



# PRAIRIESTAR METROPOLITAN DISTRICT NEWSLETTER

October 3, 2017  
Volume 1, Issue 3

### Inside this issue:

|                          |     |
|--------------------------|-----|
| New Community Manager    | 1   |
| Second Community Liaison | 1   |
| Trash Collection Service | 1   |
| Water Pressure           | 2   |
| Landscaping              | 2   |
| Fencing                  | 2   |
| Gallagher Amendment      | 3-4 |

## New Community Manager!

The District is pleased to announce Ms. Monika Gesikowska as your new Community Manager. Should you have any questions or concerns regarding covenant control, you may contact Monika at [mgesikowska@sdmsi.com](mailto:mgesikowska@sdmsi.com) or 303-987-0835.

## Please Welcome an Additional Community Liaison!

At the December, 2016 Board of Director's meeting, resident **Josh Schoettle** was appointed to the role of Community Liaison for PrairieStar. NOW, PLEASE WELCOME **Kristyn Degi** as your additional Liaison of the community. Kristyn was appointed at the Board Meeting held on September 28<sup>th</sup>, 2017. The role of the Liaisons is to assist in communications between residents and the District Board of Directors. Please see your Liaisons for any questions and concerns you may have. You may introduce yourself to Kristyn by stopping by or contacting her by email listed below.

First Liaison: **Josh Schoettle** at 857 Ranchhand Drive – [jpschoettle@gmail.com](mailto:jpschoettle@gmail.com)

Second Liaison: **Kristyn Degi** at 2910 Big Thunder Road - [Kristyn.degi@gmail.com](mailto:Kristyn.degi@gmail.com)

## TRASH & RECYCLING

### United Waste Systems - 2017 Holiday Calendar

#### **OBSERVED HOLIDAYS – NO SERVICE**

- May 29: Memorial Day
- July 04: Independence Day
- September 04: Labor Day
- November 23: Thanksgiving Day
- December 25: Christmas Day



**\*If your service day falls on a holiday, trash service will be resumed the following day.**

For Christmas Day, which falls on a Monday this year, pickup will occur on Wednesday. For more information contact Rose at (970) 532-0803 or email at [unitedwastesystems@gmail.com](mailto:unitedwastesystems@gmail.com)

## Water Pressure Concerns:

Concerns regarding low water pressure in the early mornings should now be resolved with the change to filling of construction water tanks in the evening rather than the morning.

## Side and Corner Yard Landscaping

As mentioned in our August Newsflash, it is important that side yard areas and corner lot areas (where applicable) be fully landscaped/hardscaped up to backyard fencing and side gate fencing (e.g. rocks added to dirt areas near side gates, etc.) and be completed within the same deadlines as your backyard landscaping. And, ongoing maintenance by homeowners should be performed for these areas.

Below are two examples of side yard landscaping at fence lines; one which has been completed and one that has not. Please be sure yours meets the “complete” standard.



Thanks again for doing your part to maintain the beauty of the PrairieStar community!

## Reminder on Fence Installation

Please remember that if you decide to install fencing around your home **it must meet the standards set out in the Rules and Design Guidelines, page 5 number VII. Exhibit A at the end of the document also contains pictures of the fencing standards.** If your current fencing ***does not meet these guidelines, it must be corrected as soon as possible.*** Homeowner's who do not have the proper fencing installed will receive a notification from the District.

It is the goal of the District, its Board of Directors and management team to ensure the high standards and theme of the community are maintained—thank you for working with us to achieve this, and to keep PrairieStar a place everyone wants to live and play!

If you have any questions, comments, or updates regarding the installation of your backyard or side yard landscape or fencing, please contact

Monika Gesikowska District Community Manager

[mgesikowska@sdmsi.com](mailto:mgesikowska@sdmsi.com)

303-987-0835

## Meeting of the Board of Directors



On September 28<sup>st</sup>, 2017, the PrairieStar Metropolitan District's No. 1 & 2 held a Special Meeting at the Berthoud Community Center at 6pm. Highlights of this meeting included discussion regarding the change to the residential assessment ratio and "Gallagher Amendment"; water pressure concerns throughout the community, the appointment of the second Community Liaison, the trash and recycling schedule and welcoming of your new Community Manager.

The next Regular Meeting of the Board of Directors is scheduled on March 28<sup>th</sup>, 2018 at 6pm at the Berthoud Community Center, located at 248 Welch Ave. Postings for meetings (including agendas) will be located in realtor display boxes in the community at the Mail Kiosk and at the front entry on Wagon Bend Road 24 hours prior to any scheduled meeting.

## Gallagher Amendment

At the District's Board of Directors meeting on September 28<sup>th</sup>, the District's Attorney, MaryAnn McGeedy, informed the Board, that the District's Bonds REQUIRE an adjustment in the "Debt Mill levy" to, neither diminish nor enhance the revenue collected by the District as a result of the change in the assessment ratio.

In order to comply with the Bond terms and to operate the District at the anticipated budget with the same revenue that was forecast prior to the State Legislature action, the Board authorized an adjustment to the Mill levy.

The increase to the Mill Levy for tax year 2018 was approved to add 1.055 Mills to the Operational Mill Levy and 3.694 Mills to the Debt Service Mill Levy; bringing the total Mill Levy from 45.000 Mills (in 2017) to 49.749 Mills (in 2018).

### *WHAT is the Gallagher Amendment & Why did the Residential Assessment Ratio Change?*

In many states property is taxed on its market value. In Colorado, property is taxed based upon a percentage of its market value which is referred to as its assessed value. The percentage that applies to determine the assessed value is referred to as the assessment ratio. In 1982 the method for determining the assessment ratio for residential properties was set forth in the Colorado Constitution as amended by the Gallagher Amendment (named after Dennis J. Gallagher, a State Senator at the time). The goal of the Gallagher Amendment is to have the total statewide valuation for assessment divided between commercial properties and residential properties so that 55% of the statewide valuation for assessment is commercial, industrial and all other non-residential properties, and 45% of the statewide valuation for assessment is residential properties.

To achieve this balance, the Gallagher Amendment sets the rate at which commercial properties are assessed at a constant 29% and the residential assessment ratio is to increase or decrease. Pursuant to the Gallagher Amendment, on an annual basis the General Assembly is required to determine whether any adjustments are necessary to the residential assessment ratio to maintain the 45/55 balance. Although there have been years in which the Gallagher Amendment would have resulted in the assessment ratio being increased (because the total valuation for assessment of residential properties were paying less than the 45% and commercial properties were paying more than the 55%) no increase occurred because of the TABOR Amendment to the Constitution. The TABOR Amendment to the Constitution (which became a part of the Constitution in 1992) requires any change to the assessment ratio to be approved by a vote at a statewide election and no such statewide election has been held. When the Gallagher Amendment was passed, the residential assessment ratio was set at 21%. Between 1985 and 2003 the residential assessment ratio dropped from 21% to 9.15%. In 2003 it dropped to 7.96% and remained at that rate for 14 years. In May, 2017 the State legislature adjusted the residential assessment ratio to 7.2%.

**WHY did this happen?**

The Legislature completed its calculation of the total statewide valuation for assessment and determined that the residential assessment ratio needed to be reduced on a statewide basis to achieve the ratio of the 45% residential valuation for assessment and 55% for the commercial valuation for assessment. This decision was made in May of 2017 and impacts the tax collection year 2018 and thereafter, until adjusted again.

**WHAT it means? (by way of example):**

If your property has a Market Value of \$400,000; using the prior assessment ratio percentage of 7.96%, the Assessed Value of the property is \$31,840. ( $\$400,000 \times 7.96\% = \$31,840$ ).

When computing Metropolitan District taxes based upon the District's total Mill Levy of 45 mills, with an Assessed Value of \$31,840, the amount of the tax due is \$1,432.80 / year. ( $\$31,840 \times .045 = \$1,432.80$ ). Each Mill is equal to 1/1000<sup>th</sup> of a dollar.

When computing the same \$400,000 Market Value, at the new assessment ratio percentage of 7.2%; the Assessed Value of the property is \$28,800. ( $\$400,000 \times 7.2\% = \$28,800$ ). Using the same 45 Mills; the Metropolitan District taxes amount to \$1,296.00 / year. ( $\$28,800 \times .045 = \$1,296$ ).

***This is a loss of \$136.80 in revenue to the Metropolitan District (for each property using the above Market Value example).***

**Analysis of the same \$400,000 Market Value for 2018:**

Using the same Market Value of \$400,000 at the new assessment ratio percentage of 7.2%; the Assessed Value of the property is \$28,800. ( $\$400,000 \times 7.2\% = \$28,800$ ).

When computing the District tax with the total adjusted 2018 Mill levy of 49.749 Mills, the District tax amounts to \$1,432.80 / year for a house with a market value of \$400,000. This is the same amount (rounded) that would have been generated for tax year 2018 (at 45 Mills) if the Legislature had not reduced the percentage used for calculation.

The Board of Director's hope this explains why the District's Mill Levy has been adjusted to 49.749 for 2018. Should you have any questions, please contact District Manager, Lisa Jacoby at 303-987-0835 or [Ljacoby@sdmsi.com](mailto:Ljacoby@sdmsi.com)

**Please visit [WWW.SDMSI.COM](http://WWW.SDMSI.COM) for more Metropolitan District information. Click on the Districts we serve tab, next click on PrairieStar 1 or 2 to locate all documents regarding your community and the District.**