

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

IF EITHER REVENUES OR EXPENDITURES EXCEED \$100,000, USE THE LONG FORM.

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 in the year.

### 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).

Any preparer of an Application for Exemption from Audit-SHORT FORM must be a person skilled in 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. APPLICATIONS FOR EXEMPTION FROM AUDIT ARE NOT ELIGIBLE FOR AN EXTENSION OF TIME

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.

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

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

### 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 on 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 understood the Electronic Signature Policy? See policy in Part 11.
  - or--
  - If yes, 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 at the end of this form.)
- 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?

Check out our 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:

[Click here to go to the portal](#)

## FILING METHODS

Register and submit your Applications at our web portal! For faster processing the web portal is the preferred method for submission

**WEB 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

*Please Note: The OSA's email addresses have changed as of December 1, 2023. Please ensure you are using the email address noted below.*

**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

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

## SHORT FORM

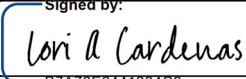
<b>NAME OF GOVERNMENT ADDRESS</b>	Independence Metropolitan District #5 c/o Specials District Solutions, Inc. 2370 Antelope Ridge Trl Parker, CO 80138
<b>CONTACT PERSON</b>	Kurt Schlegel
<b>PHONE</b>	303-662-1999
<b>EMAIL</b>	kurt@specialdistrictsolutions.com

For the Year Ended  
12/31/24  
or fiscal year ended:

## PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

<b>NAME:</b>	Lori A Cardenas
<b>TITLE</b>	District Accountant
<b>FIRM NAME (if applicable)</b>	Autumn Accounting LLC
<b>ADDRESS</b>	2404 Elkhorn Ranch St Parker, CO 80138
<b>PHONE</b>	303-928-4142

PREPARER <u>(SIGNATURE REQUIRED)</u>	DATE PREPARED <small>(No exemption shall be granted prior to the close of said fiscal year)</small>				
Signed by:  <small>B7A70E6441334C0...</small>	3/12/2025				
Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%; text-align: center;">GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small></th> <th style="width: 50%; text-align: center;">PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small></th> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>				
<input checked="" type="checkbox"/>	<input type="checkbox"/>				

## PART 2 - REVENUES

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 the nearest dollar	
2-1	Taxes: Property (report mills levied in question 10-7)	\$ -	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree to table 4-4, column 'Issued during year')	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree to table 4-4, column 'Issued during year')	\$ 6,500	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22	Transfer from Independence District #3	\$ 5,662	
2-23		\$ -	
2-24		\$ -	
2-25		\$ -	
2-26	(add lines 2-1 through 2-25) <b>TOTAL REVENUES</b>	\$ 12,162	

## PART 3 - EXPENDITURES/EXPENSES

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 the nearest dollar	
3-1	Administrative	\$ 7,097	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 to table 4-4, column 'Retired during year')	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree to table 4-4, column 'Retired during year')	\$ 5,500	
3-20	Repayment of Developer Advance Interest	\$ 162	
3-21	Contribution to pension plan	\$ -	
3-22	Contribution to Fire & Police Pension Assoc.	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26		\$ -	
3-27		\$ -	
3-28	(add lines 3-1 through 3-27) <b>TOTAL EXPENDITURES/EXPENSES</b>	\$ 12,759	

If TOTAL REVENUES (Line 2-26) or TOTAL EXPENDITURES (Line 3-28) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

	Yes	No		
4-1 Does the entity have outstanding debt? <i>(If 'No' is checked, skip to question 4-5)</i> <i>(If 'Yes' is checked, please attach a copy of the entity's debt repayment schedule)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2 Is the debt repayment schedule attached? If no, <b>MUST</b> explain below: <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 current in its debt service payments? If no, <b>MUST</b> explain below: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: <small>(please only include principal amounts) (enter all amounts as positive numbers)</small>				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease & SBITA** Liabilities [GASB 87 & 96]	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ 6,500	\$ 5,500	\$ 1,000
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 6,500</b>	<b>\$ 5,500</b>	<b>\$ 1,000</b>

\*\*Subscription-Based Information Technology Arrangements

\*Must agree to prior year-end balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized but unissued debt as of its fiscal year-end? How much? <span style="float: right; border: 1px solid black; padding: 2px;">\$ 68,267,192.00</span> Date the debt was authorized: <span style="float: right; border: 1px solid black; padding: 2px;">6/5/23</span>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NEW 4-6 Is the authorized but unissued debt further limited by the entity's most recent Service Plan? If yes: How much? <span style="float: right; border: 1px solid black; padding: 2px;">\$ -</span> Date of the most recent Service Plan: <span style="float: right; border: 1px solid black; padding: 2px;"></span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7 Does the entity intend to issue debt within the next calendar year? If yes: How much? <span style="float: right; border: 1px solid black; padding: 2px;">\$ -</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding? <span style="float: right; border: 1px solid black; padding: 2px;">\$ -</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-9 Does the entity have any lease agreements? If yes: What is being leased? <span style="float: right; border: 1px solid black; padding: 2px;"></span> What is the original date of the lease? <span style="float: right; border: 1px solid black; padding: 2px;"></span> Number of years of lease? <span style="float: right; border: 1px solid black; padding: 2px;"></span> Is the lease subject to annual appropriation? What are the annual lease payments? <span style="float: right; border: 1px solid black; padding: 2px;">\$ -</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part 4 - Please use this space to provide any explanations/comments or attach separate documentation, if needed

## 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	\$ 876	
5-2 Certificates of deposit	\$ -	
<b>TOTAL CASH DEPOSITS</b>		<b>\$ 876</b>
5-3 Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>TOTAL INVESTMENTS</b>		<b>\$ -</b>
<b>TOTAL CASH AND INVESTMENTS</b>		<b>\$ 876</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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part 5 - If no, MUST use this space to provide any explanations

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

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

- |     |  | Yes                      | No                                  |
|-----|--|--------------------------|-------------------------------------|
| 6-1 | Does the entity have capital assets?<br><i>(If 'No' is checked, skip the rest of Part 6)</i>   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6-2 | Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, <b>MUST</b> explain: | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

N/A

Complete the following capital & right-to-use assets table:	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	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization <i>(Please enter a negative, or credit, balance)</i>	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -

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

Part 6 - Please use this space to provide any explanations/comments or attach documentation, if needed

## 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" firefighters' pension plan? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7-2 | Does the entity have a volunteer firefighters' pension plan?   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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 1?	\$ -

Part 7 - 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.?<br>If no, <b>MUST</b> 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, <b>MUST</b> 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  
*(Please make sure each individual fund's appropriation agrees to how the budget was adopted. Do not combine funds)*

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$24,300.00

## 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)]?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
-----	--	--	--------------------------------

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

Part 9 - If no, MUST use this space to provide any explanations

## PART 10 - GENERAL INFORMATION

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

10-1	Is this application for a newly formed governmental entity?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------	---	---------------------------------	---

If yes: Date of formation:

10-2	Has the entity changed its name in the past or current year?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------	--	---------------------------------	---

If yes: Please list the NEW name:

Please list the PRIOR name:

10-3	Is the entity a metropolitan district?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
------	--	--	--------------------------------

10-4 Please indicate what services the entity provides:

10-5	Does the entity have an agreement with another government to provide services?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------	--	---------------------------------	---

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

10-6	Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> 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 <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------	---	---------------------------------	---

If yes: Date filed:

10-7	Does the entity have a certified mill levy?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------	---	---------------------------------	---

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

Bond redemption mills		-
General/other mills		-
<b>Total mills</b>		-

		Yes	No	N/A
--	--	-----	----	-----

10-8	If the entity is a Title 32 Special District formed 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 <b>NO</b> , please explain.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
------	--	-------------------------------------	--------------------------	--------------------------

Please use this space to provide any additional explanations or comments not previously included

**PART 11 - GOVERNING BODY APPROVAL**

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

Yes

No

11-1 If you plan to submit this form electronically, have you read the Electronic Signature Policy?

---

**Office of the State Auditor — Local Government Division - Exemption Form  
Electronic Signature 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 two 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.

<p style="text-align: center;"><b>Print or type the names of <u>ALL</u> members of current governing body below. A <u>MAJORITY</u> of the members of the governing body must sign below.</b></p>		
Board Member 1	Board Member's Name:	<p style="text-align: right;">Tim Craft</p> <p>Signed by: _____</p> <p style="text-align: center;"><i>Tim Craft</i></p> <p>Signature _____</p> <p style="text-align: center;">3/12/2025</p> <p>Date _____</p>
Board Member 2	Board Member's Name:	<p style="text-align: right;">Margaret Brown</p> <p>DocuSigned by: _____</p> <p style="text-align: center;"><i>Margaret Brown</i></p> <p>Signature _____</p> <p style="text-align: center;">3/12/2025</p> <p>Date _____</p>
Board Member 3	Board Member's Name:	<p style="text-align: right;">Jim Yates</p> <p>DocuSigned by: _____</p> <p style="text-align: center;"><i>Jim Yates</i></p> <p>Signature _____</p> <p style="text-align: center;">3/12/2025</p> <p>Date _____</p>
Board Member 4	Board Member's Name:	<p style="text-align: right;">David Gallo</p> <p>Signed by: _____</p> <p style="text-align: center;"><i>David Gallo</i></p> <p>Signature _____</p> <p style="text-align: center;">3/12/2025</p> <p>Date _____</p>
Board Member 5	Board Member's Name:	<p>Signature _____</p> <p>Date _____</p>
Board Member 6	Board Member's Name:	<p>Signature _____</p> <p>Date _____</p>
Board Member 7	Board Member's Name:	<p>Signature _____</p> <p>Date _____</p>

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE INDEPENDENCE METROPOLITAN DISTRICT NO. 5  
REGARDING AND AUDIT EXEMPTION FOR FISCAL YEAR 2024**  
(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 2024 FOR THE INDEPENDENCE METROPOLITAN DISTRICT NO. 5 (the "District"), COUNTY OF ELBERT, STATE OF COLORADO.

WHEREAS, the District's Board of Directors wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed seven hundred and fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

WHEREAS, neither revenue nor expenditures for the District exceeded \$100,000 for Year 2024; and

WHEREAS, an application for exemption from audit for the District has been prepared by the District's Accountant; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations, issued by the State Auditor.

NOW THEREFORE, be it resolved by the Board of Directors of the Independence Metropolitan District No. 5 that the Application for Exemption from audit for the District for the year ended December 31, 2024, has been personally reviewed and is hereby approved by a majority of the District's Board of Directors; that those members of the District's Board of Directors have signified their approval by signing below; and that this Resolution shall be attached to and become a part of the application for exemption from audit for the District for the year ended December 31, 2024.

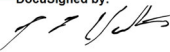
ADOPTED THIS 26<sup>th</sup> day of November, 2024.

INDEPENDENCE METROPOLITAN DISTRICT NO. 5

Signed by:  
  
F1B239AE26D84A0...

Tim Craft, President

ATTEST:

DocuSigned by:  
  
91EF8CD306F8403...

Jim Yates, Secretary

Board of Directors

Term Expires

Signature

Tim Craft

May 2027

Signed by:  
*Tim Craft*  
F1B239AE26D84A0...

Jim Yates

May 2027

DocuSigned by:  
*[Handwritten Signature]*  
91EFBCD306F8403...

Margaret Brown

May 2027

DocuSigned by:  
*Margaret Brown*  
CD140491D14E4E6...

David Gallo

May 2025

Signed by:  
*David Gallo*  
ED7F5AA176204AD...

# RECORD OF PROCEEDINGS

---

**MINUTES OF A COMBINED SPECIAL MEETING OF THE  
BOARD OF DIRECTORS OF THE  
INDEPENDENCE METROPOLITAN DISTRICT NOS. 5 & 6, AND  
THE INDEPENDENCE COMMERCIAL METROPOLITAN DISTRICT  
HELD  
November 26, 2024**

A Special Board of Directors' Meeting of the Independence Metropolitan Districts Nos. 5 & 6 and the Independence Commercial Metropolitan District, was held virtually on November 26, 2024, at 10:00 a.m. The meeting was open to the public.

**ATTENDANCE:**

In attendance were Directors:

Timothy Craft  
Jim Yates  
Margaret Brown  
David Gallo

Also, in attendance were:

Johnathan Heroux  
John Kolstoe  
Diane Miller, Miller Law pllc  
Kurt Schlegel; Special District Solutions, Inc.

**CALL TO ORDER:**

Mr. Schlegel stated that a quorum of the Board was present, and Director Craft called the meeting to order at 10:01 a.m.

**CONFLICTS &  
DISCLOSURE  
STATEMENTS:**

Mr. Schlegel stated that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors prior to this meeting, and no new conflicts of interest were disclosed at the meeting.

**APPROVAL OF AGENDA:**

After review of the Agenda Director Yates moved that the Boards approve the Agenda as presented. Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

## RECORD OF PROCEEDINGS

---

**CONSENT AGENDA:**

Director Yates moved that the Boards approve the Consent Agenda consisting of the following items, as presented:

1. Approval of District Nos. 5 & 6; and Commercial Metropolitan District Minutes from the December 22, 2023 Meeting
2. Ratification of District No. 5 Payments made through November 26, 2024 represented by Check Nos. 1001 – 1019 totaling \$4,485.04.
3. Ratification of District No. 6 Payments made through November 26, 2024 represented by Check Nos. 1001 – 1016 totaling \$3,390.80.
4. Ratification of Commercial District Payments made through November 26, 2024 represented by Check Nos. 1001 – 1017 totaling \$3,410.80.

Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

**CORRESPONDENCE:**

None

**PUBLIC COMMENT:**

None

**UNFINISHED BUSINESS:**

Appointment to Fill Vacancy: No Action taken at this time.

**NEW BUSINESS:**

Annual Administrative Resolutions – Mr. Schlegel explained the purpose of these resolutions. Following discussion, Director Yates moved that the Board approve the Annual Administrative Resolutions No. 2024-11-01 as presented. Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

Workers' Compensation Insurance Waiver Resolutions: Mr. Schlegel presented for the Board's Review and Consideration Resolutions waiving Worker's Compensation Insurance for the Districts for 2025. Director Yates moved that the Board adopt Resolutions No. 2024-11-02 as presented. Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

## RECORD OF PROCEEDINGS

---

Renewal of District Insurance and Special District Association (SDA) of Colorado Membership - Following discussion Director Yates moved that the Board direct management to renew the insurance coverages and memberships in the SDA for 2025 for all Districts. Following a second by Director Brown a vote was taken, and the motion carried unanimously.

2025 Election Resolutions: Mr. Schlegel discussed the requirement to conduct elections on May 6, 2025 to elect three (3) Directors for each District whose terms will expire on that date and to fill the existing vacancy. Director Yates moved that the Board approve and adopt Resolutions No. 2024-11-03, Calling for May 6, 2025 Regular Elections for Directors. Following a second by Director Brown a vote was taken, and the motion carried unanimously.

Resolution Amending and Restating Policy Regarding Colorado Open Records Act (CORA) Requests (individual): Mr. Schlegel discussed the need to update the District's CORA Request Policy to remain in compliance with State law. Director Yates moved that the Board adopt Joint Resolution No. 2024-11-04 Amending and Restating the Policies Regarding CORA Requests for the Independence Metropolitan District Nos. 5 & 6, and the Independence Commercial Metropolitan District. Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

Resolution Authorizing Refunding of Series 2019 and 2021 Bonds: Staff presented a proposed Resolution Authorizing the Issuance by the Independence Metropolitan District No. 3 of its (i) Special Revenue Refunding and Improvement Senior Bonds, Series 2024A in an Aggregate Principal Amount not to Exceed \$58,000,000 and (ii) Special Revenue Refunding and Improvement Subordinate Bonds, Series 2024B in an Aggregate Principal Amount not to exceed \$ 10,000,000. Following discussion Director Yates moved that the Board approved Resolution No. 2024-11-05 as presented. Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

## RECORD OF PROCEEDINGS

---

### **FINANCIAL AND MANAGEMENT ITEMS:**

**2025 District Budgets:** Mr. Schlegel stated that the required notice of 2025 Budget Hearings was published in the Ranchland News and presented for the Board's Review and Consideration proposed Operating Budgets for the Independence Metropolitan District Nos. 5 & 6, and the Independence Commercial Metropolitan District. President Craft opened the Public Hearing on the proposed 2025 Operating Budget at 10:12 a.m. Hearing no public comment, President Craft closed the Public Hearing @ 10:13 a.m.

Following discussion Director Yates moved that the Board approve and adopt the 2025 Budget Resolutions No. 2024-11-07, Appropriating Funding for Expenditures and Approving the Certification of Operations Mill Levies of 65.055 Mills, pending receipt of the District's Final Assessed Valuation from Elbert County. Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

**Review of Unaudited Financial Statements:** Mr. Schlegel presented copies of the Districts' unaudited October 31, 2024 Financial Statements for the Board's review.

**2024 Audit Exemption Applications:** Mr. Schlegel discussed the requirement to complete Audit Exemption Applications for the Independence Metropolitan District Nos. 5 and 6, and the Independence Commercial Metropolitan District and requested that the Boards appoint the Districts' Accountant to complete and submit these audit exemption applications. Director Yates moved that the Board Appoint the Districts' Accountant to complete and file 2024 Audit Exemption Applications for Independence Metropolitan District Nos. 5 and 6, and the Independence Commercial Metropolitan District. Upon a second by Director Brown a vote was taken, and the motion carried unanimously.

### **DIRECTOR'S ITEMS:**

None

### **NEXT MEETING:**

**The Board members determined that the next regular meeting of the Districts' Boards of Directors is scheduled for November 19, 2025, and Special Meetings will be called as necessary.**

## RECORD OF PROCEEDINGS

---

**ADJOURNMENT:**

There being no further business to come before the Board, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 10:19 a.m.

Respectfully Submitted:

---

Secretary for the Meeting

DRAFT

## Certificate Of Completion

Envelope Id: 7023BD5E-C144-4345-970F-157994B82874

Status: Completed

Subject: Complete with Docusign: IND COMM MD\_2024 Audit Exemption Application.pdf, IND MD #5\_2024 Audit ...

Source Envelope:

Document Pages: 48

Signatures: 33

Envelope Originator:

Certificate Pages: 2

Initials: 0

Kurt Schlegel

AutoNav: Enabled

2370 Antelope Ridge Trail

Envelopeld Stamping: Enabled

Parker, CO 80138

Time Zone: (UTC-07:00) Mountain Time (US & Canada)

kurt@specialdistrictsolutions.com

IP Address: 74.81.169.68

## Record Tracking

Status: Original

Holder: Kurt Schlegel

Location: DocuSign

3/12/2025 11:19:14 AM

kurt@specialdistrictsolutions.com

## Signer Events

### Signature

### Timestamp

David Gallo

david@craftcompaniesllc.com

CFO

Security Level: Email, Account Authentication  
(None)

Signed by:

  
FD7F5AA176204AD...

Sent: 3/12/2025 11:28:04 AM

Viewed: 3/12/2025 12:18:14 PM

Signed: 3/12/2025 12:18:30 PM

Signature Adoption: Pre-selected Style

Using IP Address: 98.38.43.28

### Electronic Record and Signature Disclosure:

Not Offered via Docusign

Jim Yates

Jim@craftcompaniesllc.com

Board Treasurer

Security Level: Email, Account Authentication  
(None)

DocuSigned by:

  
91EFBCD306F8403...

Sent: 3/12/2025 11:28:05 AM

Viewed: 3/12/2025 1:48:48 PM

Signed: 3/12/2025 1:49:08 PM

Signature Adoption: Drawn on Device

Using IP Address: 107.122.173.82

Signed using mobile

### Electronic Record and Signature Disclosure:

Not Offered via Docusign

Lori A Cardenas

lori@autumnaccountingllc.com

Security Level: Email, Account Authentication  
(None)

Signed by:

  
B7A70E6411334C0...

Sent: 3/12/2025 11:28:05 AM

Viewed: 3/12/2025 1:46:15 PM

Signed: 3/12/2025 1:48:45 PM

Signature Adoption: Pre-selected Style

Using IP Address: 20.81.168.101

### Electronic Record and Signature Disclosure:

Not Offered via Docusign

Margaret Brown

margaret@craftcompaniesllc.com

Assistant Project Manager

Security Level: Email, Account Authentication  
(None)

DocuSigned by:

  
CD140491D14E4E6...

Sent: 3/12/2025 11:28:06 AM

Viewed: 3/12/2025 11:38:22 AM


Signed: 3/12/2025 11:38:40 AM

Signature Adoption: Pre-selected Style

Using IP Address: 98.38.43.28

### Electronic Record and Signature Disclosure:

Not Offered via Docusign

Signer Events	Signature	Timestamp
Tim Craft tim@independencedistricts.com President Independence Comercial District Security Level: Email, Account Authentication (None)	 <p>Signed by:  <i>Tim Craft</i>            F1B239AE26D84A0...</p> Signature Adoption: Pre-selected Style Using IP Address: 98.38.43.28	Sent: 3/12/2025 11:28:06 AM Viewed: 3/12/2025 11:35:16 AM Signed: 3/12/2025 11:35:34 AM

**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
---------------------------	--------	-----------

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

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

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

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/12/2025 11:28:06 AM
Certified Delivered	Security Checked	3/12/2025 11:35:16 AM
Signing Complete	Security Checked	3/12/2025 11:35:34 AM
Completed	Security Checked	3/12/2025 1:49:08 PM

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