

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT ADDRESS	Hometown Metropolitan District #2
	c/o McGeady Sisneros, P.C.
	450 E. 17th Street, Suite 400
CONTACT PERSON	Denver, CO 80203
	Mary Jo Dougherty
PHONE	303-592-4380
EMAIL	MJDougherty@mcgeadysisneros.com
FAX	303-592-4385

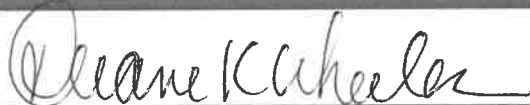
For the Year Ended
12/31/17
or fiscal year ended:

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:	Diane K Wheeler
TITLE	District Accountant
FIRM NAME (if applicable)	Simmons & Wheeler, P.C.
ADDRESS	304 Inverness Way South, Suite 490 Englewood, CO 80112
PHONE	303-689-0833
DATE PREPARED (Must be prepared prior to Board approval)	9/10/18

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"/>

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RECEIVED

Office of the State Auditor

September 21, 2018

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	\$ 79,135	
2-2	Specific ownership	\$ 7,731	
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	\$ 1,726	
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	\$ 88,592	

PART 3 - EXPENDITURES

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	\$ 1,678	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 3,275	
3-7	Accounting and legal fees	\$ 19,325	
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	Culture and recreation	\$ -	
3-15	Utility operations	\$ -	
3-16	Capital outlay	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ 15,000	
3-18	Debt service interest	\$ 50,288	
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	Director's fees	\$ 100	
3-25	Treasurer's fees	\$ 1,188	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ 90,854	

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.

- 4-1 Does the entity have outstanding debt? Yes No
 If Yes, please attach a copy of the entity's Debt Repayment Schedule.

- 4-2 Is the debt repayment schedule attached? If no, MUST explain: Yes No

- 4-3 Is the entity current in its debt service payments? If no, MUST explain: Yes No

Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ 745,000	\$ -	\$ 15,000	\$ 730,000
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 745,000	\$ -	\$ 15,000	\$ 730,000

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

- 4-5 Does the entity have any authorized, but unissued, debt? Yes No

If yes: How much? \$ 6,700,000.00

Date the debt was authorized: 5/6/2008

- 4-6 Does the entity intend to issue debt within the next calendar year? Yes No

If yes: How much? \$ -

- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? Yes No

If yes: What is the amount outstanding? \$ -

- 4-8 Does the entity have any lease agreements? Yes No

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? Yes No

What are the annual lease payments? \$ -

- 4-9 Does the entity have a certified Mill Levy? Yes No

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

Bond Redemption	25.00
General/Other	10.00
TOTAL	35.00

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	\$ 1,631	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		\$ 1,631
Investments (if investment is a mutual fund, please list underlying investments):		
5-3 COLOTRUST	\$ 76,005	
	\$ -	
	\$ -	
	\$ -	
Total Investments		\$ 76,005
Total Cash and Investments		\$ 77,636

Please answer the following questions by marking in the appropriate boxes

- 5-4 Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? Yes No N/A

- 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.)? Yes No N/A

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

PART 6 - CAPITAL 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

6-3 Complete the following capital 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	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

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" firemen's pension plan? Yes No
- 7-2 Does the entity have a volunteer firemen's pension plan? Yes No

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -

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

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
- If no, MUST explain:

- 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 appropriated for each fund for the year reported:

General Fund	\$	54,147
Debt Service Fund	\$	69,136

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:

Street, Traffic, water improvements, sanitation improvements, stormwater drainage improvements, park and recreation

- 10-4** Does the entity have an agreement with another government to provide services?

If yes: List the name of the other governmental entity and the services provided:

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

If yes: Date Filed:

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?

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 current governing board members below.

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

Board Member 1

Print Board Member's Name

Audrey Spaen

I Audrey Spaen, 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 2

Print Board Member's Name

Larry Roggenkamp

I Larry Roggenkamp, 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 [Signature]

Date: 15 SEP 2018

My term Expires: MAY 2020

Board Member 3

Print Board Member's Name

Susan Hoskins

I Susan Hoskins, 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 [Signature]

Date: 09.15.2018

My term Expires: MAY 2022

Board Member 4

Print Board Member's Name

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

Print Board Member's Name

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

Print Board Member's Name

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

Print Board Member's Name

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: _____

Original Signatures
Verified by

Justin L. Smith

[Signature]

Period Ending	Annual Principal	Coupon	Interest	Debt Service	Annual Debt Service
6/1/2010			4,200.00	4,200.00	
12/1/2010			27,000.00	27,000.00	31,200.00
6/1/2011			27,000.00	27,000.00	
12/1/2011			27,000.00	27,000.00	54,000.00
6/1/2012			27,000.00	27,000.00	
12/1/2012			27,000.00	27,000.00	54,000.00
6/1/2013			27,000.00	27,000.00	
12/1/2013	10,000.00	6.75%	27,000.00	37,000.00	64,000.00
6/1/2014			26,662.50	26,662.50	
12/1/2014	15,000.00	6.75%	26,662.50	41,662.50	68,325.00
6/1/2015			26,156.25	26,156.25	
12/1/2015	15,000.00	6.75%	26,156.25	41,156.25	67,312.50
6/1/2016			25,650.00	25,650.00	
12/1/2016	15,000.00	6.75%	25,650.00	40,650.00	66,300.00
6/1/2017			25,143.75	25,143.75	
12/1/2017	15,000.00	6.75%	25,143.75	40,143.75	65,287.50
6/1/2018			24,637.50	24,637.50	
12/1/2018	20,000.00	6.75%	24,637.50	44,637.50	69,275.00
6/1/2019			23,962.50	23,962.50	
12/1/2019	20,000.00	6.75%	23,962.50	43,962.50	67,925.00
6/1/2020			23,287.50	23,287.50	
12/1/2020	25,000.00	6.75%	23,287.50	48,287.50	71,575.00
6/1/2021			22,443.75	22,443.75	
12/1/2021	25,000.00	6.75%	22,443.75	47,443.75	69,887.50
6/1/2022			21,600.00	21,600.00	
12/1/2022	30,000.00	6.75%	21,600.00	51,600.00	73,200.00
6/1/2023			20,587.50	20,587.50	
12/1/2023	30,000.00	6.75%	20,587.50	50,587.50	71,175.00
6/1/2024			19,575.00	19,575.00	
12/1/2024	35,000.00	6.75%	19,575.00	54,575.00	74,150.00
6/1/2025			18,393.75	18,393.75	
12/1/2025	35,000.00	6.75%	18,393.75	53,393.75	71,787.50
6/1/2026			17,212.50	17,212.50	
12/1/2026	40,000.00	6.75%	17,212.50	57,212.50	74,425.00
6/1/2027			15,862.50	15,862.50	
12/1/2027	45,000.00	6.75%	15,862.50	60,862.50	76,725.00
6/1/2028			14,343.75	14,343.75	
12/1/2028	50,000.00	6.75%	14,343.75	64,343.75	78,687.50
6/1/2029			12,656.25	12,656.25	
12/1/2029	50,000.00	6.75%	12,656.25	62,656.25	75,312.50
6/1/2030			10,968.75	10,968.75	

12/1/2030	55,000.00	6.75%	10,968.75	65,968.75	76,937.50
6/1/2031			9,112.50	9,112.50	
12/1/2031	60,000.00	6.75%	9,112.50	69,112.50	78,225.00
6/1/2032			7,087.50	7,087.50	
12/1/2032	65,000.00	6.75%	7,087.50	72,087.50	79,175.00
6/1/2033			4,893.75	4,893.75	
12/1/2033	70,000.00	6.75%	4,893.75	74,893.75	79,787.50
6/1/2034			2,531.25	2,531.25	
12/1/2034	75,000.00	6.75%	2,531.25	77,531.25	80,062.50
Total	800,000.00		938,737.50	1,738,737.50	1,738,737.50

September 21, 2018


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

Dear Justin:

Enclosed in this envelope you will find a 2017 audit exemption application for Hometown Metropolitan District #2 with original signatures. Originally it appeared that Hometown Metropolitan District #2 would require an audit for 2017, it was later determined that the District could submit just the exemption application.

If you have any questions, please do not hesitate to contact me at 303-689-0833.

Sincerely,

A handwritten signature in cursive script that reads "Diane K Wheeler". The signature is written in black ink and is positioned above the printed name.

Diane K Wheeler