

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

1336.01

NAME OF GOVERNMENT ADDRESS The Canyons Metropolitan District No. 1
8390 E Crescent Parkway

Suite 500

Greenwood Village, CO 80111

CONTACT PERSON

Sarah Hunsche

PHONE

303-779-5710

EMAIL

Sarah.Hunsche@claconnect.com

FAX

303-779-0348

For the Year Ended

12/31/17

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:

Sarah Hunsche

TITLE

Accountant for the District

FIRM NAME (if applicable)

CliftonLarsonAllen LLP

ADDRESS

8390 E Crescent Parkway Suite 500 Greenwood Village, CO 80111

PHONE

303-779-5710

DATE PREPARED

(Must be prepared prior to Board approval)

31-Jan-18

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)



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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	\$ 83	
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)	\$ 12,223	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22	Transfer from Canyons Metropolitan District No. 2	\$ 15,636	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 27,942	

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	\$ 1,452	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 13,217	
3-7	Accounting and legal fees	\$ 20,500	
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	\$ 35,169	

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? ☒ Yes ☐ No
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: ☐ Yes ☒ No

NA - Developer advances will be repaid if and when funds are available.

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

NA - Developer advances will be repaid if and when funds are available.

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	\$ 196,005	\$ 12,223	\$ -	\$ 208,228
Other (specify): Accrued interest on developer	\$ 19,670	\$ 6,136	\$ -	\$ 25,806
TOTAL	\$ 215,675	\$ 18,359	\$ -	\$ 234,034

*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? ☒ Yes ☐ No

If yes: How much? \$ 2,988,000,000
Date the debt was authorized: 11/4/2014

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?

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 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

\$ 500

5-2 Certificates of deposit

\$ -

Total Cash Deposits

\$ 500

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

CSAFE \$ 1,475

5-3

\$ -

\$ -

\$ -

Total Investments \$ 1,475

Total Cash and Investments \$ 1,975

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.? ☒ 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.)? ☒ Yes ☐ No ☐ N/A

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? ☒ ☐
- 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: ☐ ☒

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	\$ 186,135	\$ -	\$ -	\$ 186,135
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain): Water and Sewer	\$ 42,700	\$ -	\$ -	\$ 42,700
Accumulated Depreciation (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 228,835	\$ -	\$ -	\$ 228,835

*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? ☐ ☒
- 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 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	\$ 54,000

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

Please answer the following question by marking in the appropriate box

Yes

No

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



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

If no, MUST explain:

PART 10 - GENERAL INFORMATION

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

Yes

No

- 10-1** Is this application for a newly formed governmental entity?



If yes: Date of formation:

- 10-2** Has the entity changed its name in the past or current year?



If yes: Please list the NEW name & PRIOR name:

- 10-3** Is the entity a metropolitan district?



Please indicate what services the entity provides:

Streets, mosquito control, water, traffic control, storm/sanitary sewer, parks & recreation, transportation, television translation, and fire protection/emergency medical services.

- 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:

Consolidated Service Plan with The Canyons Metropolitan District Nos. 2 - 5 and 8 - 11

- 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.]



If yes: Date Filed:

Please use this space to provide any explanations or comments:

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1

Have you read the new Electronic Signature Policy and do you plan on submitting signatures in accordance with this 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	Print Board Member's Name	
Board Member 1	Jonathan Alpert	I, Jonathan Alpert, 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: May 2018
Board Member 2	Scott Alpert	I, Scott Alpert, 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: 2-19-18 My term Expires: May 2018
Board Member 3	Darren Everett	I, Darren Everett, 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: 2/19/18 My term Expires: May 2020
Board Member 4		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		I _____, member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____, member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

Original Signatures
Verified by

Justin L. Smith



board

board

board



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.CLACONNECT.com

Accountant's Compilation Report

Board of Directors
The Canyons Metropolitan District No. 1
Douglas County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of The Canyons Metropolitan District No. 1 as of and for the year ended December 31, 2017, 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 The Canyons Metropolitan District No. 1.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 31, 2018