

# **Northfield Metropolitan District Nos. 1-3**

## **2020 Consolidated Annual Report**

**NORTHFIELD METROPOLITAN DISTRICT NOS. 1-3  
2020 CONSOLIDATED ANNUAL REPORT  
TO  
THE CITY OF FORT COLLINS, COLORADO**

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The Gateway at Prospect Metropolitan District Nos. 1-3 (collectively the “**Districts**”) hereby submit this annual report as required pursuant to Section VII of the Service Plan of the Districts dated October 1, 2019 (the “**Service Plan**”). The Districts are required to submit an annual report with the City of Fort Collins no later than September 1st of each calendar year, which annual report shall reflect activity and financial events of the Districts through the preceding December 31 (the “**Report Year**”).

**1. A narrative summary of the progress of the Districts in implementing their service plan for the report year.**

The Districts continue to make progress towards implementing their Service Plans.

**2. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the Districts for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year.**

A copy of the 2020 audit exemption applications for District Nos. 1 & 3 and a copy of the Audit for District No. 2 are attached hereto as **Exhibit A**. The Districts’ 2021 Budgets are attached hereto as **Exhibit B**.

**3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the Districts in development of Public Improvements in the report year.**

The Districts made no capital expenditures in the report year.

**4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the Districts in the report year, the total assessed valuation of all taxable properties within the Districts as of January 1 of the report year and the current mill levy of the Districts pledged to Debt retirement in the report year**

On December 2, 2020, District No. 2 issued \$5,810,000 in Limited General Obligation Bonds, Series 2020A Series 2020A (the "Series 2020A Bonds"), and \$865,000 in Subordinate Limited Tax General Obligation Bonds, Series 2020B (the "Series 2020B Bonds" and collectively, the "Bonds"). Proceeds will be used for the purposes of funding and

reimbursing a portion of the costs of acquiring, constructing and installing certain public improvements, paying capitalized interest for payment of a portion of the interest of the Series 2020A Bonds, funding the Senior Reserve Fund and paying the costs of issuance of the Series 2020A Bonds. The Series 2020A Bonds carry an interest rate of 5%. Proceeds of the Series 2020B Bonds will be used for the purposes of funding and reimbursing a portion of the costs of acquiring, constructing and installing certain public improvements. The Series 2020B Bonds carry interest at a rate of 7.5%. Annual principal and interest payments are due on June 1 and December 1 through 2050.

As of December 31, 2020, District No. 2 had \$6,675,000 in outstanding indebtedness and had paid \$0 towards existing indebtedness.

<b>District</b>	<b>Assessed Valuation</b>	<b>Total Imposed Mill Levy</b>
District No. 1	\$10	0.000
District No. 2	\$2,422	General – 10.000 Debt – 40.000 Total – 50.000
District No. 3	\$355	0.000

**5. The names and contact information of the current directors on the Districts’ Boards, any District manager and the attorney for the Districts shall be listed in the report. The Districts’ current office address, phone number, email address and any website address shall also be listed in the report.**

Current Directors

Name	Contact Information
Jason Sherrill	jsherrill@mylandmarkhomes.net
Jonathan Mosier	jmosier@mylandmarkhomes.net
Rahul Majumdar	rmajumdar@mylandmarkhomes.net
Deborah Mosier	dmosier@ldmrkcs.com
Tamara Sherrill	tsherrillbroker@gmail.com

District Manager

Guy Johnson, District Resource, LLC  
 Office Address: 1927 Wilmington Drive, Suite 101, Fort Collins, CO 80547  
 Phone: 970-377-9989  
 Email: manager@northfielddistricts.com

General Counsel

Robert Rogers, Esq., White Bear Ankele Tanaka & Waldron (rrogers&wbapc.com)

District Website: <https://northfelddistricts.com/>

**6. Any other information deemed relevant by the City Council or deemed reasonably necessary by the City's manager and communicated in a timely manner to the Districts.**

None requested.

**7. Boundary Changes made or proposed.**

No boundary changes were made or proposed during 2020.

**8. Intergovernmental agreements with other governmental entities either entered into or proposed.**

The Districts' entered into an Intergovernmental Agreement with the City of Fort Collins per the Service Plan dated as of May 14, 2020. The Districts also entered into a District Coordinating Services Agreement among themselves, dated October 26, 2020. Both Agreements are attached hereto in **Exhibit C**.

**9. Notice of any uncured events of default by the Districts, which continued beyond a ninety (90) day period, under any debt instrument.**

There was no notice of any uncured events of default by the Districts, which continued beyond a ninety (90) day period, under any debt instrument of which we are aware.

**10. Any inability of the Districts to pay their obligations as they came due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

There was no inability of the District to pay its obligations as they came due, in accordance with the terms of any such obligations, which continued beyond a ninety (90) day period.

**11. Copies of the Districts' rules and regulations, if any, as of December 31 of the prior year.**

As of December 31, 2020, the Districts had not yet adopted rules and regulations.

**12. A summary of any litigation which involves the Districts' Public Improvements as of December 31 of the prior year.**

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there was no

litigation involving the District's Public Improvements during the year ending December 31, 2020.

**13. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of December 31 of the prior year.**

As of December 31, 2020, the Districts had not yet constructed any Public Improvements.

**EXHIBIT A**  
**2020 Audit Exemption Applications and Audit**

**NORTHFIELD METROPOLITAN  
DISTRICT NO. 2**

**BASIC FINANCIAL STATEMENTS**

**December 31, 2020**

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## **FINANCIAL SECTION**



## JOHN CUTLER & ASSOCIATES

Board of Directors  
Northfield Metropolitan District No. 2  
Timnath, Colorado

### INDEPENDENT AUDITORS' REPORT

#### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Northfield Metropolitan District No. 2, as of and for the year ended December 31, 2020, 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 from 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.

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 Northfield Metropolitan District No. 2, as of December 31, 2020, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 17 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require 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 is not affected by this missing information.

*John Cutler & Associates, LLC*

August 4, 2021

## **BASIC FINANCIAL STATEMENTS**

NORTHFIED METROPOLITAN DISTRICT NO. 2

STATEMENT OF NET POSITION

As of December 31, 2020

	<u>Governmental Activities</u>
ASSETS	
Restricted Cash and Investments	<u>\$ 6,307,062</u>
TOTAL ASSETS	<u>6,307,062</u>
LIABILITIES	
Accounts Payable	8,874
Accrued Interest	29,966
Noncurrent Liabilities	
Due within One Year	60,000
Due in More than One Year	<u>6,675,000</u>
TOTAL LIABILITIES	<u>6,773,840</u>
NET POSITION	
Reserved for Emergencies	-
Unrestricted	<u>(466,778)</u>
TOTAL NET POSITION	<u><u>\$ (466,778)</u></u>

See the accompanying independent auditors' report.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

STATEMENT OF ACTIVITIES  
Year Ended December 31, 2020

	<u>Governmental Activities</u>
EXPENSES	
<b>Governmental Activities</b>	
General Government	\$ 447,740
Interest on Long-Term Debt	<u>29,966</u>
TOTAL EXPENSES	<u>477,706</u>
REVENUES	
GENERAL REVENUES	
Property Taxes	2
SPECIAL ITEMS	
Transfer from Other District	<u>10,926</u>
TOTAL REVENUES	<u>10,928</u>
CHANGE IN NET POSITION	(466,778)
NET POSITION, Beginning	<u>-</u>
NET POSITION, Ending	<u><u>\$ (466,778)</u></u>

See the accompanying independent auditors' report.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2020

	<u>GENERAL FUND</u>
ASSETS	
Restricted Cash and Investments	\$ 6,307,062
Property Tax Receivable	<u>-</u>
TOTAL ASSETS	<u><u>\$ 6,307,062</u></u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	
Accounts Payable	<u>\$ 8,874</u>
TOTAL DEFERRED INFLOW	<u>8,874</u>
FUND EQUITY	
Fund Balance	
Restricted for Emergencies	-
Unassigned	<u>6,298,188</u>
TOTAL FUND EQUITY	<u>6,298,188</u>
Amounts reported for governmental activities in the statement of Net Position are different because:	
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	-
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These include bonds payable (\$6,675,000), developer advances (\$60,000) , and accrued interest payable (\$29,966).	<u>(6,764,966)</u>
Net Position of governmental activities	<u><u>\$ (466,778)</u></u>

See the accompanying independent auditors' report.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
Year Ended December 31, 2020

	<u>GENERAL FUND</u>
REVENUES	
Property Taxes	<u>\$          2</u>
TOTAL REVENUES	<u>          2</u>
EXPENDITURES	
Current	
General Government	9,017
Bond Issuance Costs	<u>438,723</u>
TOTAL EXPENDITURES	<u>447,740</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	<u>(447,738)</u>
OTHER FINANCING SOURCES (USES)	
Developer Advances	6,675,000
Transfer to Other District	60,000
Transfer from Other District	<u>10,926</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>6,745,926</u>
NET CHANGE IN FUND BALANCES	6,298,188
FUND BALANCES, Beginning	<u>-</u>
FUND BALANCES, Ending	<u><u>\$  6,298,188</u></u>

See the accompanying independent auditors' report.



NORTHFIELD METROPOLITAN DISTRICT NO. 2

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2020

Amounts Reported for Governmental Activities in the Statement of Activities  
are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 6,298,188
Debt proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not effect the statement of activities.	(6,735,000)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the change in accrued interest.	<u>(29,966)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (466,778)</u></u>

See the accompanying independent auditors' report.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Northfield Metropolitan District No. 2 was formed to provide public services and improvements for the District and surrounding area within its boundaries. The District is governed by a five-member Board of Directors elected by the constituents.

The accounting policies of the Northfield Metropolitan District No. 2 (the “District”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

**Reporting Entity**

In accordance with governmental accounting standards, the Northfield Metropolitan District No. 2 has considered the possibility of inclusion of additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The District is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if District officials appoint a voting majority of the organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. The District may also be financially accountable for organizations that are fiscally dependent upon it.

Based on the application of these criteria, the District does not include additional organizations in its reporting entity.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the 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*.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Government-Wide and Fund Financial Statements** (Continued)

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 the 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Service fees, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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.

In the fund financial statements, the District reports the following major governmental fund:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Cash and Investments**

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

**Capital Assets**

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets 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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The District has no Capital Assets at December 31, 2020.

**Long-Term Obligations**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities fund type statement of net position.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Deferred Outflows/Inflows of Resources** (Continued)<sup>9</sup>

In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows or resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Net Position**

The government-wide financial statements, utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

*Net Investment in Capital Assets* includes the District's capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, or improvement of those assets. The District does not own any capital assets at December 31, 2020.

*Restricted Net Position* includes assets that have third-party (statutory, bond covenant, or granting agency) limitations on their use. The District typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

*Unrestricted Net Position* typically includes unrestricted liquid assets. The Board has the authority to revisit or alter this designation.

**Net Position/Fund Balance Classification**

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed.

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has no restricted resources as of December 31, 2020.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Net Position/Fund Balance Classification** (Continued)

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

The District did not have any committed resources as of December 31, 2020.

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

**Property Taxes**

Property taxes are levied on December 15 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the District on a monthly basis.

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- On or before October 15th, District Management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**(Continued)

- Prior to December 31, the budget is legally enacted through passage of a resolution.
- District Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board of Directors.
- Budgets are legally adopted for all funds of the District on a basis consistent with generally accepted accounting principles (GAAP).
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Directors. All appropriations lapse at year end.

**NOTE 3: CASH AND INVESTMENTS**

**Deposits**

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2020, State regulatory commissioners have indicated that all financial institutions holding deposits for the District are eligible public depositories.

Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The District has no policy regarding custodial credit risk for deposits.

At December 31, 2020, the District had deposits with financial institutions with a carrying amount of \$15,783. The bank balances with the financial institutions were \$6,909. All of these balances were covered by federal depository insurance.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

**NOTE 3: CASH AND INVESTMENTS** (Continued)

**Investments**

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

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

The above investments are authorized for all funds and fund types used by Colorado municipalities.

**Fair Value**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs.

The District has no investments requiring categorization as of December 31, 2020.



NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE 3: CASH AND INVESTMENTS** (Continued)

**Local Government Investment Pools**

The District had invested \$6,291,279 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

**Restricted Cash and Investments**

Cash and investments in the amount of \$6,307,062 are restricted for debt service.

**NOTE 4: LONG-TERM DEBT**

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2020.

	<u>Balance</u> <u>12/31/19</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/20</u>	<u>Due In</u> <u>One Year</u>
Bond Payable	\$ -	\$ 6,675,000	\$ -	\$ 6,675,000	\$ -
Developer Note	-	60,000	-	60,000	60,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 6,735,000</b>	<b>\$ -</b>	<b>\$ 6,735,000</b>	<b>\$ 60,000</b>

**Bond Payable**

On November 18, 2020, the District issued \$6,675,000 in Series 2020 Limited General Obligation Refunding Bonds. Proceeds will be used to fund capital projects. The bonds carry interest rates ranging from 5.0% to 7.5%. Annual principal and interest payments are due on December 1 through 2050.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE 4: LONG-TERM DEBT** (Continued)

**Developer Note**

On November 30, 2020, the District entered into a Funding and Reimbursement Agreement (the “Agreement”) with Northfield Land, LLC (the “Developer”) to advance funds to the District for administration, operations and maintenance costs. Pursuant to the Agreement, the District made a note to the Developer further evidencing the District’s obligation to make repayment of all amounts borrowed from the Developer. The agreement will continue until fully performed or terminated by mutual agreement of the parties. The District will reimburse the Developer for advances to the extent it has funds available from the imposition of its mill levy and other sources of District revenue after payment of its annual debt service obligation and annual operations and maintenance expenses. The interest rate on this note is 6.25%.

Estimated annual debt service requirements for the outstanding bonds at December 31, 2020 are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 356,911	\$ 356,911
2022	-	355,375	355,375
2023	-	355,375	355,375
2024	-	355,375	355,375
2025	-	355,375	355,375
2026 – 2030	425,000	1,746,375	2,171,375
2031 – 2035	750,000	1,601,375	2,351,375
2036 – 2040	1,090,000	1,381,625	2,471,625
2041 – 2045	1,500,000	1,069,875	2,569,875
2046 – 2050	<u>2,910,000</u>	<u>643,125</u>	<u>3,553,125</u>
<b>Total</b>	<b><u>\$ 6,675,000</u></b>	<b><u>\$ 8,220,786</u></b>	<b><u>\$ 14,895,786</u></b>

**NOTE 5: RELATED PARTIES**

All of the members of the Board of Directors are either investors in the Developer, or otherwise affiliated with the Developer. The District owes the Developer \$60,000 in note principal as of December 31, 2020.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

**NOTE 6: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District participates in the Colorado Special Districts Property and Liability Insurance Pool. The Pool insures property and liability exposures through contributions made by member districts. The District does not maintain an equity interest in the self insurance pool. The District funds its pool contributions, outside insurance purchases, deductibles, and uninsured losses through the General Fund.

Settled claims resulting from these risks have not exceeded commercial or District coverages in the last year.

**NOTE 7: DEBT AUTHORIZATION**

On October 1, 2019 a majority of the qualified electors of the District authorized the issuance of general obligation indebtedness as follows:

- An amount not to exceed \$16,000,000 at an interest rate not to exceed 12% per annum, for providing public improvements; and

The District's Service Plan includes a debt authorization limit of \$16,000,000.

As of December 31, 2020, the amount of debt authorized but unissued was \$9,325,000. The District intends to issue over time a part or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

**NOTE 8: DEFICIT NET POSITION**

As of December 31, 2020, the District had a government-wide net position deficit of \$466,778. This deficit is expected to decrease as the District pay off the bonds.

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

TABOR Amendment - Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the Amendment.

NORTHFIELD METROPOLITAN DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

**NOTE 9: COMMITMENTS AND CONTINGENCIES** (Continued)

The District has established an emergency reserve, representing 3% of fiscal year spending, as required by the Amendment. At December 31, 2020, the emergency reserve of \$0 was recorded in the General Fund.

**NOTE 10: SUBSEQUENT EVENTS**

The District has evaluated subsequent events through the date which the financial statements were issued. There were no material subsequent events that required recognition or additional disclosure.

**REQUIRED SUPPLEMENTAL INFORMATION**

NORTHFIELD METROPOLITAN DISTRICT NO. 2

GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Interest and Other	\$ -	\$ -	\$ 2	\$ 2
TOTAL REVENUES	-	-	2	2
EXPENDITURES				
Current				
General Government				
Accounting and Administration	-	-	2,000	(2,000)
District Management	-	-	3,000	(3,000)
Office and Other	-	-	4,017	(4,017)
Bond Issuance Costs	-	7,515,000	438,723	7,076,277
TOTAL EXPENDITURES	-	7,515,000	447,740	7,067,260
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(7,515,000)	(447,738)	7,067,262
OTHER FINANCING SOURCES (USES)				
Proceeds from the Issuance of Debt	-	7,515,000	6,675,000	(840,000)
Developer Advances	-	-	60,000	60,000
Transfer from Other District	-	-	10,926	10,926
TOTAL OTHER FINANCING SOURCES (USES)	-	7,515,000	6,745,926	(769,074)
CHANGE IN FUND BALANCES	-	-	6,298,188	6,298,188
FUND BALANCE, Beginning	-	-	-	-
FUND BALANCE, Ending	\$ -	\$ -	\$ 6,298,188	\$ 6,298,188

See the accompanying independent auditors' report.

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

IF EITHER REVENUES OR EXPENDITURES EXCEED \$100,000 USE THE LONG FORM.

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$750,000 in the year.

### EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit EACH YEAR and submit it to the Office of the State Auditor (OSA).

Any preparer of an Application for Exemption from Audit-SHORT FORM must be a person skilled in governmental accounting.

Approval for an exemption from audit is granted only upon the review by the OSA.

### READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

ALL APPLICATIONS MUST BE FILED WITH THE OSA WITHIN 3 MONTHS AFTER THE ACCOUNTING YEAR-END.

FOR EXAMPLE, APPLICATIONS MUST BE RECEIVED BY THE OSA ON OR BEFORE MARCH 31 FOR GOVERNMENTS WITH A DECEMBER 31 YEAR-END.

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PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.

FOR YOUR REFERENCE, COLORADO REVISED STATUTES CAN BE FOUND AT:

APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

<http://www.lexisnexis.com/hottopics/Colorado/>

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

## CHECKLIST

- Has the preparer signed the application?
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- Has the application been PERSONALLY reviewed and approved by the governing body?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
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  - If yes, have you read and understand the new Electronic Signature Policy? See new policy -> [here](#)
- OR--
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  - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
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- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
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## FILING METHODS

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**MAIL:** Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
**FAX:** 303-869-3061

**EMAIL:** [osa.lg@state.co.us](mailto:osa.lg@state.co.us)

**QUESTIONS?** 303-869-3000

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Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year.

In that event, AN AUDIT SHALL BE REQUIRED.



# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

Northfield Metropolitan District No. 1
1927 Wilmington Drive Ste 101
Fort Collins, Colorado 80528
Guy Johnson, District Manager
970-377-9989
manager@northfelddistricts.com
970-225-0054

For the Year Ended  
12/31/20  
or fiscal year ended:

CONTACT PERSON  
PHONE  
EMAIL  
FAX

### PART 1 - CERTIFICATION OF PREPARER

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

NAME:  
TITLE  
FIRM NAME (if applicable)  
ADDRESS  
PHONE  
DATE PREPARED

Christine A. Reeves
Certified Public Accountant
John Cutler and Associates, LLC
600 17th Street, Suite 200 S. Denver CO 80202
303-634-2259
3/19/2021

**PREPARER** (SIGNATURE REQUIRED)

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>
<input checked="" type="checkbox"/>	<input type="checkbox"/>

## PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ 45,000	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 45,000	

## PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 18,385	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24	Service Fees to NFMD #2	\$ 10,926	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 29,311	

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

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

Please answer the following questions by marking the appropriate boxes.

- 4-1 Does the entity have outstanding debt?  
If Yes, please attach a copy of the entity's Debt Repayment Schedule. Yes  No
- 4-2 Is the debt repayment schedule attached? If no, MUST explain: Yes  No

Developer advance, no formal repayment schedule.

- 4-3 Is the entity current in its debt service payments? If no, MUST explain: Yes  No

4-4 Please complete the following debt schedule, if applicable:  
(please only include principal amounts)(enter all amount as positive numbers)

	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ 45,000	\$ -	\$ 45,000
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 45,000</b>	<b>\$ -</b>	<b>\$ 45,000</b>

\*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

- 4-5 Does the entity have any authorized, but unissued, debt? Yes  No   
If yes: How much? \$ 16,000,000.00  
Date the debt was authorized: 11/5/2019
- 4-6 Does the entity intend to issue debt within the next calendar year? Yes  No   
If yes: How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? Yes  No   
If yes: What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements? Yes  No   
If yes: What is being leased? [ ]  
What is the original date of the lease? [ ]  
Number of years of lease? [ ]  
Is the lease subject to annual appropriation? Yes  No   
What are the annual lease payments? \$ -

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

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

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 15,689	
5-2 Certificates of deposit	\$ -	
<b>Total Cash Deposits</b>		<b>\$ 15,689</b>
Investments (if investment is a mutual fund, please list underlying investments)		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>Total Investments</b>		<b>\$ -</b>
<b>Total Cash and Investments</b>		<b>\$ 15,689</b>

Please answer the following questions by marking in the appropriate boxes

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

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

## PART 6 - CAPITAL ASSETS

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

Yes  No

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

6-3 Complete the following capital assets table:

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

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

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

Yes  No

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

If yes: Who administers the plan?

Indicate the contributions from:

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

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

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

Yes  No  N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?  Yes  No  N/A
- Newly formed entity in 2020, no mill levy
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:  Yes  No  N/A

see 8-1

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

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ -

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

Please answer the following question by marking in the appropriate box.

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?  Yes  No

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

## PART 10 - GENERAL INFORMATION

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

Yes

No

10-1 Is this application for a newly formed governmental entity?  Yes  No

If yes: Date of formation:

10-2 Has the entity changed its name in the past or current year?  Yes  No

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

10-3 Is the entity a metropolitan district?  Yes  No

Please indicate what services the entity provides:

10-4 Does the entity have an agreement with another government to provide services?  Yes  No

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

10-5 Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during

If yes: Date Filed:

10-6 Does the entity have a certified Mill Levy?  Yes  No

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

Bond Redemption mills

General/Other mills

Total mills

Please use this space to provide any explanations or comments:

10-3: To acquire, construct, and install public improvement and related operations and maintenance within the boundaries of the District to provide street, safety protections, parks and recreation, water, sanitary sewer, storm drainage, covenant enforcement, security, and mosquito control service.

## PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1

If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

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

#### Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Jason Sherrill, President	I <u>Jason Sherrill</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>MARCH 29 2021</u> My term Expires: <u>MAY 2023</u>
Board Member 2	Jonathan Mosier, Vice President	I <u>Jonathan Mosier</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>MARCH 29 2021</u> My term Expires: <u>MAY 2023</u>
Board Member 3	Rahul Majumdar, Secretary/Treasurer	I <u>Rahul Majumdar</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>MARCH 29 2021</u> My term Expires: <u>MAY 2022</u>
Board Member 4	Deborah Mosier, Assistant Secretary	I <u>Deborah Mosier</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Deborah Mosier</u> Date: <u>MARCH 29 2021</u> My term Expires: <u>MAY 2022</u>
Board Member 5	Tamara Sherrill, Assistant Secretary	I <u>Tamara Sherrill</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>MARCH 29 2021</u> My term Expires: <u>MAY 2022</u>
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

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Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203

**FAX:** 303-869-3061

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**QUESTIONS?** 303-869-3000

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# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

Northfield Metropolitan District No. 3  
1927 Wilmington Drive Ste 101  
Fort Collins, Colorado 80528

For the Year Ended  
12/31/20  
or fiscal year ended:

CONTACT PERSON  
PHONE  
EMAIL  
FAX

Guy Johnson, District Manager  
970-377-9989  
manager@northfelddistricts.com  
970-225-0054

### PART 1 - CERTIFICATION OF PREPARER

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

NAME:  
TITLE  
FIRM NAME (if applicable)  
ADDRESS  
PHONE  
DATE PREPARED

Christine A. Reeves  
Certified Public Accountant  
John Cutler and Associates, LLC  
600 17th Street, Suite 200 S. Denver CO 80202  
303-634-2259  
3/18/2021

### PREPARER (SIGNATURE REQUIRED)

*Christine A. Reeves*

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

**GOVERNMENTAL**  
(MODIFIED ACCRUAL BASIS)

**PROPRIETARY**  
(CASH OR BUDGETARY BASIS)



## PART 2 - REVENUE

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

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

## PART 3 - EXPENDITURES/EXPENSES

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

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

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

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

Please answer the following questions by marking the appropriate boxes.

- |     |   |                          |                                     |
|-----|---|--------------------------|-------------------------------------|
|     |   | Yes                      | No                                  |
| 4-1 | Does the entity have outstanding debt?<br>If Yes, please attach a copy of the entity's Debt Repayment Schedule. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4-2 | Is the debt repayment schedule attached? If no, MUST explain:   | <input type="checkbox"/> | <input type="checkbox"/>            |

- |     |  |                          |                          |
|-----|--|--------------------------|--------------------------|
|     |  | Yes                      | No                       |
| 4-3 | Is the entity current in its debt service payments? If no, MUST explain: | <input type="checkbox"/> | <input type="checkbox"/> |

4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year	Issued during year	Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -	\$ -
	Leases	\$ -	\$ -	\$ -	\$ -
	Developer Advances	\$ -	\$ -	\$ -	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -

\*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

- |         |  |                                     |                                     |
|---------|--|-------------------------------------|-------------------------------------|
|         |  | Yes                                 | No                                  |
| 4-5     | Does the entity have any authorized, but unissued, debt?                             | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| If yes: | How much?  | \$ 16,000,000.00                    |                                     |
|         | Date the debt was authorized:  | 11/5/2019                           |                                     |
| 4-6     | Does the entity intend to issue debt within the next calendar year?                  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| If yes: | How much?  | \$ -                                |                                     |
| 4-7     | Does the entity have debt that has been refinanced that it is still responsible for? | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| If yes: | What is the amount outstanding?  | \$ -                                |                                     |
| 4-8     | Does the entity have any lease agreements?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| If yes: | What is being leased?  |                                     |                                     |
|         | What is the original date of the lease?  |                                     |                                     |
|         | Number of years of lease?  |                                     |                                     |
|         | Is the lease subject to annual appropriation?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
|         | What are the annual lease payments?  | \$ -                                |                                     |

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

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

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
	<b>Total Cash Deposits</b>		\$ -
	Investments (if investment is a mutual fund, please list underlying investments)		
		\$ -	
5-3		\$ -	
		\$ -	
		\$ -	
	<b>Total Investments</b>		\$ -
	<b>Total Cash and Investments</b>		\$ -

Please answer the following questions by marking in the appropriate boxes

- |     |   |                          |                          |                                     |
|-----|---|--------------------------|--------------------------|-------------------------------------|
|     |   | Yes                      | No                       | N/A                                 |
| 5-4 | Are the entity's Investments legal in accordance with Section 24-75-801, et seq., C.R.S.?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5-5 | Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

## PART 6 - CAPITAL ASSETS

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

Yes                      No

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

6-3 Complete the following capital assets table:

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

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

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

Yes                      No

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

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
<b>TOTAL</b>	<b>\$ -</b>

What is the monthly benefit paid for 20 years of service per retiree as of Jan  \$ -

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

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

Yes                      No                      N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?  Yes       No       N/A
- No activity in 2020
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:  Yes       No       N/A

see 8-1

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

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ -

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

Please answer the following question by marking in the appropriate box

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR



If no, MUST explain:

## PART 10 - GENERAL INFORMATION

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

Yes

No

10-1 Is this application for a newly formed governmental entity?



If yes: Date of formation:

10-2 Has the entity changed its name in the past or current year?



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

10-3 Is the entity a metropolitan district?



Please indicate what services the entity provides:

10-4 Does the entity have an agreement with another government to provide services?



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

10-5 Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during



If yes: Date Filed:

10-6 Does the entity have a certified Mill Levy?



If yes:

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

Bond Redemption mills

General/Other mills

Total mills

Please use this space to provide any explanations or comments:

10-3: To acquire, construct, and install public improvement and related operations and maintenance within the boundaries of the District to provide street, safety protections, parks and recreation, water, sanitary sewer, storm drainage, covenant enforcement, security, and mosquito control service.

## PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

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

#### Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below.		A MAJORITY of the members of the governing body must complete and sign in the column below.	
Board Member 1	Print Board Member's Name Jason Sherrill, President	I <u>Jason Sherrill</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: _____ My term Expires: <u>May 2023</u>	
Board Member 2	Print Board Member's Name Jonathan Mosier, Vice President	I <u>Jonathan Mosier</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: _____ My term Expires: <u>May 2023</u>	
Board Member 3	Print Board Member's Name Rahul Majumdar, Secretary/Treasurer	I <u>Rahul Majumdar</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: _____ My term Expires: <u>May 2022</u>	
Board Member 4	Print Board Member's Name Deborah Mosier, Assistant Secretary	I <u>Deborah Mosier</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Deborah Mosier</u> Date: _____ My term Expires: <u>May 2022</u>	
Board Member 5	Print Board Member's Name Tamara Sherrill, Assistant Secretary	I <u>Tamara Sherrill</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: _____ My term Expires: <u>May 2022</u>	
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____	
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____	



**EXHIBIT B**  
**2021 Budgets**

Northfield Metropolitan District #1		2021 FINAL Budget				01/21/2021j
Statement of Revenues & Expenditures with Budget						
December 31, 2019 Actuals, 2020 Adopted Budget						
Year-to-Date Actual Budget and Variance through December 31, 2020						
2021 FINAL Budget						
GENERAL FUND	2019	2020	2020	Variance	YTD Act	2021
	Unaudited	Unaudited	Actuals	Through	as % of	Proposed Budget
<b>Revenues</b>	Actual 12/31/2019	Budget	12/31/2020	12/31/2020	Budget	
Property taxes	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Specific Ownership Tax	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Transferred in From #2 (10mills)	\$0.00	\$0.00	\$ -	\$ -		\$24.00
Interest Income/Other Income/Admin Trans Fees	\$0.00	\$0.00	\$ -	\$ -		\$0.00
O & M fees	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Covenant Violation Fees	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Out of District Pool Mmb/Rentals	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Developer/Builder Advance	\$0.00	\$50,000.00	\$ 45,000.00	\$ (5,000.00)		\$90,000.00
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 50,000.00</b>	<b>\$ 45,000.00</b>	<b>\$ (5,000.00)</b>		<b>\$90,024.00</b>
<b>Expenditures</b>						
Treasurer Fees/IPN Fees	\$0.00	\$0.00	\$ -	\$ -	0.00%	\$0.00
Transfer to District #2 (Debt Serv)	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Accounting and Finance	\$0.00	\$10,000.00	\$ 2,000.00	\$ (8,000.00)	20.00%	\$12,000.00
Audit	\$0.00	\$500.00	\$ -	\$ (500.00)	0.00%	\$6,000.00
Community Activities	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Contingency/3% Tabor	\$0.00	\$1,428.00	\$ -	\$ (1,428.00)	0.00%	\$2,701.00
District Management	\$0.00	\$0.00	\$ 3,000.00	\$ 3,000.00		\$12,000.00
District Engineer	\$0.00	\$5,000.00	\$ -	\$ (5,000.00)		\$25,000.00
Elections	\$0.00	\$5,000.00	\$ -	\$ (5,000.00)	0.00%	\$4,000.00
Fence Maintenance and Repair	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Insurance & Risk Management	\$0.00	\$2,100.00	\$ 2,052.00	\$ (48.00)	97.71%	\$2,052.00
Landscape Maint & Snow removal	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Legal	\$0.00	\$15,000.00	\$ 19,092.80	\$ 4,092.80	127.29%	\$20,000.00
Office, Dues, Newsletters & Other	\$0.00	\$0.00	\$ -	\$ -		\$2,000.00
Pool Expenses	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Irrigation Sys Utl & Ditch Maint.	\$0.00	\$0.00	\$ -	\$ -		\$0.00
Repair/Replacement reserve	\$0.00	\$10,972.00	\$ -	\$ (10,972.00)	0.00%	\$4,271.00
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ 50,000.00</b>	<b>\$ 26,144.80</b>	<b>\$ (23,855.20)</b>		<b>\$90,024.00</b>
<b>Revenues over/(under) Expenditures</b>	<b>0</b>	<b>0</b>	<b>18855.2</b>	<b>18855.2</b>		<b>\$0.00</b>
<b>Beginning Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
	<b>\$ -</b>					

Northfield Metro District No. 2				Final 2021	1/21/2021		
Statement of Revenues & Expenditures with Budget							
2019 Adopted Unaudited Budget/ 2020 Amended Budget							
Year-to-date Actual Budget and Variance through December 31, 2020							
2020 Amended/ 2021 FINAL Budget							
GENERAL FUND	2019 Budget	2020 Budget	2020 Amended Budget	2020 Actuals 12/31/2020	Variance Through 12/31/2020	YTD Act as % of Budget	2021 Budget
<b>Revenues</b>							
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -		\$121.00
Specific Ownership Tax	\$ -	\$ -	\$ -	\$ -	\$ -		\$7.00
Developer Advance	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00		\$0.00
Interest Income/Other Income	\$ -	\$ -	\$ -	\$ -	\$ -		\$0.00
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>		<b>\$128.00</b>
<b>Expenditures</b>							
Transfer to District #1 for General (10mills)	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 24.00
Payments for Debit Service	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 101.00
Treasurer Fees	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 3.00
Contingency	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00		\$ -
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000.00</b>	<b>\$5,000.00</b>		<b>\$ 128.00</b>
<b>Revenues over/(under) Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ -</b>		<b>0</b>
<b>Debit Service</b>							
	2019 Budget	2020 Budget	2020 Amended Budget	2020 Actuals 12/31/2020	Variance Through 12/31/2020	YTD Act as % of Budget	2021 Budget
<b>Revenues</b>							
Transfer from #1 Tax Rev for Debit							\$0.00
Transfer from # 2 General Tax Rev for Debit							\$101.00
Proceeds from 2018 A Bond	\$ -	\$ -	\$ 6,515,000.00	\$ -	\$ (6,515,000.00)		\$0.00
Proceeds from 2018 B Bond	\$ -	\$ -	\$ 1,000,000.00	\$ -	\$ (1,000,000.00)		\$0.00
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -		\$0.00
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,515,000.00</b>	<b>\$ -</b>	<b>\$ (7,515,000.00)</b>		<b>\$101.00</b>
<b>Expenditures</b>							
Bond Principal	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Bond Interest	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 101.00
Paying Agent Fee	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Project Fund Senior			\$ 3,942,325.00				
Project Fund Sub			\$ 940,000.00				
Debt Serv Reserve Fund			\$ 700,000.00				
Capitalized Interest			\$ 1,407,675.00				
Cost of Issuance			\$ 375,000.00				
Underwriter Discount Expense			\$ 150,000.00				
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,515,000.00</b>	<b>\$ -</b>	<b>\$0.00</b>		<b>\$ 101.00</b>
<b>Revenues over/(under) Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ -</b>		<b>\$0.00</b>
<b>Capital</b>							
	2019 Budget	2020 Budget	2020 Amended Budget	2020 Actuals 9/30/2020	Variance Through 9/30/2020	YTD Act as % of Budget	2021 Budget
<b>Revenues</b>							
Proceeds for Project Fund	\$ -	\$ -	\$ -	\$ -	\$ -		\$4,882,325.00
Proceeds from ending Fund Balance of 2020							\$0.00
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$4,882,325.00</b>
<b>Expenditures</b>							
Project Fund (Construction Cost)	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 4,882,325.00
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0.00</b>		<b>\$ 4,882,325.00</b>
<b>Revenues over/(under) Expenditures</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>	<b>0</b>	<b>\$0.00</b>		<b>\$0.00</b>

Northfield Metro District #3		FINAL Budget				1/21/2021
Statement of Revenues & Expenditures with Budget						
December 31, 2019 Actual, 2020 Adopted Budget						
Year-to-date Actual Budget and Variance through December 31, 2020						
2021 FINAL Budget						
District No 3		Modified Accrual Budgetary Basis				
GENERAL FUND	2019	2020	Actual	Variance	YTD Act	2021
	Audited	Unaudited	Through	Through	as % of	Budget
	Actual 12/31/2019	Budget	12/31/2020	12/31/2020	Budget	
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -		\$ -
Specific Ownership taes	\$ -	\$ -	\$ -	\$ -		\$ -
Interest & Other	\$ -	\$ -	\$ -	\$ -		\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -		\$ -
Expenditures						
Payment for Services to No 2	\$ -	\$ -	\$ -	\$ -		\$ -
Treasurer's fees	\$ -	\$ -	\$ -	\$ -		\$ -
Contingency	\$ -	\$ -	\$ -	\$ -		\$ -
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ -		\$ -
Revenues over/(under) Expend	\$ -		\$ -	\$ -		\$ -

**EXHIBIT C**  
**Intergovernmental Agreements**

## INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement") is made and entered into as of the \_\_\_ day of 5/14/2020, 2020, by and between the **City of Fort Collins, Colorado**, a Colorado home rule municipality (the "City"), and **Northfield Metropolitan District Nos. 1-3**, quasi-municipal corporations and political subdivisions of the State of Colorado (collectively, the "Districts"). The City and the Districts shall be collectively referred to as the "Parties."

### RECITALS

WHEREAS, the Districts were organized to provide those services and to exercise powers as are more specifically set forth in the Districts' Service Plan dated October 1, 2019, which may be amended from time to time as set forth therein (the "Service Plan"); and

WHEREAS, the Service Plan requires the execution of an intergovernmental agreement between the City and the Districts to provide the City with contract remedies to enforce the requirements and limitations imposed on the Districts in the Service Plan; and

WHEREAS, the City and the Districts have determined it to be in their best interests to enter into this Agreement as provided in the Service Plan.

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### COVENANTS AND AGREEMENTS

1. Incorporation by Reference. The Service Plan is hereby incorporated in this Agreement by this reference. The Districts agree to comply with all provisions of the Service Plan, as it may be amended from time to time in accordance with the provisions thereof, and the provisions of Article 1 of Title 31 of the Colorado Revised Statutes (the "Special District Act"). Capitalized terms used herein not otherwise defined in this Agreement shall have the meanings, respectfully, specified in the Service Plan.

2. City Prior Approvals. The Districts shall obtain any prior City, City Manager or City Council approvals as required in the Service Plan before undertaking any action requiring such approval.

3. Enforcement. The Parties agree that this Agreement may be enforced at law or in equity, including actions seeking specific performance, mandamus, prohibitory or mandatory injunctive relief, or other appropriate relief. The Parties also agree that this Agreement may be enforced pursuant to C. R. S. Section 32-1-207 and other provisions of the Special District Act granting rights to municipalities or counties approving a service plan of a special district.

4. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto.

5. Governing Law; Venue. This Agreement shall be governed by and construed under the applicable laws of the State of Colorado. Venue for any judicial action to interpret or enforce this Agreement shall be in Larimer County District Court of the Eighth Judicial District for the State of Colorado.


6. Beneficiaries. Except as otherwise stated herein, this Agreement is intended to only describe the rights and responsibilities of and between the named Parties and is not intended to and shall not be deemed to confer any rights upon any other persons or entities not named as parties in this Agreement.

7. Effect of Invalidity. If any portion of this Agreement is held invalid or unenforceable for any reason by a court of competent jurisdiction as to any or all the Parties, such portion shall be deemed severable and its invalidity or its unenforceability shall not cause the entire Agreement to be terminated.

8. Assignability. Neither the City nor the Districts shall assign their rights or delegate their duties hereunder without the prior written consent of the other Parties. Any assignment of rights or delegation of duties without such prior written consent shall be deemed null and void and of no effect. Notwithstanding the foregoing, the City and the Districts may enter into contracts or other agreements with third parties to perform any of their respective duties required under this Agreement.

9. Successors and Assigns. This Agreement and the rights and obligations created hereby shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.


NORTHFIELD METROPOLITAN  
DISTRICT NO. 1

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

ATTEST:

  
\_\_\_\_\_

NORTHFIELD METROPOLITAN  
DISTRICT NO. 2

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

ATTEST:

  
\_\_\_\_\_

NORTHFIELD  
DISTRICT NO. 3

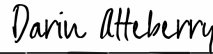
METROPOLITAN

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

ATTEST:

  
\_\_\_\_\_  
Notary Public (Mass., 2020)


CITY OF FORT COLLINS

DocuSigned by:  
By:   
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Darin A. Atteberry, City Manager

ATTEST:

DocuSigned by:  
  
\_\_\_\_\_  
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City Clerk

Approved as to form:

DocuSigned by:  
  
\_\_\_\_\_  
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Deputy City Attorney