

DIVIDE MPC METROPOLITAN
DISTRICT NO. 1

2022 ANNUAL REPORT

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Divide MPC Metropolitan District No. 1 hereinafter referred to as “District”, Teller County, Colorado, is a quasi-municipal corporation and political subdivision of the State of Colorado.

OVERVIEW

The District strives to fulfill its goals, objectives, and activities through the following means:

- Provide certain essential public-purpose facilities for the use and benefit of the anticipated residents and property owners within the District and for the Development as currently planned.
- District is the Service District organized to finance, construct, own, manage and operate the public improvements throughout the Development. The District originally consisted of approximately 37 acres of land, by Order of Exclusion reduced to 2 acres of land in 2014.
- Pursuant to the Service Plan approved August 23, 2001, the District is empowered to provide street, water, sanitation collection system, park and recreation, safety protection, transportation, mosquito control, television relay and transmission, and perpetual maintenance and other improvements and services within its service area.

HISTORICAL

The District is in its twenty-first (21st) year of operation. Since November 2001, the District has been actively involved in planning the timely development of needed infrastructure for its residents and property owners. The District has entered into the following Agreements and Resolutions for the development and operation of the District:

1. Construction Funding Agreement - Street Improvements.
2. Facilities Funding, Construction and Operations Agreement.
3. Facilities Acquisition Agreement.
4. IGA for Colorado Special District Property and Liability Pool.
5. Establishment of Water Service Fees.
6. Project Funding Agreement.
7. Sanitary Sewer Fee.
8. Operations Funding Agreement.
9. Bill of Sale
10. First Amendment Regarding The establishment of Water Service Fees for Residential and Commercial Property.
11. Management Service Agreement.
12. Maintenance and Snow Removal Agreement.
13. Intergovernmental Agreement with Teller County regarding maintenance.
14. T. Charles Wilson Insurance Service Agency Service Agreement.
15. First Amendment to Management Service Agreement.
16. Second Amendment to Management Service Agreement.
17. First Amendment to Project Funding Agreement.
18. Assignment, Assumption and Amendment of Maintenance and Snow Removal Agreement.
19. Letter of understanding received from Dawn A. Schilling, LLC.
20. Springs Engineering, LLC Agreement for Professional Services.
21. Clifton Gunderson LLP Engagement Letter.
22. Exhibit “A” Intergovernmental Agreement Amendment between Divide MPC Metropolitan District No. 1 and Divide MPC Metropolitan District No. 2.
23. Water Lease Agreement by and between Rule Creek Water Rights, LLC and Divide MPC Metropolitan District No. 1.
24. Water Supply Agreement.
25. Dawn A. Schilling, LLC December 31, 2007, Audit Service Agreement.
26. Schumack Ryals, PLLC Engagement Letter
27. 2008 Operations Funding Agreement.
28. 2009 Operations Funding Agreement
29. Construction Funding Agreement Termination.

30. Rothgerber Johnson & Lyons, LLP Agreement for Legal Services.
31. Engagement of Bond Counsel Sherman & Howard, LLC
32. Collins Cockrel and Cole Legal Counsel Engagement
33. Loan Agreement Colorado Water Resources and Power Development Authority.
34. A Resolution Authorizing Interfund Loan.
35. A Resolution Approving a 2009 Loan from the Colorado Water Resources and Development Authority
36. A Resolution Approving a 2010 Loan from the Colorado Water Resources and Development Authority
37. A Resolution Adopting an Electronic Mail Policy
38. A Resolution Adopting Indemnification of Board Members
39. 2010 Operations Funding Agreement
40. Intergovernmental Agreement Second Amendment between Divide MPC Metropolitan District No. 1 and Divide MPC Metropolitan District No. 2.
41. Resolution Certifying Delinquent Account for Collection by County Treasurer
42. Resolution Designating the Official Custodian of Records and Adopting a Policy to Open Records
43. Resolution Regarding the Amendment of the District's Rules and Regulations concerning multi-family water tap and user fees
44. Petition for Exclusion and issuance of Order by Board of Directors for Exclusion of Real Property
45. Petition for Inclusion and issuance of Order by Board of Directors for Inclusion of Real Property
46. Resolution to Assign Reimbursement Obligations to Extreme Land and Mineral LLC
47. Spencer Fane Legal Counsel Engagement
48. Resolution Authorizing Online Meeting Notice of Public Meeting
49. Resolution Amending 2020 Budget
50. Resolution Annual Administrative Matters.
51. Resolution Approval of Exclusion from Worker's Compensation
52. Other Resolutions as required by state statute such as, Amend Budget Resolution, Budget Resolution, Exemption Resolution, Mill Levy Resolution, Posting, Meeting, Date and Time Resolution, Election Resolution, etc.

GOALS AND OBJECTIVES

The District does not anticipate Bond Issuance in 2023.

BUDGET AND FINANCE

The District is proposing three (3) separate 2023 funds:

General Fund. The General Fund will provide for general operating expenses. Revenues will be generated from payment from Divide MPC Metropolitan District No. 2, for contracted services. Expenditures include administrative services based upon contracted amounts, lease agreements, Easement / Access Agreement, legal services and expenses related to the statutory operations of a local government. The District has provided for the Emergency Reserve Fund in the amount of 3% of the total fiscal year spending in the General Fund in accordance with Article X, Section 20 of the Colorado Constitution.

Capital Project Fund. The Capital Project revenues are mainly generated from Water Tap Fees, new loan, and Teller County Project Funding. Expenditures include Water Facility, Safety and Street Improvements, Water Lease interest, Developer Advance interest and or principal payments for 2023.

Water Facility Enterprise Fund. The Water Facility Enterprise Fund revenues are mainly generated from water tap fees, system operation charges, and water usage fees and AOS charges. Expenditures include System Operations, Easement / Access Agreement and Water Rights Lease Agreement.

RULES AND REGULATIONS

A copy of the Rules and Regulations adopted by the Board may be obtained by contacting the District at PO Box 220 Divide, CO 80814 or 719-331-9193.

ASSESSED VALUATION

The December 31st assessed valuation is \$45,270.

BUDGET

A copy of the current year's budget is attached.