

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Highlands Metropolitan District #3
2154 E. Commons Avenue, Suite 2000
Centennial CO 80122

For the Year Ended
12/31/19
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Kristen Bowers
303-858-1800
kbowers@wbapc.com
303-858-1805

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

Diane K Wheeler
District Accountant
Simmons & Wheeler, P.C.
304 Inverness Way South, Suite 490, Englewood, CO 80112
303-689-0833
Mar 31, 2020

PREPARER (SIGNATURE REQUIRED)


Diane Wheeler (Mar 31, 2020)

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)	\$ 1	
2-2	Specific ownership	\$ 4	
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)	\$ 25,903	
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	\$ 25,908	

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	\$ 1,321	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 3,108	
3-7	Accounting and legal fees	\$ 19,665	
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)	\$ -	
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	\$ 24,094	

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: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Developer Advance, no scheduled payments</div>	<input type="checkbox"/>	<input checked="" 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; margin-top: 5px;"></div>	<input checked="" 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	\$ -	\$ -
	Leases	\$ -	\$ -
	Developer Advances	\$ 31,000	\$ 56,903
	Other (specify):	\$ -	\$ -
	TOTAL	\$ 31,000	\$ 56,903

*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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:		
	\$ 416,000,000.00 11/8/2016		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?		
	\$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?		
	\$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased? 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 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	\$ 4,309	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ 4,309
	Investments (if investment is a mutual fund, please list underlying investments):		
		\$ -	
		\$ -	
5-3		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ 4,309

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

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	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
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" 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	\$ -

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:

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ 45,000

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:

Streets, traffic control, water, sewer, 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

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	55.277
Total mills	55.277

Bond Redemption mills	-
General/Other mills	55.277
Total mills	55.277

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.

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

Board Member 1	Print Board Member's Name James Spehalski	I __James Spehalski_____, 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: __May 2020_____
Board Member 2	Print Board Member's Name Barry Talley	I __Barry Talley_____, 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: Mar 31, 2020 My term Expires: __May 2020_____
Board Member 3	Print Board Member's Name Linda Talley	I __Linda Talley_____, 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: Mar 31, 2020 My term Expires: __May 2020_____
Board Member 4	Print Board Member's Name Amy Volk	I __Amy Volk_____, 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: Mar 31, 2020 My term Expires: _____ May 2022_____
Board Member 5	Print Board Member's Name Amanda Halsey	I __Amanda Halsey_____, 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: Mar 31, 2020 My term Expires: _____ May 2022_____
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: _____

Highlands MD #3

Interim Agreement Report











2020-04-01

Created:	2020-03-31
By:	Diane Wheeler (diane@simmonswheeler.com)
Status:	Out for Signature
Transaction ID:	CBJCHBCAABAAzYERTDHRdsOutmqe0ikooPa3QNGGFO_Z

Agreement History


Agreement history is the list of the events that have impacted the status of the agreement prior to the final signature. A final audit report will be generated when the agreement is complete.

"Highlands MD #3" History

-  Document created by Diane Wheeler (diane@simmonswheeler.com)
2020-03-31 - 7:40:58 PM GMT- IP address: 208.187.187.252
-  Document emailed to Diane Wheeler (diane@simmonswheeler.com) for signature
2020-03-31 - 7:42:37 PM GMT
-  Document emailed to James Spehalski (jspehalski@marathonlc.com) for signature
2020-03-31 - 7:42:37 PM GMT
-  Document emailed to Barry Talley (barryltalley@aol.com) for signature
2020-03-31 - 7:42:37 PM GMT
-  Document emailed to Linda Talley (tallez@aol.com) for signature
2020-03-31 - 7:42:37 PM GMT
-  Document emailed to Amanda Halsey (manohalsey@gmail.com) for signature
2020-03-31 - 7:42:37 PM GMT
-  Document emailed to Amy Volk (amytalleyvolk@gmail.com) for signature
2020-03-31 - 7:42:37 PM GMT
-  Document e-signed by Diane Wheeler (diane@simmonswheeler.com)
Signature Date: 2020-03-31 - 7:42:45 PM GMT - Time Source: server- IP address: 208.187.187.252
-  Email viewed by Barry Talley (barryltalley@aol.com)
2020-03-31 - 8:22:41 PM GMT- IP address: 69.147.91.62
-  Document e-signed by Barry Talley (barryltalley@aol.com)
Signature Date: 2020-03-31 - 8:25:15 PM GMT - Time Source: server- IP address: 72.223.21.139

 Email viewed by Amy Volk (amytalleyvolk@gmail.com)


2020-03-31 - 8:37:41 PM GMT- IP address: 73.14.100.12

 Document e-signed by Amy Volk (amytalleyvolk@gmail.com)

Signature Date: 2020-03-31 - 8:38:05 PM GMT - Time Source: server- IP address: 73.14.100.12

 Email viewed by Amanda Halsey (manohalsey@gmail.com)

2020-03-31 - 9:53:17 PM GMT- IP address: 98.245.90.93

 Document e-signed by Amanda Halsey (manohalsey@gmail.com)

Signature Date: 2020-03-31 - 9:54:35 PM GMT - Time Source: server- IP address: 98.245.90.93

 Email viewed by Linda Talley (tallez@aol.com)

2020-03-31 - 10:32:54 PM GMT- IP address: 69.147.89.254

 Document e-signed by Linda Talley (tallez@aol.com)

Signature Date: 2020-03-31 - 10:34:07 PM GMT - Time Source: server- IP address: 72.223.21.139