

**APPLICATION FOR EXEMPTION FROM AUDIT  
LONG FORM**

NAME OF GOVERNMENT	Headwaters Metropolitan District	For the Year Ended 12/31/2016 or fiscal year ended:
ADDRESS	28 Second St, Suite 213 Edwards, CO 81632	
CONTACT PERSON	Eric Weaver	
PHONE	(970) 926-6060	
EMAIL	Eric@mwcpaa.com	
FAX	(970) 926-6040	

**CERTIFICATION OF PREPARER**

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

NAME:	Eric Weaver
TITLE	Accountant/CPA
FIRM NAME (if applicable)	Marchetti & Weaver, LLC
ADDRESS	28 Second St, Suite 213, Edwards, CO 81632
PHONE	(970) 926-6060
DATE PREPARED <small>(Must be Completed prior to Board approval)</small>	19-Mar-18
RELATIONSHIP TO ENTITY	Outside accountant; all major decisions made by the Board of Directors.

**PREPARER (SIGNATURE REQUIRED)**

*Eric Weaver*

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

YES

NO

If Yes, date filed:



**RECEIVED**

Office of the State Auditor

March 27, 2018

## PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

\* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds	
		General Fund	Capital Fund		LPA Fund	Fund*
Assets				Assets		
1-1	Cash & Cash Equivalents	\$ 16,842	\$ 940	Cash & Cash Equivalents	\$ 1,070	\$ -
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -
1-3	Receivables	\$ 33,003	\$ -	Receivables	\$ -	\$ -
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -
	All Other Assets (specify)			Other Current Assets	\$ -	\$ -
1-5	Prepaid Expenses	\$ 1,785	\$ -	<b>Total Current Assets</b>	\$ 1,070	\$ -
1-6		\$ -	\$ -	Capital Assets, net (from Part 6-)	\$ -	\$ -
1-7		\$ -	\$ -	Other Long Term Assets (specify)	\$ -	\$ -
1-8		\$ -	\$ -		\$ -	\$ -
1-9		\$ -	\$ -		\$ -	\$ -
1-10		\$ -	\$ -		\$ -	\$ -
1-11	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ 51,631	\$ 940	(add lines 1-1 through 1-10) <b>TOTAL ASSETS</b>	\$ 1,070	\$ -
1-12	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -
1-13	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ 51,631	\$ 940	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ 1,070	\$ -
Liabilities				Liabilities		
1-14	Accounts Payable	\$ 119,201	\$ -	Accounts Payable	\$ -	\$ -
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -
1-17	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -
1-19	<b>TOTAL CURRENT LIABILITIES</b>	\$ 119,201	\$ -	<b>TOTAL CURRENT LIABILITIES</b>	\$ -	\$ -
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -
1-21	Deferred revenue - KMHD	\$ 558	\$ -	Other Liabilities (specify)	\$ -	\$ -
1-22		\$ -	\$ -		\$ -	\$ -
1-23		\$ -	\$ -		\$ -	\$ -
1-24		\$ -	\$ -		\$ -	\$ -
1-25		\$ -	\$ -		\$ -	\$ -
1-26		\$ -	\$ -		\$ -	\$ -
1-27		\$ -	\$ -		\$ -	\$ -
1-28	(add lines 1-19 through 1-27) <b>TOTAL LIABILITIES</b>	\$ 119,758	\$ -	(add lines 1-19 through 1-27) <b>TOTAL LIABILITIES</b>	\$ -	\$ -
1-29	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -	<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -
Fund Balance				Net Position		
1-30	Nonspendable Prepaid	\$ 1,785	\$ -	Net Investment in Capital Assets	\$ -	\$ -
1-31	Nonspendable Inventory	\$ -	\$ -			
1-32	Restricted (specify): Tabor	\$ 5,742	\$ -	Emergency Reserves	\$ -	\$ -
1-33	Committed: (specify)	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -
1-34	Assigned (specify)	\$ -	\$ -	Restricted	\$ -	\$ -
1-35	Unassigned:	\$ (75,654)	\$ 940	Undesignated/Unreserved/Unrestricted	\$ 1,070	\$ -
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL FUND BALANCE</b>	\$ (68,127)	\$ 940	Add lines 1-30 through 1-35 This total should be the same as line 3-33 <b>TOTAL NET POSITION</b>	\$ 1,070	\$ -
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	\$ 51,631	\$ 940	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	\$ 1,070	\$ -

Please use this space to provide explanation of any items on this page

## PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		
		General Fund	Capital Fund		LPA Fund	Fund*	
	Tax Revenue			Tax Revenue			
2-1	Property	-	-	Property	-	-	
2-2	Specific Ownership	-	-	Specific Ownership	-	-	
2-3	Sales and Use Tax	-	-	Sales and Use Tax	-	-	
2-4	Other Tax Revenue (specify):	-	-	Other Tax Revenue (specify):	-	-	
2-5		-	-		-	-	
2-6		-	-		-	-	
2-7		-	-		-	-	
2-8	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	-	-	<b>Add lines 2-1 through 2-7 TOTAL TAX REVENUE</b>	-	-	
2-9	Licenses and Permits	-	-	Licenses and Permits	-	-	
2-10	Highway Users Tax Funds (HUTF)	-	-	Highway Users Tax Funds (HUTF)	-	-	
2-11	Conservation Trust Funds (Lottery)	-	-	Conservation Trust Funds (Lottery)	-	-	
2-12	Community Development Block Grant	-	-	Community Development Block Grant	-	-	
2-13	Fire & Police Pension	-	-	Fire & Police Pension	-	-	
2-14	Grants	-	-	Grants	-	-	
2-15	Donations	-	-	Donations	-	-	
2-16	Charges for Sales and Services	39,125	-	Charges for Sales and Services	-	-	
2-17	Rental Income	17,859	-	Rental Income	-	-	
2-18	Fines and Forfeits	-	-	Fines and Forfeits	-	-	
2-19	Interest/Investment Income	244	-	Interest/Investment Income	0	-	
2-20	Tap Fees	-	-	Tap Fees	-	-	
2-21	Developer Advances	-	42,522	Developer Advances	-	-	
2-22	All Other (specify): Cost Reim - rdway	39,442	-	All Other (specify): Amenity Fee	50,000	-	
2-23	Developer Contribution	78,981	-		-	-	
2-24	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	175,651	42,522	<b>Add lines 2-8 through 2-23 TOTAL REVENUES</b>	50,000	-	
	Other Financing Sources			Other Financing Sources			
2-25	Debt Proceeds	-	-	Debt Proceeds	-	-	
2-26	Proceeds from Sale of Capital Assets	-	-	Proceeds from Sale of Capital Assets	-	-	
2-27	Other (specify):	-	-	Other (specify):	-	-	
2-28	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	-	-	<b>Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES</b>	-	-	
2-29	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	175,651	42,522	<b>Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	50,000	-	<b>GRAND TOTALS</b>
							<b>\$ 268,173</b>

Please use this space to provide explanation of any items on this page

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

**PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES**

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Capital Fund		LPA Fund	Fund*	
	Expenditures			Expenditures			
3-1	General Government	\$ 198,027	\$ -	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ 163,708	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ -	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Other (specify): transportation	\$ 9,938	\$ -	Utilities	\$ -	\$ -	
3-11		\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other (specify)	\$ -	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ 42,582	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$ -	\$ -	Principal	\$ -	\$ -	
3-16	Interest	\$ -	\$ -	Interest	\$ -	\$ -	
3-17	Bond Issuance Costs	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -	
3-18	Developer Principal Repayments	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -	
3-19	Developer Interest Repayments	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -	
3-20	All Other (specify):	\$ -	\$ -	All Other (specify): Lease Purchase Agreement Pmt	\$ 50,000	\$ -	
3-21		\$ -	\$ -		\$ -	\$ -	
3-22	<b>Add lines 3-1 through 3-21 TOTAL EXPENDITURES</b>	\$ 371,673	\$ 42,582	<b>Add lines 3-1 through 3-21 TOTAL EXPENDITURES</b>	\$ 50,000	\$ -	<b>GRAND TOTAL</b>
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In)	\$ -	\$ -	\$ 464,255
3-24	Interfund Transfers Out	\$ -	\$ -	Net Interfund Transfers out	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ -	\$ -	
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 2-28)	\$ -	\$ -	
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ -	\$ -	
3-28		\$ -	\$ -	Debt Principal (from line 3-15)	\$ -	\$ -	
3-29	<b>(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES</b>	\$ -	\$ -	<b>(Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS</b>	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, less line 3-29	\$ (196,022)	\$ (60)	Net Increase (Decrease) in Net Position Line 2-29, less line 3-23, plus line 3-29, less line 3-22, less line 3-24	\$ 0	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 127,895	\$ 1,000	Net Position, January 1 from December 31 prior year report	\$ 1,070	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31 Sum of Line 3-30, 3-31, and 3-32 <b>This total should be the same as line 1-36.</b>	\$ (68,127)	\$ 940	Net Position, December 31 Line 3-30 plus line 3-31 <b>This total should be the same as line 1-36.</b>	\$ 1,070	\$ -	

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

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.				YES	NO	Please use this space to provide any explanations or comments:
<b>4-1</b>	Does the entity have outstanding debt?			<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>4-2</b>	Is the debt repayment schedule attached? If no, MUST explain: Depends on cashflow, no specific schedule			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>4-3</b>	Is the entity current in its debt service payments? If no, MUST explain:			<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>4-4</b>	Please complete the following debt schedule, if applicable: (please only include principal amounts)	Outstanding at beginning of year	Issued during year	Retired during year	Outstanding at year-end	
	General obligation bonds	\$ -	\$ -	\$ -	\$ -	
	Revenue bonds	\$ -	\$ -	\$ -	\$ -	
	Notes/Loans	\$ -	\$ -	\$ -	\$ -	
	Leases	\$ -	\$ -	\$ -	\$ -	
	Developer Advances	\$ 2,947,027	\$ 42,522	\$ -	\$ 2,989,550	
	Other (specify):	\$ -	\$ -	\$ -	\$ -	
	<b>TOTAL</b>	\$ 2,947,027	\$ 42,522	\$ -	\$ 2,989,550	
Please answer the following questions by marking the appropriate boxes.				YES	NO	
<b>4-5</b>	Does the entity have any authorized, but unissued, debt?			<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If yes:	How much?	\$ 104,000,000				
If yes:	Date the debt was authorized:	2003 & 2004				
<b>4-6</b>	Does the entity intend to issue debt within the next calendar year?			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	How much?	\$ -				
<b>4-7</b>	Does the entity have debt that has been refinanced that it is still responsible for?			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	What is the amount outstanding?	\$ -				
<b>4-8</b>	Does the entity have any lease agreements?			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	What is being leased?					
	What is the original date of the lease?					
	Number of years of lease?					
	Is the lease subject to annual appropriation?			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	What are the annual lease payments?	\$ -				
<b>4-9</b>	Does the entity have a certified mill levy?			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	Please provide the following mills levied for the year reported:	Bond Redemption	0.000			
		General/Other	0.000			
		<b>TOTAL</b>	0.000			

## PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.			AMOUNT	TOTAL	Please use this space to provide any explanations or comments:	
<b>5-1</b>	YEAR-END Total of ALL Checking and Savings accounts		\$ 2,968			
<b>5-2</b>	Certificates of deposit		\$ -			
	<b>TOTAL CASH DEPOSITS</b>			\$ 2,968		
	Investments (if investment is a mutual fund, please list underlying investments):					
<b>5-3</b>			\$ 15,885			
			\$ -			
			\$ -			
			\$ -			
	<b>TOTAL INVESTMENTS</b>			\$ 15,885		
	<b>TOTAL CASH AND INVESTMENTS</b>			\$ 18,853		
Please answer the following question by marking in the appropriate box			YES	NO	N/A	
<b>5-4</b>	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"/>	
<b>5-5</b>	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, MUST explain:		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

## PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box				YES	NO	Please use this space to provide any explanations or comments:
<b>6-1</b>	Does the entity have capitalized assets?			<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>6-2</b>	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain:			<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>6-3</b>	Complete the following Capital Assets table for GOVERNMENTAL FUNDS:	Balance - beginning of the year	Additions	Deletions	Year-End Balance	
	Land	\$ -	\$ -	\$ -	\$ -	
	Buildings	\$ -	\$ -	\$ -	\$ -	
	Machinery and equipment	\$ 51,938	\$ -	\$ -	\$ 51,938	
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -	
	Infrastructure	\$ 12,298,987	\$ 31,455	\$ -	\$ 12,330,442	
	Construction In Progress (CIP)	\$ 188,009	\$ 11,128	\$ -	\$ 199,137	
	Other (explain):	\$ -	\$ -	\$ -	\$ -	
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (2,987,148)	\$ (415,421)	\$ -	\$ (3,402,569)	
	<b>TOTAL</b>	\$ 9,551,786	\$ (372,838)	\$ -	\$ 9,178,948	
<b>6-4</b>	Complete the following Capital Assets table for PROPRIETARY FUNDS:	Balance - beginning of the year	Additions	Deletions	Year-End Balance	
	Land	\$ -	\$ -	\$ -	\$ -	
	Buildings	\$ -	\$ -	\$ -	\$ -	
	Machinery and equipment	\$ -	\$ -	\$ -	\$ -	
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -	
	Infrastructure	\$ -	\$ -	\$ -	\$ -	
	Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -	
	Other (explain):	\$ -	\$ -	\$ -	\$ -	
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -	
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	

## PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box				YES	NO	Please use this space to provide any explanations or comments:
<b>7-1</b>	Does the entity have an "old hire" firemen's pension plan?			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>7-2</b>	Does the entity have a volunteer firemen's pension plan?			<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	Who administers the plan?					
	Indicate the contributions from:					
	Tax (property, SO, sales, etc.):	\$ -				
	State contribution amount:	\$ -				
	Other (gifts, donations, etc.):	\$ -				
	<b>TOTAL</b>	\$ -				
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -				

## PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	N/A	Please use this space to provide any explanations or comments:
8-1	Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8-2	Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
If yes: Please indicate the amount appropriated for each fund for the year reported					
		Fund Name	Budgeted Expenditures		
		General Fund - Admin, transportation, road maintenance	\$	416,215	
		Capital Improvement Fund	\$	3,459,267	
		Lease Purchase Agreement Fund	\$	500,000	
			\$	-	

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

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

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.

## PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes: Date of formation:				
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If Yes: NEW name				
PRIOR name				
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10-4	Please indicate what services the entity provides:			
Streets, parks & rec, water, sanitation, transportation, mosquito control, traffic, fire, tv, security, ops & maintenance				
10-5	Does the entity have an agreement with another government to provide services?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If yes: List the name of the other governmental entity and the services provided:				
CSDPLP - Insurance; SVMMD, GRMD & GRMD Nos 2-8 - IGA ops & maint ; Silvercreek W&S- services: Town- IGA Svc plan				

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

## OSA USE ONLY

Entity Wide:		General Fund		Governmental Funds		Notes
Unrestricted Cash & Investments	\$ 18,853	Unrestricted Fund Balanc	\$ (75,654)	Total Tax Revenue	\$ -	
Current Liabilities	\$ 119,201	Total Fund Balance	\$ (68,127)	Revenue Paying Debt Service	\$ -	
Deferred Inflow	\$ -	PY Fund Balance	\$ 127,895	Total Revenue	\$ 218,173	
		Total Revenue	\$ 175,651	Total Debt Service Principal	\$ -	
		Total Expenditures	\$ 371,673	Total Debt Service Interest	\$ -	
		Interfund In	\$ -			
<b>Governmental</b>		Interfund Out	\$ -	<b>Enterprise Funds</b>		
Total Cash & Investments	\$ 17,783	- <b>Proprietary</b>		Net Position	\$ 1,070	
Transfers In	\$ -	- Current Assets	\$ 1,070	PY Net Position	\$ 1,070	
Transfers Out	\$ -	- Deferred Outflow		- <b>Government-Wide</b>		
Property Tax	\$ -	- Current Liabilities		- Total Outstanding Debt	\$ 2,989,550	
Debt Service Principal	\$ -	Deferred Inflow	\$ -	- Authorized but Unissued	\$ 104,000,000	
Total Expenditures	\$ 414,255	Cash & Investments	\$ 1,070	Year Authorized	2003 & 2004	
Total Developer Advances	\$ 42,522	- Principal Expense	\$ -			
Total Developer Repayments	\$ -					

## PART 12 - GOVERNING BODY APPROVAL

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

**Print the names of all current governing board members below.**

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

	Print Board Member's Name	
Board Member 1	Lance Badger	I, <u>Lance Badger</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>3-22-18</u> My term Expires: <u>May 2018</u>
Board Member 2	Print Board Member's Name	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 3	Print Board Member's Name	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 4	Print Board Member's Name	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Member's Name	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Member's Name	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

## HEADWATERS METROPOLITAN DISTRICT

### A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2016

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

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

WHEREAS, neither revenues nor expenditures for the District will exceed \$750,000 for fiscal year 2016; and

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

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

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

1. The application for exemption from audit for the District for fiscal year ended December 31, 2016 will be reviewed and is hereby approved by a majority of the Board of Directors of the District.
2. The majority of the Board of Directors of the District shall signify their approval by signing below.
3. This Resolution shall be attached to, and become a part of, the application for exemption from audit of the District for the fiscal year ended December 31, 2016.
4. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.
5. This Resolution shall take effect and be enforced immediately upon its approval by the District Board.

ADOPTED this 22 day of Mar, 2018.

HEADWATERS METROPOLITAN DISTRICT

By \_\_\_\_\_  
Chairman

Attest:  
Only one Board member

only one board member  
Secretary

**BOARD MEMBER**

**TERMS**

**SIGNATURE**

Lance Badger

May 2018

Vacancy

May 2018

Vacancy

May 2018

Vacancy

May 2020

Vacancy

May 2020

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_