

FILING METHODS

Register and submit your Applications at our web portal! For faster processing the web portal is the preferred method for submission

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

Please Note: The OSA's email addresses have changed as of December 1, 2023. Please ensure you are using the email address noted below.

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

Highland Estates Metropolitan District
PO Box 338
Milliken, CO 80543

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

CONTACT PERSON
PHONE
EMAIL

Randy Helzer
720-441-8864
HEMDistrict@gmail.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.

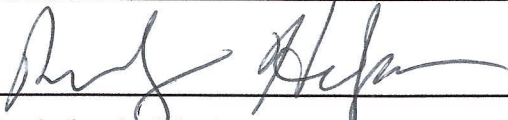
NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE

Randy Helzer
Highland Estates Metropolitan District Board of Director President

9481 Meadow Farms Drive, Milliken CO 80543
720-441-8864

PREPARER (SIGNATURE REQUIRED)

DATE PREPARED



3/8/24

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

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)

PROPRIETARY
(CASH OR BUDGETARY BASIS)



P

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)	\$ 59,841	
2-2	Specific ownership	\$ 278	
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	\$ -	
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	\$ 60,119	

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	\$ 2,958	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 2,000	
3-7	Accounting and legal fees	\$ 21,446	
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	\$ 25,741	
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): Audit 47500, PO Box 76, SDA Dues \$594	\$ 8,170	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 60,315	

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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4-2 | Is the debt repayment schedule attached? If no, MUST explain below:
<div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Yes for Gen Obligation Bond, No for Developer Advances due to the fact that a schedule related to "Developer Advances" has never been provided.</div> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4-3 | Is the entity current in its debt service payments? If no, MUST explain below:
<div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Due to meager tax proceeds, excessive debt, and improper funds management of the previous board, the HEMD has never been able to meet our annual financial obligations. Please note that the \$275,000 identified as "Developer Advances" are claimed by the Developer but appear to lack sufficient documentation and may be contested at a future date.</div> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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	\$ 1,171,828	\$ -	\$ -	\$ 1,171,828
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease & SBITA** Liabilities [GASB 87 & 96]	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ 275,000	\$ -	\$ -	\$ 275,000
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,446,828	\$ -	\$ -	\$ 1,446,828

**Subscription Based Information Technology Arrangements

*Must agree to prior year-end balance

- | | | Yes | No |
|-----|---|-------------------------------------|-------------------------------------|
| 4-5 | Does the entity have any authorized, but unissued, debt?
If yes: How much? \$ 495,913.00
Date the debt was authorized: 9/11/18 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4-6 | Does the entity intend to issue debt within the next calendar year?
If yes: How much? \$ - | <input type="checkbox"/> | <input checked="" 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"/> |

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

PART 5 - CASH AND INVESTMENTS

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

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

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

6-3 Complete the following capital & right-to-use assets table:

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 & SBITA Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

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

PART 7 - PENSION INFORMATION

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

Yes No

- 7-1 Does the entity have an "old hire" firefighters' pension plan? Yes No
- 7-2 Does the entity have a volunteer firefighters' pension plan? Yes No
- If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Part 7 - Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

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

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? If no, **MUST** explain: Yes No N/A

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

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 9,485
Debt Retirement	\$ 50,634

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 members of current governing body below.

A MAJORITY of the members of the governing body must sign below.

Board Member 1	Print Board Member's Name Randy Helzer	I <u>Randy Helzer</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></u> Date: <u>2/8/24</u> My term Expires: <u>May 2025</u>
Board Member 2	Print Board Member's Name Aaron Cali	I <u>Aaron Cali</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></u> Date: <u>2/8/24</u> My term Expires <u>May 2025</u>
Board Member 3	Print Board Member's Name Heather Popenhagen	I <u>Heather Popenhagen</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></u> Date: <u>3/8/2024</u> My term Expires: <u>May 2027</u>
Board Member 4	Print Board Member's Name Stephanie Sealy	I <u>Stephanie Sealy</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires <u>May 2027</u>
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: _____

**HIGHLAND ESTATES METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2020**

*Proposed at
date of issue*

**\$1,665,000
Limited Tax General Obligation Bonds
Series 2018
Dated September 11, 2018
Principal Due December 1
Interest Rate 4.0% through 11/30/2028
6.5% from 12/1/2028 through 12/1/2048
Payable June 1 and December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 35,000	\$ 66,600	\$ 101,600
2022	35,000	65,200	100,200
2023	40,000	63,800	103,800
2024	40,000	62,200	102,200
2025	40,000	60,600	100,600
2026	45,000	59,000	104,000
2027	45,000	57,200	102,200
2028	45,000	55,457	100,457
2029	25,000	87,100	112,100
2030	25,000	85,475	110,475
2031	25,000	83,850	108,850
2032	30,000	82,225	112,225
2033	30,000	80,275	110,275
2034	35,000	78,325	113,325
2035	35,000	76,050	111,050
2036	40,000	73,775	113,775
2037	40,000	71,175	111,175
2038	45,000	68,575	113,575
2039	55,000	65,650	120,650
2040	60,000	62,075	122,075
2041	75,000	58,175	133,175
2042	80,000	53,300	133,300
2043	95,000	48,100	143,100
2044	100,000	41,925	141,925
2045	120,000	35,425	155,425
2046	125,000	27,625	152,625
2047	145,000	19,500	164,500
2048	155,000	10,075	165,075
	<u>\$ 1,665,000</u>	<u>\$ 1,698,732</u>	<u>\$ 3,363,732</u>

Actual as of
12/1/2023

Trust #

HE18

HIGHLAND ESTATES METROPOLITAN DISTRICT
GENERAL OBLIGATION (LIMITED TAX)
BONDS SERIES 2018

DEBT SERVICE

Date	Beginning Bal	Rate	Principal	Interest	Accum Interest	Ending Bal	Interest Paid	Unpaid Interest
First Pmt = Short Cpn								
	1,171,828.00					1,171,828.00		
12/1/2018	1,171,828.00			-	10,416.25	1,171,828.00	\$10,416.25	(0.00)
12/1/2019	1,171,828.00			-	46,873.12	1,171,828.00	\$12,101.00	34,772.12
12/1/2020	1,171,828.00			-	46,873.12	1,171,828.00	\$43,202.00	3,671.12
12/1/2021	1,171,828.00			-	46,873.12	1,171,828.00	\$36,901.00	9,972.12
12/1/2022	1,171,828.00			-	46,873.12	1,171,828.00	\$33,629.00	13,244.12
12/1/2023	1,171,828.00			-	46,873.12	1,171,828.00	\$0.00	46,873.12
12/1/2024	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2025	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2026	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2027	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2028	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2029	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2030	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2031	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2032	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2033	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2034	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2035	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2036	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2037	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2038	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2039	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2040	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2041	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2042	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2043	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2044	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2045	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2046	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2047	1,171,828.00			-	46,873.12	1,171,828.00		
12/1/2048	1,171,828.00	4.0000	1,171,828.00	46,873.12	46,873.12	-	\$136,249.25	108,532.60
				46,873.12	1,416,609.85			

Rate changes from 4% to 6.5% on
to Ops so they can change it in ST