

W/J METROPOLITAN DISTRICT
PITKIN COUNTY, COLORADO
2022 ANNUAL REPORT

Board of County Commissioners Pitkin
County, Colorado
Jeanette Jones, Clerk to the BOCC
via Email: jeanette.jones@pitkincounty.com

County Clerk and Recorder
Pitkin County, Colorado
via web portal

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

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

Pursuant to Section 32-1-207(3)(c)(I), C.R.S., the W/J Metropolitan District (the “**District**”) is required to submit an annual report for the preceding calendar year (the “**Report**”) no later than October 1 of each year to the Pitkin County Board of Commissioners, Colorado (the “**County**”), the Colorado Division of Local Government, the Colorado State Auditor, the County Clerk and Recorder; the Report must also be posted on the District’s website, if available.

For the year ending December 31, 2022, the District makes the following report:

1. **Boundary changes made:** None
2. **Intergovernmental agreements entered into or terminated:**
None
3. **Access information to obtain a copy of the Rules and Regulations:**
<https://colo-communities.org/w%2Fj-metro-district>
4. **A summary of any litigation involving public improvements by the District:**
None
5. **Status of the construction of public improvements by the District:**
None
6. **List of facilities or improvements constructed by the District that were conveyed to the County:** None
7. **Final Assessed Value of Taxable Property within the District’s boundaries as of December 31, 2022:**

The 2022 total assessed value of taxable property within the boundaries of the District is \$5,909,400.

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

Attached as Exhibit A is a copy of the District's Budget for the current fiscal year 2023.

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 B is a copy of the District's application for exemption from audit for fiscal year 2022.

10. **Notice of any uncured defaults existing for more than 90 days under any debt instrument of the District:** None

11. **The District's inability to pay any financial obligations as they come due under any obligation which continues beyond a ninety-day period:** None

EXHIBIT A

2023 Budget

W/J METROPOLITAN DISTRICT

January 23, 2023

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

VIA: Electronic Filing LGID# 65328

Attached is the 2023 Budget for the W/J Metropolitan District in Pitkin County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on October 24, 2022. If there are any questions on the budget, please contact Mr. Kenneth J. Marchetti, telephone number 970-926-6060.

The mill levy certified to the County Commissioners of Pitkin County is 50.197 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 0.000 mills for G.O. bonds; 0.000 mills for refund/abatement; and 1.697 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$5,909,400, the total property tax revenue is \$286,605.90. A copy of the certification of mill levies sent to the County Commissioners for Pitkin County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Pitkin County, Colorado.

Sincerely,



Kenneth J Marchetti
District Accountant

Enclosure(s)

W/J METROPOLITAN DISTRICT

2023 BUDGET MESSAGE

W/J Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary services of water, wastewater treatment and disposal, roads and road maintenance, pedestrian trails, trash collection, landscaping, lighting, and traffic and safety protection.

The District has one seasonal employee for snowplowing and all other operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2023 BUDGET STRATEGY

The District was formed in late 2004 and began operating in early 2005. The District is comprised of approximately 65 affordable home sites and six free market sites and is completely built out.

The primary services the District will provide are treatment and delivery of potable water, maintenance and replacement when necessary of individual sewage disposal systems (septic systems), maintenance of the roads and trash collection. The District will provide certain other related services such as maintenance of landscaping and open space, etc.

The District will have three primary sources to fund its budgetary needs:

1. Service fees to be imposed upon the constituents in the District to pay for a portion of the services rendered.
2. In 2006, the District began collecting property taxes to pay for a portion of the services provided by the District and to pay debt service on the District's borrowings.
3. Proceeds from bonds or other forms of indebtedness to be used for construction of water, street and sanitary sewer improvements. The District has no outstanding debt at this time.

The District anticipates that service fees will pay for a portion of the operating expenses and currently the remainder of the funds to pay for operating expenses and capital replacements will be paid from property taxes. Additionally, the District does not anticipate borrowing funds at this time for capital projects.

RESOLUTIONS OF W/J METROPOLITAN DISTRICT

TO ADOPT 2023 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE W/J METROPOLITAN DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board of Directors of the W/J Metropolitan District has appointed a budget committee to prepare and submit a proposed 2023 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 24, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget; and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of directors of the W/J Metropolitan District, Pitkin County, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the W/J Metropolitan for the year stated above, as adjusted for immaterial changes in the final certified assessed value of the District as certified by the county assessor and corresponding adjustments resulting from such changes to the assessed value. In the event there are material changes to the assessed value then a subsequent meeting of the Board shall be called to consider such changes. Furthermore, to the extent capital or significant operating expenditures forecasted for the current year are anticipated to be extended into the following year, the expenditures and offsetting change in the budgeted beginning fund balance shall be updated to reflect management's best estimate at the time the budget is to be filed with the Colorado Division of Local Affairs.

Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

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RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2022, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO, FOR THE 2023 BUDGET YEAR.

WHEREAS, the Board of Directors of the W/J Metropolitan District, has adopted the annual budget in accordance with the Local Government Budget Law, on October 24, 2022 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$296,634.15 and;

WHEREAS, the W/J Metropolitan District finds that it shall temporarily lower the general operating mill levy to render a refund for \$10,028.25, and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$0.00, and;

WHEREAS, the 2022 valuation for assessment for the W/J Metropolitan District, as certified by the County Assessor is \$5,909,400.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO:

- Section 1. That for the purposes of meeting all general operating expenses of the W/J Metropolitan District during the 2023 budget year, there is hereby levied a tax of 50.197 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.
- Section 2. That for the purposes of rendering a refund to its constituents during budget year 2023 there is hereby levied a temporary tax credit/mill levy reduction of 1.697 mills.
- Section 3. That for the purpose of meeting all capital expenditures of the W/J Metropolitan District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

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RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

TO SET MILL LEVIES (CONTINUED)

Section 4. That for the purpose of meeting all payments for bonds and interest of the W/J Metropolitan District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

Section 5. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Pitkin County, Colorado, the mill levies for the W/J Metropolitan District as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Pitkin County, Colorado, the mill levies for the W/J Metropolitan District as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

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RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

TO APPROPRIATE SUMS OF MONEY
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO, FOR THE 2023 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on October 24, 2022, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE W/J METROPOLITAN DISTRICT, PITKIN COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

GENERAL FUND:	
Current Operating Expenses	\$287,679
Capital Expenditures	<u>\$ 158,487</u>
TOTAL GENERAL FUND:	\$446,166

RESOLUTIONS OF W/J METROPOLITAN DISTRICT (CONTINUED)

**TO ADOPT 2023 BUDGET, SET MILL LEVIES AND
APPROPRIATE SUMS OF MONEY
(CONTINUED)**

The above resolutions to adopt the 2023 budget, set the mill levies and to appropriate sums of money were adopted this 24th day of October, 2022.

Attest: Wayne Ehridge

Title: Chairman

W/J METRO DISTRICT

GENERAL FUND

Printed: 12/2/2022

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED MODIFIED ACCRUAL BASIS

	2021	2022	Variance	2022	9 Months	9 Months	Variance	2023	
	Unaudited	Adopted	Favorable	Forecast	Ended	Ended	Favorable	Adopted	
	Actual	Budget	(Unfav)		9/30/2022	9/30/2022	(Unfavor)	Budget	
ASSESSED VALUE									
Total Assessed Value	6,535,360	6,349,080		6,349,080				5,909,400	Fnal AV 11-23-22
Percent Increase (Decrease)		-2.85%		-2.85%				-6.93%	Due to Decr in Residential Rate
MILL LEVIES									
Operating Mill Levy	48.789	48.810		48.810				50.197	SB21-293 & 22-238 Will affect this
Debt Service Mill Levy	0	0		0				0	
Temporary Mill Levy Credit	(0.289)	(0.310)		(0.310)				(1.697)	Temporaty Mill Levy Credit
Total Mill Levy	48.500	48.500		48.500				48.500	
Operating Property Taxes Levied	318,854	309,899	0	309,899				296,634	AV x Mills
Less Abatements									
Debt Service Property Tax Levied	0	0		0				0	
Temporary Mill Levy Credit	(1,889)	(1,968)		(1,968)				(10,028)	
Total Property Tax Levied	316,965	307,930		307,930				286,606	
Units									
Vacant Affordable	0	0		0				0	
Affordable	65	65		65				65	
Free Market	5	5		5				6	
Vacant Free Market	1	1		1				0	
	71	71	0	71				71	
Septic Replacements per Year	8	8		8				8	
Fees									
Service Fee - Deed Restricted	43.39	45.56		45.56		3.65		49.20	Incr by 8% Inflation, monthly rate
Service Fee - Free Market	130.18	136.69		136.69		10.94		147.63	Incr by 8% Inflation, monthly rate
Tap Fees - Deed Restricted	2,000	2,000		2,000				2,000	Same as previous
Tap Fees - Free Market	6,000	6,000		6,000				6,000	Same as previous
REVENUE									
Property Taxes for General Operations	316,965	307,930	0	307,930	306,997	305,467	1,530	286,606	Per Above
Specific Ownership (Automobile) Taxes	11,561	12,933	(616)	12,317	7,589	8,622	(1,033)	11,464	4% of Prop Tax
Water & Sewer Service Fees	43,217	45,379	0	45,379	34,034	34,034	(0)	49,009	8% Increase
Tap Fees-Water Connections	11,806	6,000	3,000	9,000	9,000	6,000	3,000	0	Fully Built Out
Tap Fees - Repl of Existing ISDS Systems	0	2,000	(2,000)	0	0	2,000	(2,000)	2,000	Assumes 1
Interest Income	670	500	12,000	12,500	6,654	375	6,279	23,130	2% of Fund Balance
Septic Inspection Fees	0	0	0	0	0	0	0	0	Homeowner not Metro
Other Income	598	0	300	300	343	0	343	0	None Budgeted
TOTAL REVENUE	384,817	374,742	12,684	387,427	364,616	356,498	8,118	372,209	

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

W/J METRO DISTRICT

GENERAL FUND

Printed: 12/2/2022

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED MODIFIED ACCRUAL BASIS

	2021	2022	Variance	2022	9 Months	9 Months	Variance	2023	Budget Explanation
	Unaudited Actual	Adopted Budget	Favorable (Unfav)		Forecast	Ended 9/30/2022 Actual	Ended 9/30/2022 Budget	Favorable (Unfavor)	
EXPENDITURES									
General and Administrative Expenses									
Accounting	6,724	9,120	0	9,120	5,540	6,840	1,300	9,850	2022 Forecast + 8% Incr
Administration	0	0	0	0	0	0	0	0	
Bank Fees	25	69	0	69	65	52	(13)	70	
Consulting - Accounting & Administration	10,734	11,025	0	11,025	6,025	8,018	1,994	11,907	2022 Forecast + 8% Incr
Election	153	5,000	3,500	1,500	977	3,750	2,773	5,000	May 2023 Directors assumes cancel
Insurance	11,765	13,116	116	13,000	12,803	13,116	314	14,950	2022 Forecast + 15% Incr per Pool
Legal	544	5,000	0	5,000	0	3,750	3,750	5,400	Very little anticipated
Office Overhead/Dues & Memberships	1,231	2,000	0	2,000	891	1,500	609	2,160	2022 Forecast w5% incr
Treasurer's Fees	15,861	15,397	0	15,397	15,358	15,273	(85)	16,629	5% of Prop Tax Collections
Total General and Administrative Expense	47,038	60,727	3,616	57,111	41,659	52,300	10,641	65,965	
Operations Expenses									
Reudi Water Rights Op, Mtce & Repl	319	361	0	361	0	0	0	390	Proportionate Share of Reudi O&M Cc
Landscape & Common Area Maintenance	1,084	3,250	750	2,500	808	3,250	2,442	2,500	Based on '22 Forecast
District Operations & Mgt (Zancanella)	4,536	10,000	0	10,000	10,548	7,500	(3,048)	10,800	Per Zancanella
Engineering - General	511	0	0	0	0	0	0	18,500	Per Zancanella
Equipment Repairs and Maintenance	4,507	5,250	0	5,250	971	3,938	2,966	5,670	Truck & Skidsteer
Road Repairs and Maintenance	4,765	4,200	4,200	0	0	4,200	4,200	5,718	Annual Crack Seal w/20% Incr
Septic System Repairs & Maintenance	18,665	20,000	0	20,000	1,263	15,000	13,738	21,600	Per Zancanella
Septic Inspections	0	0	0	0	0	0	0	3,000	Req 72 Septic Insp every other yr
Snow Removal	14,548	17,325	0	17,325	9,803	8,663	(1,141)	20,000	Estimate
Trash Removal	17,088	17,400	(3,600)	21,000	15,653	13,050	(2,603)	22,680	Avg \$1,750 per month w/8% Incr
Dumpster Cleaning	1,435	1,750	0	1,750	1,155	1,313	158	1,750	Based on 2022 Forecast
Water System Repairs and Maintenance	24,947	21,000	0	21,000	12,676	15,750	3,074	26,000	Include prep for State Sanitary
Water System Operations	23,416	26,250	0	26,250	14,018	19,688	5,669	28,350	22 Forecast w/8% Incr
Weed Control	5,695	3,491	(1,509)	5,000	5,169	3,491	(1,678)	5,500	2022 Forecast w/10% Incr
Utilities-Electric	15,661	17,500	0	17,500	12,325	13,125	800	18,900	22 Forecast w/8% Incr
Utilities-Natural Gas	352	700	0	700	338	525	187	756	22 Forecast w/8% Incr
Utilities-Internet	762	1,000	0	1,000	193	750	557	2,600	Comcast internet
Contingency	0	25,000	0	25,000	0	18,750	18,750	27,000	Based on '22 Budget w8% Incr
Total Operations Expenses	138,290	174,477	(159)	174,636	84,921	128,991	44,070	221,714	
Total G&A and Operations Expenses	185,328	235,204	3,458	231,747	126,580	181,291	54,711	287,679	
Operating Surplus (Deficit)	199,489	139,538	16,142	155,680	238,036	175,207	62,829	84,529	

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

W/J METRO DISTRICT

GENERAL FUND

1/0/1900

Printed: 12/2/2022

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED MODIFIED ACCRUAL BASIS

	2021			2022			9 Months			2023	Explanation
	Unaudited Actual	Adopted Budget	Variance (Unfav)	2022 Forecast	Ended 9/30/2022 Actual	Ended Budget	Variance (Unfavor)	Adopted			
CAPITAL EXPENDITURES											
ISDS Systems											
Repair/Replace ISDS Systems	0	24,900	900	24,000	0	24,900	24,900	25,647	Per Zanc est, all ISDS related Cap exj		
Repair/Replace ISDS Leach Fields		8,000	0	8,000		8,000	8,000	8,240	Per Long Range Plan		
Roads											
Snow Plow	5,312		0		0	0	0				
Skidsteer			0			0	0				
Vehicle Equipment Storage	0			0	0	0	0				
Asphalt Overlay Engineering Report						0	0				
Asphalt Overlays	0	0	0	0	0	0	0	0			
Asphalt Overlay of Lower Bullwinkle - Yr 20						0	0				
Asphalt Overlay of Upper Bullwinkle & Byers - Yr 20						0	0				
Repair of Free Market Road - Yr 20						0	0				
Asphalt Overlay Stevens Street											
Other											
Upper Bullwinkle Trail	0		0		0	0	0				
Trash Enclosure & Gate	0	0	0	0	0	0	0	0			
Water Systems											
Wellhouse Electrical Upgrades								95,000	Electrical Upgrades & Water System		
Home Water Meter Installation									Electric Saving Programming		
Well #2 Replacement	0		0		0	0	0				
W/J River Pipeline	0		0		0	0	0				
Water Distribution System	0	50,000	50,000	0	0	0	0				
Water Storage Tank			0	0		0	0				
Fire Hydrants		0	0	0		0	0	0			
None Routine Testing	0				0	0	0	28,100	Investigate & repair 20gpm leak,		
Motors, Pumps and Controllers	584	36,750	(8,250)	45,000	4,703	36,750	32,048		State Sanitary Survey Testing		
Lot 5 Waterline	0										
Water Rights											
Acquisition of BLM Water Rights											
Debt Financing for BLM Water Rights											
BLM Reudi Water Rights Principal	0		0		0	0	0		Paid off in 2019		
BLM Reudi Water Rights Interest	0		0		0	0	0		Paid off in 2019		
Augmentation Plan/Water Legal	1,004	1,500	(8,500)	10,000	8,452	1,125	(7,327)	1,500	Est for ongoing due diligence		
TOTAL CAPITAL EXPENDITURES	6,900	121,150	34,150	87,000	13,154	70,775	57,621	158,487			
TOTAL EXPENDITURES	192,227	356,354	37,608	318,747	139,735	252,066	112,331	446,166			
EXCESS REV OVER (UNDER) EXPEND	192,589	18,388	50,292	68,680	224,881	104,432	120,449	(73,958)			
Fund Balance-Beginning of Year	895,217	952,174	135,633	1,087,806	1,087,806	952,174	135,632	1,156,487			
Fund Balance-End of Year	1,087,806	970,562	185,925	1,156,487	1,312,688	1,056,607	256,081	1,082,529			
Components of Fund Balance											
Operating Reserve		235,204		231,747				287,679			
Capital Replacement Reserve		735,358		924,740				794,850			
Total		970,562		1,156,487				1,082,529			

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Pitkin County, Colorado.

On behalf of the W/J Metropolitan District

(taxing entity)^A

the Board of Directors

(governing body)^B

of the W/J Metropolitan District

(local government)^C

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

\$ 5,909,400

(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:

\$ 5,909,400

(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: 12/009/2022
(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>50.197</u> mills	\$ 296,634.15
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u>(1.697)</u> mills	\$ (10,028.25)
SUBTOTAL FOR GENERAL OPERATING:	48.500 mills	\$ 286,605.90
3. General Obligation Bonds and Interest ^J	<u>0.000</u> mills	\$ -
4. Contractual Obligations ^K	<u>0.000</u> mills	\$ -
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ -
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ -
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ -
	<u>0.000</u> mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	48.500 mills	\$ 286,605.90

Contact person: Kenneth J Marchetti
(print)

Daytime phone: (970) 926-6060

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). DLG70 (Rev.6/16)

EXHIBIT B

Audit Exemption Application

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

FOR LOCAL GOVERNMENTS WITH EITHER REVENUES OR EXPENDITURES MORE THAN \$100,000 BUT NOT MORE THAN \$750,000

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 for the year.

If your local government has either revenues or expenditures of LESS than \$100,000, use the SHORT FORM.

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) for approval.

Any preparer of an Application for Exemption from Audit must be an independent accountant with knowledge of 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.

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

APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

<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?
- Are all sections of the form complete, including responses to all of the questions?
- 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](#)
 - or--
 - 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?

Checkout our new [web portal](#). Register your account and submit electronic Applications for Exemption From Audit, Extension of Time to File requests, Audited Financial Statements, and more! See the link below.

[OSA LG Web Portal](#)

FILING METHODS

NEW METHOD!

WEB PORTAL: Register and submit your Applications at our new portal:

<https://apps.leg.co.gov/osa/lq>

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 -- A Budget to GAAP reconciliation is provided in Part 3

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

LONG FORM

NAME OF GOVERNMENT ADDRESS	W/J Metropolitan District 28 2nd St., Unit 213 Edwards, CO 81632
CONTACT PERSON PHONE EMAIL	Debbie Braucht 970-926-6060 ext 5 debbie@mwcpaa.com

For the Year Ended
12/31/2022
or fiscal year ended:

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:	Kenneth J Marchetti
TITLE	Principal/CPA
FIRM NAME (if applicable)	Marchetti & Weaver, LLC
ADDRESS	28 2nd St, Unit 213, Edwards, CO 81632
PHONE	(970) 926-6060
DATE PREPARED	2/14/2023
RELATIONSHIP TO ENTITY	Outside Accountant, all major decisions made by the Board of Directors

PREPARER (SIGNATURE REQUIRED)

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

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	Fund*		Fund*	Fund*
Assets				Assets		
1-1	Cash & Cash Equivalents	\$ 70,267	\$ -	Cash & Cash Equivalents	\$ -	\$ -
1-2	Investments	\$ 1,182,699	\$ -	Investments	\$ -	\$ -
1-3	Receivables	\$ 2,926	\$ -	Receivables	\$ -	\$ -
1-4	Due from Other Entities or Funds	\$ 287,330	\$ -	Due from Other Entities or Funds	\$ -	\$ -
1-5	Property Tax Receivable	\$ -	\$ -	Other Current Assets [specify...]	\$ -	\$ -
	All Other Assets [specify...]				\$ -	\$ -
1-6	Lease Receivable (as Lessor)	\$ -	\$ -		\$ -	\$ -
1-7	Prepaid Insurance	\$ 11,929	\$ -	Capital & Right to Use Assets, net (from Part 6-4)	\$ -	\$ -
1-8		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -
1-9		\$ -	\$ -		\$ -	\$ -
1-10		\$ -	\$ -		\$ -	\$ -
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 1,555,150	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -
Deferred Outflows of Resources:				Deferred Outflows of Resources		
1-12	[specify...]	\$ -	\$ -	[specify...]	\$ -	\$ -
1-13	[specify...]	\$ -	\$ -	[specify...]	\$ -	\$ -
1-14	(add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS	\$ -	\$ -	(add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS	\$ -	\$ -
1-15	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,555,150	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -
Liabilities				Liabilities		
1-16	Accounts Payable	\$ 53,010	\$ -	Accounts Payable	\$ -	\$ -
1-17	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -
1-18	Unearned Property Tax Revenue	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -
1-19	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -
1-20	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -
1-21	(add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES	\$ 53,010	\$ -	(add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES	\$ -	\$ -
1-22	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -
1-23		\$ -	\$ -	Other Liabilities [specify...]:	\$ -	\$ -
1-24		\$ -	\$ -		\$ -	\$ -
1-25		\$ -	\$ -		\$ -	\$ -
1-26		\$ -	\$ -		\$ -	\$ -
1-27	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ 53,010	\$ -	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ -	\$ -
Deferred Inflows of Resources:				Deferred Inflows of Resources		
1-28	Deferred Property Taxes	\$ 286,606	\$ -	Pension/OPEB Related	\$ -	\$ -
1-29	Lease related (as lessor)	\$ -	\$ -	Other [specify...]	\$ -	\$ -
1-30	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ 286,606	\$ -	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ -	\$ -
Fund Balance				Net Position		
1-31	Nonspendable Prepaid	\$ 11,929	\$ -	Net Investment in Capital Assets	\$ -	\$ -
1-32	Nonspendable Inventory	\$ -	\$ -			
1-33	Restricted [specify...] TABOR Reserve	\$ 11,825	\$ -	Emergency Reserves	\$ -	\$ -
1-34	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -
1-35	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -
1-36	Unassigned:	\$ 1,191,780	\$ -	Undesignated/Unreserved/Unrestricted	\$ -	\$ -
1-37	Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ 1,215,534	\$ -	Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL NET POSITION	\$ -	\$ -
1-38	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 1,555,150	\$ -	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ -	\$ -

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		Please use this space to provide explanation of any items on this page	
		General Fund	Fund*		Fund*	Fund*		
Tax Revenue				Tax Revenue				
2-1	Property [include mills levied in Question 10-6]	\$ 307,930	\$ -	Property [include mills levied in Question 10-6]	\$ -	\$ -		
2-2	Specific Ownership	\$ 10,987	\$ -	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	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ 318,917	\$ -	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ -	\$ -		
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	\$ 45,378	\$ -	Charges for Sales and Services	\$ -	\$ -		
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -		
2-18	Fines and Forfeits	\$ 438	\$ -	Fines and Forfeits	\$ -	\$ -		
2-19	Interest/Investment Income	\$ 20,431	\$ -	Interest/Investment Income	\$ -	\$ -		
2-20	Tap Fees	\$ 9,000	\$ -	Tap Fees	\$ -	\$ -		
2-21	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -		
2-22	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -		
2-23		\$ -	\$ -		\$ -	\$ -		
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 394,165	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -		
Other Financing Sources				Other Financing Sources				
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -		
2-26	Lease Proceeds	\$ -	\$ -	Lease Proceeds	\$ -	\$ -		
2-27	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	\$ -		
2-28	Other [specify...]:	\$ -	\$ -	Other [specify...]:	\$ -	\$ -		
2-29	Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	GRAND TOTALS	
2-30	Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 394,165	\$ -	Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	\$ -	\$ 394,165	

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/EXPENSES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Fund*		Fund*	Fund*	
	Expenditures			Expenses			
3-1	General Government	\$ 106,545	\$ -	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ 19,687	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ 6,822	\$ -	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	Transfers to other districts	\$ -	\$ -	Utilities	\$ -	\$ -	
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12	Water Operations	\$ 49,327	\$ -	Other [specify...]	\$ -	\$ -	
3-13	Trash & Landscaping	\$ 32,444	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ 51,612	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal (should match amount in 4-4)	\$ -	\$ -	Principal (should match amount in 4-4)	\$ -	\$ -	
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...]:	\$ -	\$ -	
3-21		\$ -	\$ -		\$ -	\$ -	
3-22	Add lines 3-1 through 3-21	\$ 266,437	\$ -	Add lines 3-1 through 3-21	\$ -	\$ -	
	TOTAL EXPENDITURES			TOTAL EXPENSES			GRAND TOTAL
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	\$ 266,437
3-24	Interfund Transfers Out	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation/Amortization	\$ -	\$ -	
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, 3-18)	\$ -	\$ -	
3-29	(Add lines 3-23 through 3-28)			(Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS	\$ -	\$ -	
	TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ -	\$ -		\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, less line 3-29	\$ 127,728	\$ -	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, less line 3-23	\$ -	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 1,087,806	\$ -	Net Position, January 1 from December 31 prior year report	\$ -	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31			Net Position, December 31			
	Sum of Lines 3-30, 3-31, and 3-32	\$ 1,215,534	\$ -	Sum of Lines 3-30, 3-31, and 3-32	\$ -	\$ -	
	This total should be the same as line 1-37.			This total should be the same as line 1-37.	\$ -	\$ -	

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:

4-1 Does the entity have outstanding debt? YES NO

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

4-4 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	\$ -	\$ -	\$ -	\$ -
Lease Liabilities	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must agree 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 [Section 29-1-605(2) C.R.S.]? YES NO

If yes: How much? \$ 2,400,000

Date the debt was authorized: 11/2/2004

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? \$ -

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:

5-1 YEAR-END Total of ALL Checking and Savings accounts \$ 70,267

5-2 Certificates of deposit \$ -

TOTAL CASH DEPOSITS \$ 70,267

Investments (if investment is a mutual fund, please list underlying investments):

5-3 Colotrust \$ 1,182,699

\$ -

\$ -

\$ -

TOTAL INVESTMENTS \$ 1,182,699

TOTAL CASH AND INVESTMENTS \$ 1,252,965

Please answer the following question by marking in the appropriate box

YES NO N/A

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.)? If no, MUST explain: YES NO N/A

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following question by marking in the appropriate box

YES

NO

Please use this space to provide any explanations or comments:

- 6-1 Does the entity have capitalized 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 for GOVERNMENTAL FUNDS:		Balance - beginning of the year ¹	Additions ²	Deletions	Year-End Balance
Land		\$ -	\$ -	\$ -	\$ -
Buildings		\$ 23,547	\$ -	\$ -	\$ 23,547
Machinery and equipment		\$ 95,847	\$ -	\$ -	\$ 95,847
Furniture and fixtures		\$ -	\$ -	\$ -	\$ -
Infrastructure		\$ 3,826,070	\$ 51,612	\$ -	\$ 3,877,681
Construction In Progress (CIP)		\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets		\$ -	\$ -	\$ -	\$ -
Intangible Assets		\$ -	\$ -	\$ -	\$ -
Other (explain): Water Rights		\$ 224,337	\$ -	\$ -	\$ 224,337
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)		\$ (1,610,791)	\$ (140,292)	\$ -	\$ (1,751,083)
Accumulated Depreciation (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 2,559,010	\$ (88,681)	\$ -	\$ 2,470,330

6-4 Complete the following Capital & Right-To-Use 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)		\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets		\$ -	\$ -	\$ -	\$ -
Intangible Assets		\$ -	\$ -	\$ -	\$ -
Other (explain):		\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
TOTAL		\$ -	\$ -	\$ -	\$ -

* Must agree to prior year-end balance
 - Generally capital asset additions should be reported at capital outlay on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy

PART 7 - PENSION INFORMATION

* YES NO

Please use this space to provide any explanations or comments:

- 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? YES NO

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 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 separately for the year reported					
Governmental/Proprietary Fund Name		Total Appropriations By Fund			
General Fund		\$	356,354		
		\$	-		
		\$	-		
		\$	-		

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: <input style="width: 150px; height: 30px;" type="text"/>				
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 <input style="width: 400px; height: 25px;" type="text"/>				
PRIOR name <input style="width: 400px; height: 25px;" type="text"/>				
10-3 Is the entity a metropolitan district?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10-4	Please indicate what services the entity provides:			
<input style="width: 450px; height: 20px;" type="text" value="Roads, Water System, Waste Water and Snow Removal"/>				
10-5	Does the entity have an agreement with another government to provide services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes: List the name of the other governmental entity and the services provided:				
<input style="width: 450px; height: 20px;" type="text"/>				
10-6	Does the entity have a certified mill levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If yes: Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts):				
Bond Redemption mills <input style="width: 50px;" type="text" value="0.000"/>				
General/Other mills <input style="width: 50px;" type="text" value="48.500"/>				
Total mills <input style="width: 50px;" type="text" value="48.500"/>				

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	\$ 1,252,965	Unrestricted Fund Balan	\$ 1,191,780	Total Tax Revenue	\$ 318,917	
Current Liabilities	\$ 53,010	Total Fund Balance	\$ 1,215,534	Revenue Paying Debt Service	\$ -	
Deferred Inflow	\$ 286,606	PY Fund Balance	\$ 1,087,806	Total Revenue	\$ 394,165	
		Total Revenue	\$ 394,165	Total Debt Service Principal	\$ -	
		Total Expenditures	\$ 266,437	Total Debt Service Interest	\$ -	
		Interfund In	\$ -			
Governmental		Interfund Out	\$ -	Enterprise Funds		
Total Cash & Investments	\$ 1,252,965			Net Position	\$ -	
Transfers In	\$ -	Proprietary		- PY Net Position	\$ -	
Transfers Out	\$ -	- Current Assets	\$ -	- Government-Wide		
Property Tax	\$ 307,930	Deferred Outflow	\$ -	- Total Outstanding Debt	\$ -	
Debt Service Principal	\$ -	- Current Liabilities	\$ -	- Authorized but Unissued	\$ 2,400,000	
Total Expenditures	\$ 266,437	Deferred Inflow	\$ -	- Year Authorized	\$ 11/2/2004	
Total Developer Advances	\$ -	- Cash & Investments	\$ -			
Total Developer Repayments	\$ -	- Principal Expense	\$ -			

PART 12 - 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 Procedures

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.

Below is the certification and approval of the governing body. By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual 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 members of the governing body below.

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

	Full Name	DocuSigned by:
1	Wayne Ethridge	I, Wayne Ethridge, 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>Wayne Ethridge</u> Date: <u>3/18/2023</u> My term Expires: 05/02/2023 By 90E47B0907A94EF...
2	Paul Jones	I, Paul Jones, 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>Paul Jones</u> Date: <u>3/6/2023</u> My term Expires: 05/02/2023 By 36164A2D074E305...
3	Steve Marolt	I, Steve Marolt, 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>Steve Marolt</u> Date: <u>3/13/2023</u> My term Expires: 05/02/2023 By D7D653E4D16E4ED...
4	Shelly Marolt	I, Shelly Marolt, 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>Shelly Marolt</u> Date: <u>3/8/2023</u> My term Expires: 05/06/2025 By AD57BB307B10412...
5	Vacancy	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: _____
6		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: _____
7		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: _____

EXAMPLE - DO NOT FILL OUT THIS PAGE

This sample resolution/ordinance for exemption from audit is provided as an example of the documentation that is required, the wording may be used as a basis for your own local government document, if needed, however you MUST draft your own ordinance or resolution making any changes where applicable. Legal counsel should be consulted regarding any questions.

RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 20XX FOR THE **(name of government)**, STATE OF COLORADO.

WHEREAS, the **(governing body)** of **(name of government)** wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed seven hundred and fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

[Choose 1 or 2 below, whichever is applicable]

(1) WHEREAS, neither revenue nor expenditures for **(name of government)** exceeded \$100,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for **(name of government)** has been prepared by **(name of individual)**, a person skilled in governmental accounting; and

OR

(2) WHEREAS, neither revenues nor expenditures for **(name of government)** exceeded \$750,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for **(name of government)** has been prepared by **(name of individual or firm)**, an independent accountant with knowledge of governmental accounting; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations, issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the **(governing body)** of the **(name of government)** that the application for exemption from audit for **(name of government)** for the year ended _____, 20XX, has been personally reviewed and is hereby approved by a majority of the **(governing body)** of the **(name of government)**; that those members of the **(governing body)** have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the **(name of government)** for the year ended _____, 20XX.

ADOPTED THIS ___ day of _____, A.D. 20XX.

Mayor/President/Chairman, etc.

ATTEST:

Town Clerk, Secretary, etc.

Type or Print Names of Members of Governing Body	Date Term Expires	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____