

**ANNUAL INFORMATION REPORT**  
**for the year 2023**  
**HEADWATERS METROPOLITAN DISTRICT**

As required by Section 32-1-207(3)(c), C.R.S., Section VII of the District's Service Plan approved by the Board of Trustees of the Town of Granby (the "**Town**"), on July 22, 2003, as amended (the "**Service Plan**"), and Section 9.f. of the Amended and Restated Intergovernmental Agreement among the Town of Granby, Headwaters Metropolitan District, Granby Ranch Metropolitan District, and Granby Ranch Metropolitan District Nos. 2-8, dated November 8, 2016, the following report of the activities of Headwaters Metropolitan District (the "**District**") from January 1, 2023 to December 31, 2023 is hereby submitted:

- (1) **Boundary changes made.** No boundary changes were made or proposed during the report year.
- (2) **Intergovernmental Agreements entered into or terminated.** The District did not enter into or terminate any intergovernmental agreements during the report year.
- (3) **Access information to obtain a copy of rules and regulations adopted.** The District does not currently have any rules and regulations and there were none proposed during 2023. In the event the District adopts rules and regulations in the future, such documents may be accessed on the District's website address at: <https://headwatersmd.live>.
- (4) **Summary of litigation involving the District's public improvements.** The District is a defendant in litigation commenced by the Granby Ranch Metropolitan District ("GRMD"). The case focuses on the Second Amended and Restated Lease Purchase Agreement ("LPA") entered on December 31, 2012 between the District and Granby Realty Holdings, LLC ("GRH"). The LPA granted the District possession of certain property then owned by GRH ("Leased Premises"), which included portions of the Granby Ranch ski and golf facilities, and an option to purchase the Leased Premises during the potential 50 one-year terms of the LPA (ending on December 31, 2062). The Leased Premises were part of the Granby Ranch foreclosure undertaken in 2020 by the owner of GRH's outstanding debt and holder of the 2005 deed of trust recorded on the Leased Premises. On September 1, 2020, the purchaser at the foreclosure sale notified the District that the LPA had been terminated through the foreclosure process.

GRMD filed its lawsuit in February of 2021 in the District Court in Grand County. In addition to the District, GRMD names as defendants (i) GR Terra, the current owner of the former Leased Premises, (ii) the foreclosing entity, and (iii) the purchaser at the foreclosure sale. GRMD seeks over \$6 million in damages and/or a declaration that the LPA has not been terminated. The District and GR Terra filed counterclaims against GRMD, asking the Court to declare that the LPA has been terminated: (i) because the 2020 foreclosure of

the senior deed of trust extinguished the LPA, a junior lien on the property; (ii) because the District did not appropriate funds for rent payments from and after the 2021 lease year, automatically terminating the LPA under its terms; and (iii) because the prior owner exercised its right to terminate the LPA on the ground that the District did not operate the amenities on the Leased Premises for a period of more than 30 days in the spring of 2020. The District and GR Terra also seek damages from GRMD, including attorneys' fees, for breach of various contracts.

In January of 2022, the District Court granted the defendants' motions to dismiss several of GRMD's claims before the defendants answered the complaint. The Court allowed some claims to proceed, but it did not decide the merits of those claims. All defendants subsequently filed motions for summary judgment seeking rulings in their favor on GRMD's claims. GRMD and GR Terra filed cross-motions for summary judgment seeking rulings on three of GR Terra's counterclaims.

The Court granted GR Terra's motion for summary judgment on several of its counterclaims, holding that the 2020 foreclosure of the senior deed of trust on the Granby Ranch property terminated the lease purchase agreement under established principles of real estate law. The Court further held that, even if not extinguished by the foreclosure, the lease purchase agreement terminated because the District did not appropriate rent for the 2021, 2022 or 2023 lease years. In so holding, the Court recognized that the lease purchase agreement stated that it automatically terminated if the District chose, any time during the lease term, not to appropriate rent for the following lease year. The Court emphasized that this provision is consistent with fundamental rule that a public body cannot be compelled to specifically perform a contract or to appropriate funds for payment under a contract.

The District and GR Terra have several counterclaims against GRMD that remain pending. The remaining claims assert that GRMD breached various agreements entered with the District or GR Terra's predecessor and seek damages, including the attorneys' fees the District and GR Terra incurred to defend against GRMD's now dismissed claims.

- (5) **Status of the District's construction of public improvements.** No construction activity took place during the report year.
- (6) **Conveyances or dedications of facilities or improvements, constructed by the District, to the Town.** None.
- (7) **Final assessed valuation of the District for the reporting year.** A copy of the final 2023 Certification of Assessed Valuation of the District is attached hereto as Exhibit A.

- (8) **Current year's budget.** A copy of the District's 2024 Budget is attached hereto as Exhibit B. No facilities or improvements are anticipated to be constructed during the report year.
- (9) **Audited financial statements for the reporting year (or application for exemption from audit).** A copy of the District's 2023 Application for Exemption from Audit is attached hereto as Exhibit C.
- (10) **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.** To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.
- (11) **Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period.** To our knowledge, the District has been able to pay its obligations as they come due.

**Exhibit A**  
**2023 Certification of Valuation**

New Tax Entity?  YES  NO

Grand County COUNTY ASSESSOR

Date 12/21/2023

NAME OF TAX ENTITY: HEADWATERS METROPOLITAN DISTRICT

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

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023:

Table with 11 rows listing valuation items: 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: \$62,680; 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: \$96,760; 3. LESS TOTAL TIF AREA INCREMENTS, IF ANY: \$0; 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: \$96,760; 5. NEW CONSTRUCTION: \$0; 6. INCREASED PRODUCTION OF PRODUCING MINE: \$0; 7. ANNEXATIONS/INCLUSIONS: \$0; 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: \$0; 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): \$0; 10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.): \$0.00; 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.): \$0.00

- † This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
\* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
~ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
Ⓞ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE Grand County ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023:

Table with 7 rows listing actual valuation items: 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: \$1,354,460; ADDITIONS TO TAXABLE REAL PROPERTY: 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: \$0; 3. ANNEXATIONS/INCLUSIONS: \$0; 4. INCREASED MINING PRODUCTION: \$0; 5. PREVIOUSLY EXEMPT PROPERTY: \$0; 6. OIL OR GAS PRODUCTION FROM A NEW WELL: \$0; 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: \$0

DELETIONS FROM TAXABLE REAL PROPERTY

Table with 3 rows listing deletions: 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: \$0; 9. DISCONNECTIONS/EXCLUSIONS: \$0; 10. PREVIOUSLY TAXABLE PROPERTY: \$0

- † This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
\* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$1,355,030

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\* \$0
\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

**Exhibit B**  
**2024 Budget**

CERTIFIED RECORD  
OF  
PROCEEDINGS RELATING TO  
**HEADWATERS METROPOLITAN DISTRICT**  
GRAND COUNTY, COLORADO  
AND THE BUDGET HEARING  
FOR FISCAL YEAR  
2024

STATE OF COLORADO    )  
  )  
COUNTY OF GRAND    )ss.  
  )  
HEADWATERS            )  
METROPOLITAN         )  
DISTRICT                )

The Board of Directors of the Headwaters Metropolitan District, Grand County, Colorado, held a meeting via Zoom Thursday, October 19, 2023, at 8:30 A.M.

The following members of the Board of Directors were present: (Via Teleconference)

Roxanne Hoover, President  
Scot Johnson, Director  
Matthew Hoover, Secretary & Treasurer  
Susanne Johnson, Director

Directors Absent but Excused:  
Stephen Johnson, Director

Also in Attendance: Erin Stutz; White Bear Ankele Tanaka & Waldron, P.C.  
Katie Jenner, David Richardson, and Cameron Dobbs; Husch Blackwell.  
Shannon Randazzo, Kieyesia Conaway, Irene Buenavista, and Wendy McFarland;  
Pinnacle Consulting Group, Inc.

Ms. Randazzo stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2024 budget. Director R. Hoover opened the public hearing on the District's proposed 2024 budget. There being no public comment on the District's budget, the public hearing was closed.

Thereupon, Director M. Hoover moved to adopt the following Resolution:



## RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, SETTING FORTH MILL LEVIES, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024, AND ENDING ON THE LAST DAY OF DECEMBER 2024,

WHEREAS, the Board of Directors of the Headwaters Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published on October 5, 2023 in The Middle Park Times, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 19, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HEADWATERS METROPOLITAN DISTRICT OF GRAND COUNTY, COLORADO:

Section 1. 2024 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2024 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2024. That the budget as submitted and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Headwaters Metropolitan District for calendar year 2024.

Section 4. 2024 Levy of Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget from property taxes for the 2024 Budget year is \$0. That the 2023 valuation for assessment, as certified by the Grand County Assessor, is \$96,760.

A. Levy for General Operating Fund. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the 2023 total valuation of assessment of all taxable property within the District.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification to County Commissioners. The District's manager is hereby authorized and directed to immediately certify to the County Commissioners of Grand County, Colorado, the 0.000 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

**[Remainder of Page Left Blank Intentionally.]**

## CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of Grand County, Colorado.

**On behalf of the** Headwaters Metropolitan District,  
(taxing entity)<sup>A</sup>  
**the** Board of Directors,  
(governing body)<sup>B</sup>  
**of the** Headwaters Metropolitan District,  
(local government)<sup>C</sup>

**Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 96,760 assessed valuation of:**  
(GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: **\$ 96,760**  
(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** 01/10/2024 for budget/fiscal year 2024.  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	0.000 mills	\$ 0.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>0.000 mills</b>	<b>\$ 0.00</b>
3. General Obligation Bonds and Interest <sup>J</sup>	_____ mills	\$ _____
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>0.000 mills</b>	<b>\$ 0.00</b>

Contact person: Irene Buenavista Phone: (970) 669-3611  
 Signed:  Title: District Accountant

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates?  Yes  No

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.*

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.)**. Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- 1. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
- 2. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

- 3. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
- 4. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

<sup>A</sup> **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government<sup>C</sup>.

<sup>B</sup> **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

<sup>C</sup> **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

<sup>D</sup> **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* *Gross Assessed Value* found on Line 2 of Form DLG 57.

<sup>E</sup> **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25<sup>th</sup> each year and may amend it, one time, prior to December 10<sup>th</sup>. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

<sup>F</sup> **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

<sup>G</sup> **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

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**<sup>H</sup> General Operating Expenses (DLG 70 Page 1 Line 1)**—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

**<sup>I</sup> Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)**—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

**<sup>J</sup> General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)**—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

**<sup>K</sup> Contractual Obligation (DLG 70 Page 1 Line 4)**—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

**<sup>L</sup> Capital Expenditures (DLG 70 Page 1 Line 5)**—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

**<sup>M</sup> Refunds/Abatements (DLG 70 Page 1 Line 6)**—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

**<sup>N</sup> Other (DLG 70 Page 1 Line 7)**—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 8. Budget Certification. That the budget shall be certified by Director Matthew Hoover, Secretary and Treasurer of the District, and made a part of the public records of Headwaters Metropolitan District.

The foregoing Resolution was seconded by Director R. Hoover.

**[Remainder of Page Left Blank Intentionally.]**

ADOPTED AND APPROVED this 19th day of October 2023.

DocuSigned by:  
*Roxanne Hoover*  
E662801DBA7F41E...  
President



STATE OF COLORADO )  
 )  
COUNTY OF GRAND )ss.  
 )  
HEADWATERS )  
METROPOLITAN )  
DISTRICT )

I, Scot Johnson, Director to the Board of Directors of the Headwaters Metropolitan District, Grand County, Colorado, do hereby certify that the foregoing pages constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a meeting of the Board held via Zoom on Thursday, October 19, 2023, at 8:30 a.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2024; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2024 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 19th day of October, 2023.

DocuSigned by:  
*Scot Johnson*  
90070896A8BF4D6...



## Management Budget Report

BOARD OF DIRECTORS  
HEADWATERS METROPOLITAN DISTRICT

We have prepared the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2024, including the comparative information of the forecasted estimate for the year ending December 31, 2023, and the actual historic information for the year ending 2022

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecasts are in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the financial position and results of operations for the forecasted periods.

A handwritten signature in blue ink, appearing to read "Jan Benavise".

Pinnacle Consulting Group, Inc.  
January 10, 2024

### Offices Located in Loveland and Denver

Main office located at 550 W. Eisenhower Blvd., Loveland, CO 80537

(970)669-3611 (303)333-4380

[www.PCGI.com](http://www.PCGI.com)

*Serving our clients and community through excellent dependable service.*

<b>HEADWATERS METROPOLITAN DISTRICT NO. 1</b>				
<b>STATEMENT OF REVENUES &amp; EXPENDITURES WITH BUDGETS</b>				
<b>GENERAL FUND</b>				
	(a)	(b)	(c)	(f)
	2022	2023	2023	2024
	Unaudited	Amended	Projected	Adopted
	Actual	Budget	Actual	Budget
<b>Revenues</b>				
Interest & Other	\$ 14	\$ 80	\$ 80	\$ -
<b>Total Revenues</b>	<b>\$ 14</b>	<b>\$ 80</b>	<b>\$ 80</b>	<b>\$ -</b>
<b>Expenditures</b>				
<b>Administration:</b>				
Accounting and Finance	\$ 12,332	\$ 25,000	\$ 17,461	\$ 18,300
District Management	20,617	25,000	17,461	24,300
Elections	4,548	9,000	9,078	-
Insurance	5,598	4,971	4,971	6,500
Legal	51,055	37,000	37,000	50,000
Office, Dues and Other	4,037	2,500	2,500	1,500
District Website	-	-	-	1,166
Contingency	-	30,000	-	-
<b>Total Expenditures</b>	<b>\$ 98,187</b>	<b>\$ 133,471</b>	<b>\$ 88,471</b>	<b>\$ 101,766</b>
<b>Other Sources/(Uses) of Funds</b>				
Developer Advances	\$ 158,646	\$ 141,883	\$ 100,000	\$ 101,766
<b>Total Other Sources/(Uses) of Funds</b>	<b>\$ 158,646</b>	<b>\$ 141,883</b>	<b>\$ 100,000</b>	<b>\$ 101,766</b>
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ 60,473</b>	<b>\$ 8,492</b>	<b>\$ 11,609</b>	<b>\$ -</b>
<b>Beginning Fund Balance</b>	<b>(65,465)</b>	<b>(4,992)</b>	<b>(4,992)</b>	<b>3,500</b>
<b>Ending Fund Balance</b>	<b>\$ (4,992)</b>	<b>\$ 3,500</b>	<b>\$ 6,617</b>	<b>\$ 3,500</b>
<b>Components of Ending Fund Balance:</b>				
TABOR Reserve (3% of revenues)	\$ 4,800	\$ 3,500	\$ 3,500	\$ 3,500
Unreserved	(9,792)	-	3,117	-
<b>Total Fund Balance</b>	<b>\$ (4,992)</b>	<b>\$ 3,500</b>	<b>\$ 6,617</b>	<b>\$ 3,500</b>
<b>Mill Levy</b>				
Operating	0.000	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000	0.000
<b>Total Mill Levy</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Assessed Value</b>	<b>\$ 64,210</b>	<b>\$ 62,680</b>	<b>\$ 62,680</b>	<b>\$ 96,760</b>
<b>Property Tax Revenue</b>				
Operating	-	-	-	-
Debt Service	-	-	-	-
<b>Total Property Tax Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Modified Accrual Budgetary Basis

<b>HEADWATERS METROPOLITAN DISTRICT NO. 1</b>				
<b>STATEMENT OF REVENUES &amp; EXPENDITURES WITH BUDGETS</b>				
<b>CAPITAL PROJECTS FUND</b>				
	(a)	(b)	(c)	(f)
	2022	2023	2023	2024
	Unaudited	Amended	Projected	Adopted
	Actual	Budget	Actual	Budget
<b>Revenues</b>				
Amenity Fees	\$ 150,000	\$ -	\$ -	\$ -
Interest and Other Income	25	-	84	-
<b>Total Revenues</b>	<b>\$ 150,025</b>	<b>\$ -</b>	<b>\$ 84</b>	<b>\$ -</b>
<b>Expenditures</b>				
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Contingency	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues Over/(Under) Expenditures</b>	<b>\$ 150,025</b>	<b>\$ -</b>	<b>\$ 84</b>	<b>\$ -</b>
<b>Beginning Fund Balance</b>	<b>1,061</b>	<b>-</b>	<b>151,086</b>	<b>151,086</b>
<b>Ending Fund Balance</b>	<b>\$ 151,086</b>	<b>\$ -</b>	<b>\$ 151,170</b>	<b>\$ 151,086</b>

Modified Accrual Budgetary Basis

**HEADWATERS METROPOLITAN DISTRICT  
2024 BUDGET MESSAGE**

Headwaters Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was formed in 2003 and established in the Town of Granby, Colorado. The District was established to supply the necessary services of water, streets, parks & recreation, safety protection, sanitary sewer, and mosquito control.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

In preparing the 2024 budget, the following goals are foremost for the District:

- The District's strategy is to strive to provide the type of public-purpose facilities desired by the property owners and residents of the District in the most economic manner possible.

**General Fund**

*Revenues*

The District anticipates \$101,766 in Developer Advances to cover operating costs.

*Expenditures*

Total General Fund expenditures for 2024 are budgeted at \$101,766. Expenditures are for administrative costs, including but not limited to, accounting, district management, legal, and insurance.

*Fund Balance/Reserves*

The District has provided for an emergency reserve fund equal to 3% of fiscal year spending for 2024 as defined by TABOR. The total budgeted ending fund balance in 2024 is \$3,500.

**NAME OF TAX ENTITY:** HEADWATERS METROPOLITAN DISTRICT

**USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY**

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023 :

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$ <u>62,680</u>
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$ <u>96,760</u>
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$ <u>0</u>
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$ <u>96,760</u>
5. NEW CONSTRUCTION: *	5.	\$ <u>0</u>
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$ <u>0</u>
7. ANNEXATIONS/INCLUSIONS:	7.	\$ <u>0</u>
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$ <u>0</u>
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ☐	9.	\$ <u>0</u>
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$ <u>\$0.00</u>
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$ <u>\$0.00</u>

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution  
 \* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.  
 ≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.  
 ☐ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

**USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY**

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE **Grand County** ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023 :

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$ <u>1,354,460</u>
<b>ADDITIONS TO TAXABLE REAL PROPERTY</b>		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	\$ <u>0</u>
3. ANNEXATIONS/INCLUSIONS:	3.	\$ <u>0</u>
4. INCREASED MINING PRODUCTION: §	4.	\$ <u>0</u>
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$ <u>0</u>
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$ <u>0</u>
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$ <u>0</u>

**DELETIONS FROM TAXABLE REAL PROPERTY**

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$ <u>0</u>
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$ <u>0</u>
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$ <u>0</u>

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.  
 \* Construction is defined as newly constructed taxable real property structures.  
 § Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:  
**TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY** **\$1,355,030**

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:  
**HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\*** **\$0**  
 \*\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

**NOTE:** ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

**Exhibit C**  
**2023 Application for Exemption from Audit**

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

**NAME OF GOVERNMENT  
ADDRESS**

Headwaters Metropolitan District
c/o Pinnacle Consulting Group, Inc.
550 W Eisenhower Blvd
Loveland, CO 80537
Irene Buenavista
970-669-3611
ireneb@pcgi.com

**For the Year Ended  
12/31/23  
or fiscal year ended:**

**CONTACT PERSON  
PHONE  
EMAIL**

## 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**

Irene Buenavista
District Accountant
Pinnacle Consulting Group, Inc.
550 W Eisenhower Blvd, Loveland, CO 80537
970-669-3611

PREPARER <small>(SIGNATURE REQUIRED)</small>	DATE PREPARED

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>GOVERNMENTAL</b> <small>(MODIFIED ACCRUAL BASIS)</small>	<b>PROPRIETARY</b> <small>(CASH OR BUDGETARY BASIS)</small>
	<input 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	
2-1	<b>Taxes: Property</b> (report mills levied in Question 10-6)	\$ -	Please use this space to provide any necessary explanations
2-2	<b>Specific ownership</b>	\$ -	
2-3	<b>Sales and use</b>	\$ -	
2-4	<b>Other (specify):</b>	\$ -	
2-5	<b>Licenses and permits</b>	\$ -	
2-6	<b>Intergovernmental: Grants</b>	\$ -	
2-7	<b>Conservation Trust Funds (Lottery)</b>	\$ -	
2-8	<b>Highway Users Tax Funds (HUTF)</b>	\$ -	
2-9	<b>Other (specify):</b>	\$ -	
2-10	<b>Charges for services</b>	\$ -	
2-11	<b>Fines and forfeits</b>	\$ -	
2-12	<b>Special assessments</b>	\$ -	
2-13	<b>Investment income</b>	\$ -	
2-14	<b>Charges for utility services</b>	\$ -	
2-15	<b>Debt proceeds</b> (should agree with line 4-4, column 2)	\$ -	
2-16	<b>Lease proceeds</b>	\$ -	
2-17	<b>Developer Advances received</b> (should agree with line 4-4)	\$ 97,417	
2-18	<b>Proceeds from sale of capital assets</b>	\$ -	
2-19	<b>Fire and police pension</b>	\$ -	
2-20	<b>Donations</b>	\$ -	
2-21	<b>Other (specify):</b>	\$ -	
2-22	<b>Interest &amp; Other</b>	\$ 86	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b>	\$ 97,503	

## 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	
3-1	<b>Administrative</b>	\$ 27,460	Please use this space to provide any necessary explanations
3-2	<b>Salaries</b>	\$ -	
3-3	<b>Payroll taxes</b>	\$ -	
3-4	<b>Contract services</b>	\$ -	
3-5	<b>Employee benefits</b>	\$ -	
3-6	<b>Insurance</b>	\$ 4,971	
3-7	<b>Accounting and legal fees</b>	\$ 54,097	
3-8	<b>Repair and maintenance</b>	\$ -	
3-9	<b>Supplies</b>	\$ -	
3-10	<b>Utilities and telephone</b>	\$ -	
3-11	<b>Fire/Police</b>	\$ -	
3-12	<b>Streets and highways</b>	\$ -	
3-13	<b>Public health</b>	\$ -	
3-14	<b>Capital outlay</b>	\$ -	
3-15	<b>Utility operations</b>	\$ -	
3-16	<b>Culture and recreation</b>	\$ -	
3-17	<b>Debt service principal</b> (should agree with Part 4)	\$ -	
3-18	<b>Debt service interest</b>	\$ -	
3-19	<b>Repayment of Developer Advance Principal</b> (should agree with line 4-4)	\$ -	
3-20	<b>Repayment of Developer Advance Interest</b>	\$ -	
3-21	<b>Contribution to pension plan</b> (should agree to line 7-2)	\$ -	
3-22	<b>Contribution to Fire &amp; Police Pension Assoc.</b> (should agree to line 7-2)	\$ -	
3-23	<b>Other (specify):</b>	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES/EXPENSES</b>	\$ 86,528	

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? 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, <b>MUST</b> explain below: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, <b>MUST</b> explain below: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input checked="" 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		
	<b>General obligation bonds</b>	\$ -	\$ -
	<b>Revenue bonds</b>	\$ -	\$ -
	<b>Notes/Loans</b>	\$ -	\$ -
	<b>Lease &amp; SBITA** Liabilities [GASB 87 &amp; 96]</b>	\$ -	\$ -
	<b>Developer Advances</b>	\$ 3,967,627	\$ 3,967,627
	<b>Other (specify): Developer Advance Interest</b>	\$ 3,094,912	\$ 3,094,912
	<b>TOTAL</b>	\$ 7,062,539	\$ 7,062,539

\*\*Subscription Based Information Technology Arrangements

\*Must agree to prior year-end balance

Yes                      No

Please answer the following questions by marking the appropriate boxes.			
4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:	\$ 40,000,000.00	2003 & 2004
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 type="checkbox"/>
	What are the annual lease payments?	\$ -	

Part 4 - Please use this space to provide any explanations/comments or attach separate documentation, if needed

## 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	\$ 151,768	
5-2	Certificates of deposit	\$ -	
	<b>Total Cash Deposits</b>		\$ 151,768
	Investments (if investment is a mutual fund, please list underlying investments)		
5-3	Csafe	\$ 430	
		\$ -	
		\$ -	
		\$ -	
	<b>Total Investments</b>		\$ 430
	<b>Total Cash and Investments</b>		\$ 152,198

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 24-75-601, et seq., C.R.S.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

## PART 6 - CAPITAL AND RIGHT-TO-USE 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

Complete the following capital & right-to-use 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	\$ 13,202,602	\$ -	\$ -	\$ 13,202,602
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased & SBITA Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ (5,931,451)	\$ (447,397)	\$ -	\$ (6,378,848)
<b>TOTAL</b>	<b>\$ 7,271,151</b>	<b>\$ (447,397)</b>	<b>\$ -</b>	<b>\$ 6,823,754</b>

\*must tie to prior year ending balance

Part 6 - Please use this space to provide any explanations/comments or attach documentation, if needed:

## 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" firefighters' pension plan?  Yes  No
- 7-2 Does the entity have a volunteer firefighters' 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 1?

	\$ -
--	------

Part 7 - 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.? If no, **MUST** explain:  Yes  No  N/A

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

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 133,471

## 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:**

The District is authorized to provide Streets, Safety Protection, Park and Recreation, Potable Water, Sanitary Sewer, Storm Drainage, Transportation, Mosquito Control, Fire Protection

**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**

	-
	-
	-

Yes                      No                      N/A

**10-7** NEW 2023! If the entity is a Title 32 Special District formed on or after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 [Section 32-1-207 C.R.S.]? If NO, please explain.

Please use this space to provide any additional explanations or comments not previously included:

## 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

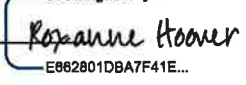
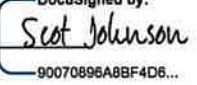

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- 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.

<b>Print the names of ALL members of current governing body below.</b>	<b>A MAJORITY of the members of the governing body must sign below.</b>
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<p>Board Member 1</p>	<p>Print Board Member's Name <b>Roxanne Hoover</b></p>	<p>I <u>          Roxanne Hoover          </u>, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.                  Signed _____                  Date: <u>3/28/2024</u>   <u>09:00:21</u> PDT                  My term Expires: <u>          May 2025          </u></p> <p><small>DocuSigned by:</small>                    E662801DBA7F41E...</p>
<p>Board Member 2</p>	<p>Print Board Member's Name <b>Scot Johnson</b></p>	<p>I <u>          Scot Johnson          </u>, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.                  Signed _____                  Date: <u>3/28/2024</u>   <u>11:09:23</u> MDT                  My term Expires: <u>          May 2025          </u></p> <p><small>DocuSigned by:</small>                    90070896A8BF4D6...</p>
<p>Board Member 3</p>	<p>Print Board Member's Name <b>Matt Hoover</b></p>	<p>I <u>          Matt Hoover          </u>, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.                  Signed _____                  Date: _____                  My term Expires: <u>          May 2027          </u></p>
<p>Board Member 4</p>	<p>Print Board Member's Name <b>Stephen Johnson</b></p>	<p>I <u>          Stephen Johnson          </u>, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.                  Signed _____                  Date: <u>3/28/2024</u>   <u>10:03:28</u> MDT                  My term Expires: <u>          May 2027          </u></p> <p><small>DocuSigned by:</small>                    3DF540CE9A874CD...</p>
<p>Board Member 5</p>	<p>Print Board Member's Name <b>Susanne Johnson</b></p>	<p>I <u>          Susanne Johnson          </u>, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.                  Signed _____                  Date: _____                  My term Expires: <u>          May 2025          </u></p>
<p>Board Member 6</p>	<p>Print Board Member's Name</p>	<p>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: _____</p>
<p>Board Member 7</p>	<p>Print Board Member's Name</p>	<p>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: _____</p>