

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

| | |
|--------------------|---------------------------------------------------------------|
| NAME OF GOVERNMENT | Southern Metropolitan District |
| ADDRESS | c/o CEGR Law 44 Cook Street, Suite 620 Denver, CO 80206 |
| CONTACT PERSON | Micki Mills |
| PHONE | 303-218-7200 |
| EMAIL | mmills@cegrlaw.com |

For the Year Ended
12/31/2023
or fiscal year ended:

CERTIFICATION OF PREPARER

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

| | |
|---------------------------|--------------------------------------------|
| NAME: | Dawn A. Schilling |
| TITLE | Certified Public Accountant |
| FIRM NAME (if applicable) | Schilling & Company, Inc. |
| ADDRESS | P.O. Box 631579, Highlands Ranch, CO 80163 |
| PHONE | 720-348-1086 |
| RELATIONSHIP TO ENTITY | Contracted Accountant |

| | |
|-------------------------------------------|----------------------|
| PREPARER (SIGNATURE REQUIRED) | DATE PREPARED |
| See Accountant's Compliance Report | 3/18/2024 |

| | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------|---------------------|
| Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.] | YES | NO | If Yes, date filed: |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |

See Accountant's Compilation Report.

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

| Line # | Description | Governmental Funds | | Description | Proprietary/Fiduciary Funds | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------|--|
| | | General Fund* | Fund* | | Fund* | Fund* | |
| Assets | | | | Assets | | | |
| 1-1 | Cash & Cash Equivalents | \$ 1,068 | \$ - | Cash & Cash Equivalents | \$ - | \$ - | |
| 1-2 | Investments | \$ 688,581 | \$ - | Investments | \$ - | \$ - | |
| 1-3 | Receivables | \$ - | \$ - | Receivables | \$ - | \$ - | |
| 1-4 | Due from Other Entities or Funds | \$ 858 | \$ - | Due from Other Entities or Funds | \$ - | \$ - | |
| 1-5 | Property Tax Receivable | \$ 240,838 | \$ - | Other Current Assets [specify...] | \$ - | \$ - | |
| | All Other Assets [specify...] | | | | \$ - | \$ - | |
| 1-6 | Lease Receivable (as Lessor) | \$ - | \$ - | | \$ - | \$ - | |
| 1-7 | Prepaid expenses | \$ 5,989 | \$ - | Capital & Right to Use Assets, net (from Part 6-4) | \$ - | \$ - | |
| 1-8 | Brick inventory | \$ 7,277 | \$ - | Other Long Term Assets [specify...] | \$ - | \$ - | |
| 1-9 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-10 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-11 | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ 944,611 | \$ - | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ - | \$ - | |
| Deferred Outflows of Resources: | | | | Deferred Outflows of Resources | | | |
| 1-12 | [specify...] | \$ - | \$ - | [specify...] | \$ - | \$ - | |
| 1-13 | [specify...] | \$ - | \$ - | [specify...] | \$ - | \$ - | |
| 1-14 | (add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS | \$ - | \$ - | (add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS | \$ - | \$ - | |
| 1-15 | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ 944,611 | \$ - | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ - | \$ - | |
| Liabilities | | | | Liabilities | | | |
| 1-16 | Accounts Payable | \$ 3,740 | \$ - | Accounts Payable | \$ - | \$ - | |
| 1-17 | Accrued Payroll and Related Liabilities | \$ 291 | \$ - | Accrued Payroll and Related Liabilities | \$ - | \$ - | |
| 1-18 | Unearned Revenue | \$ - | \$ - | Accrued Interest Payable | \$ - | \$ - | |
| 1-19 | Due to Other Entities or Funds | \$ - | \$ - | Due to Other Entities or Funds | \$ - | \$ - | |
| 1-20 | All Other Current Liabilities | \$ - | \$ - | All Other Current Liabilities | \$ - | \$ - | |
| 1-21 | (add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES | \$ 4,031 | \$ - | (add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES | \$ - | \$ - | |
| 1-22 | All Other Liabilities [specify...] | \$ - | \$ - | Proprietary Debt Outstanding (from Part 4-4) | \$ - | \$ - | |
| 1-23 | | \$ - | \$ - | Other Liabilities [specify...]: | \$ - | \$ - | |
| 1-24 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-25 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-26 | | \$ - | \$ - | | \$ - | \$ - | |
| 1-27 | (add lines 1-21 through 1-26) TOTAL LIABILITIES | \$ 4,031 | \$ - | (add lines 1-21 through 1-26) TOTAL LIABILITIES | \$ - | \$ - | |
| Deferred Inflows of Resources: | | | | Deferred Inflows of Resources | | | |
| 1-28 | Deferred Property Taxes | \$ 240,838 | \$ - | Pension/OPEB Related | \$ - | \$ - | |
| 1-29 | Lease related (as lessor) | \$ - | \$ - | Other [specify...] | \$ - | \$ - | |
| 1-30 | (add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS | \$ 240,838 | \$ - | (add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS | \$ - | \$ - | |
| Fund Balance | | | | Net Position | | | |
| 1-31 | Nonspendable Prepaid | \$ 5,989 | \$ - | Net Investment in Capital and Right-to Use Assets | \$ - | \$ - | |
| 1-32 | Nonspendable Inventory | \$ 7,277 | \$ - | | | | |
| 1-33 | Restricted [Emergency Reserve] | \$ 7,200 | \$ - | Emergency Reserves | \$ - | \$ - | |
| 1-34 | Committed [specify...] | \$ - | \$ - | Other Designations/Reserves | \$ - | \$ - | |
| 1-35 | Assigned [Subsequent expenditures] | \$ 679,276 | \$ - | Restricted | \$ - | \$ - | |
| 1-36 | Unassigned: | \$ - | \$ - | Undesignated/Unreserved/Unrestricted | \$ - | \$ - | |
| 1-37 | Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL FUND BALANCE | \$ 699,742 | \$ - | Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL NET POSITION | \$ - | \$ - | |
| 1-38 | Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE | \$ 944,611 | \$ - | Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION | \$ - | \$ - | |

Please use this space to provide explanation of any items on this page

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

| Line # | Description | Governmental Funds | | Description | Proprietary/Fiduciary Funds | | Please use this space to provide explanation of any items on this page | |
|--------------------------------|-------------------------------------------------------------------------------|--------------------|-------|-------------------------------------------------------------------------------|-----------------------------|-------|------------------------------------------------------------------------|--|
| | | General Fund* | Fund* | | Fund* | Fund* | | |
| Tax Revenue | | | | Tax Revenue | | | | |
| 2-1 | Property [include mills levied in Question 10-6] | \$ 191,495 | \$ - | Property [include mills levied in Question 10-6] | \$ - | \$ - | | |
| 2-2 | Specific Ownership | \$ 13,521 | \$ - | Specific Ownership | \$ - | \$ - | | |
| 2-3 | Sales and Use Tax | \$ - | \$ - | Sales and Use Tax | \$ - | \$ - | | |
| 2-4 | Other Tax Revenue [specify...]: | \$ - | \$ - | Other Tax Revenue [specify...]: | \$ - | \$ - | | |
| 2-5 | | \$ - | \$ - | | \$ - | \$ - | | |
| 2-6 | | \$ - | \$ - | | \$ - | \$ - | | |
| 2-7 | | \$ - | \$ - | | \$ - | \$ - | | |
| 2-8 | Add lines 2-1 through 2-7 TOTAL TAX REVENUE | \$ 205,016 | \$ - | Add lines 2-1 through 2-7 TOTAL TAX REVENUE | \$ - | \$ - | | |
| 2-9 | Licenses and Permits | \$ - | \$ - | Licenses and Permits | \$ - | \$ - | | |
| 2-10 | Highway Users Tax Funds (HUTF) | \$ - | \$ - | Highway Users Tax Funds (HUTF) | \$ - | \$ - | | |
| 2-11 | Conservation Trust Funds (Lottery) | \$ - | \$ - | Conservation Trust Funds (Lottery) | \$ - | \$ - | | |
| 2-12 | Community Development Block Grant | \$ - | \$ - | Community Development Block Grant | \$ - | \$ - | | |
| 2-13 | Fire & Police Pension | \$ - | \$ - | Fire & Police Pension | \$ - | \$ - | | |
| 2-14 | Grants | \$ - | \$ - | Grants | \$ - | \$ - | | |
| 2-15 | Donations | \$ - | \$ - | Donations | \$ - | \$ - | | |
| 2-16 | Charges for Sales and Services | \$ - | \$ - | Charges for Sales and Services | \$ - | \$ - | | |
| 2-17 | Rental Income | \$ - | \$ - | Rental Income | \$ - | \$ - | | |
| 2-18 | Fines and Forfeits | \$ - | \$ - | Fines and Forfeits | \$ - | \$ - | | |
| 2-19 | Interest/Investment Income | \$ 34,082 | \$ - | 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 | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ 239,098 | \$ - | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ - | \$ - | | |
| Other Financing Sources | | | | Other Financing Sources | | | | |
| 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 | Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES | \$ - | \$ - | Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES | \$ - | \$ - | GRAND TOTALS | |
| 2-30 | Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ 239,098 | \$ - | Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ - | \$ - | \$ 239,098 | |

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

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

| Line # | Description | Governmental Funds | | Description | Proprietary/Fiduciary Funds | | Please use this space to provide explanation of any items on this page |
|--------|---------------------------------------------------------------------------------------|--------------------|-------|-----------------------------------------------------------------------------------------------------------------|-----------------------------|-------|------------------------------------------------------------------------|
| | | General Fund* | Fund* | | Fund* | Fund* | |
| | Expenditures | | | Expenses | | | |
| 3-1 | General Government | \$ 112,245 | \$ - | General Operating & Administrative | \$ - | \$ - | |
| 3-2 | Judicial | \$ - | \$ - | Salaries | \$ - | \$ - | |
| 3-3 | Law Enforcement | \$ - | \$ - | Payroll Taxes | \$ - | \$ - | |
| 3-4 | Fire | \$ - | \$ - | Contract Services | \$ - | \$ - | |
| 3-5 | Highways & Streets | \$ - | \$ - | Employee Benefits | \$ - | \$ - | |
| 3-6 | Solid Waste | \$ - | \$ - | Insurance | \$ - | \$ - | |
| 3-7 | Contributions to Fire & Police Pension Assoc. | \$ - | \$ - | Accounting and Legal Fees | \$ - | \$ - | |
| 3-8 | Health | \$ - | \$ - | Repair and Maintenance | \$ - | \$ - | |
| 3-9 | Culture and Recreation | \$ - | \$ - | Supplies | \$ - | \$ - | |
| 3-10 | Transfers to other districts | \$ - | \$ - | Utilities | \$ - | \$ - | |
| 3-11 | Other [specify...]: | \$ - | \$ - | Contributions to Fire & Police Pension Assoc. | \$ - | \$ - | |
| 3-12 | | \$ - | \$ - | Other [specify...] | \$ - | \$ - | |
| 3-13 | | \$ - | \$ - | | \$ - | \$ - | |
| 3-14 | Capital Outlay | \$ - | \$ - | Capital Outlay | \$ - | \$ - | |
| | Debt Service | | | Debt Service | | | |
| 3-15 | Principal (should match amount in 4-4) | \$ - | \$ - | Principal (should match amount in 4-4) | \$ - | \$ - | |
| 3-16 | Interest | \$ - | \$ - | Interest | \$ - | \$ - | |
| 3-17 | Bond Issuance Costs | \$ - | \$ - | Bond Issuance Costs | \$ - | \$ - | |
| 3-18 | Developer Principal Repayments | \$ - | \$ - | Developer Principal Repayments | \$ - | \$ - | |
| 3-19 | Developer Interest Repayments | \$ - | \$ - | Developer Interest Repayments | \$ - | \$ - | |
| 3-20 | All Other [specify...]: | \$ - | \$ - | All Other [specify...]: | \$ - | \$ - | |
| 3-21 | | \$ - | \$ - | | \$ - | \$ - | |
| 3-22 | Add lines 3-1 through 3-21 | | | Add lines 3-1 through 3-21 | | | |
| | TOTAL EXPENDITURES | \$ 112,245 | \$ - | TOTAL EXPENSES | \$ - | \$ - | \$ 112,245 |
| 3-23 | Interfund Transfers (In) | \$ - | \$ - | Net Interfund Transfers (In) Out | \$ - | \$ - | |
| 3-24 | Interfund Transfers Out | \$ - | \$ - | Other [specify...][enter negative for expense] | \$ - | \$ - | |
| 3-25 | Other Expenditures (Revenues): | \$ - | \$ - | Depreciation/Amortization | \$ - | \$ - | |
| 3-26 | | \$ - | \$ - | Other Financing Sources (Uses) (from line 2-28) | \$ - | \$ - | |
| 3-27 | | \$ - | \$ - | Capital Outlay (from line 3-14) | \$ - | \$ - | |
| 3-28 | | \$ - | \$ - | Debt Principal (from line 3-15, 3-18) | \$ - | \$ - | |
| 3-29 | (Add lines 3-23 through 3-28) | | | (Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS | \$ - | \$ - | |
| | TOTAL TRANSFERS AND OTHER EXPENDITURES | \$ - | \$ - | | \$ - | \$ - | |
| 3-30 | Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures | | | Net Increase (Decrease) in Net Position | | | |
| | Line 2-29, less line 3-22, less line 3-29 | \$ 126,853 | \$ - | Line 2-29, less line 3-22, plus line 3-29, less line 3-23 | \$ - | \$ - | |
| 3-31 | Fund Balance, January 1 from December 31 prior year report | \$ 572,889 | \$ - | Net Position, January 1 from December 31 prior year report | \$ - | \$ - | |
| 3-32 | Prior Period Adjustment (MUST explain) | \$ - | \$ - | Prior Period Adjustment (MUST explain) | \$ - | \$ - | |
| 3-33 | Fund Balance, December 31 | | | Net Position, December 31 | | | |
| | Sum of Lines 3-30, 3-31, and 3-32 | \$ 699,742 | \$ - | 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. | \$ - | \$ - | |

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.

YES NO

Please use this space to provide any explanations or comments:

- 4-1 Does the entity have outstanding debt? YES NO
- 4-2 Is the debt repayment schedule attached? If no, **MUST** explain:
 YES NO
- 4-3 Is the entity current in its debt service payments? If no, **MUST** explain:
 YES NO

| Please complete the following debt schedule, if applicable: (please only include principal amounts) | Outstanding at beginning of year* | Issued during year | Retired during year | Outstanding at year-end |
|-----------------------------------------------------------------------------------------------------|-----------------------------------|--------------------|---------------------|-------------------------|
| General obligation bonds | \$ - | \$ - | \$ - | \$ - |
| Revenue bonds | \$ - | \$ - | \$ - | \$ - |
| Notes/Loans | \$ - | \$ - | \$ - | \$ - |
| Lease & SBITA** Liabilities (GASB 87 & 96) | \$ - | \$ - | \$ - | \$ - |
| Developer Advances | \$ - | \$ - | \$ - | \$ - |
| Other (specify): | \$ - | \$ - | \$ - | \$ - |
| TOTAL | \$ - | \$ - | \$ - | \$ - |

****Subscription Based Information Technology Arrangements** *Must agree to prior year-end 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
 How much?
 If yes: Date the debt was authorized:
- 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? YES NO
 What are the annual lease payments?

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 | \$ 1,068 | | Please use this space to provide any explanations or comments: |
| 5-2 Certificates of deposit | \$ - | | |
| TOTAL CASH DEPOSITS | | \$ 1,068 | |

| Investments (if investment is a mutual fund, please list underlying investments): | | | |
|-----------------------------------------------------------------------------------|----------------------------|------------|------------|
| 5-3 | Colotrust | \$ 688,581 | |
| | | \$ - | |
| | | \$ - | |
| | | \$ - | |
| | TOTAL INVESTMENTS | | \$ 688,581 |
| | TOTAL CASH AND INVESTMENTS | | \$ 689,649 |

- 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 N/A

PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following question by marking in the appropriate box YES NO Please use this space to provide any explanations or comments:

- 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

| 6-3 Complete the following Capital & Right-To-Use Assets table for GOVERNMENTAL FUNDS: | Balance - beginning of the year* | Additions* | Deletions | Year-End Balance |
|----------------------------------------------------------------------------------------|----------------------------------|--------------------|-------------|---------------------|
| Land | \$ - | \$ - | \$ - | \$ - |
| Buildings | \$ - | \$ - | \$ - | \$ - |
| Machinery and equipment | \$ - | \$ - | \$ - | \$ - |
| Furniture and fixtures | \$ - | \$ - | \$ - | \$ - |
| Infrastructure | \$ - | \$ - | \$ - | \$ - |
| Construction In Progress (CIP) | \$ - | \$ - | \$ - | \$ - |
| Leased & SBITA Right-to-Use Assets | \$ - | \$ - | \$ - | \$ - |
| Intangible Assets | \$ - | \$ - | \$ - | \$ - |
| Other (explain): Fencing, landscaping, sprinkler system, signs and holiday lights | \$ 1,749,996 | \$ - | \$ - | \$ 1,749,996 |
| Accumulated Amortization Right to Use Assets (Enter a negative, or credit, balance) | \$ (412,565) | \$ (19,721) | \$ - | \$ (432,286) |
| Accumulated Depreciation (Enter a negative, or credit, balance) | \$ - | \$ - | \$ - | \$ - |
| TOTAL | \$ 1,337,431 | \$ (19,721) | \$ - | \$ 1,317,710 |

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

* 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

* YES NO Please use this space to provide any explanations or comments:

- 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.): | \$ | - |
| TOTAL | \$ | - |
| What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? | \$ | - |

PART 8 - BUDGET INFORMATION

| Please answer the following question by marking in the appropriate box | | YES | NO | N/A | Please use this space to provide any explanations or comments: |
|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------|--------------------------|----------------------------------------------------------------|
| 8-1 | Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 8-2 | Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| If yes: Please indicate the amount appropriated for each fund separately for the year reported | | | | | |
| Governmental/Proprietary Fund Name | | Total Appropriations By Fund | | | |
| General Fund | | \$ | 792,125 | | |
| | | \$ | - | | |
| | | \$ | - | | |
| | | \$ | - | | |

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

| Please answer the following question by marking in the appropriate box | | YES | NO | Please use this space to provide any explanations or comments: |
|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------|----------------------------------------------------------------|
| 9-1 | Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? <small>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.</small> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |

PART 10 - GENERAL INFORMATION

| Please answer the following question by marking in the appropriate box | | YES | NO | Please use this space to provide any explanations or comments: |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|----------------------------------------------------------------|
| 10-1 | Is this application for a newly formed governmental entity? If yes: Date of formation: <input type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| 10-2 | Has the entity changed its name in the past or current year? If Yes: NEW name <input type="text"/> PRIOR name <input type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| 10-3 | Is the entity a metropolitan district? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 10-4 | Please indicate what services the entity provides: <input type="text" value="District maintains right of way improvements within the District boundaries."/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 10-5 | Does the entity have an agreement with another government to provide services? If yes: List the name of the other governmental entity and the services provided: <input type="text"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| 10-6 | Does the entity have a certified mill levy? If yes: Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts): Bond Redemption mills <input type="text" value="0.000"/> General/Other mills <input type="text" value="3.500"/> Total mills <input type="text" value="3.500"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 10-7 | NEW 2023! If the entity is a Title 32 Special District formed on or after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 [Section 32-1-207 C.R.S.]? If NO, please explain. <input type="text"/> | <input type="checkbox"/> | <input type="checkbox"/> | |

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 | \$ | 689,649 | Unrestricted Fund Balan | \$ | 679,276 | Total Tax Revenue | \$ | 205,016 | |
| Current Liabilities | \$ | 4,031 | Total Fund Balance | \$ | 699,742 | Revenue Paying Debt Service | \$ | - | |
| Deferred Inflow | \$ | 240,838 | PY Fund Balance | \$ | 572,889 | Total Revenue | \$ | 239,098 | |
| | | | Total Revenue | \$ | 239,098 | Total Debt Service Principal | \$ | - | |
| | | | Total Expenditures | \$ | 112,245 | Total Debt Service Interest | \$ | - | |
| | | | | | | Total Assets | \$ | 944,611 | |
| | | | | | | Total Liabilities | \$ | 4,031 | |
| Governmental | | | Interfund In | \$ | - | Enterprise Funds | | | |
| Total Cash & Investments | \$ | 689,649 | Interfund Out | \$ | - | Net Position | \$ | - | |
| Transfers In | \$ | - | Proprietary | | | - PY Net Position | \$ | - | |
| Transfers Out | \$ | - | - Current Assets | \$ | | Government-Wide | | | |
| Property Tax | \$ | 191,495 | Deferred Outflow | \$ | | - Total Outstanding Debt | \$ | - | |
| Debt Service Principal | \$ | - | - Current Liabilities | \$ | | - Authorized but Unissued | \$ | - | |
| Total Expenditures | \$ | 112,245 | Deferred Inflow | \$ | | - Year Authorized | | 1/0/1900 | |
| Total Developer Advances | \$ | - | - Cash & Investments | \$ | | | | | |
| Total Developer Repayments | \$ | - | - Principal Expense | \$ | | | | | |

See Accountant's Compilation Report.

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

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.

| 1 | Full Name | A MAJORITY of the members of the governing body must sign below. |
|---|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Kirk Bast | I, Kirk Bast, 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 <u>Kirk Bast</u> Date: <u>3/21/2024</u> My term Expires: <u>May 2027</u> |
| 2 | Robert Colwell | I, Robert Colwell, 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 <u>Robert Colwell</u> Date: <u>3/21/2024</u> My term Expires: <u>May 2027</u> |
| 3 | Sherry Kroeger | I, Sherry Kroeger, 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: <u>May 2025</u> |
| 4 | Edward Quinn | I, Edward Quinn, 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 <u>Edward Quinn</u> Date: <u>3/21/2024</u> My term Expires: <u>May 2025</u> |
| 5 | Leonard West, Jr. | I, Leonard West, Jr., 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 <u>Leonard West, Jr.</u> Date: <u>3/21/2024</u> My term Expires: <u>May 2027</u> |
| 6 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| 7 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |

See Accountant's Compilation Report.



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Accountant's Compilation Report

Board of Directors
Southern Metropolitan District
Arapahoe County, Colorado

Management is responsible for the accompanying financial statements and other financial information of Southern Metropolitan District as of and for the year ended December 31, 2023, included in the accompanying prescribed form (Application for Exemption from Audit). 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 AICPA. We did not examine or review the financial statements and other financial information included in the accompanying prescribed form nor were we required to perform 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 these financial statements.

The Application for Exemption from Audit is presented in accordance with the requirements of the State of Colorado's Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

SCHILLING & COMPANY, INC.

Highlands Ranch, CO
March 18, 2024

Certificate Of Completion

| | |
|-------------------------------------------------------------------------------------------------------------|---------------------------------|
| Envelope Id: CFEC5C094EA6452A9DD42671ECE289A8 | Status: Sent |
| Subject: Complete with DocuSign: Southern Metropolitan District - Application for Exemption from Audit -... | |
| Source Envelope: | |
| Document Pages: 10 | Signatures: 4 |
| Certificate Pages: 2 | Initials: 0 |
| AutoNav: Enabled | Envelope Originator: |
| Enveloped Stamping: Enabled | Dawn Schilling |
| Time Zone: (UTC-08:00) Pacific Time (US & Canada) | PO Box 631579 |
| | Highlands Ranch |
| | Highlands Ranch, CO 80163 |
| | dawnschilling@schillingcpas.com |
| | IP Address: 71.229.143.61 |

Record Tracking

| | | |
|----------------------|---------------------------------|--------------------|
| Status: Original | Holder: Dawn Schilling | Location: DocuSign |
| 3/21/2024 1:26:17 PM | dawnschilling@schillingcpas.com | |

Signer Events

Edward Quinn
 ed@edquinnsite.com
 President
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:


 2709A16099B7454...
 Signature Adoption: Pre-selected Style
 Using IP Address: 75.216.241.130

Timestamp

Sent: 3/21/2024 1:30:09 PM
 Viewed: 3/21/2024 2:08:41 PM
 Signed: 3/21/2024 2:09:29 PM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign

Kirk Bast
 KABast@msn.com
 ProCorp Images
 Security Level: Email, Account Authentication (None)

DocuSigned by:

 3E22951763B24E3...
 Signature Adoption: Pre-selected Style
 Using IP Address: 104.28.48.74
 Signed using mobile

Sent: 3/21/2024 1:30:09 PM
 Viewed: 3/21/2024 3:02:23 PM
 Signed: 3/21/2024 3:03:18 PM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign

Leonard West, Jr.
 lenwestpe@yahoo.com
 Security Level: Email, Account Authentication (None)


DocuSigned by:

 B55C27C9F4364B1...
 Signature Adoption: Drawn on Device
 Using IP Address: 98.43.253.46
 Signed using mobile

Sent: 3/21/2024 1:30:10 PM
 Viewed: 3/21/2024 1:41:59 PM
 Signed: 3/21/2024 1:44:32 PM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign

Robert Colwell
 bob@colwellco.com
 Security Level: Email, Account Authentication (None)

DocuSigned by:

 20A2670957F5474...
 Signature Adoption: Pre-selected Style
 Using IP Address: 23.31.70.185

Sent: 3/21/2024 1:30:10 PM
 Viewed: 3/21/2024 2:27:44 PM
 Signed: 3/21/2024 2:28:03 PM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign

| Signer Events | Signature | Timestamp |
|----------------------------------------------------------------------------------------------|------------------|----------------------------|
| Sherry Kroeger thekrogrs@q.com Security Level: Email, Account Authentication (None) | | Sent: 3/21/2024 1:30:10 PM |
| Electronic Record and Signature Disclosure: Not Offered via DocuSign | | |

| 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 |
|----------------------------------|---------------|------------------|
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| Carbon Copy Events | Status | Timestamp |
|---------------------------|---------------|------------------|
|---------------------------|---------------|------------------|

| Witness Events | Signature | Timestamp |
|-----------------------|------------------|------------------|
|-----------------------|------------------|------------------|

| Notary Events | Signature | Timestamp |
|----------------------|------------------|------------------|
|----------------------|------------------|------------------|

| Envelope Summary Events | Status | Timestamps |
|--------------------------------|---------------|-------------------|
|--------------------------------|---------------|-------------------|

| | | |
|---------------|------------------|----------------------|
| Envelope Sent | Hashed/Encrypted | 3/21/2024 1:30:11 PM |
|---------------|------------------|----------------------|

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