

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

Big Sky Metropolitan District No. 5
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122

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

CONTACT PERSON
PHONE
EMAIL
FAX

Zachary P. White, Esq.
303-858-1800
zwhite@wbapc.com
303-858-1801

PART 1 - CERTIFICATION OF PREPARER

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

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED
(Must be prepared prior to
Board approval)

Zachary P. White, Esq.
General Counsel
White Bear Ankele Tanaka & Waldron
2154 E. Commons Ave., Suite 2000, Centennial, CO 80122
303-858-1800

3/28/2018

PREPARER (SIGNATURE REQUIRED)

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

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)



PROPRIETARY
(CASH OR BUDGETARY BASIS)



E

RECEIVED

Office of the State Auditor

March 30, 2018

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property	\$ -	
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

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	Culture and recreation	\$ -	
3-15	Utility operations	\$ -	
3-16	Capital outlay	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ -	

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.

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

☐

☒

None

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

☐

☒

None

4-4 Please complete the following debt schedule, if applicable:
(please only include principal amounts)(enter all amount as positive numbers)

Outstanding at
end of prior year*

Issued during
year

Retired during
year

Outstanding at
year-end

General obligation bonds

\$ - \$ - \$ - \$ -

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?

☒

☐

If yes: How much?

\$ 600,000,000.00

Date the debt was authorized:

11/4/2014

4-6 Does the entity intend to issue debt within the next calendar year?

☐

☒

If yes: How much?

\$ -

4-7 Does the entity have debt that has been refinanced that it is still responsible for?

☐

☒

If yes: What is the amount outstanding?

\$ -

4-8 Does the entity have any lease agreements?

☐

☒

If yes: What is being leased?

What is the original date of the lease?

Number of years of lease?

Is the lease subject to annual appropriation?

☐

☒

What are the annual lease payments?

\$ -

4-9 Does the entity have a certified Mill Levy?

☒

☐

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

Bond Redemption

General/Other

TOTAL

-
-
-

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.?

☐

☐

☒

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 use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

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

Yes No

- 6-1 Does the entity have capital assets? ☐ Yes ☒ No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain: ☐ Yes ☒ No

None

6-3

Complete the following capital assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

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

Yes No

- 7-1 Does the entity have an "old hire" firemen's pension plan? ☐ Yes ☒ No
- 7-2 Does the entity have a volunteer firemen's pension plan? ☐ Yes ☒ No

If yes: Who administers the plan?

n/a

Indicate the contributions from:

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

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

\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

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

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?

☒

☐

☐

If no, MUST explain:

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

☒

☒

☐

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

General Fund	\$ 28,325

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

- 9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

☒
☐

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

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

Yes

No

- 10-1 Is this application for a newly formed governmental entity? ☐ Yes ☒ No
- If yes: Date of formation:
- 10-2 Has the entity changed its name in the past or current year? ☐ Yes ☒ No
- If yes: Please list the NEW name & PRIOR name:
- 10-3 Is the entity a metropolitan district? ☒ Yes ☐ No
- Please indicate what services the entity provides:
- None
- 10-4 Does the entity have an agreement with another government to provide services? ☐ Yes ☒ No
- If yes: List the name of the other governmental entity and the services provided:
- 10-5 Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.] ☒ Yes ☐ No
- If yes: Date Filed: 28-Nov-17

Please use this space to provide any explanations or comments:

Notice of Continuing Inactive Status was filed and rejected. The District was required by the State to become in compliance with audit law for 2015, 2016, and 2017, which has been done and filed as required.

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1

If you plan to submit this form electronically, have you read the new Electronic Signature Policy?



Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or EchoSign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or EchoSign in accordance with the requirements noted above.

Print the names of ALL current governing board members below.		A MAJORITY of the governing board members must complete and sign in the column below.
Board Member 1	Print Board Member's Name Thomas Morton	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 2	Print Board Member's Name Todd Johnson	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 3	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 4	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

JOINT RESOLUTION
OF THE
BOARDS OF DIRECTORS
OF THE
BIG SKY METROPOLITAN DISTRICT NOS. 1-7

APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT
FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the “Board”) wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

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

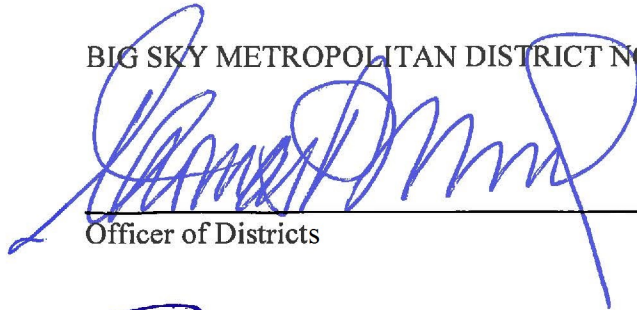
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29TH DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7

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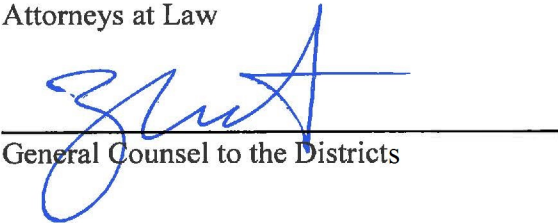
Officer of Districts

ATTEST:

A handwritten signature in blue ink, written over a horizontal line.

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

A handwritten signature in blue ink, written over a horizontal line.

General Counsel to the Districts