

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT

Southern Metropolitan District

ADDRESS

c/o Collins, Cockrel & Cole, PC
390 Union Boulevard, Suite 400
Denver, CO 80228

CONTACT PERSON

Micki Mills

PHONE

303-986-1551

EMAIL

Mmills@CCCFirm.com

FAX

For the Year Ended
12/31/2017
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:

Deborah J Grossman

TITLE

CPA

FIRM NAME (if applicable)

Valentine Seevers & Associates, PC

ADDRESS

3781 Evergreen Parkway, Evergreen, CO 80439

PHONE

303-674-5561

DATE PREPARED

5-Mar-18

(Must be completed prior to Board approval)

RELATIONSHIP TO ENTITY

none

PREPARER (SIGNATURE REQUIRED)

Deborah J Grossman, CPA

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:

E

RECEIVED

Office of the State Auditor

March 15, 2018

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund
NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Equity Funds		Please use this space to provide explanation of any items on this page
		Fund	Fund		Fund	Fund	
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ 236,747	\$ -	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ 1,100	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets (specify)			Other Current Assets	\$ -	\$ -	
1-5	Prepaid Expenses	\$ 4,501	\$ -				
1-6	Brick Inventory	\$ 64	\$ -				
1-7		\$ -	\$ -	Capital 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	\$ 242,412	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 242,412	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ 1,988	\$ -	Accounts Payable	\$ -	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ 490	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -	
1-17	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ 2,478	\$ -	TOTAL CURRENT LIABILITIES	\$ -	\$ -	
1-20	All Other Liabilities (specify)	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
1-21		\$ -	\$ -	Other Liabilities (specify)	\$ -	\$ -	
1-22		\$ -	\$ -		\$ -	\$ -	
1-23		\$ -	\$ -		\$ -	\$ -	
1-24		\$ -	\$ -		\$ -	\$ -	
1-25		\$ -	\$ -		\$ -	\$ -	
1-26		\$ -	\$ -		\$ -	\$ -	
1-27		\$ -	\$ -		\$ -	\$ -	
1-28	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 2,478	\$ -	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ -	\$ -	
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	
Fund Balance				Net Position			
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted (specify):	\$ -	\$ -	Emergency Reserves	\$ -	\$ -	
1-33	Committed (specify)	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned (specify)	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ 246,297	\$ -	Undesignated/Unreserved/Unrestricted	\$ -	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ 246,297	\$ -	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION	\$ -	\$ -	
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 248,775	\$ -	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ -	\$ -	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
Line	Description	Fund	Fund	Fund	Fund	
Tax Revenue				Tax Revenue		
2-1	Property	\$ 163,025	\$ -	Property	\$ -	
2-2	Specific Ownership	\$ 12,786	\$ -	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	\$ 175,811	\$ -	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	\$ -	\$ -	Charges for Sales and Services	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	
2-19	Interest/Investment Income	\$ 3,947	\$ -	Interest/Investment Income	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	
2-21	Developer Advances	\$ -	\$ -	Developer Advances	\$ -	
2-22	All Other (specify):	\$ -	\$ -	All Other (specify):	\$ -	
2-23		\$ -	\$ -		\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 179,758	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	
Other Financing Sources				Other Financing Sources		
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	
2-26	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	
2-27	Other (specify):	\$ -	\$ -	Other (specify):	\$ -	
2-28	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 179,758	\$ -	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	GRAND TOTALS
						\$ 179,758

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

Line	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		Plaid	Plaid		Plaid	Plaid	
Expenditures				Expenditures			
3-1	General Government	\$ 219,120	\$ -	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	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	Other (specify):	\$ -	\$ -	Utilities	\$ -	\$ -	
3-11		\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12		\$ -	\$ -	Other (specify)	\$ -	\$ -	
3-13		\$ -	\$ -	Capital Outlay	\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Debt Service	\$ -	\$ -	
	Debt Service			Principal	\$ -	\$ -	
3-15	Principal	\$ -	\$ -	Interest	\$ -	\$ -	
3-16	Interest	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -	
3-17	Bond Issuance Costs	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -	
3-18	Developer Principal Repayments	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -	
3-19	Developer Interest Repayments	\$ -	\$ -	All Other (specify):	\$ -	\$ -	
3-20	All Other (specify):	\$ -	\$ -		\$ -	\$ -	
3-21		\$ -	\$ -		\$ -	\$ -	
3-22	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 219,120	\$ -	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ -	\$ -	GRAND TOTAL \$ 219,120
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In)	\$ -	\$ -	
3-24	Interfund Transfers out	\$ -	\$ -	Net Interfund Transfers out	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ -	\$ -	
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)	\$ -	\$ -	
3-29	(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ -	\$ -	(Line 3-28, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29	\$ (39,362)	\$ -	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24	\$ -	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -	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 Sum of Line 3-30, 3-31, and 3-32 This total should be the same as line 1-36.	\$ (39,362)	\$ -	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ -	\$ -	

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, G.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	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
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? YES NO
 How much? \$ -
 Date the debt was authorized: _____
- 4-6 Does the entity intend to issue debt within the next calendar year? YES NO
 How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? YES NO
 What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements? YES NO
 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? \$ -

4-9 Does the entity have a certified mill levy? YES NO
 If yes: Please provide the following mills levied for the year reported (do not enter \$ amounts):

Bond Redemption	0.00
General/Other	3.50
TOTAL	3.50

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	\$ 236,747	
5-2	Certificates of deposit	\$ -	
	TOTAL CASH DEPOSITS		\$ 236,747
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
	TOTAL INVESTMENTS		\$ -
	TOTAL CASH AND INVESTMENTS		\$ 236,747

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 ASSETS

Please answer the following question by marking in the appropriate box	YES	NO	
6-1 Does the entity have capitalized assets?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Please use this space to provide any explanations or comments:
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:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

6-3 Complete the following Capital Assets Table for GOVERNMENTAL FUNDS:	Balance Beginning of the Year	Additions	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Fencing, Landscaping, Sprinkler Systems, Signs	\$ 1,743,296	\$ -	\$ -	\$ 1,743,296
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (287,069)	\$ (24,826)	\$ -	\$ (311,895)
TOTAL	\$ 1,456,227	\$ (24,826)	\$ -	\$ 1,431,401

6-4 Complete the following Capital 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)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box	YES	NO	
7-1 Does the entity have an "old hire" firemen's pension plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Please use this space to provide any explanations or comments:
7-2 Does the entity have a volunteer firemen's pension plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

If yes: Who administers the plan?
 Indicate the contributions from:

TAX (property, SO, salons, 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:
- 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

FUND NAME	APPROPRIATE PARAGRAPHS
General	\$ 487,221
	\$ -
	\$ -
	\$ -

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)]?
 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?
 If yes: Date of formation:
- 10-2 Has the entity changed its name in the past or current year?
 If Yes: NEW name
 PRIOR name
- 10-3 Is the entity a metropolitan district?
- 10-4 Please indicate what services the entity provides:
- 10-5 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:

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 \$ 236,747	Unrestricted Fund Bal. \$ 246,297	Total Tax Revenue \$ 175,811	
Current Liabilities \$ 2,478	Total Fund Balance \$ 246,297	Revenue Paying Debt Service \$ -	
Deferred Inflow \$ -	PY Fund Balance \$ -	Total Revenue \$ 179,758	
	Total Revenue \$ 179,758	Total Debt Service Principal \$ -	
	Total Expenditures \$ 219,120	Total Debt Service Interest \$ -	
Governmental	Interfund In. \$ -		
Total Cash & Investments \$ 236,747	Interfund Out. \$ -	Enterprise Funds	
Transfers In \$ -	Proprietary	Net Position \$ -	
Transfers Out \$ -	Current Assets \$ -	PY Net Position \$ -	
Property Tax \$ 163,025	Deferred Outflow \$ -	Government-Wide	
Debt Service Principal \$ -	Current Liabilities \$ -	Total Outstanding Debt \$ -	
Total Expenditures \$ 219,120	Deferred Inflow \$ -	Authorized but Unissued \$ -	
Total Developer Advances \$ -	Cash & Investments \$ -	Year Authorized \$ -	
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 board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board 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 current governing board members below.

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

Board Member	Print Board Member's Name	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.
1	Kirk A. Bast	Signed: <u>[Signature]</u> Date: <u>3/14/18</u> My term Expires: <u>2018 (2 yr term to 2020)</u>
2	Richard Boon	Signed: <u>[Signature]</u> Date: <u>3/14/18</u> My term Expires: <u>2018</u>
3	Kenneth W. Carmann	Signed: <u>[Signature]</u> Date: <u>3/14/18</u> My term Expires: <u>2020</u>
4	Robert D. Colwell	Signed: <u>[Signature]</u> Date: <u>3/14/18</u> My term Expires: <u>2020</u>
5	Edward E. Quinn	Signed: <u>[Signature]</u> Date: <u>3/14/18</u> My term Expires: <u>2018</u>
6		Signed: _____ Date: _____ My term Expires: _____
7		Signed: _____ Date: _____ My term Expires: _____

**A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR
FISCAL YEAR 2017 FOR THE SOUTHERN METROPOLITAN DISTRICT**

WHEREAS, the Southern Metropolitan District (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Colorado Revised Statutes; and

WHEREAS, the Board of Directors (“Board”) of the District 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 \$750,000 may, with the approval of the State Auditor, be exempt from the provisions of Section 29-1-603, C.R.S.; and

WHEREAS, neither revenues nor expenditures for the District exceed \$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, such 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 of Directors of the Southern Metropolitan District that the Application for Exemption from Audit for the Southern Metropolitan District for fiscal year 2017 has been reviewed and is hereby approved by a majority of the Board of Directors of the Southern Metropolitan District; and that this Resolution shall be attached to and shall become a part of the Application for Exemption from Audit for the Southern Metropolitan District for fiscal year 2017.

ADOPTED this 14th day of March, 2018.

SOUTHERN METROPOLITAN DISTRICT

By



Edward Quinn, Chair

ATTEST:



Kenneth Carmann, Secretary