

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESS

Headwaters Metropolitan District
28 Second St, Suite 213, Edwards, CO 81632
Eric Weaver
(970) 926-6060, Xt 6
Eric@mwcpaa.com
(970) 926-6040

For the Year Ended
12/31/2018
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

CERTIFICATION OF PREPARER

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME:	Eric Weaver
TITLE	Accountant, CPA
FIRM NAME (if applicable)	Marchetti & Weaver, LLC
ADDRESS	28 Second St, Suite 213, Edwards, CO 81632
PHONE	(970) 926-6060
DATE PREPARED	2/7/2019
RELATIONSHIP TO ENTITY	Outside accountant; all major decisions made by the Board of Directors

PREPARER (SIGNATURE REQUIRED)

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]

YES	NO	If Yes, date filed:
<input type="checkbox"/>	<input checked="" type="checkbox"/>	

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund*	Capital Fund*		LPA Fund* (Special Revenue)	Fund*	
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ 24,833	\$ 1,036	Cash & Cash Equivalents	\$ 11,018	\$ -	LPA Fund is a Special Revenue Fund, but we could not change the header to "Governmental Funds"
1-2	Investments	\$ 13,537	\$ -	Investments	\$ 58	\$ -	
1-3	Receivables	\$ 18,000	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ 2,494	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets [specify...]			Other Current Assets	\$ -	\$ -	
1-5		\$ -	\$ -				
1-6		\$ -	\$ -	Capital Assets, net (from Part 6-4)	\$ -	\$ -	
1-7		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -	
1-8		\$ -	\$ -		\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 58,863	\$ 1,036	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 11,075	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 58,863	\$ 1,036	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 11,075	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ 45,458	\$ -	Accounts Payable	\$ 10,000	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -	
1-17	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ 45,458	\$ -	TOTAL CURRENT LIABILITIES	\$ 10,000	\$ -	
1-20	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
1-21	Deferred Revenue - KMHD	\$ 3,525	\$ -	Other Liabilities [specify...]:	\$ -	\$ -	
1-22		\$ -	\$ -		\$ -	\$ -	
1-23		\$ -	\$ -		\$ -	\$ -	
1-24		\$ -	\$ -		\$ -	\$ -	
1-25		\$ -	\$ -		\$ -	\$ -	
1-26		\$ -	\$ -		\$ -	\$ -	
1-27		\$ -	\$ -		\$ -	\$ -	
1-28	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 48,982	\$ -	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 10,000	\$ -	
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	
Fund Balance				Net Position			
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted [specify...]:TABOR	\$ 2,339	\$ -	Emergency Reserves	\$ -	\$ -	
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ 7,542	\$ 1,036	Undesignated/Unreserved/Unrestricted	\$ 1,075	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ 9,881	\$ 1,036	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION	\$ 1,075	\$ -	
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 58,863	\$ 1,036	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 11,075	\$ -	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund*	Capital Fund*		LPA Fund* (Special Revenue)	Fund*	
Tax Revenue				Tax Revenue			
2-1	Property [include mills levied in Question 10-6]	\$ -	\$ -	Property [include mills levied in Question 10-6]	\$ -	\$ -	
2-2	Specific Ownership	\$ -	\$ -	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue [specify...]:	\$ -	\$ -	Other Tax Revenue [specify...]:	\$ -	\$ -	
2-5		\$ -	\$ -		\$ -	\$ -	
2-6		\$ -	\$ -		\$ -	\$ -	
2-7		\$ -	\$ -		\$ -	\$ -	
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ -	\$ -	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ -	\$ -	
2-9	Licenses and Permits	\$ -	\$ -	Licenses and Permits	\$ -	\$ -	
2-10	Highway Users Tax Funds (HUTF)	\$ -	\$ -	Highway Users Tax Funds (HUTF)	\$ -	\$ -	
2-11	Conservation Trust Funds (Lottery)	\$ -	\$ -	Conservation Trust Funds (Lottery)	\$ -	\$ -	
2-12	Community Development Block Grant	\$ -	\$ -	Community Development Block Grant	\$ -	\$ -	
2-13	Fire & Police Pension	\$ -	\$ -	Fire & Police Pension	\$ -	\$ -	
2-14	Grants	\$ -	\$ -	Grants	\$ -	\$ -	
2-15	Donations	\$ -	\$ -	Donations	\$ -	\$ -	
2-16	Charges for Sales and Services	\$ 3,275	\$ -	Charges for Sales and Services	\$ -	\$ -	
2-17	Rental Income	\$ 13,091	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ 427	\$ 1	Interest/Investment Income	\$ 2	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -	
2-21	Proceeds from Sale of Capital Assets	\$ 14,173	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
2-22	All Other [specify...]: Granby Ranch Conservancy	\$ 1,264	\$ -	All Other [specify...]: Amenity Fee	\$ 110,000	\$ -	
2-23	GF -Developer contribution (Capital- Escrow)	\$ 28,936	\$ 105,905		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 61,166	\$ 105,905	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 110,002	\$ -	
Other Financing Sources				Other Financing Sources			
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -	
2-27	Other [specify...]: Reimburse Cost of Issuance Exp	\$ 40,000	\$ -	Other [specify...]:	\$ -	\$ -	
2-28	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ 40,000	\$ -	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 101,166	\$ 105,905	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 110,002	\$ -	GRAND TOTALS \$ 317,073

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 -STOP- You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund*	Capital Fund*		A Fund* (Special Revenue)	Fund*	
	Expenditures			Expenditures			
3-1	General Government	\$ 95,400	\$ -	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ 105,905	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ -	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ -	\$ -	
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other [specify...] Lease Purchase Agreement Payments	\$ 110,000	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$ -	\$ -	Principal	\$ -	\$ -	
3-16	Interest	\$ -	\$ -	Interest	\$ -	\$ -	
3-17	Bond Issuance Costs	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -	
3-18	Developer Principal Repayments	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -	
3-19	Developer Interest Repayments	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -	
3-20	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -	
3-21		\$ -	\$ -		\$ -	\$ -	
3-22	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 95,400	\$ 105,905	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 110,000	\$ -	GRAND TOTAL 311,305
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	
3-24	Interfund Transfers Out	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ -	\$ -	
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 2-28)	\$ -	\$ -	
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ -	\$ -	
3-28		\$ -	\$ -	Debt Principal (from line 3-15, 3-18)	\$ -	\$ -	
3-29	(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ -	\$ -	(Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29	\$ 5,766	\$ 0	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24	\$ 2	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 4,115	\$ 1,036	Net Position, January 1 from December 31 prior year report	\$ 1,073	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31 Sum of Line 3-30, 3-31, and 3-32 This total should be the same as line 1-36.	\$ 9,881	\$ 1,036	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ 1,075	\$ -	

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES NO

Please use this space to provide any explanations or comments:

4-1	Does the entity have outstanding debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4-2	Is the debt repayment schedule attached? If no, MUST explain: Deppends on cash flow, no specific schedule	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4-3	Is the entity current in its debt service payments? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)			

	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ 2,989,550	\$ -	\$ -	\$ 2,989,550
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,989,550	\$ -	\$ -	\$ 2,989,550

*must agree 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?	\$ 104,000,000		
If yes:	Date the debt was authorized:	2003 and 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?			
If yes:	What is the original date of the lease?			
If yes:	Number of years of lease?			
If yes:	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>	
If yes:	What are the annual lease payments?	\$ -		

PART 5 - CASH AND INVESTMENTS

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

AMOUNT TOTAL

Please use this space to provide any explanations or comments:

5-1	YEAR-END Total of ALL Checking and Savings accounts	\$ 36,887		
5-2	Certificates of deposit	\$ -		
TOTAL CASH DEPOSITS			\$ 36,887	
Investments (if investment is a mutual fund, please list underlying investments):				
5-3	Csafe	\$ 13,594		
		\$ -		
		\$ -		
		\$ -		
TOTAL INVESTMENTS			\$ 13,594	
TOTAL CASH AND INVESTMENTS			\$ 50,481	

Please answer the following question by marking in the appropriate box

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.)? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box YES NO Please use this space to provide any explanations or comments:

- 6-1 Does the entity have capitalized 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 for GOVERNMENTAL FUNDS:

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ 51,938	\$ -	\$ 51,938	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 12,330,442	\$ -	\$ -	\$ 12,330,442
Construction In Progress (CIP)	\$ 199,137	\$ -	\$ -	\$ 199,137
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (3,818,777)	\$ (411,014)	\$ (44,148)	\$ (4,185,643)
TOTAL	\$ 8,762,740	\$ (411,014)	\$ 7,790	\$ 8,343,936

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box YES NO Please use this space to provide any explanations or comments:

- 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.):	\$ -
TOTAL	\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? \$ -

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	N/A	Please use this space to provide any explanations or comments:										
8-1	Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>											
8-2	Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>											
If yes:	Please indicate the amount budgeted for each fund for the year reported														
<table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: left; padding: 2px;">Fund Name</th> <th style="text-align: right; padding: 2px;">Budgeted Expenditures</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">General Fund - Admin, Transportation, Road Maintenance</td> <td style="text-align: right; padding: 2px;">\$ 117,925</td> </tr> <tr> <td style="padding: 2px;">Capital Improvement Fund</td> <td style="text-align: right; padding: 2px;">\$ 500,000</td> </tr> <tr> <td style="padding: 2px;">Lease Purchase Agreement Fund</td> <td style="text-align: right; padding: 2px;">\$ 250,000</td> </tr> <tr> <td style="padding: 2px;"></td> <td style="text-align: right; padding: 2px;">\$ -</td> </tr> </tbody> </table>		Fund Name	Budgeted Expenditures	General Fund - Admin, Transportation, Road Maintenance	\$ 117,925	Capital Improvement Fund	\$ 500,000	Lease Purchase Agreement Fund	\$ 250,000		\$ -				
Fund Name	Budgeted Expenditures														
General Fund - Admin, Transportation, Road Maintenance	\$ 117,925														
Capital Improvement Fund	\$ 500,000														
Lease Purchase Agreement Fund	\$ 250,000														
	\$ -														

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? government from the 3 percent emergency reserve requirement. All governments should determine if they meet this	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:					
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
If yes:	Date of formation: <input style="width: 150px; height: 30px;" type="text"/>								
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
If Yes:	NEW name <input style="width: 300px; height: 20px;" type="text"/>								
	PRIOR name <input style="width: 300px; height: 20px;" type="text"/>								
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						
10-4	Please indicate what services the entity provides:								
	<input style="width: 400px; height: 20px;" type="text" value="Streets, Parks & rec, water, sanitation, transportation, Mosquito control, traffic fire, TV , security, Ops & Maintenance"/>								
10-5	Does the entity have an agreement with another government to provide services?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						
If yes:	List the name of the other governmental entity and the services provided:								
	<input style="width: 400px; height: 20px;" type="text" value="SVMD, GRMD Nos 2-8 Ops & Maint, Silvercreek W & S- services, Town of Granby - IGA Serv Plan, CSDPLP - Insurance"/>								
10-6	Does the entity have a certified mill levy?	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
If yes:	Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts):								
	<table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tbody> <tr> <td style="padding: 2px;">Bond Redemption mills</td> <td style="text-align: right; padding: 2px;">0.000</td> </tr> <tr> <td style="padding: 2px;">General/Other mills</td> <td style="text-align: right; padding: 2px;">0.000</td> </tr> <tr> <td style="padding: 2px;">Total mills</td> <td style="text-align: right; padding: 2px;">0.000</td> </tr> </tbody> </table>	Bond Redemption mills	0.000	General/Other mills	0.000	Total mills	0.000		
Bond Redemption mills	0.000								
General/Other mills	0.000								
Total mills	0.000								

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

OSA USE ONLY

Entity Wide:		General Fund		Governmental Funds		Notes
Unrestricted Cash & Investments	\$ 50,481	Unrestricted Fund Balan	\$ 7,542	Total Tax Revenue	\$ -	
Current Liabilities	\$ 55,458	Total Fund Balance	\$ 9,881	Revenue Paying Debt Service	\$ -	
Deferred Inflow	\$ -	PY Fund Balance	\$ 4,115	Total Revenue	\$ 207,071	
		Total Revenue	\$ 101,166	Total Debt Service Principal	\$ -	
		Total Expenditures	\$ 95,400	Total Debt Service Interest	\$ -	
		Interfund In	\$ -			
Governmental		Interfund Out	\$ -	Enterprise Funds		
Total Cash & Investments	\$ 39,406	- Proprietary		Net Position	\$ 1,075	
Transfers In	\$ -	- Current Assets	\$ 11,075	PY Net Position	\$ 1,073	
Transfers Out	\$ -	- Deferred Outflow	\$ -	- Government-Wide		
Property Tax	\$ -	- Current Liabilities	\$ 10,000	Total Outstanding Debt	\$ 2,989,550	
Debt Service Principal	\$ -	Deferred Inflow	\$ -	- Authorized but Unissued	\$ 104,000,000	
Total Expenditures	\$ 201,305	Cash & Investments	\$ 11,075	Year Authorized	2003 and 2004	
Total Developer Advances	\$ 14,173	- Principal Expense	\$ -			
Total Developer Repayments	\$ -					

PART 12 - 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 Procedures

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.

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$750,000 or less must have an application prepared by an Independent accountant with knowledge of governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current governing board members below.

A MAJORITY of the governing board members must complete and sign in the column below.

Board Member	Print Board Member's Name	I, _____, attest that 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: _____
1	Lance Badger	I, <u>Lance Badger</u> , attest that 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>2/21/19</u> My term Expires: <u>May 2022</u>
2	Dustin Lombard	I, <u>Dustin Lombard</u> , attest that 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>2/21/19</u> My term Expires: <u>May 2022</u>
3	Print Board Member's Name	I, _____, attest that 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: _____
4	Print Board Member's Name	I, _____, attest that 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: _____
5	Print Board Member's Name	I, _____, attest that 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: _____
6	Print Board Member's Name	I, _____, attest that 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: _____
7	Print Board Member's Name	I, _____, attest that 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: _____

HEADWATERS METROPOLITAN DISTRICT

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2018

WHEREAS, the Headwaters Metropolitan District (the "District") wishes to claim exemption from the audit requirements of §29-1-603, C.R.S.; and

WHEREAS, §29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed one hundred thousand dollars may, with the approval of the state auditor, be exempt from the provisions of §29-1-603, C.R.S., and

WHEREAS, neither revenues nor expenditures for the District will exceed \$750,000 for fiscal year 2018; and

WHEREAS, an application for exemption from audit for the District will be prepared by Eric Weaver, an accountant with knowledge in governmental accounting; and

WHEREAS, said application for exemption from audit will be completed in accordance with regulations issued by the state auditor.

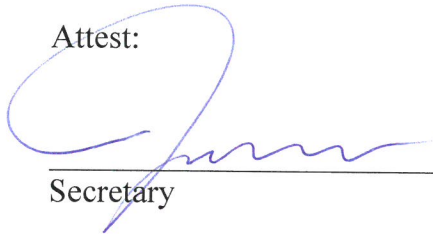
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Headwaters Metropolitan District as follows:

1. The application for exemption from audit for the District for fiscal year ended December 31, 2018 will be reviewed and is hereby approved by a majority of the Board of Directors of the District.
2. The majority of the Board of Directors of the District shall signify their approval by signing below.
3. This Resolution shall be attached to, and become a part of, the application for exemption from audit of the District for the fiscal year ended December 31, 2018.
4. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.
5. This Resolution shall take effect and be enforced immediately upon its approval by the District Board.

ADOPTED this 21 day of February, 2019.

HEADWATERS METROPOLITAN DISTRICT

By _____
Chairman

Attest:


Secretary

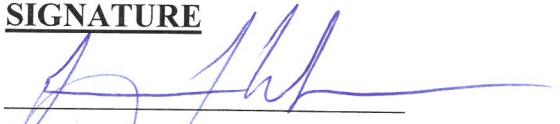
BOARD MEMBER

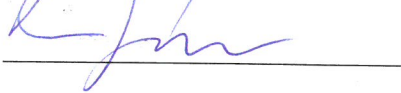
TERMS

SIGNATURE

Lance Badger

May 2022





Dustin Lombard

May 2022

Vacancy

May 2022

Vacancy

May 2020

Vacancy

May 2020
