

HAYMEADOW METROPOLITAN DISTRICT NO. 1
HAYMEADOW METROPOLITAN DISTRICT NO. 2
HAYMEADOW METROPOLITAN DISTRICT NO. 3
HAYMEADOW METROPOLITAN DISTRICT NO. 4
HAYMEADOW METROPOLITAN DISTRICT NO. 5
HAYMEADOW METROPOLITAN DISTRICT NO. 6
EAGLE COUNTY, COLORADO
2022 CONSOLIDATED ANNUAL REPORT

Town of Eagle, Colorado
via Email

Division of Local Government,
via E-Filing Portal
1313 Sherman Street
Room 521
Denver, Colorado 80203

Office of the State Auditor,
via E-Filing Portal
1525 Sherman Street, 7th Floor
Denver, Colorado 80203

Eagle County Clerk and Recorder,
via Email

Pursuant to 32-1-207(3)(c)(I), C.R.S., the Haymeadow Metropolitan District Nos. 1, 2, 3, 4, 5 and 6 (the “**Districts**”) are required to submit a consolidated annual report for the preceding calendar year (the “**Report**”) no later than October 1 of each year to the Town of Eagle, Colorado (the “**Town**”), the Colorado Division of Local Government, the Colorado State Auditor, the County Clerk and Recorder; the Report must also be posted on the Districts’ website, if applicable.

For the year ending December 31, 2022, the Districts make the following report:

1. **Boundary changes made:**

The following certain real property was included into District No. 6 in 2022:
Tract: A, Common Open Space, Haymeadow Filing 1, Eagle County, Colorado.
There were no other boundary changes made or proposed to the Districts’ boundary during the reporting period.

2. **Intergovernmental agreements entered into or terminated:**

There were no intergovernmental agreements entered into or terminated during the reporting period.

3. **Access information to obtain a copy of the Rules and Regulations:**

No rules and regulations have been established as of December 31, 2022.

4. **A summary of any litigation involving public improvements by the Districts:**

There is no litigation, pending or threatened, against the Districts of which we are aware.

5. **Status of the construction of public improvements by the Districts:**

No public improvements were constructed by the Districts during the reporting period.

6. **List of facilities or improvements constructed by the Districts that were conveyed to the Town:**

No facilities or improvements were dedicated to or accepted by the Town during the reporting period.

7. **Final Assessed Value of Taxable Property within the Districts' boundaries as of December 31, 2022:**

Attached as **Exhibit A-1** is a copy of District No. 1's 2022 certification of assessed valuation from Eagle County; attached as **Exhibit A-2** is a copy of District No. 2's 2022 certification of assessed valuation from Eagle County; attached as **Exhibit A-3** is a copy of District No. 3's 2022 certification of assessed valuation from Eagle County; attached as **Exhibit A-4** is a copy of District No. 4's 2022 certification of assessed valuation from Eagle County; attached as **Exhibit A-5** is a copy of District No. 5's 2022 certification of assessed valuation from Eagle County; and attached as **Exhibit A-6** is a copy of District No. 6's 2022 certification of assessed valuation from Eagle County.

8. **Current annual budget of the Districts:**

Attached as **Exhibit B-1** is a copy of District No. 1's Budget for the current fiscal year of 2023; attached as **Exhibit B-2** is a copy of District No. 2's Budget for the current fiscal year of 2023; attached as **Exhibit B-3** is a copy of District No. 3's Budget for the current fiscal year of 2023; attached as **Exhibit B-4** is a copy of District No. 4's Budget for the current fiscal year of 2023; attached as **Exhibit B-5** is a copy of District No. 5's Budget for the current fiscal year of 2023; and attached as **Exhibit B-6** is a copy of District No. 6's Budget for the current fiscal year.

9. **Most recently filed audited financial statements of the District. To the extent audited financial statements are required by state law or most recently filed audit exemption:**

Attached as **Exhibit C-1** is a copy of District No 1's audit exemption application for fiscal year 2022; attached as **Exhibit C-2** is a copy of District No. 2's audit exemption application for fiscal year 2022; attached as **Exhibit C-3** is a copy of

District No. 3's audit exemption application for fiscal year 2022; attached as **Exhibit C-4** is a copy of District No. 4's audit exemption application for fiscal year 2022; attached as **Exhibit C-5** is a copy of District No. 5's audit exemption application for fiscal year 2022. District No 6's audited financial statements for 2022 will be filed with the Town Clerk upon completion.

10. **Notice of any uncured defaults:**

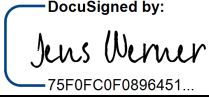
There were no uncured events of default by the Districts during the reporting period.

11. **The Districts' inability to pay any financial obligations as they come due under any obligation which continues beyond a ninety-day period:**

There were no instances of the Districts' inability to pay its obligation during the reporting period.

Respectfully submitted this 20th day of September, 2023.

HAYMEADOW METROPOLITAN DISTRICT
NOS. 1-6

By: 
75F0FC0F0896451...

Jens M. Werner, President

EXHIBIT A-1

District No. 1's 2022 Certification of Assessed Valuation

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Eagle County, Colorado.

On behalf of the Haymeadow Metropolitan District No. 1

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Haymeadow Metropolitan District No. 1

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 306,880

(Gross^D assessed valuation, Line 2 of the Certification of Valuation From DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:

\$ 306,880

(NET^G 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: 12/6/2022
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2023.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>50.000</u> mills	\$ <u>15,344.00</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>0.000</u> mills	\$ <u>-</u>
SUBTOTAL FOR GENERAL OPERATING:	<u>50.000</u> mills	<u>\$ 15,344.00</u>
3. General Obligation Bonds and Interest ^J	<u>0.000</u> mills	\$ <u>-</u>
4. Contractual Obligations ^K	<u>0.000</u> mills	\$ <u>-</u>
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ <u>-</u>
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ <u>-</u>
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ <u>-</u>
	<u>0.000</u> mills	\$ <u>-</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>50.000</u> mills	<u>\$ 15,344.00</u>

Contact person: (print) Kenneth J. Marchetti

Daytime phone: (970) 926-6060 ext 8

Signed: 

Title: District Accountant

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, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ 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.

² 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).

EXHIBIT A-2

District No. 2's 2022 Certification of Assessed Valuation

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Eagle County, Colorado.

On behalf of the Haymeadow Metropolitan District No. 2

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Haymeadow Metropolitan District No. 2

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 19,510

(Gross^D assessed valuation, Line 2 of the Certification of Valuation From DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:

\$ 19,510

(NET^G 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: 12/6/2022
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2023.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>50.000</u> mills	\$ <u>975.50</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>0.000</u> mills	\$ <u>-</u>
SUBTOTAL FOR GENERAL OPERATING:	<u>50.000</u> mills	<u>\$ 975.50</u>
3. General Obligation Bonds and Interest ^J	<u>0.000</u> mills	\$ <u>-</u>
4. Contractual Obligations ^K	<u>0.000</u> mills	\$ <u>-</u>
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ <u>-</u>
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ <u>-</u>
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ <u>-</u>
	<u>0.000</u> mills	\$ <u>-</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>50.000</u> mills	<u>\$ 975.50</u>

Contact person: Kenneth J. Marchetti
(print)

Daytime phone: (970) 926-6060 ext 8

Signed: *Kj Marchetti*

Title: District Accountant

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, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ 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.

² 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).

EXHIBIT A-3

District No. 3's 2022 Certification of Assessed Valuation

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of Eagle County, Colorado.On behalf of the Haymeadow Metropolitan District No. 3(taxing entity)^Athe Board of Directors(governing body)^Bof the Haymeadow Metropolitan District No. 3(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 53,420(Gross^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:

\$ 53,420(NET^G 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: 12/6/2022
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2023.
(yyyy)

PURPOSE (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	<u>50.000</u>	mills	\$ <u>2,671.00</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>0.000</u>	mills	\$ <u>-</u>
SUBTOTAL FOR GENERAL OPERATING:	<u>50.000</u>	mills	\$ <u>2,671.00</u>
3. General Obligation Bonds and Interest ^J	<u>0.000</u>	mills	\$ <u>-</u>
4. Contractual Obligations ^K	<u>0.000</u>	mills	\$ <u>-</u>
5. Capital Expenditures ^L	<u>0.000</u>	mills	\$ <u>-</u>
6. Refunds/Abatements ^M	<u>0.000</u>	mills	\$ <u>-</u>
7. Other ^N (specify): _____	<u>0.000</u>	mills	\$ <u>-</u>
	<u>0.000</u>	mills	\$ <u>-</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>50.000</u>	mills	\$ <u>2,671.00</u>

Contact person: Kenneth J. Marchetti
(print)

Daytime phone: (970) 926-6060 ext 8

Signed: 

Title: District Accountant

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, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ 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.

² 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).

EXHIBIT A-4

District No. 4's 2022 Certification of Assessed Valuation

139 County Tax entity code

DOLA LGID/SID 66533

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of Eagle County, Colorado.On behalf of the Haymeadow Metropolitan District No. 4(taxing entity)^Athe Board of Directors(governing body)^Bof the Haymeadow Metropolitan District No. 4(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 20,510

(Gross^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:

\$ 20,510

(NET^G 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: 12/6/2022
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2023.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	50.000 mills	\$ 1,025.50
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	0.000 mills	\$ -
SUBTOTAL FOR GENERAL OPERATING:	50.000 mills	\$ 1,025.50
3. General Obligation Bonds and Interest ^J	0.000 mills	\$ -
4. Contractual Obligations ^K	0.000 mills	\$ -
5. Capital Expenditures ^L	0.000 mills	\$ -
6. Refunds/Abatements ^M	0.000 mills	\$ -
7. Other ^N (specify): _____	0.000 mills	\$ -
	0.000 mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	50.000 mills	\$ 1,025.50

Contact person: Kenneth J. Marchetti
(print)

Daytime phone: (970) 926-6060 ext 8

Signed: 

Title: District Accountant

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, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ 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.

² 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).

EXHIBIT A-5

District No. 5's 2022 Certification of Assessed Valuation

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Eagle County, Colorado.

On behalf of the Haymeadow Metropolitan District No. 5

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Haymeadow Metropolitan District No. 5

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 48,110

(Gross^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:

\$ 48,110

(NET^G 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: 12/6/2022
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2023.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>50.000</u> mills	\$ <u>2,405.50</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>0.000</u> mills	\$ <u>-</u>
SUBTOTAL FOR GENERAL OPERATING:	<u>50.000</u> mills	<u>\$ 2,405.50</u>
3. General Obligation Bonds and Interest ^J	<u>0.000</u> mills	\$ <u>-</u>
4. Contractual Obligations ^K	<u>0.000</u> mills	\$ <u>-</u>
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ <u>-</u>
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ <u>-</u>
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ <u>-</u>
	<u>0.000</u> mills	\$ <u>-</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>50.000</u> mills	<u>\$ 2,405.50</u>

Contact person: Kenneth J. Marchetti
(print)

Daytime phone: (970) 926-6060 ext 8

Signed: 

Title: District Accountant

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, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ 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.

² 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).

EXHIBIT A-6

District No. 6's 2022 Certification of Assessed Valuation

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Eagle County, Colorado.

On behalf of the Haymeadow Metropolitan District No. 6

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Haymeadow Metropolitan District No. 6

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 2,870

(Gross^D assessed valuation, Line 2 of the Certification of Valuation From DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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:

\$ 2,870

(NET^G 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: 12/6/2022
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2023.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>-</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>0.000</u> mills	\$ <u>-</u>
SUBTOTAL FOR GENERAL OPERATING:	<u>0.000</u> mills	<u>\$ -</u>
3. General Obligation Bonds and Interest ^J	<u>0.000</u> mills	\$ <u>-</u>
4. Contractual Obligations ^K	<u>0.000</u> mills	\$ <u>-</u>
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ <u>-</u>
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ <u>-</u>
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ <u>-</u>
	<u>0.000</u> mills	\$ <u>-</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>0.000</u> mills	<u>\$ -</u>

Contact person: (print) Kenneth J. Marchetti

Daytime phone: (970) 926-6060 ext 8

Signed: 

Title: District Accountant

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, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ 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.

² 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).

EXHIBIT B-1

District No. 1's 2023 Budget

HAYMEADOW METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED
GENERAL FUND

Printed: 01/30/23

MODIFIED
ACCRUAL
BASIS

	Cal Yr 2021 <u>Actual</u>	2022 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	Cal Yr 2022 <u>Forecast</u>	Through 09/30/22 <u>Actual</u>	Through 09/30/22 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	2023 Adopted <u>Budget</u>	<u>Budget Assumptions</u>
Assessed Value	368,144	246,910	0	246,910				306,880	Final Nov 2022 AV
Ops Mill Levy Rate	50.000	50.000		50.000				50.000	Per Service Plan
REVENUES									
Property Taxes - Operations	18,407	12,346	0	12,346	12,346	12,346	0	15,344	Assessed Value x mill levy 4.5% of property taxes
Specific Ownership Taxes	2,671	556	0	556	460	370	90	690	
Interest income	8	8	0	8	87	6	81	8	
Contingent Revenue		1,000	0	1,000		0	0	1,000	
TOTAL REVENUES	21,086	13,909	0	13,909	12,893	12,722	171	17,043	
General & Administrative									
Accounting & Administration	0	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0	
Legal	0	0	0	0	0	0	0	0	
Office Overhead & Expense	0	0	0	0	0	0	0	0	
Treasurer's Fees (Eagle County)	552	370	0	370	370	370	(0)	460	3% Eagle County Fee
Service Fee Paid to No. 6	20,534	12,539	0	12,539	0	0	0	15,583	Pmt to No. 6
Contingency/Other		1,000	0	1,000		0	0	1,000	
TOTAL EXPENDITURES	21,087	13,909	0	13,909	370	370	(0)	17,043	
REVENUE OVER (UNDER) EXPEND.	(1)	0	0	0	12,523	12,352	171	0	
Revenue and Other Sources over Expenditures and other Uses	(1)	0	0	0	12,523	12,352	171	0	
FUND BALANCE - BEGINNING	159	160	(1)	159	159	160	(0)	159	
FUND BALANCE - ENDING	159	160	(1)	159	12,682	12,511	170	159	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

EXHIBIT B-2

District No. 2's 2023 Budget

HAYMEADOW METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED
GENERAL FUND

Printed: 01/30/23

MODIFIED
ACCRUAL
BASIS

	Cal Yr 2021 <u>Actual</u>	2022 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	Cal Yr 2022 <u>Forecast</u>	Through 09/30/22 <u>Actual</u>	Through 09/30/22 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	2023 Adopted <u>Budget</u>	<u>Budget Assumptions</u>
Assessed Value	19,180	21,430	0	21,430				19,510	Final Nov 2022 AV
Ops Mill Levy Rate	50.000	50.000		50.000				50.000	Per Service Plan
REVENUES									
Property Taxes - Operations	959	1,072	0	1,072	1,072	1,072	0	976	Assessed Value x mill levy 4.5% of property taxes
Specific Ownership Taxes	1,839	48	0	48	40	32	8	44	
Interest income	10	10	0	10	8	8	0	11	
Contingent Revenue		1,000	0	1,000		0	0	1,000	
TOTAL REVENUES	2,808	2,130	0	2,130	1,119	1,111	8	2,030	
General & Administrative									
Accounting & Administration	0	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0	
Legal	0	0	0	0	0	0	0	0	
Office Overhead & Expense	0	0	0	0	0	0	0	0	
Treasurer's Fees (Eagle County)	29	32	0	32	32	24	(8)	29	3% Eagle County Fee Pmt to No. 6
Service Fee Paid to No. 6	2,779	1,098	0	1,098	0	0	0	1,001	
Contingency/Other		1,000	0	1,000		0	0	1,000	
TOTAL EXPENDITURES	2,808	2,130	0	2,130	32	24	(8)	2,030	
REVENUE OVER (UNDER) EXPEND.	(1)	0	0	0	1,087	1,087	(0)	0	
Revenue and Other Sources over Expenditures and other Uses	(1)	0	0	0	1,087	1,087	(0)	0	
FUND BALANCE - BEGINNING	47	47	(0)	47	47	47	(0)	47	
FUND BALANCE - ENDING	47	47	(0)	47	1,134	1,134	(0)	47	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

EXHIBIT B-3

District No. 3's 2023 Budget

HAYMEADOW METROPOLITAN DISTRICT NO. 3 Printed: 01/30/23
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE MODIFIED
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED ACCRUAL
GENERAL FUND BAXIS

	Cal Yr 2021 <u>Actual</u>	2022 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	Cal Yr 2022 <u>Forecast</u>	Through 09/30/22 <u>Actual</u>	Through 09/30/22 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	2023 Adopted <u>Budget</u>	<u>Budget Assumptions</u>
Assessed Value	53,332	56,540	0	56,540				53,420	Final Nov 2022 AV Per Service Plan
Ops Mill Levy Rate	50.000	50.000		50.000				50.000	
REVENUES									
Property Taxes - Operations	2,667	2,827	0	2,827	2,827	2,827	(0)	2,671	Assessed Value x mill levy 4.5% of property taxes
Specific Ownership Taxes	2,708	127	0	127	104	74	30	120	
Interest income	27	28	0	28	21	19	2	29	
Contingent Revenue		1,000	0	1,000		0	0	1,000	
TOTAL REVENUES	5,402	3,982	0	3,982	2,952	2,920	32	3,820	
General & Administrative									
Accounting & Administration	0	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0	
Legal	0	0	0	0	0	0	0	0	
Office Overhead & Expense	0	0	0	0	0	0	0	0	
Treasurer's Fees (Eagle County)	81	85	0	85	85	85	0	80	3% Eagle County Fee Pmt to No. 6
Service Fee Paid to No. 6	5,322	2,897	0	2,897	0	0	0	2,740	
Contingency/Other		1,000	0	1,000		0	0	1,000	
TOTAL EXPENDITURES	5,403	3,982	0	3,982	85	85	0	3,820	
REVENUE OVER (UNDER) EXPEN	(1)	0	0	0	2,867	2,835	32	0	
Revenue and Other Sources over Expenditures and other Uses	(1)	0	0	0	2,867	2,835	32	0	
FUND BALANCE - BEGINNING	159	159	(0)	159	159	159	(0)	159	
FUND BALANCE - ENDING	159	159	(0)	159	3,026	2,994	32	159	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

EXHIBIT B-4

District No. 4's 2023 Budget

HAYMEADOW METROPOLITAN DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED
GENERAL FUND

Printed: 01/30/23

MODIFIED
ACCRUAL
BASIS

	Cal Yr 2021 <u>Actual</u>	2022 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	Cal Yr 2022 <u>Forecast</u>	Through 09/30/22 <u>Actual</u>	Through 09/30/22 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	2023 Adopted <u>Budget</u>	<u>Budget Assumptions</u>
Assessed Value	20,160	22,530	0	22,530				20,510	Final Nov 2022 AV
Ops Mill Levy Rate	50.000	50.000		50.000				50.000	Per Service Plan
REVENUES									
Property Taxes - Operations	1,008	1,127	0	1,127	1,126	1,127	(0)	1,026	Assessed Value x mill levy 4.5% of property taxes
Specific Ownership Taxes	1,940	51	0	51	40	30	11	46	
Interest income	0	1	0	1	8	1	8	1	
Contingent Revenue		1,000	0	1,000		0	0	1,000	
TOTAL REVENUES	2,948	2,178	0	2,178	1,175	1,157	18	2,073	
General & Administrative									
Accounting & Administration	0	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0	
Legal	0	0	0	0	0	0	0	0	
Office Overhead & Expense	0	0	0	0	0	0	0	0	
Treasurer's Fees (Eagle County)	30	34	0	34	34	34	0	31	3% Eagle County Fee
Service Fee Paid to No. 6	2,918	1,144	0	1,144	0	0	0	1,042	Pmt to No. 6
Contingency/Other		1,000	0	1,000		0	0	1,000	
TOTAL EXPENDITURES	2,948	2,178	0	2,178	34	34	0	2,073	
REVENUE OVER (UNDER) EXPEND.	0	0	0	0	1,141	1,123	18	0	
Revenue and Other Sources over Expenditures and other Uses	0	0	0	0	1,141	1,123	18	0	
FUND BALANCE - BEGINNING	83	84	(1)	83	83	84	(1)	83	
FUND BALANCE - ENDING	83	84	(1)	83	1,224	1,206	18	83	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

EXHIBIT B-5

District No. 5's 2023 Budget

HAYMEADOW METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED
GENERAL FUND

Printed: 01/30/23

MODIFIED
ACCRUAL
BASIS

	Cal Yr 2021 <u>Actual</u>	2022 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	Cal Yr 2022 <u>Forecast</u>	Through 09/30/22 <u>Actual</u>	Through 09/30/22 <u>Budget</u>	Variance Favorable <u>(Unfav)</u>	2023 Adopted <u>Budget</u>	<u>Budget Assumptions</u>
Assessed Value	47,300	52,850	0	52,850				48,110	Final Nov 2022 AV Per Service Plan
Ops Mill Levy Rate	50.000	50.000		50.000				50.000	
REVENUES									
Property Taxes - Operations	2,365	2,643	0	2,643	2,642	2,643	(0)	2,406	Assessed Value x mill levy 4.5% of property taxes
Specific Ownership Taxes	4,548	119	0	119	100	69	30	108	
Interest income	1	2	0	2	20	1	19	2	
Contingent Revenue		1,000	0	1,000		0	0	1,000	
TOTAL REVENUES	6,914	3,763	0	3,763	2,762	2,713	49	3,516	
General & Administrative									
Accounting & Administration	0	0	0	0	0	0	0	0	
Insurance	0	0	0	0	0	0	0	0	
Legal	0	0	0	0	0	0	0	0	
Office Overhead & Expense	0	0	0	0	0	0	0	0	
Treasurer's Fees (Eagle County)	71	79	0	79	79	79	0	72	3% Eagle County Fee Pmt to No. 6
Service Fee Paid to No. 6	6,843	2,684	0	2,684	0	0	0	2,444	
Contingency/Other		1,000	0	1,000		0	0	1,000	
TOTAL EXPENDITURES	6,914	3,763	0	3,763	79	79	0	3,516	
REVENUE OVER (UNDER) EXPEN	(0)	0	0	0	2,683	2,634	49	0	
OTHER FINANCING SOURCES/(USES)									
Contribution from TSPOA									
Loan or Bond Proceeds									
District Formation Costs									
Landscape Enhancements									
Road Overlay/Major Repair Costs									
Loan Costs									
TOTAL OTHER FINANCING SOUR	0	0	0	0	0	0	0	0	
Revenue and Other Sources over Expenditures and other Uses	(0)	0	0	0	2,683	2,634	49	0	
FUND BALANCE - BEGINNING	216	217	(1)	216	216	217	(1)	216	
FUND BALANCE - ENDING	216	217	(1)	216	2,899	2,851	48	216	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

EXHIBIT B-6

District No. 6's 2023 Budget

HAYMEADOW METROPOLITAN DISTRICT NO. 6 (SERVICE DISTRICT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED
GENERAL FUND

Printed: 01/30/23

MODIFIED
ACCRUAL
BASIS

	Cal Yr 2021 Actual	2022 Adopted Budget	Variance Favorable (Unfav)	2022 Forecast	YTD Thru 10/31/2022 Actual	YTD Thru 10/31/2022 Budget	Variance Favorable (Unfav)	2023 Adopted Budget	Budget Assumptions
Assessed Value	2,230	2,870		2,870	2,230		2,870	Final Nov 2022 AV	
Ops Mill Levy Rate	0.000	0.000		0.000	0.000		0.000	None Certified	
REVENUES									
Property Taxes - Operations	0	0	0	0	0	0	0	Assd Value x mill levy	
Specific Ownership Taxes	0	0	0	0	0	0	0	4.5% of property taxes	
Interest income	352	197	0	197	842	164	678	.25% Fund Balance	
Interest income- Escrow Account	0	0	0	0	0	0	0		
Service Fee from No. 1 - No. 5	38,396	20,362	1	20,363	0	0	22,809	Pmt from No. 1 - 5	
Grant Income		0	10,900	10,900	10,900	0	10,900	Pmt from No. 1 - 5	
Total Revenues	38,748	20,559	10,901	31,460	11,742	164	11,578	27,848	
General & Administrative									
Accounting & Administration	21,295	17,377	(16,623)	34,000	27,176	14,218	(12,959)	36,720	8% increase
Elections	0	1,000	0	1,000	592	1,000	408	1,000	Est
Audit	8,600	9,800	9,800	0	0	9,800	9,800	10,400	Engagement Letter not to Excer
Insurance	3,732	3,844	(1,168)	5,012	5,012	3,844	(1,168)	5,413	8% increase
Legal	4,973	14,118	(20,882)	35,000	38,098	11,551	(26,547)	37,800	8% increase
Dues & Memberships	1,402	1,300	0	1,300	0	1,300	1,300	1,300	Est
Office Overhead & Expense	1,230	1,500	0	1,500	1,071	1,250	179	1,500	Est
Treasurer's Fees (Eagle County)	0	0	0	0	0	0	0	0	3% of Property Taxes
Utilities- Electric	1,753	1,644	0	1,644	1,356	1,370	14	1,776	8% increase
Contingency/Other		4,894	(2,887)	7,781		3,263	3,263	9,413	10% of expenses
G&A Overhead Allocated to Capital Ex	0		0		0	0	0		
Total General & Admin	42,984	55,477	(31,760)	87,237	73,306	47,595	(25,711)	105,322	
Operational Expenses									
Weed Mitigation	34,649	37,080	0	37,080	26,266	30,338	4,072	40,046	8% increase
Snow Removal-Paths		0	0	0	0	0	0	5,000	Proposal?
Non-Potable Operations		0	0	0	2,356	0	(2,356)	10,000	
Non-Potable R&M		5,150	5,150	0	0	4,292	4,292	50,000	Repave Alley
Landscaping/Irrigation Maintenance	18,515	16,815	(103,185)	120,000	109,457	14,012	(95,445)	129,600	8% increase (Michael invoice)
Contingency		25,000	25,000	0		20,833	20,833	25,000	
Total Operational Expenditures	53,164	84,045	(73,035)	157,080	138,079	69,475	(68,604)	259,646	
Capital Expenditures									
Infrastructure									
Roads	0	0	(1,250,000)	1,250,000	53,033	0	(53,033)	1,000,000	Engineer's Est
Drainage	0	0	(252,000)	252,000	459,072	0	(459,072)	130,000	
Water	0	0	0	0	277,375	0	(277,375)	0	
Sewer	0	0	0	0	173,776	0	(173,776)	0	
Non Potable Water	4,195	0	0	0	21,375	0	(21,375)	1,500,000	Engineer's Est
General Expenses	0	0	0	0	145,971	0	(145,971)	0	
Owners Representative Fee	12,750	0	0	0	0	0	0	0	
Engineering Fee	9,033	0	(5,000)	5,000	1,853	0	(1,853)	0	
Porters Irrigation	0	0	0	0	0	0	0	5,000	Reconnect Tract E
Irrigation System	3,066	0	0	0	0	0	0	42,000	
Landscaping	19,707	20,654	20,654	0	0	20,654	20,654	130,875	Rocky Mtn Custom Landscape
Capitalized G&A Overhead	0	0	0	0	0	0	0	0	
Capitalized Overhead Allocated	0	0	0	0	0	0	0	0	
Contingency		25,000	25,000	0		20,000	20,000	140,394	5% of above
Total Capital Expenditures	48,751	45,654	(1,461,346)	1,507,000	1,132,456	40,654	(1,091,802)	2,948,268	
Revenue Over (Under) Expend Before Other Financing Scs	(106,152)	(164,617)	(1,555,241)	(1,719,857)	(1,332,100)	(157,561)	(1,174,539)	(3,285,389)	
OTHER FINANCING SOURCES/(USES)									
Developer Advances to Town Escrow	0	0	0	0	0	0	0	0	
Developer Advances Other	34,000	0	1,591,789	1,591,789	1,005,000	0	1,005,000	3,313,237	
Developer Repayments Principal	0	0	0	0	0	0	0	0	
Developer Repayment Interest	(600,000)	0	0	0	0	0	0	0	
Total Other Financing Sources	(566,000)	0	1,591,789	1,591,789	1,005,000	0	1,005,000	3,313,237	
Revenue Over (Under) Expend After Other Financing Scs	(672,152)	(164,617)	36,549	(128,068)	(327,100)	(157,561)	(169,539)	27,848	
FUND BALANCE - BEGINNING	831,680	176,975	(17,447)	159,528	159,528	176,975	(17,447)	31,460	
FUND BALANCE - ENDING	159,528	12,358	19,101	31,460	(167,572)	19,414	(186,986)	59,308	

No Assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

EXHIBIT C-1

District No. 1's Audit Exemption Application for Fiscal Year 2022

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

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

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

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

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

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

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

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

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

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

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS
PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.
APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been PERSONALLY reviewed and approved by the governing body?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
 - If yes, have you read and understand the new Electronic Signature Policy? See new policy -> [here](#)
 - or--
 - If yes, have you included a resolution?
 - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
 - Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
 - If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

FILING METHODS

NEW METHOD! Register and submit your Applications at our new portal!

WEB PORTAL: <https://apps.leg.co.gov/osa/lg>

MAIL: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

QUESTIONS? Email: osa.lg@coleg.gov OR Phone: 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

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

In that event, AN AUDIT SHALL BE REQUIRED.

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

**NAME OF GOVERNMENT
ADDRESS**

Haymeadow Metropolitan District #1
28 Second St, Suite 213
Edwards, CO 81632

**For the Year Ended
12/31/22
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL**

Kenneth J Marchetti
970.926.6060
ken@mwcpaa.com

PART 1 - CERTIFICATION OF PREPARER

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

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

Kenneth J Marchetti
Accountant/CPA
Marchetti & Weaver, LLC
28 2nd St, Unit 213, Edwards, CO 81632
(970) 926-6060
3/14/2023

PREPARER (SIGNATURE REQUIRED)



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
	<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	Taxes: Property (report mills levied in Question 10-6)	\$ 12,346	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ 621	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 210	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 13,177	

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	Administrative	\$ 13,176	Please use this space to provide any necessary explanations
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 13,176	

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, MUST explain: <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, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year
General obligation bonds	\$ -	\$ -
Revenue bonds	\$ -	\$ -
Notes/Loans	\$ -	\$ -
Lease Liabilities	\$ -	\$ -
Developer Advances	\$ -	\$ -
Other (specify):	\$ -	\$ -
TOTAL	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date the debt was authorized:	<div style="border: 1px solid black; padding: 2px;">11/4/2014</div>	
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? 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? What are the annual lease payments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

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

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 12,964	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 12,964
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
5-3	\$ -	
	\$ -	
Total Investments		\$ -
Total Cash and Investments		\$ 12,964

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

N/A

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	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

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

Yes No

- 7-1 Does the entity have an "old hire" 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.):	\$ -
TOTAL	\$ -

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

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

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

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 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	\$ 13,909

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:

Parks/Rec, Drainage, street, (non) & potable water; Sewer, Transportation Impr. Traffic/Safety

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:

Affiliated District HMMD#6 will manage constr and oper of public impr on behalf of this district

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	50.000
Total mills	50.000

Bond Redemption mills	-
General/Other mills	50.000
Total mills	50.000

Please use this space to provide any explanations or comments:

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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Rick Pylman	I, <u>Rick Pylman</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Richard J Pylman</u> Date: <u>3/23/2023</u> My term Expires: <u>May 2025</u>
Board Member 2	Scott Schlosser	I, <u>Scott Schlosser</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Scott Schlosser</u> Date: <u>3/21/2023</u> My term Expires: <u>May 2023</u>
Board Member 3	Jens Werner	I, <u>Jens Werner</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>
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____

EXHIBIT C-2

District No. 2's Audit Exemption Application for Fiscal Year 2022

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

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

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

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

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

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

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

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

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

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

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS
PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.
APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been PERSONALLY reviewed and approved by the governing body?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
 - If yes, have you read and understand the new Electronic Signature Policy? See new policy -> [here](#)
 - or--
 - If yes, have you included a resolution?
 - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
 - Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
 - If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

FILING METHODS

NEW METHOD! Register and submit your Applications at our new portal!

WEB PORTAL: <https://apps.leg.co.gov/osa/lg>

MAIL: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

QUESTIONS? Email: osa.lg@coleg.gov OR Phone: 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

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

In that event, AN AUDIT SHALL BE REQUIRED.

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT ADDRESS

Haymeadow Metropolitan District #2
28 Second St, Suite 213
Edwards, CO 81632

For the Year Ended
12/31/22
or fiscal year ended:

**CONTACT PERSON
PHONE
EMAIL**

Kenneth J Marchetti
970.926.6060
ken@mwcpaa.com

PART 1 - CERTIFICATION OF PREPARER

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

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

Kenneth J Marchetti
Accountant/CPA
Marchetti & Weaver, LLC
28 2nd St, Unit 213, Edwards, CO 81632
(970) 926-6060
3/14/2023

PREPARER (SIGNATURE REQUIRED)



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

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

PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 1,072	
2-2	Specific ownership	\$ 52	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 19	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 1,143	

PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 1,143	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 1,143	

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, MUST explain: <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, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year
General obligation bonds	\$ -	\$ -
Revenue bonds	\$ -	\$ -
Notes/Loans	\$ -	\$ -
Lease Liabilities	\$ -	\$ -
Developer Advances	\$ -	\$ -
Other (specify):	\$ -	\$ -
TOTAL	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date the debt was authorized:	\$ 35,000,000.00	11/4/2014
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? 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? What are the annual lease payments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

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

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 1,157	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 1,157
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
5-3	\$ -	
	\$ -	
Total Investments		\$ -
Total Cash and Investments		\$ 1,157

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

N/A

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	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

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

Yes No

- 7-1 Does the entity have an "old hire" 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.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

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

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 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	\$ 2,130

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:

Parks/Rec, Drainage, street, (non) & potable water; Sewer, Transportation Impr. Traffic/Safety

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:

Affiliated District HMMD#6 will manage constr and oper of public impr on behalf of this district

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	50.000
Total mills	50.000

Please use this space to provide any explanations or comments:

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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Rick Pylman	I, <u>Rick Pylman</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Richard J Pylman</u> Date: <u>3/23/2023</u> My term Expires: <u>May 2025</u>
Board Member 2	Scott Schlosser	I, <u>Scott Schlosser</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Scott Schlosser</u> Date: <u>3/21/2023</u> My term Expires: <u>May 2023</u>
Board Member 3	Jans Werner	I, <u>Jens Werner</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>
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____

EXHIBIT C-3

District No. 3's Audited Financial Statements for 2022

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

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

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

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

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

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

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

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

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

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

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS
PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.
APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been PERSONALLY reviewed and approved by the governing body?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
 - If yes, have you read and understand the new Electronic Signature Policy? See new policy -> [here](#)
 - or--
 - If yes, have you included a resolution?
 - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
 - Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
 - If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

FILING METHODS

NEW METHOD! Register and submit your Applications at our new portal!

WEB PORTAL: <https://apps.leg.co.gov/osa/lg>

MAIL: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

QUESTIONS? Email: osa.lg@coleg.gov OR Phone: 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

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

In that event, AN AUDIT SHALL BE REQUIRED.

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT ADDRESS

Haymeadow Metropolitan District #3
28 Second St, Suite 213
Edwards, CO 81632

For the Year Ended
12/31/22
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL

Kenneth J Marchetti
970.926.6060
ken@mwcpaa.com

PART 1 - CERTIFICATION OF PREPARER

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

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

Kenneth J Marchetti
Accountant/CPA
Marchetti & Weaver, LLC
28 2nd St, Unit 213, Edwards, CO 81632
(970) 926-6060
3/14/2023

PREPARER (SIGNATURE REQUIRED)



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

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

PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 2,827	
2-2	Specific ownership	\$ 139	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 50	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 3,016	

PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 3,016	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 3,016	

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, MUST explain: <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, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year
General obligation bonds	\$ -	\$ -
Revenue bonds	\$ -	\$ -
Notes/Loans	\$ -	\$ -
Lease Liabilities	\$ -	\$ -
Developer Advances	\$ -	\$ -
Other (specify):	\$ -	\$ -
TOTAL	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date the debt was authorized:	\$ 35,000,000.00	11/4/2014
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? 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? What are the annual lease payments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

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

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 3,090	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 3,090
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
Total Investments		\$ -
Total Cash and Investments		\$ 3,090

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

N?A

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	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

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

Yes No

- 7-1 Does the entity have an "old hire" 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.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

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

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 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	\$ 3,982

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?

10-1

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:

Parks/Rec, Drainage, street, (non) & potable water; Sewer, Transportation Impr. Traffic/Safety

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:

Affiliated District HMMD#6 will manage constr and oper of public impr on behalf of this district

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	50.000
Total mills	50.000

Bond Redemption mills	-
General/Other mills	50.000
Total mills	50.000

Please use this space to provide any explanations or comments:

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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Rick Pylman	I, <u>Rick Pylman</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Richard J Pylman</u> Date: <u>3/23/2023</u> My term Expires: <u>May 2025</u>
Board Member 2	Scott Schlosser	I, <u>Scott Schlosser</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Scott Schlosser</u> Date: <u>3/21/2023</u> My term Expires: <u>May 2023</u>
Board Member 3	Jens Werner	I, <u>Jens Werner</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>
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____

EXHIBIT C-4

District No. 4's Audit Exemption Application for Fiscal Year 2022

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

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

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

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

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

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

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

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

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

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

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS
PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.
APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been PERSONALLY reviewed and approved by the governing body?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
 - If yes, have you read and understand the new Electronic Signature Policy? See new policy -> [here](#)
 - or--
 - If yes, have you included a resolution?
 - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
 - Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
 - If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

FILING METHODS

NEW METHOD! Register and submit your Applications at our new portal!

WEB PORTAL: <https://apps.leg.co.gov/osa/lg>

MAIL: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

QUESTIONS? Email: osa.lg@coleg.gov OR Phone: 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

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

In that event, AN AUDIT SHALL BE REQUIRED.

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

**NAME OF GOVERNMENT
ADDRESS**

Haymeadow Metropolitan District #4
28 Second St, Suite 213
Edwards, CO 81632

**For the Year Ended
12/31/22
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL**

Kenneth J Marchetti
970.926.6060
ken@mwcpaa.com

PART 1 - CERTIFICATION OF PREPARER

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

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

Kenneth J Marchetti
Accountant/CPA
Marchetti & Weaver, LLC
28 2nd St, Unit 213, Edwards, CO 81632
(970) 926-6060
3/14/2023

PREPARER (SIGNATURE REQUIRED)



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 1,126	
2-2	Specific ownership	\$ 53	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 20	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 1,199	

PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 1,199	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 1,199	

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, MUST explain: <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, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year
General obligation bonds	\$ -	\$ -
Revenue bonds	\$ -	\$ -
Notes/Loans	\$ -	\$ -
Lease Liabilities	\$ -	\$ -
Developer Advances	\$ -	\$ -
Other (specify):	\$ -	\$ -
TOTAL	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date the debt was authorized:	\$ 35,000,000.00	11/4/2014
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? 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? What are the annual lease payments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	\$ -	-

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

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

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 1,248	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 1,248
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
5-3	\$ -	
	\$ -	
Total Investments		\$ -
Total Cash and Investments		\$ 1,248

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

N/A

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	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

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

Yes No

- 7-1 Does the entity have an "old hire" 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.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

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

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 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	\$ 2,178

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:

Parks/Rec, Drainage, street, (non) & potable water; Sewer, Transportation Impr. Traffic/Safety

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:

Affiliated District HMMD#6 will manage constr and oper of public impr on behalf of this district

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	50.000
Total mills	50.000

Please use this space to provide any explanations or comments:

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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Rick Pylman	I, <u>Rick Pylman</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Richard J Pylman</u> Date: <u>3/23/2023</u> My term Expires: <u>May 2025</u>
Board Member 2	Scott Schlosser	I, <u>Scott Schlosser</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Scott Schlosser</u> Date: <u>3/23/2023</u> My term Expires: <u>May 2023</u>
Board Member 3	Jens Werner	I, <u>Jens Werner</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>
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: _____

EXHIBIT C-5

District No. 5's Audit Exemption Application for Fiscal Year 2022

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

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

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

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

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

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

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

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

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

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

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS
PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.
APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been PERSONALLY reviewed and approved by the governing body?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
 - If yes, have you read and understand the new Electronic Signature Policy? See new policy -> [here](#)
 - or--
 - If yes, have you included a resolution?
 - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
 - Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
 - If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

FILING METHODS

NEW METHOD! Register and submit your Applications at our new portal!

WEB PORTAL: <https://apps.leg.co.gov/osa/lg>

MAIL: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

QUESTIONS? Email: osa.lg@coleg.gov OR Phone: 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

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

In that event, AN AUDIT SHALL BE REQUIRED.

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

**NAME OF GOVERNMENT
ADDRESS**

Haymeadow Metropolitan District #5
28 Second St, Suite 213
Edwards, CO 81632

**For the Year Ended
12/31/22
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL**

Kenneth J Marchetti
970.926.6060
ken@mwcpaa.com

PART 1 - CERTIFICATION OF PREPARER

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

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

Kenneth J Marchetti
Accountant/CPA
Marchetti & Weaver, LLC
28 2nd St, Unit 213, Edwards, CO 81632
(970) 926-6060
3/14/2023

PREPARER (SIGNATURE REQUIRED)



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

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)

PROPRIETARY
(CASH OR BUDGETARY BASIS)

PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 2,642	
2-2	Specific ownership	\$ 131	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 48	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 2,821	

PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 2,822	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 2,822	

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, MUST explain: <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, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease Liabilities	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much?	<input type="checkbox"/>	<input type="checkbox"/>
Date the debt was authorized:	<div style="border: 1px solid black; padding: 2px;">11/4/2014</div>	
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
What is the amount outstanding?	<div style="border: 1px solid black; padding: 2px;">\$ 13,000,000.00</div>	
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
What is the amount outstanding?	<div style="border: 1px solid black; padding: 2px;">\$ -</div>	
4-8 Does the entity have any lease agreements? If yes: What is being leased?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
What is the original date of the lease?	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	
Number of years of lease?	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	
Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
What are the annual lease payments?	<div style="border: 1px solid black; padding: 2px;">\$ -</div>	

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

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

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 2,958	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 2,958
Investments (if investment is a mutual fund, please list underlying investments):		
<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	\$ -	
<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	\$ -	
<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	\$ -	
<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	\$ -	
5-3 Total Investments		\$ -
Total Cash and Investments		\$ 2,958

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

N/A

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	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

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

Yes No

- 7-1 Does the entity have an "old hire" 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.):	\$ -
TOTAL	\$ -

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

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

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

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 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	\$ 3,763

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:

Parks/Rec, Drainage, street, (non) & potable water; Sewer, Transportation Impr. Traffic/Safety

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:

Affiliated District HMMD#6 will manage constr and oper of public impr on behalf of this district

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

If yes: Date Filed:

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

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

Bond Redemption mills	-
General/Other mills	-
Total mills	-

	-
	-
	-

Please use this space to provide any explanations or comments:

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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Rick Pylman	I, <u>Rick Pylman</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Richard J Pylman</u> Date: <u>3/23/2023</u> My term Expires: <u>May 2025</u>
Board Member 2	Scott Schlosser	I, <u>Scott Schlosser</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Scott Schlosser</u> Date: <u>3/21/2023</u> My term Expires: <u>May 2023</u>
Board Member 3	Jens Werner	I, <u>Jens Werner</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>
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

EXHIBIT C-6

District No. 6's Audited Financial Statements for 2022

**Haymeadow Metropolitan District No. 6
Edwards, Colorado**

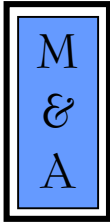
**Financial Statements
December 31, 2022**



**Haymeadow Metropolitan District No. 6
Financial Statements
December 31, 2022**

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	A1 – A3
Management's Discussion and Analysis	B1 – B3
Government-wide Financial Statements:	
Balance Sheet/Statement of Net Position	C1
Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities	C2
Notes to the Financial Statements	D1 – D13
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund	E1



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

CHAPEL SQUARE, BLDG C
245 CHAPEL PLACE, SUITE 300
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM
MAIN OFFICE: (970) 845-8800
FACSIMILE: (970) 845-8108
E-MAIL: MCMAHAN@MCMAHANCPA.COM

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Haymeadow Metropolitan District No. 6
Eagle, Colorado**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of Haymeadow Metropolitan District No. 6 (the "District"), as of and for the year ended December 31, 2022, which collectively comprise the District's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the District, as of December 31, 2022 and the respective changes in financial position thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

INDEPENDENT AUDITORS REPORT
To the Board of Directors
Haymeadow Metropolitan District No. 6

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**INDEPENDENT AUDITORS REPORT
To the Board of Directors
Haymeadow Metropolitan District No. 6**

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The individual fund budgetary comparison in section E is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison in section E is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
Avon, Colorado
September 20, 2023**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Haymeadow Metropolitan District No. 6

Management's Discussion and Analysis December 31, 2022

As management of Haymeadow Metropolitan District No. 6 (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2022.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are composed of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the District's assets, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The governmental activity of the District is primarily financing the construction of the infrastructure within Haymeadow Metropolitan District Nos. 1-5. There are no business-type activities within the District.

The government-wide financial statements can be found on pages C1 and C2 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District currently has one fund, the General Fund. This fund is a governmental fund type.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing

so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation of the fund balance as reported in the governmental funds to the net position reported in the government-wide financial statements and a reconciliation of the net change in fund balance to the change in net position has been provided to facilitate the comparison between governmental funds and governmental activities. The fund financial statements are also contained on pages C1 and C2 of the report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages D1 through D13 of this report.

Government-wide Financial Analysis

The following tables show condensed financial information derived from the government-wide financial statements for the years ended December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Assets:		
Current and other assets	\$ 119,341	\$ 185,800
Capital assets, net	2,415,621	1,073,776
Total Assets	<u>\$ 2,534,962</u>	<u>\$ 1,259,576</u>
Liabilities:		
Current and other liabilities	\$ 13,029,784	\$ 10,646,133
Net Position:		
Restricted for emergencies	44,700	27,700
Unrestricted	(10,539,522)	(9,414,257)
Total Net Position	<u>\$ (10,494,822)</u>	<u>\$ (9,386,557)</u>
General Revenues:		
Investment Income	\$ 1,192	\$ 352
Service Fees from Districts 1-5	20,756	38,396
Grant Income	10,900	0
Total Revenues	<u>32,848</u>	<u>38,748</u>
Expenses:		
General government	\$ 286,615	\$ 48,751
Interest on Developer Advances	854,498	825,298
Total Expenses	<u>1,141,113</u>	<u>874,049</u>
Change in net position	(1,008,265)	(835,301)
Net Position- Beginning	<u>(9,386,557)</u>	<u>(8,551,256)</u>
Net Position- Ending	<u>\$ (10,494,822)</u>	<u>\$ (9,386,557)</u>

Government-wide Financial Analysis. The major activity for 2022 was continued infrastructure construction for Haymeadow Subdivision Filing No 1. The large deficit net position is the result of conveying infrastructure that was constructed with borrowed funds to the Town of Eagle resulting in a deficit net position.

Financial Analysis of the District's Funds

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the

District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported an ending fund balance of \$(13,147) which reflects a decrease of \$139,613. This decrease is the result of increased operational expenses for landscape maintenance and capital outlay for infrastructure construction.

Budget variances in the General Fund. The District's ended up having more infrastructure construction than originally anticipated resulting in an amended budget for the additional activity. The budget/actual/variance schedule can be seen on Page E1 of the report.

Capital assets. The District's total capital assets before depreciation increased to \$2,524,261 with the infrastructure construction. It is anticipated that this additional infrastructure will be conveyed to the Town of Eagle in the future. Additional information related to the capital assets is reflected in Note B on Page D10 of the financial statements.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Marchetti & Weaver, LLC 28 Second Street, Suite 213, Edwards, CO 81632 or you may call (970) 926-6060.

FINANCIAL STATEMENTS

Haymeadow Metropolitan District No. 6
Balance Sheet/
Statement of Net Position
December 31, 2022

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets:			
Cash and investments	18,140	-	18,140
Due from developer	80,000	-	80,000
Due from other governments	20,756	-	20,756
Prepaid expenses	445	-	445
Capital assets, net of accumulated depreciation, where applicable	-	2,415,621	2,415,621
Total Assets	<u>119,341</u>	<u>2,415,621</u>	<u>2,534,962</u>
Liabilities:			
Current Liabilities:			
Accounts payable and accrued liabilities	98,340	-	98,340
Retainage payable	34,148	-	34,148
Accrued interest payable	-	1,115,886	1,115,886
Developer advances	-	11,781,410	11,781,410
Total Liabilities	<u>132,488</u>	<u>12,897,296</u>	<u>13,029,784</u>
Fund Balance / Net Position:			
Fund Balance:			
Nonspendable	445	(445)	-
Restricted for emergencies	44,700	(44,700)	-
Unassigned	(58,292)	58,292	-
Total Fund Balance	<u>(13,147)</u>	<u>13,147</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>119,341</u>		
Net Position:			
Restricted for emergencies		44,700	44,700
Unrestricted		(10,539,522)	(10,539,522)
Total Net Position		<u>(10,494,822)</u>	<u>(10,494,822)</u>

Haymeadow Metropolitan District No. 6
Statement of Revenues, Expenditures and changes in Fund Balance/
Statement of Activities
For the Year Ended December 31, 2022

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Investment income	1,192	-	1,192
Service fees from other districts	20,756	-	20,756
Grant income	10,900	-	10,900
Total Revenues	<u>32,848</u>	<u>-</u>	<u>32,848</u>
Expenditures/Expenses:			
Accounting and administration	32,557	-	32,557
Elections	593	-	593
Insurance	5,012	-	5,012
Legal	51,144	-	51,144
Office overhead	3,288	-	3,288
Landscape and irrigation maintenance	139,624	-	139,624
Depreciation	-	54,397	54,397
Debt service:			
Interest on developer advances	-	854,498	854,498
Capital Outlay	1,396,243	(1,396,243)	-
Total Expenditures/Expenses	<u>1,628,461</u>	<u>(487,348)</u>	<u>1,141,113</u>
Other Financing Sources:			
Proceeds from developer advances	1,456,000	(1,456,000)	-
Total Other Financing Sources	<u>1,456,000</u>	<u>(1,456,000)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(139,613)	139,613	
Change in Net Position		(1,108,265)	(1,108,265)
Fund Balance / Net Position			
Beginning (restated)	126,466		(9,386,557)
Ending	<u>(13,147)</u>		<u>(10,494,822)</u>

NOTES TO THE FINANCIAL STATEMENTS

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022

I. Summary of Significant Accounting Policies

Haymeadow Metropolitan District No. 6 (the "District") was organized on November 17, 2014 as a quasi-municipal corporation and political subdivision of the State of Colorado. The District was formed primarily to finance, construct, operate, and maintain the basic public infrastructure for Haymeadow Metropolitan District Nos. 1 through No. 5 (each individually referred to as a "Neighborhood District") in an area of approximately 660 acres of land within Eagle, Colorado.

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the District are discussed below.

A. Reporting Entity

The District is governed by an elected Board which is responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with the provisions of the Colorado Special District Act.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits, to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria discussed above, the District is not financially accountable for any other entity, nor is the District a component unit of any other government.

B. Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. Currently, the District performs only governmental activities.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, the governmental activities columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in two parts – restricted; and unrestricted net position.

The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The District reports only a General Fund. The General Fund is the District's operating fund and accounts for all financial resources of the District.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

D. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with maturities of three months or less.

Investments are stated at net asset value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The District's investment policy is detailed in note IV.A.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. However, no allowance for uncollectible accounts has been established, as the District considers all accounts to be collectible.

3. Capital Assets

Capital assets, which includes design and initial construction of public infrastructure are reported in the government-wide financial statements. The District defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Capital expenditures for projects are capitalized as projects are constructed.

Overhead expenses incurred in the General Fund are allocated between the general operating expenditures and capital outlay. The District estimates 50% of operating time and expenses are spent on infrastructure project. During 2022, the District capitalized \$161,960 of overhead expenses.

As of the year ended December 31, 2022, all capital assets were considered construction in progress and will be conveyed to other entities or depreciated upon completion.

4. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as a liability in the applicable governmental activities statement of net position.

5. Deferred Outflows and Inflows of Resources

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

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

The District doesn't have any items that qualify for reporting in deferred outflows or inflows at December 31, 2022.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

6. Fund Balance

The District classifies governmental fund balances as follows:

Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of Directors.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance may be assigned by the Board of Directors or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District uses restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District does not have a formal minimum fund balance policy. However, the District's budget includes a calculation of a targeted reserve position and management reports the targeted amount annually to Board of Directors.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the District's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

The governmental fund Balance Sheet and the government-wide Statement of Net Position includes a reconciling column. Explanation of the adjustments included in the reconciling column is as follows:

Capital assets	2,524,261
Less accumulated depreciation	<u>(108,640)</u>
Total adjustments	<u><u>2,415,621</u></u>

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Developer advances	(11,781,410)
Accrued interest on developer advances	<u>(1,115,886)</u>
Total adjustments	<u><u>(12,897,296)</u></u>

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities

The governmental fund Statement of Revenue, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities include a reconciling column. Explanation of the adjustments included in the reconciling column is as follows:

Capital additions	1,396,243
Depreciation expense	<u>(54,397)</u>
Total adjustments	<u><u>1,341,846</u></u>

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Proceeds from developer advances	(1,456,000)
Interest accrued on developer advances	<u>(854,498)</u>
Total adjustments	<u><u>(2,310,498)</u></u>

The issuance of long-term debt (e.g., notes, bonds, developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

In the fall of each year, the District's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Local Government Budget Law of Colorado. The budgets for the funds are adopted on a basis consistent with generally accepted accounting principles ("GAAP").

- (1) After a required publication of "Notice of Proposed Budget" and a public hearing, the District adopted the proposed budget and an appropriating resolution, which legally appropriated expenditures for the upcoming year, prior to December 31, 2021.
- (2) After adoption of the budget resolution, the District may make the following changes: a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated in the budget; c) it may approve emergency appropriations; and d) it may reduce appropriations for which originally estimated revenues are insufficient.
- (3) All appropriations lapse at year-end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because it is at present considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Any revenues earned in excess of the fiscal year spending limit must be refunded in the next fiscal year, unless voters approve retention of such excess revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% or more of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The District has reserved \$44,700 which is the approximate required reserve at December 31, 2022.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

On November 4, 2014, the District's voters approved the following TABOR related ballot questions:

- (1) To increase taxes \$50,000 annually and by such other amounts collected in each year thereafter from a mill levy imposed at a rate not to exceed 50.000 mills (the actual mill levy rate for any fiscal year to be adjusted downwards or upwards by the Board of Directors in its discretion) to pay the District's administration, operations, maintenance, capital improvement and other expenses without limitation.

- (2) To increase debt \$35,000,000 with a total repayment cost of \$287,000,000 and to increase taxes \$41,300,000 annually, or by such lesser annual amount as may be necessary to pay the District's debt; such debt issued or incurred for the purpose of paying, reimbursing, or financing all or any part of the costs of designing, acquiring, construction, installing, completing, equipping and otherwise providing improvements and programs for the following (each approved separately for debt of \$35,000,000):
 - Parks and recreation
 - Stormwater management system
 - Streets, roadways and related landscaping
 - Potable water system
 - Wastewater system
 - Transportation system
 - Traffic and safety controls
 - Mosquito control
 - Fire protection
 - Refunding, paying, or defeasing, in whole or in part, bonds, notes, or other financial obligations of the District
 - Obligations under one or more Intergovernmental Agreements with the State or any political subdivisions of the State

And all extensions of and improvements to such facilities within and without the boundaries of the District; such debt to bear interest at a net effective interest rate not in excess of 18% per annum.

- (3) To authorize collection, retention and spending of any and all amounts annually from any revenue sources whatsoever (including without limitation any revenues from ad valorem property taxes, tax, specific ownership taxes, fees, rates, toll, penalties, or charges, state, federal and private grants and gifts, or any other source).

All debt and tax increases constitute voter-approved revenue changes and the proceeds of such and investment income thereon are to be collected and spent by the District without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution or any other law, and without limiting in any year the amount of other revenues that may be collected and spent by the District.

At December 31, 2022, the District had authorized but unissued debt totaling \$385,000,000.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

IV. Detailed Notes on all Funds

A. Deposits and Investments

The deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the District's demand deposits was \$5,394 at year end.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments, and entities such as the District, may invest which include:

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

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the District has invested primarily in COLOTRUST. Funds in COLOTRUST can be withdrawn without notice or penalty.

Credit Risk. The District's investment policy limits investments to those authorized by State statutes. The District's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The District diversifies its investments by security type and institution. Financial institutions holding District funds must provide the District a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2022, the District had no unrealized gains or losses. The District had the following cash and investments with the following maturities:

<u>Type</u>	<u>Rating</u>	<u>Carrying Amount</u>	<u>Maturities</u>	
			<u>Less Than One Year</u>	<u>Less Than Five Years</u>
<i>Deposits:</i>				
Checking		5,394	5,394	-
<i>Investment Pool:</i>				
Colostrust	AAAm	12,746	12,746	-
		<u>18,140</u>	<u>18,140</u>	<u>-</u>

At December 31, 2022, the District had the following recurring fair value measurements:

<u>Investments Measured at Net Asset Value</u>	<u>Amount</u>
Colostrust	12,746
Total	<u>12,746</u>

The District's Investment Pool represents investments in COLOTRUST. The net asset value of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool. At December 31, 2022, the District's investments in COLOTRUST were 100% of the District's investment portfolio.

The District had invested \$12,746 in the Colorado Local Government Liquid Asset Trust (the "Trust"). The Trust is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund, measured at net asset value, and each share is equal in value to \$1.00. Investments consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on all Funds (continued)

B. Capital Assets

Capital asset activity for the year ended December 31, 2022 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets:				
Capital assets, not being depreciated:				
Construction in progress	-	1,396,243	(5,988)	1,390,255
Total capital assets, not being depreciated	<u>-</u>	<u>1,396,243</u>	<u>(5,988)</u>	<u>1,390,255</u>
Capital assets, being depreciated:				
Infrastructure	860,491	-	-	860,491
Non-potable water infrastructure	267,527	5,988	-	273,515
Total capital assets, being depreciated	<u>1,128,018</u>	<u>5,988</u>	<u>-</u>	<u>1,134,006</u>
Less accumulated depreciation for:				
Infrastructure	(47,555)	(47,555)	-	(95,110)
Non-potable water infrastructure	(6,688)	(6,842)	-	(13,530)
Total accumulated depreciation	<u>(54,243)</u>	<u>(54,397)</u>	<u>-</u>	<u>(108,640)</u>
Total Capital Assets	<u><u>1,073,775</u></u>	<u><u>1,347,834</u></u>	<u><u>(5,988)</u></u>	<u><u>2,415,621</u></u>

C. Long-term Obligations

1. Developer Advances

On December 4, 2018, the District entered into two agreements with Abrika Properties, LLC (the "Developer"). Per the agreements, the Developer, in its sole discretion, may but shall not be obligated to in any manner, advance sums as requested from time to time by the District within 45 days after end of each fiscal year during the term of the agreements. If the District receives bond proceeds or has other legally available revenue, then the District will reimburse the Developer from such available sources for all amounts actually advanced, together with interest at 8.0% per annum. The agreements' term shall end on the earlier date that all reimbursable advances and any interest thereon have been paid in full or 40 years. Advances under the individual agreements are for the following:

Advance, Acquisition and Reimbursement Agreement – for Capital Advances to pay the costs of public improvements.

Operating Reimbursement Agreement – for Operating Advances, together with advances prior the agreement for organizational and operating expenses, to pay any future operating, maintenance, and/or administrative expenses.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on all Funds (continued)

C. Long-term Obligations (continued)

The District had the following changes in debt for the year ended December 31, 2022.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Developer advances	10,325,410	1,456,000	-	11,781,410	-
Interest payable on developer advances	261,388	854,498	-	1,115,886	-
Total	<u>10,586,798</u>	<u>2,310,498</u>	<u>-</u>	<u>12,897,296</u>	<u>-</u>

V. Other Information

A. Intergovernmental Agreement

On December 5, 2018 the District entered into an intergovernmental agreement with Haymeadow Metropolitan District Nos. 1 through No. 5 (each individually referred to as a "Neighborhood District" and with the District collectively referred to as the "Neighborhood Districts"). The public improvements are described within and all terms of this agreement are subject to provisions in the Service Plan and the Annexation and Development Agreement (the "ADA"), both approved by the Town of Eagle in 2014.

Under the agreement, the Districts shall work diligently to implement the Service Plan and ADA. The District will develop a financing plan and the Neighborhood Districts will work cooperatively to implement the financing plan in such a way as to enable the District to construct, operate and maintain the public improvements.

The District is responsible for the design, acquisition, installation, construction, operation and maintenance of certain infrastructure for streets, potable and non-potable water, sewer and storm drainage, recreation trails and associated parking within the Neighborhood Districts. Development within the Neighborhood Districts is anticipated to proceed in phases subject to Town review and approval, and construction of the public improvements will be completed in phases as development and need for service necessitates.

The Neighborhood Districts shall issue limited tax general obligation debt to finance the construction and installation of the public improvements, through bonds or other instruments, at the direction of the District. The Neighborhood Districts shall not incur any debt of any type or kind whatsoever without the consent of the District, and all debt incurred by the Neighborhood Districts shall be used for the purpose of financing the installation of the public improvements at the direction of the District.

The Neighborhood Districts shall impose an ad valorem tax on property within each Neighborhood District in such amount as determined by the District sufficient to cover ongoing operations and maintenance costs of the public improvements. Each Neighborhood District shall pay to the District all revenue raised from any and all operational mill levies assessed by the Neighborhood Districts in order to offset the operating expenses incurred by the District for the provision of services to property within the Service Area. The Neighborhood Districts shall not encumber any of the operational revenues without the prior consent of the District.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

V. Other Information (continued)

A. Intergovernmental Agreement (continued)

Except for revenue pledged to debt, the Neighborhood Districts shall assign all revenue raised from all sources to the District in order to offset the expenses of operating and maintaining the public improvements. The Neighborhood Districts shall not retain, appropriate, expend, pledge or otherwise encumber any portion of such revenues for any other purpose, and all of such revenues and monies shall be immediately transferred and paid to the District.

The public improvements constructed hereunder shall be conveyed to the Town, the District or a homeowner's association upon Bill of Sale. The District shall provide the operations and maintenance services and maintain necessary insurance for the public improvements in a manner deemed appropriate by the Neighborhood Districts. The Neighborhood Districts shall have no direct responsibility for operations or maintenance of such public improvements.

During 2022, the Neighborhood Districts provided \$20,756 to the District as Service Fees. At December 31, 2022, all public improvement projects are in progress, and the Neighborhood Districts are expected to finance the reimbursable Developer Advances and accrued interest thereon totaling \$12,897,296 in future years.

B. Construction Contracts

On June 10, 2022, the District contracted with Johnson Construction, Inc. ("Johnson") to complete infrastructure projects expected to be substantially completed on or before November 1, 2022 and completed and ready for final payment on or before November 1, 2022. The original Contract bid totaled \$251,158.

On July 26, 2022, the District contracted with Nottingham Excavating ("Nottingham") to complete drainage, water, sewer and non-potable water infrastructure projects expected to be substantially completed on or before November 1, 2022. The original Contract bid totaled \$1,447,336.

C. Risk Management

Colorado Special Districts Property and Liability Pool

Except as provided within the Colorado Governmental Immunity Act, the District may be exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; or injuries to employees. The District is insured for such risks as a member of the Colorado Special Districts Property and Liability Pool ("Pool"). The Pool is an organization created by intergovernmental agreement to provide property and general liability, automobile physical damage and liability, public officials liability and boiler and machinery coverage to its members. The Pool provides coverage for property claims up to the values declared and liability coverage for claims up to \$1,000,000. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Haymeadow Metropolitan District No. 6
Notes to the Financial Statements
December 31, 2022
(continued)

V. Other Information (continued)

C. Risk Management (continued)

Colorado Special Districts Property and Liability Pool (continued)

The District pays annual premiums to the Pool for liability, property and public official's coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

A summary of audited statutory basis financial information for the Pool as of and for the year ended December 31, 2021 (the latest audited information available) is as follows:

Assets	<u><u>68,195,261</u></u>
Liabilities	46,165,251
Capital and surplus	<u>22,030,010</u>
Total	<u><u>68,195,261</u></u>
Revenue	24,889,624
Underwriting expense	<u>25,123,490</u>
Underwriting gain (loss)	(233,866)
Other Income	<u>482,027</u>
Net Income (Loss)	<u><u>248,161</u></u>

VI. Restatement of Fund Balance and Net Position

The beginning Fund Balance was decreased by \$33,062 to reflect retainage payable previously shown on the Statement of Net Position. Accordingly, the beginning Net Position was increased by \$33,062 to remove the retainage payable.

REQUIRED SUPPLEMENTARY INFORMATION

Haymeadow Metropolitan District No. 6
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2022

	2022			Final Budget Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Investment income	197	197	1,192	995
Service fees from other districts	20,362	20,362	20,756	394
Grant income	-	10,900	10,900	-
Total Revenues	<u>20,559</u>	<u>31,459</u>	<u>32,848</u>	<u>1,389</u>
Expenditures:				
Accounting and administration	17,377	17,377	32,557	(15,180)
Elections	1,000	1,000	593	407
Audit fees	9,800	9,800	-	9,800
Insurance	3,844	3,844	5,012	(1,168)
Legal	14,118	14,118	51,144	(37,026)
Office overhead	4,444	4,444	3,288	1,156
Landscape and irrigation maintenance	59,045	159,045	139,624	19,421
Capital Outlay	75,548	1,450,548	1,396,243	54,305
Total Expenditures	<u>185,176</u>	<u>1,660,176</u>	<u>1,628,461</u>	<u>31,715</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(164,617)</u>	<u>(1,628,717)</u>	<u>(1,595,613)</u>	<u>33,104</u>
Other Financing Sources:				
Proceeds from developer advances	-	1,456,000	1,456,000	-
Total Other Financing Sources	<u>-</u>	<u>1,456,000</u>	<u>1,456,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(164,617)</u>	<u>(172,717)</u>	<u>(139,613)</u>	<u>33,104</u>
Fund Balance - Beginning	<u>176,975</u>	<u>176,975</u>	<u>126,466</u>	<u>(50,509)</u>
Fund Balance - Ending	<u>12,358</u>	<u>4,258</u>	<u>(13,147)</u>	<u>(17,405)</u>