

# APPLICATION FOR EXEMPTION FROM AUDIT LONG FORM

## FOR LOCAL GOVERNMENTS WITH EITHER REVENUES OR EXPENDITURES MORE THAN \$100,000 BUT NOT MORE THAN \$750,000

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$750,000 for the year.

If your local government has either revenues or expenditures of LESS than \$100,000, use the **SHORT FORM**.

### EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit EACH YEAR and submit it to the Office of the State Auditor (OSA) for approval.

Any preparer of an Application for Exemption from Audit must be an independent accountant with knowledge of governmental accounting.

Approval for an exemption from audit is granted only upon the review by the OSA.

### READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

ALL APPLICATIONS MUST BE FILED WITH THE OSA WITHIN 3 MONTHS AFTER THE ACCOUNTING YEAR-END. FOR EXAMPLE, APPLICATIONS MUST BE RECEIVED BY THE OSA ON OR BEFORE MARCH 31 FOR GOVERNMENTS WITH A DECEMBER 31 YEAR-END.

**GOVERNMENTAL ACTIVITY** SHOULD BE REPORTED ON THE **MODIFIED ACCRUAL BASIS**

**PROPRIETARY ACTIVITY** SHOULD BE REPORTED ON A **BUDGETARY BASIS**

**POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE**

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.

APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

FOR YOUR REFERENCE, COLORADO REVISED STATUTES CAN BE FOUND AT THIS ADDRESS:

<http://www.lexisnexis.com/hottopics/Colorado/>

## CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been **PERSONALLY** reviewed and approved by the governing body?
- Are all sections of the form complete, including responses to all of the questions?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
  - If yes, have you read and understand the new Electronic Signature Policy? See new [here](#) policy
- Have you included a resolution?
- Does the resolution state that the governing body **PERSONALLY** reviewed and approved the resolution in an open public meeting?
- Has the resolution been signed by a **MAJORITY** of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
  - If yes, does the application include **ORIGINAL INK SIGNATURES** from the **MAJORITY** of the governing body?

Checkout our new [web portal](#). Register your account and submit electronic Applications for Exemption From Audit, Extension of Time to File requests, Audited Financial Statements, and more! See the link below.

[OSALG Web Portal](#)

## FILING METHODS

### NEW METHOD!

**WEB PORTAL:** Register and submit your Applications at our new portal:

<https://apps.leg.co.gov/osa/lg>

### MAIL:

Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203

**QUESTIONS?** Email: [osa.lg@coleg.gov](mailto:osa.lg@coleg.gov) or Phone: 303-869-3000

## IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis – A Budget to GAAP reconciliation is provided in Part 3

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year.

In that event, AN AUDIT SHALL BE REQUIRED.

# APPLICATION FOR EXEMPTION FROM AUDIT

## LONG FORM

NAME OF GOVERNMENT  
ADDRESS

The Lakes Metropolitan District No. 2  
c/o Vintage Homes and Land  
200 W. Hampden Ave., Suite 201  
Englewood, CO 80110  
Erika Volling  
303.346.6437 x300  
erika@vhlco.com

For the Year Ended  
12/31/2022  
or fiscal year ended:

CONTACT PERSON  
PHONE  
EMAIL

## 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: Sheri M Payne  
TITLE: Certified Public Accountant  
FIRM NAME (if applicable): SMP LLC  
ADDRESS: 28033 Fawn Drive, Conifer, CO 80433  
PHONE: 720.981.7176  
DATE PREPARED: 3.6.23  
RELATIONSHIP TO ENTITY: Certified Public Accountant

**PREPARER (SIGNATURE REQUIRED)**



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

If Yes, date filed:

# PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

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

Line #	Description	Governmental Funds		Proprietary/Fiduciary Funds	Please use this space to provide explanation of any items on this page
		General	Debt Service		
<b>Assets</b>					
1-1	Cash & Cash Equivalents	\$ 25,994	\$ 21,532	\$ -	
1-2	Investments	\$ -	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	\$ -	
1-5	Property Tax Receivable	\$ 148	\$ 561	\$ -	
1-6	All Other Assets [specify...]	\$ -	\$ -	\$ -	
1-7	Lease Receivable (as Lessor)	\$ -	\$ -	\$ -	
1-8		\$ -	\$ -	\$ -	
1-9		\$ -	\$ -	\$ -	
1-10		\$ -	\$ -	\$ -	
1-11	<b>TOTAL ASSETS (add lines 1-1 through 1-10)</b>	\$ 26,142	\$ 22,093	\$ -	
Deferred Outflows of Resources:					
1-12	[specify...]	\$ -	\$ -	\$ -	
1-13	[specify...]	\$ -	\$ -	\$ -	
1-14	<b>TOTAL DEFERRED OUTFLOWS (add lines 1-12 through 1-13)</b>	\$ -	\$ -	\$ -	
1-15	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	\$ 26,142	\$ 22,093	\$ -	
<b>Liabilities</b>					
1-16	Accounts Payable	\$ 2,372	\$ -	\$ -	
1-17	Accrued Payroll and Related Liabilities	\$ -	\$ -	\$ -	
1-18	Unearned Property Tax Revenue	\$ -	\$ -	\$ -	
1-19	Due to Other Entities or Funds	\$ -	\$ -	\$ -	
1-20	All Other Current Liabilities	\$ -	\$ -	\$ -	
1-21	<b>TOTAL CURRENT LIABILITIES (add lines 1-16 through 1-20)</b>	\$ 2,372	\$ -	\$ -	
1-22	All Other Liabilities [specify...]	\$ -	\$ -	\$ -	
1-23		\$ -	\$ -	\$ -	
1-24		\$ -	\$ -	\$ -	
1-25		\$ -	\$ -	\$ -	
1-26		\$ -	\$ -	\$ -	
1-27	<b>TOTAL LIABILITIES (add lines 1-21 through 1-26)</b>	\$ 2,372	\$ -	\$ -	
Deferred Inflows of Resources:					
1-28	Deferred Property Taxes	\$ -	\$ -	\$ -	
1-29	Lease related (as lessor)	\$ -	\$ -	\$ -	
1-30	<b>TOTAL DEFERRED INFLOWS (add lines 1-28 through 1-29)</b>	\$ -	\$ -	\$ -	
<b>Fund Balance</b>					
1-31	Nonspendable Prepaid	\$ -	\$ -	\$ -	
1-32	Nonspendable Inventory	\$ -	\$ -	\$ -	
1-33	Restricted - Tabor Reserve	\$ 1,400	\$ -	\$ -	
1-34	Committed - Debt Service	\$ -	\$ 22,093	\$ -	
1-35	Assigned	\$ -	\$ -	\$ -	
1-36	Unassigned:	\$ 22,370	\$ -	\$ -	
1-37	<b>TOTAL FUND BALANCE (add lines 1-31 through 1-36)</b>	\$ 23,770	\$ 22,093	\$ -	
This total should be the same as line 3-33					
1-38	<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE (add lines 1-27, 1-30 and 1-37)</b>	\$ 26,142	\$ 22,093	\$ -	
This total should be the same as line 1-15					
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION (add lines 1-27, 1-30 and 1-37)</b>					
This total should be the same as line 3-33					

# PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

Line #	Description	Governmental Funds		Debt Service	Description	Proprietary/Fiduciary Funds	
		General				Fund*	Fund*
<b>Tax Revenue</b>							
2-1	Property (include mills levied in Question 10-6)	\$ 24,897	\$ 94,605		Property (include mills levied in Question 10-6)	\$ -	\$ -
2-2	Specific Ownership	\$ 2,016	\$ 7,660		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	<b>Add lines 2-1 through 2-7</b>	<b>\$ 26,913</b>	<b>\$ 102,265</b>		<b>Add lines 2-1 through 2-7</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>TOTAL TAX REVENUE</b>				<b>TOTAL TAX REVENUE</b>		
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	\$ 5	\$ 19		Interest/Investment Income	-	-
2-20	Tap Fees	-	-		Tap Fees	-	-
2-21	Proceeds from Sale of Capital Assets	-	-		Proceeds from Sale of Capital Assets	-	-
2-22	All Other (specify...):	-	-		All Other (specify...):	-	-
2-23		-	-			-	-
2-24	<b>Add lines 2-8 through 2-23</b>	<b>\$ 26,918</b>	<b>\$ 102,284</b>		<b>Add lines 2-8 through 2-23</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>TOTAL REVENUES</b>				<b>TOTAL REVENUES</b>		
<b>Other Financing Sources</b>							
2-25	Debt Proceeds	-	-		Debt Proceeds	-	-
2-26	Lease Proceeds	-	-		Lease Proceeds	-	-
2-27	Developer Advances	-	-		Developer Advances	-	-
2-28	Other (specify...):	-	-		Other (specify...):	-	-
2-29	<b>Add lines 2-25 through 2-28</b>	<b>\$ -</b>	<b>\$ -</b>		<b>Add lines 2-25 through 2-28</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>TOTAL OTHER FINANCING SOURCES</b>				<b>TOTAL OTHER FINANCING SOURCES</b>		
2-30	<b>Add lines 2-24 and 2-29</b>	<b>\$ 26,918</b>	<b>\$ 102,284</b>		<b>Add lines 2-24 and 2-29</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>				<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>		
<b>GRAND TOTALS</b>						<b>\$</b>	<b>\$</b>
<b>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</b>							<b>129,202</b>
<b>Local Government Division at (303) 869-3000 for assistance.</b>							

# PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES/EXPENSES

Line #	Governmental Funds		Description	Proprietary/Fiduciary Funds	
	General	Debt Service		Fund*	Fund*
<b>Expenditures</b>					
3-1	\$ 28,912	\$ 1,819	General Government	\$ -	\$ -
3-2	\$ -	\$ -	Judicial	\$ -	\$ -
3-3	\$ -	\$ -	Law Enforcement	\$ -	\$ -
3-4	\$ -	\$ -	Fire	\$ -	\$ -
3-5	\$ -	\$ -	Highways & Streets	\$ -	\$ -
3-6	\$ -	\$ -	Solid Waste	\$ -	\$ -
3-7	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -
3-8	\$ -	\$ -	Health	\$ -	\$ -
3-9	\$ -	\$ -	Culture and Recreation	\$ -	\$ -
3-10	\$ -	\$ -	Transfers to other districts	\$ -	\$ -
3-11	\$ -	\$ -	Other [specify...]:	\$ -	\$ -
3-12	\$ -	\$ -		\$ -	\$ -
3-13	\$ -	\$ -		\$ -	\$ -
3-14	\$ -	\$ -	Capital Outlay	\$ -	\$ -
<b>Debt Service</b>					
3-15	\$ -	\$ 37,000	Principal (should match amount in 4-4)	\$ -	\$ -
3-16	\$ -	\$ 61,705	Interest	\$ -	\$ -
3-17	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -
3-18	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -
3-19	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -
3-20	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -
3-21	\$ -	\$ -		\$ -	\$ -
3-22	\$ 28,912	\$ 100,524	<b>Add lines 3-1 through 3-21</b>	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>				<b>TOTAL EXPENSES</b>	
3-23	\$ -	\$ (17,140)	Interfund Transfers (in)	\$ -	\$ -
3-24	\$ 17,140	\$ -	Interfund Transfers Out	\$ -	\$ -
3-25	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -
3-26	\$ -	\$ -	Depreciation/Amortization	\$ -	\$ -
3-27	\$ -	\$ -	Other Financing Sources (Revenues):	\$ -	\$ -
3-28	\$ -	\$ -	Capital Outlay (from line 2-28)	\$ -	\$ -
3-29	\$ -	\$ -	Debt Principal (from line 3-14)	\$ -	\$ -
3-29	\$ -	\$ -	(from line 3-15, 3-18)	\$ -	\$ -
3-29	\$ 17,140	\$ (17,140)	<b>(Add lines 3-23 through 3-28)</b>	\$ -	\$ -
<b>TRANSFERS AND OTHER EXPENDITURES</b>				<b>(Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS</b>	
3-30	\$ -	\$ -	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ -
3-30	\$ (19,134)	\$ 18,900	Line 2-30, less line 3-22, less line 3-29	\$ -	\$ -
3-31	\$ -	\$ -	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ -
3-32	\$ 42,904	\$ 3,193	Prior Period Adjustment (MUST explain)	\$ -	\$ -
3-33	\$ -	\$ -	Fund Balance, December 31	\$ -	\$ -
3-33	\$ 23,770	\$ 22,093	Sum of Lines 3-30, 3-31, and 3-32	\$ -	\$ -
This total should be the same as line 1-37.				This total should be the same as line 1-37.	
<b>GRAND TOTAL</b>					
				\$ -	\$ 129,436

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, C.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.

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   
 [Debt is a cash flow bond. Revenues received for debt service are paid as available.]
- 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	\$ 1,505,000	\$ -	\$ 37,000	\$ 1,468,000
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease Liabilities	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 1,505,000</b>	<b>\$ -</b>	<b>\$ 37,000</b>	<b>\$ 1,468,000</b>

\*must agree to prior year ending balance

- Please answer the following questions by marking the appropriate boxes.
- 4-5 Does the entity have any authorized, but unissued, debt [Section 29-1-605(2) C.R.S.]? YES  NO
- If yes: How much? \$ 80,000,000
- 4-6 Date the debt was authorized: 19.07
- Does the entity intend to issue debt within the next calendar year?
- If yes: How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for?
- If yes: What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements?
- If yes: What is being leased?
- What is the original date of the lease?
- Number of years of lease?
- Is the lease subject to annual appropriation?
- What are the annual lease payments?

## PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

Please use this space to provide any explanations or comments:

	AMOUNT	TOTAL
5-1 YEAR-END Total of ALL Checking and Savings accounts	\$ 47,525	
5-2 Certificates of deposit	\$ -	
<b>TOTAL CASH DEPOSITS</b>	<b>\$ -</b>	<b>\$ 47,525</b>

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

	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>TOTAL INVESTMENTS</b>	<b>\$ -</b>	
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ -</b>	<b>\$ 47,525</b>

- Please answer the following question by marking in the appropriate box
- 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

## PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following question by marking in the appropriate box

Please use this space to provide any explanations or comments:

YES  NO

6-1 Does the entity have capitalized 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

	Balance - beginning of the year 1	Additions 2	Deletions	Year-End Balance
<b>6-3</b> Complete the following Capital & Right-To-Use Assets table for GOVERNMENTAL FUNDS:				
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>6-4</b> Complete the following Capital & Right-To-Use Assets table for PROPRIETARY FUNDS:				
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Intangible Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\* Must agree to prior year-end balance  
 - Generally capital asset additions should be reported at capital outlay on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy

## PART 7 - PENSION INFORMATION

Please use this space to provide any explanations or comments:

YES  NO

7-1 Does the entity have an "old hire" firefighters' pension plan?  YES  NO  
 7-2 Does the entity have a volunteer firefighters' pension plan?  YES  NO  
 If yes: Who administers the plan?  YES  NO

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 1?  YES  NO

## PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box

- 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:  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 appropriated for each fund separately for the year reported

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General	\$ 63,370
Capital	\$ -
Debt Service	\$ 124,792
	\$ -

Please use this space to provide any explanations or comments:

## PART 9 - TAX PAYER'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)]?  YES  NO

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.

Please use this space to provide any explanations or comments:

## PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box

- 10-1 Is this application for a newly formed governmental entity?  YES  NO

If yes:

Date of formation:

- 10-2 Has the entity changed its name in the past or current year?  YES  NO

If Yes: NEW name

PRIOR name

- 10-3 Is the entity a metropolitan district?  YES  NO

- 10-4 Please indicate what services the entity provides:

Assistance with financing and development of certain public improvements.

- 10-5 Does the entity have an agreement with another government to provide services?  YES  NO

If yes: List the name of the other governmental entity and the services provided:

City of Brighton regarding capital improvements, operations, and maintenance.

- 10-6 Does the entity have a certified mill levy?  YES  NO

If yes: Please provide the number of mills levied for the year reported (do not enter \$ amounts):

Bond Redemption mills	42.305
General/Other mills	11.133
<b>Total mills</b>	<b>53.438</b>

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	\$	47,525	Unrestricted Fund Balan	\$	22,370	Total Tax Revenue	\$	129,178
Current Liabilities	\$	2,372	Total Fund Balance	\$	23,770	Revenue Paying Debt Service	\$	102,284
Deferred Inflow	\$	-	PY Fund Balance	\$	42,904	Total Revenue	\$	129,202
			Total Revenue	\$	26,918	Total Debt Service Principal	\$	37,000
			Total Expenditures	\$	28,912	Total Debt Service Interest	\$	61,705
			Interfund In	\$	-			
			Interfund Out	\$	17,140	<b>Enterprise Funds</b>		
<b>Governmental</b>			- Proprietary	\$	-	Net Position	\$	-
Total Cash & Investments	\$	47,526	- Current Assets	\$	-	- PY Net Position	\$	-
Transfers In	\$	119,502	Deferred Outflow	\$	-	- Government-Wide	\$	-
Transfers Out	\$	37,000	Current Liabilities	\$	-	- Total Outstanding Debt	\$	1,468,000
Property Tax	\$	129,436	Deferred Inflow	\$	-	- Authorized but Unissued	\$	80,000,000
Debt Service Principal	\$	-	- Cash & Investments	\$	-	- Year Authorized	\$	1.9.07
Total Expenditures	\$	-	- Principal Expense	\$	-			
Total Developer Advances	\$							
Total Developer Repayments	\$							

# 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 body. By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual 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 members of the governing body below.

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

1	<p style="text-align: center;">Full Name <b>Volker Schurr</b></p>	<p>I, <b>Volker Schurr</b>, 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.</p> <p>Signed: <u>Volker Schurr</u> Date: <u>Mar 22, 2023</u></p> <p>My term Expires: <u>May, 2025</u></p>	
2	<p style="text-align: center;">Full Name <b>Arthur Cawman</b></p>	<p>I, <b>Arthur Cawman</b>, 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.</p> <p>Signed: <u>Arthur Cawman</u> Date: <u>Mar 22, 2023</u></p> <p>My term Expires: <u>May, 2023</u></p>	
3	<p style="text-align: center;">Full Name <b>Paula Lindamood</b></p>	<p>I, <b>Paula Lindamood</b>, 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.</p> <p>Signed: <u>Paula J Lindamood</u> Date: <u>Mar 20, 2023</u></p> <p>My term Expires: <u>May, 2023</u></p>	
4	<p style="text-align: center;">Full Name <b>Joelle Yount</b></p>	<p>I, <b>Joelle Yount</b>, 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.</p> <p>Signed: <u>Joelle Yount</u> Date: <u>Mar 20, 2023</u></p> <p>My term Expires: <u>May, 2025</u></p>	
5	<p style="text-align: center;">Full Name <b>Vacant</b></p>	<p>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.</p> <p>Signed _____ Date: _____</p> <p>My term Expires: <u>May, 2025</u></p>	
6	<p style="text-align: center;">Full Name</p>	<p>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.</p> <p>Signed _____ Date: _____</p> <p>My term Expires: _____</p>	
7	<p style="text-align: center;">Full Name</p>	<p>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.</p> <p>Signed _____ Date: _____</p> <p>My term Expires: _____</p>	

**Resolution/Ordinance for Exemption From Audit**  
(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2022 FOR THE LAKES METROPOLITAN DISTRICT NO. 2, IN THE STATE OF COLORADO.

WHEREAS, the Board of Directors of the Lakes Metropolitan District No. 2 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. state that any local government where neither revenues nor expenditures exceed seven hundred fifty thousand dollars 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 Lakes Metropolitan District No. 2 exceeded \$750,000 for fiscal year 2022; and

WHEREAS, an application for exemption from audit for Lakes Metropolitan District No. 2 has been prepared by Sheri M. Payne, CPA, an independent accountant with knowledge of governmental accounting; and

WHEREAS, said applications for exemption from audit have been completed in accordance with regulations issued by the state auditor.

NOW THEREFORE, be it resolved/ordained by the Board of Directors of the Lakes Metropolitan District No. 2 that the applications for exemption from audit for Lakes Metropolitan District No. 2 for the fiscal year ended December 31, 2022, have been reviewed and are hereby approved by a majority of the Board of Directors of the Lakes Metropolitan District No. 2; that those members have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of the applications for exemption from audit of the Lakes Metropolitan District No. 2 for the fiscal year ended December 31, 2022.

RESOLUTION APPROVED AND ADOPTED THIS 20<sup>th</sup> day of March, 2023.

Lakes Metropolitan District No. 2

Volker Schurr  
Volker Schurr (Mar 22, 2023 08:55 MDT)

Authorized Officer

ATTEST:

Arthur Cawman  
Arthur Cawman (Mar 22, 2023 17:41 MDT)

Name of Member	Term Expires	Signature
Volker Schurr	5/25	<u>Volker Schurr</u> Volker Schurr (Mar 22, 2023 08:55 MDT)
Arthur Cawman	5/23	<u>Arthur Cawman</u> Arthur Cawman (Mar 22, 2023 17:41 MDT)
Paula Lindamood	5/23	<u>Paula J Lindamood</u> Paula J Lindamood (Mar 20, 2023 10:09 MDT)
Joelle Yount	5/25	<u>Joelle yount</u> Joelle yount (Mar 22, 2023 08:54 MDT)
Vacant	5/25	_____