On December 9, 2014, with an effective date of December 5, 2013, the District entered into a FFCOA with PrairieStar Metropolitan District No. 2 ("District No. 2). Pursuant to the FFCOA, the District serves as the Operating District which will operate, maintain, finance and construct (including funding thereof) certain of the Public Improvements and the Taxing District will contribute to the costs of construction, operation, management and maintenance of such Public Improvements. District No. 2 serves as the Taxing District. As of the Effective Date of this Agreement, District No. 3 and District No. 4 continue to be inactive. Consistent with the terms of the MOU, the Districts intend for District No. 3 and District No. 4 to also be parties to this Agreement and therefore, at such time as District No. 3 and District No. 4 each become active, this Agreement will be presented to District No. 3 and District No. 4 for consideration and they will each be given the opportunity to become a party to this Agreement, and until such time, the MOU shall continue to govern the rights and obligations with respect to District No. 3 and District No. 4.

Each Taxing District anticipates receiving revenue from the imposition of a mill levy against all property within its respective boundaries and specific ownership taxes, and, if imposed or assessed at the direction of the Operating District, the collection of fees, charges, rates and tolls. All revenue received by the Taxing District will be transferred to the Operating District.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

On August 3, 2016, the FFCOA was amended and restated ("Amended FFCOA") to recognize the Taxing District's issuance of Bonds and to reflect the changed debt structure of the Districts. Pursuant to the Amended FFCOA, either of the Districts may issue bonds for the construction, acquisition, or reimbursement of costs. Each District that determines to issue Bonds hereunder the proceeds of which will be utilized for Public Improvements shall be an "Issuing District". Each Taxing District anticipates receiving revenue from the imposition of a mill levy against all property within its respective boundaries and specific ownership taxes, and, if imposed or assessed at the direction of the Operating District, the collection of fees, charges, rates and tolls. All revenue received by the Taxing District will be transferred to the Operating District. However, If the Taxing District is the Issuing District and if the Taxing District pledges its debt service mill levy, specific ownership taxes attributable to such mill levy and other revenue of the Taxing District to the repayment of the Bond Requirements related to its Bonds, the Taxing District shall not be required to transfer the Taxing District Pledged Revenue to the Operating District.

During the year ending December 31, 2018, \$34,929 was transferred from District No. 2, representing funds received from the imposition of District No. 2's operating mill levy and other unrestricted funds.

Note 7 – Net Position

The District has a net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2018, amounting to \$1,550.

Unrestricted net position represents assets that do not have any third party limitations on their use.

The District's unrestricted net position as of December 31, 2018 totaled \$(7,255,633). This deficit amount was the result of the District being responsible for the financing and repayment of debt obligations and advances for the construction of public improvements and operations.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Note 8 – Related Party

All of the members of the Board of Directors are employees, officers, owners or are otherwise associated with the Developer of the District and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed.

Note 9 – Economic Dependency

The District has not yet established a revenue base sufficient to pay the District's operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon actions by the Developer to advance funds for operations of the District.

Note 10 – Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or natural disasters.

The District is a member of the Colorado Special Districts Property and Liability Pool (the "Pool"). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for general and public officials' liability coverage. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds, which the Pool determines are not needed for purposes of the Pool, may be returned to the members pursuant to a distribution formula.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Note 11 – Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualification as an Enterprise will require judicial interpretation.

On May 6, 2014, the District's electors approved the following ballot issues:

Shall PrairieStar Metropolitan District No. 1 taxes be increased \$38,150,000 annually or such lesser amount as necessary to pay the District's administration, operations, maintenance, and capital expenses, by the imposition of ad valorem property taxes levied in any year, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such taxes and any investment income thereon be collected, retained and spent by the District in fiscal year 2014 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Shall PrairieStar Metropolitan District No. 1 taxes be increased \$38,150,000 annually or such lesser amount as necessary to pay the District's administration, operations, maintenance, and capital expenses, by the imposition of a fee or fees imposed, without limitation as to rate or amount or any other condition to pay such expenses and shall the proceeds of such fees and

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

any investment income thereon be collected, retained and spent by the District in fiscal year 2014 and in each fiscal year thereafter as a voter-approved revenue change without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Shall PrairieStar Metropolitan District No. 1 be authorized to collect, receive, retain, and spend the full amount of all taxes, tax increment revenues, tap fees, park fees, facility fees, public improvement fees, service charges, inspection charges, administrative charges, grants or any other fee, rate, toll, penalty, or charge authorized by law, covenants or contract to be imposed, collected or received by the District during 2014 and each fiscal year thereafter, such amounts to constitute a voter-approved revenue change and be collected, retained and spent by the District without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any subsequent year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, and without limiting in any year the amount of other revenues that may be collected, received, retained and spent by the District?

SUPPLEMENTARY INFORMATION

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

CAPITAL PROJECTS FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

For the Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2017 Actual</u>
Revenues					
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
Capital					
Management	\$ 7,500	\$ 9,000	\$ 8,055	\$ 945	\$ 11,532
Accounting	8,000	7,750	3,148	4,602	8,176
Legal	6,200	12,000	11,024	976	10,694
Engineering	15,000	28,750	26,424	2,326	13,115
Project Construction	-	4,192,500	3,843,952	348,548	4,213,809
Total Expenditures	<u>36,700</u>	<u>4,250,000</u>	<u>3,892,603</u>	<u>357,397</u>	<u>4,257,326</u>
Excess Expenditures over Revenues	<u>(36,700)</u>	<u>(4,250,000)</u>	<u>(3,892,603)</u>	<u>357,397</u>	<u>(4,257,326)</u>
Other Financing Sources					
Developer Advances	<u>36,700</u>	<u>4,247,727</u>	<u>3,891,698</u>	<u>(356,029)</u>	<u>4,253,487</u>
Net Change in Fund Balance	-	(2,273)	(905)	1,368	(3,839)
Fund Balance - Beginning	-	2,273	(3,839)	(6,112)	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,744)</u>	<u>\$ (4,744)</u>	<u>\$ (3,839)</u>

See the Accompanying Independent Auditor's Report

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: **214 - PRAIRIESTAR METRO DISTRICT NO. 1**

IN LARIMER COUNTY ON 08/20/2019

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2019 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	<input type="text" value="\$10"/>
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	<input type="text" value="\$10"/>
3. LESS TIF DISTRICT INCREMENT, IF ANY:	<input type="text" value="\$0"/>
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	<input type="text" value="\$10"/>
5. NEW CONSTRUCTION: **	<input type="text" value="\$0"/>
6. INCREASED PRODUCTION OF PRODUCING MINES: #	<input type="text" value="\$0"/>
7. ANNEXATIONS/INCLUSIONS:	<input type="text" value="\$10"/>
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	<input type="text" value="\$0"/>
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ##	<input type="text" value="\$0"/>
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	<input type="text" value="\$0.00"/>
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	<input type="text" value="\$0.00"/>

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2019 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2019

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	<input type="text" value="\$30"/>
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: †	<input type="text" value="\$0"/>
3. ANNEXATIONS/INCLUSIONS:	<input type="text" value="\$30"/>
4. INCREASED MINING PRODUCTION: %	<input type="text" value="\$0"/>
5. PREVIOUSLY EXEMPT PROPERTY:	<input type="text" value="\$0"/>
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	<input type="text" value="\$0"/>
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	<input type="text" value="\$0"/>

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	<input type="text" value="\$0"/>
9. DISCONNECTIONS/EXCLUSION:	<input type="text" value="\$30"/>
10. PREVIOUSLY TAXABLE PROPERTY:	<input type="text" value="\$0"/>

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

† Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2019

Data Date:

PrairieStar Metropolitan District No. 1
Proposed Budget
General Fund
For the Year ended December 31, 2020

	Actual <u>2018</u>	Adopted Budget <u>2019</u>	Actual <u>6/30/2019</u>	Estimate <u>2019</u>	Proposed Budget <u>2020</u>
Beginning fund balance	\$ 1,954	\$ 1,954	\$ 440	\$ 440	\$ 1,844
Revenues:					
Transfer Fees	9,525	1,800	6,150	10,000	1,800
Landscape Review Fees	3,950	2,000	4,600	7,500	2,000
Developer advances	58,881	31,935	74,151	74,151	31,935
Transfer from District No. 2	34,929	53,620	54,166	57,403	113,024
Transfer from District No. 3	-	500	-	-	4
Miscellaneous Income	3,276	620	2	10	620
	<u>110,561</u>	<u>90,475</u>	<u>139,069</u>	<u>149,064</u>	<u>149,383</u>
Total revenues					
	<u>110,561</u>	<u>90,475</u>	<u>139,069</u>	<u>149,064</u>	<u>149,383</u>
Total funds available	<u>112,515</u>	<u>92,429</u>	<u>139,509</u>	<u>149,504</u>	<u>151,227</u>
Expenditures:					
Accounting	3,647	8,000	8,916	10,000	8,500
Audit	5,573	6,800	-	6,800	6,800
Election	2,187	-	-	-	-
Insurance/SDA	6,105	7,250	6,360	6,360	7,250
Legal - Special Projects - District No. 2	-	-	-	-	-
Legal	20,386	15,000	35,763	50,000	28,000
Common area landscaping	-	-	-	-	35,000
Social activities	-	-	-	-	3,000
Utilities	8,930	-	2,499	8,500	10,000
Management fees	48,564	12,000	23,910	45,000	18,000
Miscellaneous	2,877	5,000	4,439	5,000	5,000
Covenant Control Enforcement	13,806	24,000	8,050	16,000	24,000
Contingency	-	-	-	-	1,310
Legal-Covenant Enforcement	-	10,000	-	-	-
Emergency reserve (3%)	-	2,425	-	-	4,367
	<u>112,075</u>	<u>90,475</u>	<u>89,937</u>	<u>147,660</u>	<u>151,227</u>
Total expenditures					
	<u>112,075</u>	<u>90,475</u>	<u>89,937</u>	<u>147,660</u>	<u>151,227</u>
Ending fund balance	\$ 440	\$ 1,954	\$ 49,572	\$ 1,844	\$ -
Assessed valuation		<u>\$ 10</u>			<u>\$ 10</u>
Mill Levy		<u>11.055</u>			<u>11.135</u>

PrairieStar Metropolitan District No. 1
Proposed Budget
Capital Projects Fund
For the Year ended December 31, 2020

	Actual <u>2018</u>	Adopted Budget <u>2019</u>	Actual <u>6/30/2019</u>	Estimate <u>2019</u>	Proposed Budget <u>2020</u>
Beginning fund balance	\$ (3,839)	\$ -	\$ (4,744)	\$ (4,744)	\$ -
Revenues:					
Developer advances	3,891,698	32,500	14,849	14,849	32,500
Miscellaneous	-	-	-	-	-
Total revenues	<u>3,891,698</u>	<u>32,500</u>	<u>14,849</u>	<u>14,849</u>	<u>32,500</u>
Total funds available	<u>3,887,859</u>	<u>32,500</u>	<u>10,105</u>	<u>10,105</u>	<u>32,500</u>
Expenditures:					
Accounting	3,148	-	-	-	-
Legal	11,024	10,000	-	-	10,000
Management fees	8,055	7,500	-	-	7,500
Construction	<u>3,870,376</u>	<u>15,000</u>	<u>10,105</u>	<u>10,105</u>	<u>15,000</u>
Total expenditures	<u>3,892,603</u>	<u>32,500</u>	<u>10,105</u>	<u>10,105</u>	<u>32,500</u>
Ending fund balance	<u>\$ (4,744)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RESOLUTION NO. 2019 - 9 - ____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the PrairieStar Metropolitan District No. 1 ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on September 11, 2019, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 1:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the PrairieStar Metropolitan District No. 1 for the 2020 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 11th day of September, 2019.

Secretary

(SEAL)

EXHIBIT A
(Budget)

I, Judy Leyshon, hereby certify that I am the duly appointed Secretary of the PrairieStar Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the PrairieStar Metropolitan District No. 1 held on September 11, 2019.

By: _____
Secretary

RESOLUTION NO. 2019 - 9 - _____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the PrairieStar Metropolitan District No. 1 (“District”) has adopted the 2020 annual budget in accordance with the Local Government Budget Law on September 11, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 1:

1. That for the purposes of meeting all general fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Larimer County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), 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.

ADOPTED this 11th day of September, 2019.

Secretary

(SEAL)

EXHIBIT A
(Certification of Tax Levies)

RESOLUTION NO. 2019-09-_____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
PRAIRIESTAR METROPOLITAN DISTRICT NO. 1
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020**

A. The terms of the offices of Directors Kathy Sidney and Jennifer Davis shall expire upon the election of his/her/their successors at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successors taking office.

B. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect two (2) Directors to serve until the second regular election, to occur May 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 1 (the “**District**”) of the County of Larimer, Colorado:

1. Date and Time of Election. The Election shall be held on May 5, 2020, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the second regular election, to occur May 2023.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Judy Leyshon shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Mail-in Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-8-104, C.R.S., that applications for and return of mail-in ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Friday immediately preceding the Election (May 1, 2020), except that if the applicant wishes to receive the mail-in ballot by mail, the application shall be filed no later than the close of business on the seventh (7th) day before the Election (April 28, 2020).

6. Self-Nomination and Acceptance Forms. Self-nomination and acceptance forms are available at the office of the Designated Election Official located at the above address. All candidates must file a self-nomination and acceptance form with the Designated Election Official no later than 3:00 P.M. on February 28, 2020.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 3, 2020, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

8. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

9. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

10. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of PrairieStar Metropolitan District No. 1.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION CALLING A
REGULAR ELECTION FOR DIRECTORS MAY 5, 2020]**

RESOLUTION APPROVED AND ADOPTED on September 11, 2019.

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1**

By: _____
President

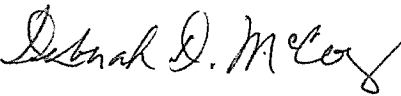
Attest:

Secretary

SDMS

141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
303-987-0835 • Fax: 303-987-2032

MEMORANDUM

TO: Board of Directors
FROM: Deborah D. McCoy 
President
DATE: June, 2019
RE: Notice of Rate Restructuring

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), as of August 1, 2019, the hourly rates described in Article III for all services provided by SDMS shall be subject to the following rate restructuring schedule.

District Management & Administration:

Senior Managers and Managers	\$140.00 - \$190.00
Assistant Managers & Admin. Coordinators	\$115.00 - \$150.00

Finance & Accounting:

Senior Accountants and Accountants	\$130.00 - \$160.00
Assistant Accountants & AP Coordinators	\$110.00 - \$150.00

Utility Billing Service: \$65.00

Operations, Maintenance and Field Services: \$75.00 - \$95.00

Community Management:

Managers and Assistant Managers	\$ 95.00 - \$140.00
Administrative Support	\$ 75.00 - \$140.00

SDMS is one of the few consultants that has not adopted a variable rate structure. We hope you will understand that, in order to keep up with the changes in our industry, it is beneficial to implement this rate restructuring so that we may continue to provide the best and most efficient management services you expect from SDMS.

We look forward to serving you for many years to come. Please feel free to speak directly with your current District Manager if you have questions.