

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

|   |
|---|
| Sterling Ranch Colorado Metropolitan District No. 7 |
| 8390 E Crescent Parkway                             |
| Suite 300   |
| Greenwood Village, CO 80111                         |
| Gigi Pangindian                                     |
| 303-779-5710  |
| Gigi.Pangindian@claconnect.com                      |
| 303-779-0348  |

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

CONTACT PERSON  
PHONE  
EMAIL  
FAX

### 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

|   |
|---|
| Gigi Pangindian   |
| Accountant for the District                                     |
| CliftonLarsonAllen LLP  |
| 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111 |
| 303-779-5710  |
| 2/28/2021   |

### 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 |   |
|-------|--|-------------------------|---|
| 2-1   | Taxes: Property (report mills levied in Question 10-6)   | \$ 49,359               | Please use this space to provide any necessary explanations |
| 2-2   | Specific ownership                                       | \$ 4,285                |   |
| 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               | \$ 53,644               |   |

## 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 |   |
|-------|---|-------------------------|---|
| 3-1   | Administrative  | \$ -                    | Please use this space to provide any necessary explanations |
| 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  | County Treasurer's Fees   | \$ 740                  |   |
| 3-25  | Transfers to Sterling Ranch Community Authority Board                   | \$ 52,904               |   |
| 3-26  | (add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES                | \$ 53,644               |   |

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 <b>outstanding debt</b> ?<br>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, <b>MUST</b> explain:<br><div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |      |
| 4-3 | Is the entity <b>current</b> in its debt service payments? If no, <b>MUST</b> explain:<br><div style="border: 1px solid black; padding: 2px; margin-top: 5px;">The District has no outstanding debt.</div> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |      |
| 4-4 | Please complete the following debt schedule, if applicable:<br>(please only include principal amounts)(enter all amount as positive numbers)   |                          |                                     |      |
|     | Outstanding at<br>end of prior year*   | Issued during<br>year    | Retired during<br>year              |      |
|     | Outstanding at<br>year-end   |                          |                                     |      |
|     | General obligation bonds   | \$ -                     | \$ -                                | \$ - |
|     | Revenue bonds  | \$ -                     | \$ -                                | \$ - |
|     | Notes/Loans  | \$ -                     | \$ -                                | \$ - |
|     | Leases   | \$ -                     | \$ -                                | \$ - |
|     | Developer Advances   | \$ -                     | \$ -                                | \$ - |
|     | Other (specify):   | \$ -                     | \$ -                                | \$ - |
|     | <b>TOTAL</b>   | \$ -                     | \$ -                                | \$ - |

\*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?<br>Date the debt was authorized:  |                                     |                                     |
|         | \$ 21,600,000,000.00<br>11/5/2013   |                                     |                                     |
| 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?   |                                     |                                     |
|         | \$ -  |                                     |                                     |
| 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?   |                                     |                                     |
|         | \$ -  |                                     |                                     |
| 4-8     | Does the entity have any lease agreements?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| If yes: | What is being leased?<br>What is the original date of the lease?<br>Number of years of lease? |                                     |                                     |
|         |   |                                     |                                     |
|         |   |                                     |                                     |
|         |   |                                     |                                     |
|         | Is the lease subject to annual appropriation?   | <input type="checkbox"/>            | <input type="checkbox"/>            |
|         | What are the annual lease payments?   |                                     |                                     |
|         | \$ -  |                                     |                                     |

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   | \$ -   |       |
|     | <b>Total Cash Deposits</b>  |        | \$ -  |
|     | Investments (if investment is a mutual fund, please list underlying investments): |        |       |
|     |   | \$ -   |       |
|     |   | \$ -   |       |
|     |   | \$ -   |       |
|     |   | \$ -   |       |
| 5-3 | <b>Total Investments</b>  |        | \$ -  |
|     | <b>Total Cash and Investments</b>   |        | \$ -  |

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:

## 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

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       | \$ -                             | \$ -                                   | \$ -        | \$ -             |
| <b>TOTAL</b>                   | <b>\$ -</b>                      | <b>\$ -</b>                            | <b>\$ -</b> | <b>\$ -</b>      |

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?

Indicate the contributions from:

|                                  |             |
|----------------------------------|-------------|
| Tax (property, SO, sales, etc.): | \$ -        |
| State contribution amount:       | \$ -        |
| Other (gifts, donations, etc.):  | \$ -        |
| <b>TOTAL</b>                     | <b>\$ -</b> |

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.?  Yes       No       N/A

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

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

| Fund Name    | Budgeted Expenditures/Expenses |
|--------------|--------------------------------|
| General Fund | \$ 54,152                      |
|              |                                |
|              |                                |
|              |                                |

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

Please answer the following question by marking in the appropriate box

**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.

| Yes                                 | No                       |
|-------------------------------------|--------------------------|
| <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:

**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:

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

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|

Please indicate what services the entity provides:

**10-4** Does the entity have an agreement with another government to provide services?

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|

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

|                          |                                     |
|--------------------------|-------------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--------------------------|-------------------------------------|

If yes: Date Filed:

**10-6** Does the entity have a certified Mill Levy?

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|

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

|                       |               |
|-----------------------|---------------|
| Bond Redemption mills | -             |
| General/Other mills   | 40.000        |
| <b>Total mills</b>    | <b>40.000</b> |

Please use this space to provide any explanations or comments:

10-3: Streets, water, storm drainage, sanitation, parks and recreation, transportation, mosquito control, television translation and relay, fire protection, traffic and safety, and covenant enforcement.

10-4: The District operates in conjunction with Sterling Ranch Colorado Metropolitan District Nos. 1-6 and Sterling Ranch Community Authority Board (CAB). District Nos. 1-7 are the Taxing Districts and CAB is the Operating Authority.

## 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. |   | A MAJORITY of the members of the governing body must complete and sign in the column below.   |
|---|---|---|
| Board Member 1  | Print Board Member's Name<br>Eric Barney          | I, Eric Barney, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.<br>Signed <u>Eric Barney</u><br>Date: <u>3/25/2021</u><br>My term Expires: <u>May 2023</u>               |
| Board Member 2  | Print Board Member's Name<br>Diane H. Smethills   | I, Diane H. Smethills, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.<br>Signed <u>Diane Smethills</u><br>Date: <u>3/29/2021</u><br>My term Expires: <u>May 2022</u>    |
| Board Member 3  | Print Board Member's Name<br>Harold Smethills Jr. | I, Harold Smethills Jr., attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.<br>Signed <u>Harold Smethills</u><br>Date: <u>3/23/2021</u><br>My term Expires: <u>May 2023</u> |
| 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.<br>Signed _____<br>Date: _____<br>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.<br>Signed _____<br>Date: _____<br>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.<br>Signed _____<br>Date: _____<br>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.<br>Signed _____<br>Date: _____<br>My term Expires: _____  |



**CliftonLarsonAllen**

CliftonLarsonAllen LLP  
www.CLACconnect.com

**Accountant's Compilation Report**

Board of Directors  
Sterling Ranch Colorado Metropolitan District No. 7  
Douglas County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Sterling Ranch Colorado Metropolitan District No. 7 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 Sterling Ranch Colorado Metropolitan District No. 7.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
February 28, 2021

### Certificate Of Completion

|  |                                  |
|--|----------------------------------|
| Envelope Id: E2E52A52A206446B8931D5623D3F35E8              | Status: Completed                |
| Subject: Please DocuSign: SRMD7_Audit_Exemption_-_2020.pdf |                                  |
| Source Envelope:   |                                  |
| Document Pages: 8  | Signatures: 1                    |
| Certificate Pages: 4                                       | Initials: 0                      |
| AutoNav: Enabled   | Envelope Originator:             |
| Envelope Stamping: Enabled                                 | Mary Lawson                      |
| Time Zone: (UTC-08:00) Pacific Time (US & Canada)          | 8390 E Crescent Parkway          |
|  | 8390 E Crescent Parkway          |
|  | Greenwood Village, CO 80111      |
|  | mary.lawson@sterlingranchcab.com |
|  | IP Address: 72.1.106.49          |

### Record Tracking

|                       |                                  |                    |
|-----------------------|----------------------------------|--------------------|
| Status: Original      | Holder: Mary Lawson              | Location: DocuSign |
| 3/25/2021 10:24:51 AM | mary.lawson@sterlingranchcab.com |                    |

### Signer Events

Eric Barney  
 ebarney@sterlingranchcolorado.com  
 Security Level: Email, Account Authentication (None)

### Signature

DocuSigned by:  
  
 DE5DF69ADA124DA

### Timestamp

Sent: 3/25/2021 10:27:33 AM  
 Viewed: 3/25/2021 11:33:29 AM  
 Signed: 3/25/2021 11:34:08 AM

Signature Adoption: Pre-selected Style  
 Using IP Address: 65.144.44.130

**Electronic Record and Signature Disclosure:**  
 Accepted: 3/25/2021 11:33:29 AM  
 ID: 91a807d6-7076-4b46-ace7-e29c2c293983

| 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             |
| <b>Envelope Summary Events</b> | <b>Status</b>    | <b>Timestamps</b>     |
| Envelope Sent                  | Hashed/Encrypted | 3/25/2021 10:27:33 AM |
| Certified Delivered            | Security Checked | 3/25/2021 11:33:29 AM |
| Signing Complete               | Security Checked | 3/25/2021 11:34:08 AM |
| Completed                      | Security Checked | 3/25/2021 11:34:08 AM |

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

### Electronic Record and Signature Disclosure

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Sterling Ranch CAB (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 Sterling Ranch CAB:**

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: [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.com)

**To advise Sterling Ranch CAB 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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB**

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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB**

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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB 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 Sterling Ranch CAB during the course of your relationship with Sterling Ranch CAB.

### Certificate Of Completion

|   |                                  |
|---|----------------------------------|
| Envelope Id: B0F90898706E417D8EF08ACA79C0781B   | Status: Completed                |
| Subject: Please DocuSign: SRMD1_Audit_Exemption_-_2020.pdf, SRMD4_Audit_Exemption_-_2020.pdf, SRMD5_Audi... |                                  |
| Source Envelope:  |                                  |
| Document Pages: 40  | Signatures: 5                    |
| Certificate Pages: 4  | Initials: 0                      |
| AutoNav: Enabled  | Envelope Originator:             |
| Envelopeld Stamping: Enabled  | Mary Lawson                      |
| Time Zone: (UTC-08:00) Pacific Time (US & Canada)   | 8390 E Crescent Parkway          |
|   | 8390 E Crescent Parkway          |
|   | Greenwood Village, CO 80111      |
|   | mary.lawson@sterlingranchcab.com |
|   | IP Address: 72.1.106.49          |

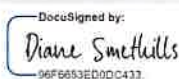
### Record Tracking

|                      |                                  |                    |
|----------------------|----------------------------------|--------------------|
| Status: Original     | Holder: Mary Lawson              | Location: DocuSign |
| 3/29/2021 9:44:15 AM | mary.lawson@sterlingranchcab.com |                    |

### Signer Events

Diane Smethills  
dianes@sterlingranchcolorado.com  
Partner  
Security Level: Email, Account Authentication (None)

### Signature



Signature Adoption: Pre-selected Style  
Using IP Address: 71.237.6.133

### Timestamp

Sent: 3/29/2021 9:48:29 AM  
Viewed: 3/29/2021 11:39:19 AM  
Signed: 3/29/2021 11:42:45 AM

Electronic Record and Signature Disclosure:  
Accepted: 3/29/2021 11:39:19 AM  
ID: 3fd54c9b-f6ab-4723-b11c-7c7e3a9027ce

| 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 | 3/29/2021 9:48:29 AM  |
| Certified Delivered          | Security Checked | 3/29/2021 11:39:19 AM |
| Signing Complete             | Security Checked | 3/29/2021 11:42:45 AM |
| Completed                    | Security Checked | 3/29/2021 11:42:45 AM |
| Payment Events               | Status           | Timestamps            |

### Electronic Record and Signature Disclosure

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Sterling Ranch CAB (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 Sterling Ranch CAB:**

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: [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.com)

#### **To advise Sterling Ranch CAB 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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB**

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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB**

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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB 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 Sterling Ranch CAB during the course of your relationship with Sterling Ranch CAB.

## Certificate Of Completion

|   |                                  |
|---|----------------------------------|
| Envelope Id: 4BF9C74129F64E9AB36AD644B2BACBDA   | Status: Completed                |
| Subject: Please DocuSign: SRMD4 Audit Exemption - 2020.pdf, SRMD5 Audit Exemption - 2020.pdf, SRMD6 Audi... |                                  |
| Source Envelope:  |                                  |
| Document Pages: 40  | Signatures: 5                    |
| Certificate Pages: 4  | Initials: 0                      |
| AutoNav: Enabled  | Envelope Originator:             |
| Envelopeld Stamping: Enabled  | Mary Lawson                      |
| Time Zone: (UTC-08:00) Pacific Time (US & Canada)   | 8390 E Crescent Parkway          |
|   | 8390 E Crescent Parkway          |
|   | Greenwood Village, CO 80111      |
|   | mary.lawson@sterlingranchcab.com |
|   | IP Address: 72.1.106.49          |

## Record Tracking

|                      |                                  |                    |
|----------------------|----------------------------------|--------------------|
| Status: Original     | Holder: Mary Lawson              | Location: DocuSign |
| 3/23/2021 8:15:54 AM | mary.lawson@sterlingranchcab.com |                    |

## Signer Events

Harold Smethills  
 harolds@sterlingranchcolorado.com  
 Security Level: Email, Account Authentication (None)

## Signature

DocuSigned by:  
  
 8D12948EDCE9415E...

Signature Adoption: Pre-selected Style  
 Using IP Address: 65.144.44.130

## Timestamp

Sent: 3/23/2021 8:23:03 AM  
 Viewed: 3/23/2021 12:07:57 PM  
 Signed: 3/23/2021 12:08:17 PM

Electronic Record and Signature Disclosure:  
 Accepted: 3/23/2021 12:07:57 PM  
 ID: 1732e8ce-b0a1-4bd6-bc21-5e09deba3bd9

| 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 | 3/23/2021 8:23:03 AM  |
| Certified Delivered          | Security Checked | 3/23/2021 12:07:57 PM |
| Signing Complete             | Security Checked | 3/23/2021 12:08:17 PM |
| Completed                    | Security Checked | 3/23/2021 12:08:17 PM |

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

## Electronic Record and Signature Disclosure

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Sterling Ranch CAB (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 Sterling Ranch CAB:**

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: [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.com)

**To advise Sterling Ranch CAB 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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB**

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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB**

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 [mary.lawson@sterlingranchcab.com](mailto:mary.lawson@sterlingranchcab.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 Sterling Ranch CAB 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 Sterling Ranch CAB during the course of your relationship with Sterling Ranch CAB.