

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.

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.

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- Was the preparer signed the application?
- Was the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Was the application been PERSONALLY reviewed and approved by the governing body?
- 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 policy -> [here](#)
- 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.)
- 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?

FILING METHODS

NEW METHOD! Register and submit your Applications at our new portal!

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

QUESTIONS? Email: osa.lg@state.co.us 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

NAME OF GOVERNMENT
ADDRESS

Southwest Timnath Metrolitan District No. 3
1927 Wilmington Drive, Suite 101
Fort Collins, Colorado 80528

For the Year Ended
12/31/21
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Guy Johnson, Manager
970-488-2820
manager@swtmd.com
970-225-0054

PART 1 - CERTIFICATION OF PREPARER

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

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED

John Cutler
Principal
John Cutler & Associates, LLC
600 17th Street, Suite 2800 S
303-634-2259
3/23/2022

PREPARER (SIGNATURE REQUIRED)

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)

PROPRIETARY
(CASH OR BUDGETARY BASIS)



PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

| Line# | Description | Round to nearest Dollar |
|-------|--|-------------------------|
| 2-1 | Taxes: Property (report mills levied in Question 10-6) | \$ 91,582 |
| 2-2 | Specific ownership | \$ 6,758 |
| 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 | \$ 62 |
| 2-14 | Charges for utility services | \$ - |
| 2-15 | Debt proceeds (should agree with line 4-4, column 2) | \$ - |
| 2-16 | Lease proceeds | \$ - |
| 2-17 | Developer Advances received (should agree with line 4-4) | \$ - |
| 2-18 | Proceeds from sale of capital assets | \$ - |
| 2-19 | Fire and police pension | \$ - |
| 2-20 | Donations | \$ - |
| 2-21 | Other (specify): | \$ - |
| 2-22 | | \$ - |
| 2-23 | | \$ - |
| 2-24 | (add lines 2-1 through 2-23) TOTAL REVENUE | \$ 98,402 |

Please use this space to provide any necessary explanations

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

| Line# | Description | Round to nearest Dollar |
|-------|---|-------------------------|
| 3-1 | Administrative | \$ 1,832 |
| 3-2 | Salaries | \$ - |
| 3-3 | Payroll taxes | \$ - |
| 3-4 | Contract services | \$ - |
| 3-5 | Employee benefits | \$ - |
| 3-6 | Insurance | \$ - |
| 3-7 | Accounting and legal fees | \$ - |
| 3-8 | Repair and maintenance | \$ - |
| 3-9 | Supplies | \$ - |
| 3-10 | Utilities and telephone | \$ - |
| 3-11 | Fire/Police | \$ - |
| 3-12 | Streets and highways | \$ - |
| 3-13 | Public health | \$ - |
| 3-14 | Capital outlay | \$ - |
| 3-15 | Utility operations | \$ - |
| 3-16 | Culture and recreation | \$ - |
| 3-17 | Debt service principal (should agree with Part 4) | \$ - |
| 3-18 | Debt service interest | \$ - |
| 3-19 | Repayment of Developer Advance Principal (should agree with line 4-4) | \$ - |
| 3-20 | Repayment of Developer Advance Interest | \$ - |
| 3-21 | Contribution to pension plan (should agree to line 7-2) | \$ - |
| 3-22 | Contribution to Fire & Police Pension Assoc. (should agree to line 7-2) | \$ - |
| 3-23 | Other (specify): | \$ - |
| 3-24 | Transfer to District 1 | \$ 96,569 |
| 3-25 | | \$ - |
| 3-26 | (add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES | \$ 98,401 |

Please use this space to provide any necessary explanations

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

Yes No

- 4-1 Does the entity have outstanding debt?
If Yes, please attach a copy of the entity's Debt Repayment Schedule. 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)(enter all amount as positive numbers) | Outstanding at end of prior year* | Issued | Total | Balance at end |
|--|-----------------------------------|-------------|-------|----------------|
| General obligation bonds | \$ - | \$ - | | - |
| Revenue bonds | \$ - | \$ - | | - |
| Notes/Loans | \$ - | \$ - | | - |
| Leases | \$ - | \$ - | | - |
| Developer Advances | \$ - | \$ - | | - |
| Other (specify): | \$ - | \$ - | | - |
| TOTAL | \$ - | \$ - | | - |

*must tie to prior year ending

Please answer the following questions by marking the appropriate boxes.

- 4-5 Does the entity have any authorized, but unissued, debt? Yes No
- If yes: How much? \$ 5,800
- Date the debt was authorized: 11/4/2014
- 4-6 Does the entity intend to issue debt within the next calendar year? Yes No
- If yes: How much? \$
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? Yes No
- If yes: What is the amount outstanding? \$
- 4-8 Does the entity have any lease agreements? Yes No
- If yes: What is being leased?
- What is the original date of the lease?
- Number of years of lease?
- Is the lease subject to annual appropriation? Yes No
- What are the annual lease payments? \$

Please use this space to provide any explanations or comments.

PART 5 - CASH AND INVESTMENTS

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

- 5-1 YEAR-END Total of ALL Checking and Savings Accounts -
- 5-2 Certificates of deposit -
- Total Cash Deposits**
- Investments (if investment is a mutual fund, please list underlying investments):
-
-
- 5-3 -
-
-
- Total Investments**
- Total Cash and Investments**

Please answer the following questions by marking in the appropriate boxes

- 5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et seq., C.R.S.? Yes No
- 5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? Yes No

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

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

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain: Yes No

6-3 Complete the following capital assets table:

| | Balance - beginning of the year* | Additions during the year | End of year balance |
|--------------------------------|----------------------------------|---------------------------|---------------------|
| Land | \$ - | \$ - | - |
| Buildings | \$ - | \$ - | - |
| Machinery and equipment | \$ - | \$ - | - |
| Furniture and fixtures | \$ - | \$ - | - |
| Infrastructure | \$ - | \$ - | - |
| Construction In Progress (CIP) | \$ - | \$ - | - |
| Other (explain): | \$ - | \$ - | - |
| Accumulated Depreciation | \$ - | \$ - | - |
| TOTAL | \$ - | \$ - | - |

Please use this space to provide any explanations or comments.

PART 7 - PENSION INFORMATION

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

- 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?

Indicate the contributions from:

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

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? \$

Please use this space to provide any explanations or comments.

PART 8 - BUDGET INFORMATION

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

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No

- 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

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

| Governmental/Proprietary Fund Name | Total Appropriations By Fund |
|------------------------------------|------------------------------|
| General Fund | \$ 97,078 |
| | |
| | |

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

Please answer the following question by marking in the appropriate box

Yes No

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

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

Yes No

If no, MUST explain:

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 No

If yes: Date of formation:

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

Yes No

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

10-3 Is the entity a metropolitan district?

Yes No

Please indicate what services the entity provides:

10-4 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:

10-5 Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during

If yes: Date Filed:

Yes No

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

Yes No

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

| | |
|-----------------------|---------------|
| Bond Redemption mills | - |
| General/Other mills | 55.664 |
| Total mills | 55.664 |

Please use this space to provide any explanations or comments:

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1 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 Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

| Print the names of ALL members of current governing body below. Print Board Member's Name | | A MAJORITY of the members of the governing body must complete and sign in the column below. |
|--|----------------------|---|
| Board Member 1 | Dino A. DiTullio | I <u>Dino A. DiTullio</u> attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>3-28-22</u> My term Expires: <u>May 2022</u> |
| Board Member 2 | Michael J. DiTullio | I <u>Michael J. DiTullio</u> attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>03/28/2022</u> My term Expires: <u>May 2022</u> |
| Board Member 3 | Jennifer L. DiTullio | I <u>Jennifer L. DiTullio</u> attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>March 28 2022</u> My term Expires: <u>May 2022</u> |
| Board Member 4 | Kara L. DiTullio | I <u>Kara L. DiTullio</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>03/28/2022</u> My term Expires: <u>May 2023</u> |
| Board Member 5 | Ron mullenbach | I <u>Ron mullenbach</u> attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>03/28/2022</u> My term Expires: <u>May 2023</u> |
| Board Member 6 | | I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| Board Member 7 | | I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |