

ANNUAL INFORMATION REPORT
FOR THE YEAR 2020
HM METROPOLITAN DISTRICT NO. 3

Pursuant to Section VII of the Service Plan of HM Metropolitan District No. 3 (“District”) approved by the City of Aurora, Colorado on June 7, 2019 (the “Service Plan”), the following report of the District’s activities from January 1, 2020 to December 31, 2020 is hereby submitted.

1. **Boundary changes made or proposed to the District’s boundary as of December 31 of the prior year.**

The District had no boundary changes prior to December 31, 2020. A copy of the current District boundary map is attached hereto as **Exhibit A**.

2. **Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.**

Seventh Amendment to ARTA Establishment Agreement: On June 4, 2020 the District, Aerotropolis Area Regional Transportation Authority, SLC Metropolitan District Nos. 1, 2, 3 & 4 and HM Metropolitan District Nos. 3, 4, 5, 6, 7, 8 & 9 entered into this Amendment to Agreement.

3. **Copies of the District’s rules and regulations, if any as of December 31 of the prior year.**

The District has no rules and regulations as of December 31, 2020.

4. **A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.**

The District was not involved in any litigation regarding District Public Improvements as of December 31, 2020.

5. **Status of the District’s construction of the Public Improvements as of December 31 of the prior year.**

The District has no construction or Public Improvements as of December 31, 2020.

6. **A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.**

The District has no construction or Public Improvements dedicated to the City as of December 31, 2020.

7. **The assessed valuation of the District for the current year.**

A copy of the 2020 certification of assessed valuation from Adams County is attached hereto as **Exhibit B**.

8. **Current year budget including a description of the Public Improvements to be constructed in such year.**

A copy of the 2021 Budget is attached hereto as **Exhibit C**.

9. **Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

A copy of the District's Application for Exemption from 2020 Audit is attached hereto as **Exhibit D**.

10. **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.**

The District has no uncured events of default.

11. **Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

The District is not subject to any inability to pay its obligations.

EXHIBIT A
Current District Boundary Map

DISTRICT NO. 3 INITIAL BOUNDARY MAP

POINT OF COMMENCEMENT
CENTER QUARTER CORNER SECTION 6

30' ECCV EASEMENT
REC. 20060621000629650

S70°49'40"E 205.50'

P.O.B.

N88°21'15"E 20.00'

N01°38'45"W 20.00'

S01°38'45"E 20.00'

S88°21'15"W 20.00'

INITIAL DISTRICT BOUNDARIES
DISTRICT NO.3
0.009 ACRES
400 SQ. FT.

10' PSCO EASEMENT
REC. 2017000109109

03-SITE
REC. 2017000112563



SCALE: 1"=60'
ALL DIMENSIONS ARE
U.S. SURVEY FEET

THIS EXHIBIT DOES NOT
REPRESENT A MONUMENTED
SURVEY. IT IS INTENDED
ONLY TO DEPICT THE
ATTACHED DESCRIPTION.

PREPARED BY:
MARTIN/MARTIN, INC.
12499 W. COLFAX AVE.
LAKEWOOD, CO 80215



CITY OF AURORA, COLORADO

A PARCEL OF LAND LOCATED WITHIN THE SOUTHEAST
QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 65
WEST OF THE 6TH P.M., CITY OF AURORA, COUNTY OF
ADAMS, STATE OF COLORADO.

DRAWN BY:
DJB

SCALE:
1" = 60'

R.O.W. FILE NUMBER

CHECKED BY:
RAM

DATE:
05-14-2019

JOB NUMBER:
17.0333

EXHIBIT B
2020 Assessed Valuation

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **485 - HM METROPOLITAN DISTRICT NO 3**

IN ADAMS COUNTY ON 11/29/2020

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2020 IN ADAMS COUNTY, COLORADO

| | |
|---|--------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$10 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$10 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$10 |
| 5. NEW CONSTRUCTION: ** | \$0 |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: # | \$0 |
| 7. ANNEXATIONS/INCLUSIONS: | \$0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: # | \$0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ## | \$0 |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.): | \$0.00 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.): | \$0.00 |

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2020 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2020

| | |
|--|-----|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | \$1 |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ! | \$0 |
| 3. ANNEXATIONS/INCLUSIONS: | \$0 |
| 4. INCREASED MINING PRODUCTION: % | \$0 |
| 5. PREVIOUSLY EXEMPT PROPERTY: | \$0 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | \$0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: | \$0 |

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

| | |
|---|-----|
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | \$0 |
| 9. DISCONNECTIONS/EXCLUSION: | \$0 |
| 10. PREVIOUSLY TAXABLE PROPERTY: | \$0 |

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->

\$0

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2020

Data Date: 11/29/2020

EXHIBIT C
2021 Budget

HM METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**HM METROPOLITAN DISTRICT NO. 3
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Total revenues | - | - | - |
| Total funds available | - | - | - |
| EXPENDITURES | | | |
| General Fund | - | - | - |
| Total expenditures | - | - | - |
| Total expenditures and transfers out requiring appropriation | - | - | - |
| ENDING FUND BALANCES | \$ - | \$ - | \$ - |
| EMERGENCY RESERVE | \$ - | \$ - | \$ - |
| TOTAL RESERVE | \$ - | \$ - | \$ - |

**HM METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

| ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|----------------|-------------------|----------------|
|----------------|-------------------|----------------|

ASSESSED VALUATION

Agricultural

- - 10

Certified Assessed Value

| | | | | | |
|----|---|----|---|----|----|
| \$ | - | \$ | - | \$ | 10 |
|----|---|----|---|----|----|

MILL LEVY

PROPERTY TAXES

General

\$ - \$ - \$ -

Budgeted property taxes

| | | | | | |
|----|---|----|---|----|---|
| \$ | - | \$ | - | \$ | - |
|----|---|----|---|----|---|

BUDGETED PROPERTY TAXES

General

\$ - \$ - \$ -

| | | | | | |
|----|---|----|---|----|---|
| \$ | - | \$ | - | \$ | - |
|----|---|----|---|----|---|

**HM METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Total revenues | - | - | - |
| Total funds available | - | - | - |
| EXPENDITURES | | | |
| Total expenditures | - | - | - |
| Total expenditures and transfers out requiring appropriation | - | - | - |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - |
| EMERGENCY RESERVE | \$ - | \$ - | \$ - |
| TOTAL RESERVE | \$ - | \$ - | \$ - |

**HM METRO DISTRICT NO. 3
2021 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Adams County, Colorado on November 22, 2019 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City of Aurora. The District's service area is located in Aurora.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including street, safety protection, park and recreation, transportation, retaining walls, trails, open space, landscaping, drainage improvements, and irrigation system improvements.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Developer Advances

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the Districts' administrative viability such as legal, management, accounting, insurance and meeting expense. Estimated expenditures related to streetscape, ponds and weeds, snow removal, and utilities were also included in the General Fund budget.

**HM METRO DISTRICT NO. 3
2021 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District does not have any debt. Additionally, the District has no operating or capital leases.

Reserves

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.

EXHIBIT D
Exemption from 2020 Audit

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

HM Metropolitan District No. 3

8390 E Crescent Parkway

Suite 300

Greenwood Village, CO 80111

CONTACT PERSON

Jason Carroll

PHONE

303-779-5710

EMAIL

Jason.Carroll@claconnect.com

FAX

303-779-0348

For the Year Ended
12/31/20
or fiscal year ended:

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:

Jason Carroll

TITLE

Accountant for the District

FIRM NAME (if applicable)

CliftonLarsonAllen LLP

ADDRESS

8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111

PHONE

303-779-5710

DATE PREPARED

2/25/2021

PREPARER (SIGNATURE REQUIRED)

See attached Accountant's Compilation Report

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) | \$ - | |
| 2-2 | Specific ownership | \$ - | |
| 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 | \$ - | |

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 | \$ - | |
| 3-2 | Salaries | \$ - | |
| 3-3 | Payroll taxes | \$ - | |
| 3-4 | Contract services | \$ - | |
| 3-5 | Employee benefits | \$ - | |
| 3-6 | Insurance | \$ - | |
| 3-7 | Accounting and legal fees | \$ - | |
| 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 | \$ - | |
| 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 | \$ - | |

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 type="checkbox"/> | <input checked="" 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;">N/A. The District has no debt.</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; padding: 2px; margin-top: 5px;">N/A. The District has no debt.</div> | <input type="checkbox"/> | <input checked="" 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 | \$ - | \$ - |
| | Other (specify): | \$ - | \$ - |
| | TOTAL | \$ - | \$ - |

*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? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ 6,500,000,000.00</div> | | |
| | Date the debt was authorized: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">11/5/2019</div> | | |
| 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? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div> | | |
| 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? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div> | | |
| 4-8 | Does the entity have any lease agreements? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | What is being leased? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div> | | |
| | What is the original date of the lease? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div> | | |
| | Number of years of lease? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"></div> | | |
| | Is the lease subject to annual appropriation? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | What are the annual lease payments? <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div> | | |

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 | \$ - | |
| 5-2 | Certificates of deposit | \$ - | |
| | Total Cash Deposits | | \$ - |
| | Investments (if investment is a mutual fund, please list underlying investments): | | |
| | | \$ - | |
| 5-3 | | \$ - | |
| | | \$ - | |
| | | \$ - | |
| | Total Investments | | \$ - |
| | Total Cash and Investments | | \$ - |

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:

The District has no checking or savings account.

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?

☐☒

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:

☐☒

N/A The District has no capital assets.

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?

☐☒

7-2 Does the entity have a volunteer firemen's pension plan?

☐☒

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.?

☒☐☐

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

☒☐☐

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

| Fund Name | Budgeted Expenditures/Expenses |
|--------------|--------------------------------|
| General Fund | \$ 50,000 |
| | |
| | |
| | |

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)]? <small>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.</small> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

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? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | Date of formation: <input 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: | Please list the NEW name & PRIOR name: <input type="text"/> | | |
| 10-3 | Is the entity a metropolitan district? Please indicate what services the entity provides: <input type="text"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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: <input type="text"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 10-5 | Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during If yes: Date Filed: <input type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10-6 | Does the entity have a certified Mill Levy? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| If yes: | Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts): | | |
| | Bond Redemption mills | <input type="text"/> | - |
| | General/Other mills | <input type="text"/> | - |
| | Total mills | <input type="text"/> | - |

Please use this space to provide any explanations or comments:

10-3: The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including street, safety protection, park and recreation, transportation, retaining walls, trails, open space, landscaping, drainage improvements, and irrigation system improvements.

10-4: The District was established and will operate in conjunction with HM Metropolitan District Nos. 1, 2, 4, 5, 6, 7, 8, and 9.

| 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. Print Board Member's Name | | A <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below. | |
|--|------------------------|--|--|
| Board Member 1 | Henry (Rick) Wells | DocuSigned by: <i>Rick Wells</i> CFC3C47AAC354AF... | I, <u>Henry (Rick) Wells</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. My term Expires: May 2023 |
| Board Member 2 | Mark Throckmorton | DocuSigned by: <i>Mark Throckmorton</i> 91BBFFBF1C46484... | I, Mark Throckmorton, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. My term Expires: May 2022 |
| Board Member 3 | Marcia Lujan | DocuSigned by: <i>Marcia Lujan</i> DE758A40C87E46D... | I, Marcia Lujan, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. My term Expires: May 2022 |
| Board Member 4 | Ferdinand Belz | DocuSigned by: <i>Ferdinand Belz</i> 2A0B30132C20499... | I, Ferdinand Belz, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. My term Expires: May 2023 |
| Board Member 5 | James Blake Fulenwider | DocuSigned by: <i>James Blake Fulenwider</i> D4BA517118AE4FC... | I, James Blake Fulenwider, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. My term Expires: May 2022 |
| Board Member 6 | | | 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 | | | 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: _____ |



CliftonLarsonAllen LLP
www.CLACoconnect.com

Accountant's Compilation Report

Board of Directors
HM Metropolitan District No. 3
Adams County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of HM Metropolitan District No. 3 as of and for the year ended December 31, 2020, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to HM Metropolitan District No. 3.

Greenwood Village, Colorado
2/25/21

Certificate Of Completion

Envelope Id: C08CFAF963ED4EDB836EB2167FAAA5EB

Status: Completed

Subject: Please DocuSign: 2.A. HMMD No. 3 - Audit Exemption 2020.pdf

Client Name: HM MD No. 3

Client Number: 011-046106-OS05-2021

Source Envelope:

Document Pages: 8

Signatures: 5

Envelope Originator:

Certificate Pages: 5

Initials: 0

Kathy Suazo

AutoNav: Enabled

220 South 6th Street

Envelopeld Stamping: Enabled

Suite 300

Time Zone: (UTC-06:00) Central Time (US & Canada)

Minneapolis, MN 55402

Kathy.Suazo@claconnect.com

IP Address: 67.137.57.251

Record Tracking

Status: Original

Holder: Kathy Suazo

Location: DocuSign

3/4/2021 2:59:25 PM

Kathy.Suazo@claconnect.com

Signer Events

Ferdinand Belz

ferd@fulenwider.com

Individual

Security Level: Email, Account Authentication
(None)

Signature

DocuSigned by:
Ferdinand Belz
2A0B30132C20499...

Signature Adoption: Pre-selected Style
Using IP Address: 65.132.112.218

Timestamp

Sent: 3/4/2021 3:06:30 PM

Viewed: 3/4/2021 3:07:41 PM

Signed: 3/4/2021 3:08:09 PM

Electronic Record and Signature Disclosure:

Accepted: 3/4/2021 3:07:41 PM

ID: 1dc74225-d4ed-4ef9-8c9d-d120004cb5a5

James Blake Fulenwider

blake@fulenwider.com

Security Level: Email, Account Authentication
(None)

DocuSigned by:
James Blake Fulenwider
D4BA51711BAE4FC...

Signature Adoption: Pre-selected Style
Using IP Address: 71.211.175.144

Sent: 3/4/2021 3:06:31 PM

Viewed: 3/4/2021 4:54:31 PM

Signed: 3/4/2021 4:55:07 PM

Electronic Record and Signature Disclosure:

Accepted: 3/4/2021 4:54:31 PM

ID: f91c2d18-8c13-4ae5-b03e-901eb727e843

Marcia Lujan

marcy@fulenwider.com

Security Level: Email, Account Authentication
(None)

DocuSigned by:
Marcia Lujan
DE758A40C87E48D...

Signature Adoption: Pre-selected Style
Using IP Address: 174.29.213.120

Sent: 3/4/2021 3:06:31 PM

Viewed: 3/4/2021 4:29:12 PM

Signed: 3/4/2021 4:29:23 PM

Electronic Record and Signature Disclosure:

Accepted: 3/4/2021 4:29:12 PM

ID: 34ffddfd-11cf-48ff-b8b6-a353b3b770f8

Mark Throckmorton

mark@fulenwider.com

Security Level: Email, Account Authentication
(None)

DocuSigned by:
Mark Throckmorton
91B8FFBF1C48484...

Signature Adoption: Pre-selected Style
Using IP Address: 67.164.168.30

Sent: 3/4/2021 3:06:30 PM

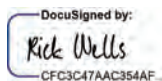
Viewed: 3/4/2021 5:26:05 PM

Signed: 3/4/2021 5:26:28 PM

| Signer Events | Signature | Timestamp |
|---------------|-----------|-----------|
|---------------|-----------|-----------|

Electronic Record and Signature Disclosure:
Accepted: 4/2/2020 10:38:39 AM
ID: 6799deac-ee39-486d-bebc-e0a23294735d

Rick Wells
rwells@fulenwider.com
Security Level: Email, Account Authentication
(None)



Signature Adoption: Pre-selected Style
Using IP Address: 65.132.112.218

Sent: 3/4/2021 3:06:30 PM
Viewed: 3/4/2021 3:32:11 PM
Signed: 3/4/2021 3:32:26 PM

Electronic Record and Signature Disclosure:
Accepted: 3/4/2021 3:32:11 PM
ID: d978e271-93b7-4805-b067-7b2c106220bc

| In Person Signer Events | Signature | Timestamp |
|-------------------------|-----------|-----------|
|-------------------------|-----------|-----------|

| Editor Delivery Events | Status | Timestamp |
|------------------------|--------|-----------|
|------------------------|--------|-----------|

| Agent Delivery Events | Status | Timestamp |
|-----------------------|--------|-----------|
|-----------------------|--------|-----------|

| Intermediary Delivery Events | Status | Timestamp |
|------------------------------|--------|-----------|
|------------------------------|--------|-----------|

| Certified Delivery Events | Status | Timestamp |
|---------------------------|--------|-----------|
|---------------------------|--------|-----------|

| Carbon Copy Events | Status | Timestamp |
|--------------------|--------|-----------|
|--------------------|--------|-----------|

| Witness Events | Signature | Timestamp |
|----------------|-----------|-----------|
|----------------|-----------|-----------|

| Notary Events | Signature | Timestamp |
|---------------|-----------|-----------|
|---------------|-----------|-----------|

| Envelope Summary Events | Status | Timestamps |
|-------------------------|--------|------------|
|-------------------------|--------|------------|

| | | |
|---------------------|------------------|---------------------|
| Envelope Sent | Hashed/Encrypted | 3/4/2021 3:06:31 PM |
| Certified Delivered | Security Checked | 3/4/2021 3:32:11 PM |
| Signing Complete | Security Checked | 3/4/2021 3:32:26 PM |
| Completed | Security Checked | 3/4/2021 5:26:28 PM |

| Payment Events | Status | Timestamps |
|----------------|--------|------------|
|----------------|--------|------------|

| Electronic Record and Signature Disclosure |
|--|
|--|

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.