



BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting
Tuesday, March 14, 2023, at 9:00 AM
119 N. Wahsatch Ave.
Colorado Springs, Colorado 80903
and

Via tele/videoconference
<https://video.cloudoffice.avaya.com/join/451389423>
United States: [+1 \(213\) 463-4500](tel:+12134634500)
Access Code: 451-389-423

Board of Director	Title	Term
Randle W Case II	President	May 2023
Bryan T Long	Vice-President	May 2023
Ray O'Sullivan	Treasurer/ Secretary	May 2025
Robert Case	Assistant Secretary	May 2025
Jim Byers	Assistant Secretary	May 2023

AGENDA

1. Call to order
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters
3. Approval of Agenda
4. Approval of February 14, 2023 Meeting Minutes (enclosure)
5. District Manager Report
 - a. Discuss possible Service Plan Amendment
 - b. Right of way acquisition update
6. President of the Board Report
7. Development Status Review
 - a. Engineering Update
 - i. Schedule
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water
 - ii. Channel design
 - iii. 24" and 16" water line update
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval
 - d. Update on Construction Budget and Assurance
 - e. Redemption Hill Church
 - f. Challenger Homes
 - g. Bradley Ridge
8. Financial Matters
 - a. Approve Unaudited Financial Reports for February 28, 2023(enclosure)
 - b. Payables through March 14, 2023 (enclosure)
 - c. Review and Consider approval of Bradley Heights District No. 1 Audit Exemption (under separate cover)
 - d. Review and adopt Resolution for Exemption for Audit (enclosure)

9. Legal Matters
10. Other Business
 - a. Cancellation of May 2023 Director Election
 - b. Next Regular Meeting scheduled: April 11, 2023, at 9:00 a.m.
11. Adjourn

NOTICE OF REGULAR MEETINGS

NOTICE IS HEREBY GIVEN That the Board of Directors of **BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3**, County of El Paso, State of Colorado, will hold a regular meeting at 9:00 AM on Tuesday, the 14th day of March, 2023, at 119 North Wahsatch Ave., Colorado Springs, CO 80903, and via tele/videoconferencing at the following: <https://video.cloudoffice.avaya.com/join/451389423> United States: [+1 \(213\) 463-4500](tel:+12134634500) Access Code: 451-389-423 for the purpose of conducting such business as may come before the Board including the business on the attached agenda. The meeting is open to the public.

BY ORDER OF THE BOARD OF DIRECTORS:
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3



**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD FEBRUARY 14, 2023
AT 9:00 AM**

Pursuant to posted notice, the regular meetings of the Board of Directors of the Bradley Heights Metropolitan District Nos. 1, 2 and 3 were held on Tuesday, February 14, 2023, at 9:00 a.m., at 119 N. Wahsatch Avenue, Colorado Springs, CO, and via tele/videoconference: <https://video.cloudoffice.avaya.com/join/451389423>.

Attendance

In attendance were Directors:

Randle Case II, President
Bryan Long, Vice President
Robert Case, Assistant Secretary
Ray O'Sullivan, Treasurer/Secretary
Jim Byers, Assistant Secretary

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron
Kevin Walker, WSDM District Managers
Adam Noel, WSDM District Managers
Jeff Odor, Matrix Design Group
Eric Smith, Matrix Design Group
Chris Grundy, Project Manager
David Neville, Kiemele Family Partnerships
John Radcliffe
Timothy Brewer, Condemnation Legal Counsel

Combined Meeting: The Board of Directors of the Districts have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

1. Call to Order: The meeting was called to order by President Case II at 9:00 AM.
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters: President Case II indicated that a quorum of the Boards was present and stated that each Director has been qualified as an eligible elector of the Districts pursuant to Colorado law. The Directors confirmed their qualification. Mr. Allen advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Harris reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Allen inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.
3. Approval of Agenda: The Board approved the agenda as presented.
4. Approval of January 10, 2023, Meeting Minutes: After review, Director O'Sullivan moved to approve the January 10, 2023 Meeting Minutes; seconded by Director Long. Motion passed unanimously.

5. District Manager Report
 - a. Discuss possible Service Plan Amendment: Mr. Walker discussed the possible Service Plan Amendment. Mr. Walker outlined the new City Policy allows for 20 mills for O&M and wanted to see if the Board would like the Manager to look into the possibility of amending the current Service Plan to adopt this possible mill levy. After discussion, the Board agreed to request Mr. Walker provide an analysis and recommendation at the next meeting.
6. President of the Board Report: President Case II noted the field contractor meeting was held yesterday and will be discussed later in the meeting as well as updates on the 24" water line.
7. Development Status Review
 - a. Engineering Update: Mr. Grundy presented the Engineering Report.
 - i. Schedule: Mr. Grundy presented an updated schedule from Wildcat.
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water: Mr. Odor provided an update on the roadway, utility, and storm water plans. Mr. Walker asked the Board to approve a request by Galloway engineering to be the engineer for the District on roadways to be built by the District but in areas where Galloway is the current Engineer. Director Long moved to authorize Galloway to proceed with the designing those roadways for the District.; seconded by Director Byers. Motion passed with Director O'Sullivan abstaining.
 - ii. Channel Design: Mr. Odor reported the Corps of Engineers have communicated there may be a possibility to get the channel designated as non-jurisdictional which would reduce requirements. Mr. Odor noted there is a meeting scheduled with the Boy Scouts regarding their site and the flood plain. The Board discussed a potential PILOT Agreement with the Boy Scouts.
 - iii. 24" and 16" Water Line Update: Mr. Grundy noted they will have 4-6 bids tomorrow for the water main extension project since Wildcat is unable to complete the project. The Board discussed that the COS Airport has advised it will be building the entire segment of their line on airport property in Waterview North. Director O'Sullivan noted the City's new annexation ordinance might impact Waterview North from being annexed into the City.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-Approval: Mr. Grundy requested Board approval to move forward with the dirt work for the ponds. Director O'Sullivan moved to approve giving a limited notice to proceed with Wildcat for the earth work construction portion of the four ponds; seconded by Director Byers. Motion passed unanimously.
 - d. Update on Construction Budget and Assurance: There were no updates.
 - e. Redemption Hill Church: There were no updates.
 - f. Challenger Homes: There were no updates.
 - g. Bradley Ridge: There were no additional updates.
8. Financial Matters
 - a. Approve Unaudited Financial Reports for January 31, 2023: Mr. Walker presented the Unaudited Financial Reports for January 31, 2023.
 - b. Payables through February 14, 2023: Mr. Walker presented the Payables through February 14, 2023, including an additional payable for insurance. Director O'Sullivan moved to approve both the Unaudited Financial Reports and Payables as presented; seconded by Director Robert Case. Motion passed unanimously.
9. Legal Matters
 - a. May 2023 Director Election Status Report: Mr. Allen confirmed the Self Nomination forms were received for Directors Randle Case II and Bryan Long, and Director Byers still needs to complete his Self-Nomination form.

10. Other Business
 - a. Next Regular Meeting scheduled: March 14, 2023, at 9:00 AM.
11. Executive Session Pursuant to §24-6-402(4)(a) and §24-6-402(4)(e) CRS for purposes of receiving legal advice and directing negotiations pursuant to the Marksheffel ROW needed for roadways: Director O’Sullivan moved to enter into Executive Session pursuant to §24-6-402(4)(a) and §24-6-402(4)(e) CRS for purposes of receiving legal advice and directing negotiations pursuant to the Marksheffel ROW needed for roadways; seconded by Director Long. Motion passed unanimously at 9:46 AM. Director Long moved to come out of Executive Session; seconded by Director Byers. Motion passed unanimously at 10:40 AM. Moved to approve the engagement of an appraiser to determine the value of the property in question, approve the surveyor for purposes of determining the property and the legal description in question, approve the acquisition of and hiring of a title company for purposes of providing either a litigation guarantee or detailed title search for purposes of determining all interested parties in the property in question, approve and authorize the sending of open records requests to the City and County for purposes of obtaining information concerning the property in question, and approve and authorize Timothy Brewer to continue to attempt to communicate with LP Associates as well as prepare and send a request for execution of potentially quit claim deed from LP Associates to the District for purposes of correcting the legal description dedicating the right of way; seconded by Director Byers. Motion passed unanimously with Directors Robert Case and Ray O’Sullivan excused.
12. Adjourn: The Board unanimously adjourned the meeting at 10:49 AM.

Respectfully Submitted,

By: Recording Secretary



Balance Sheet

As of February 28, 2023

	Feb 28, 23
ASSETS	
Current Assets	
Checking/Savings	
ECB - Checking	667.76
Total Checking/Savings	667.76
Accounts Receivable	
Accounts Receivable	50,000.00
Total Accounts Receivable	50,000.00
Other Current Assets	
Due From District 3	910.00
Due From District 2	1,200.00
Total Other Current Assets	2,110.00
Total Current Assets	52,777.76
TOTAL ASSETS	52,777.76
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	45,608.37
Total Accounts Payable	45,608.37
Total Current Liabilities	45,608.37
Long Term Liabilities	
Developer Advance - Randle Case	41,000.00
Marksheffel-Woodmen Investments	75,850.00
Total Long Term Liabilities	116,850.00
Total Liabilities	162,458.37
Equity	
Retained Earnings	-92,576.11
Net Income	-17,104.50
Total Equity	-109,680.61
TOTAL LIABILITIES & EQUITY	52,777.76

Bradley Heights Metropolitan District No. 1

Profit & Loss Budget vs. Actual

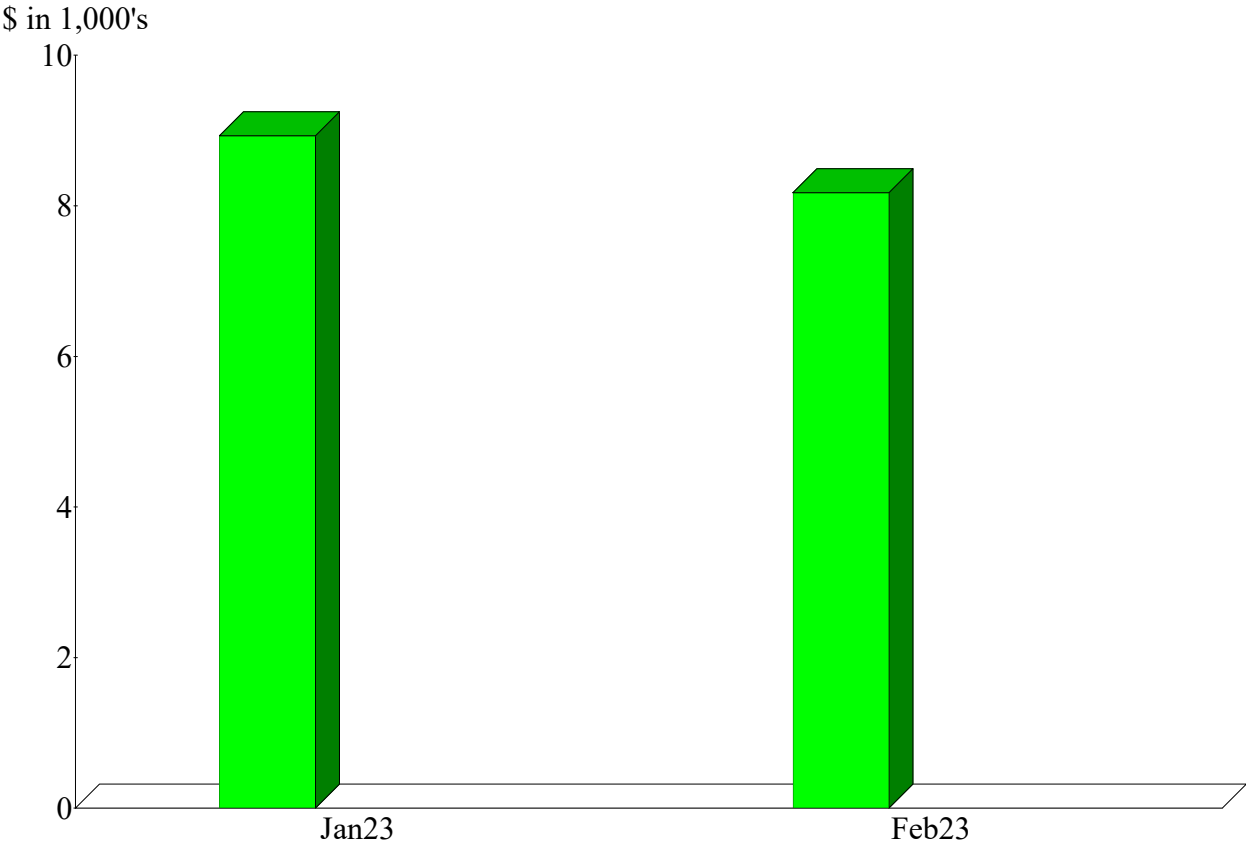
January through February 2023

TOTAL

	Feb 23	Jan - Feb 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Developer Advance	0.00	0.00	70,000.00	-70,000.00	0.0%
Transfer From District 2-O&M	0.00	0.00	1,651.29	-1,651.29	0.0%
Transfer From District 3-O&M	0.00	0.00	1,050.78	-1,050.78	0.0%
Total Income	0.00	0.00	72,702.07	-72,702.07	0.0%
Expense					
Miscellaneous	6.18	21.52			
Audit	0.00	0.00	8,500.00	-8,500.00	0.0%
Bank Service Charge	0.00	0.00	100.00	-100.00	0.0%
Contingency	0.00	0.00	5,000.00	-5,000.00	0.0%
Copies & Postage	0.00	2.10	1,000.00	-997.90	0.21%
District Management	3,000.00	6,000.00	36,000.00	-30,000.00	16.67%
Dues & Subscriptions (SDA) - D1	316.22	316.22	1,500.00	-1,183.78	21.08%
Dues & Subscriptions (SDA) - D2	1,237.50	1,237.50	500.00	737.50	247.5%
Dues & Subscriptions (SDA) - D3	225.02	225.02	500.00	-274.98	45.0%
Elections	709.81	1,564.66			
Insurance - D1	0.00	-50.00	1,600.00	-1,650.00	-3.13%
Insurance - D2	0.00	0.00	3,000.00	-3,000.00	0.0%
Insurance - D3	0.00	2,521.00	1,600.00	921.00	157.56%
Legal	2,678.85	5,266.48	8,000.00	-2,733.52	65.83%
Total Expense	8,173.58	17,104.50	67,300.00	-50,195.50	25.42%
Net Ordinary Income	-8,173.58	-17,104.50	5,402.07	-22,506.57	-316.63%
Net Income	-8,173.58	-17,104.50	5,402.07	-22,506.57	-316.63%

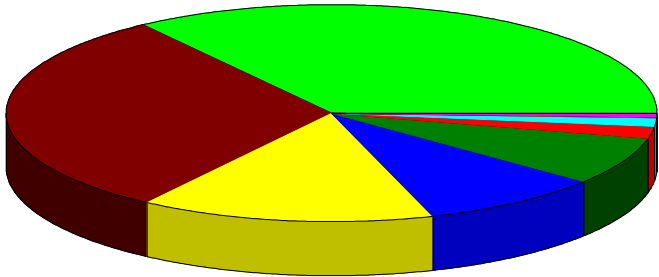
Income and Expense by Month
January through February 2023

Expense



Expense Summary
January through February 2023

District Management	34.98%
Legal	30.70
Insurance - D3	14.70
Elections	9.12
Dues & Subscriptions (SDA) - D2	7.21
Dues & Subscriptions (SDA) - D1	1.84
Dues & Subscriptions (SDA) - D3	1.31
Insurance - D1	\$-50.00
Miscellaneous	0.13
Copies & Postage	0.01
Sub-Total	\$17,104.50



By Account

Bradley Heights Metropolitan District No. 2

Balance Sheet

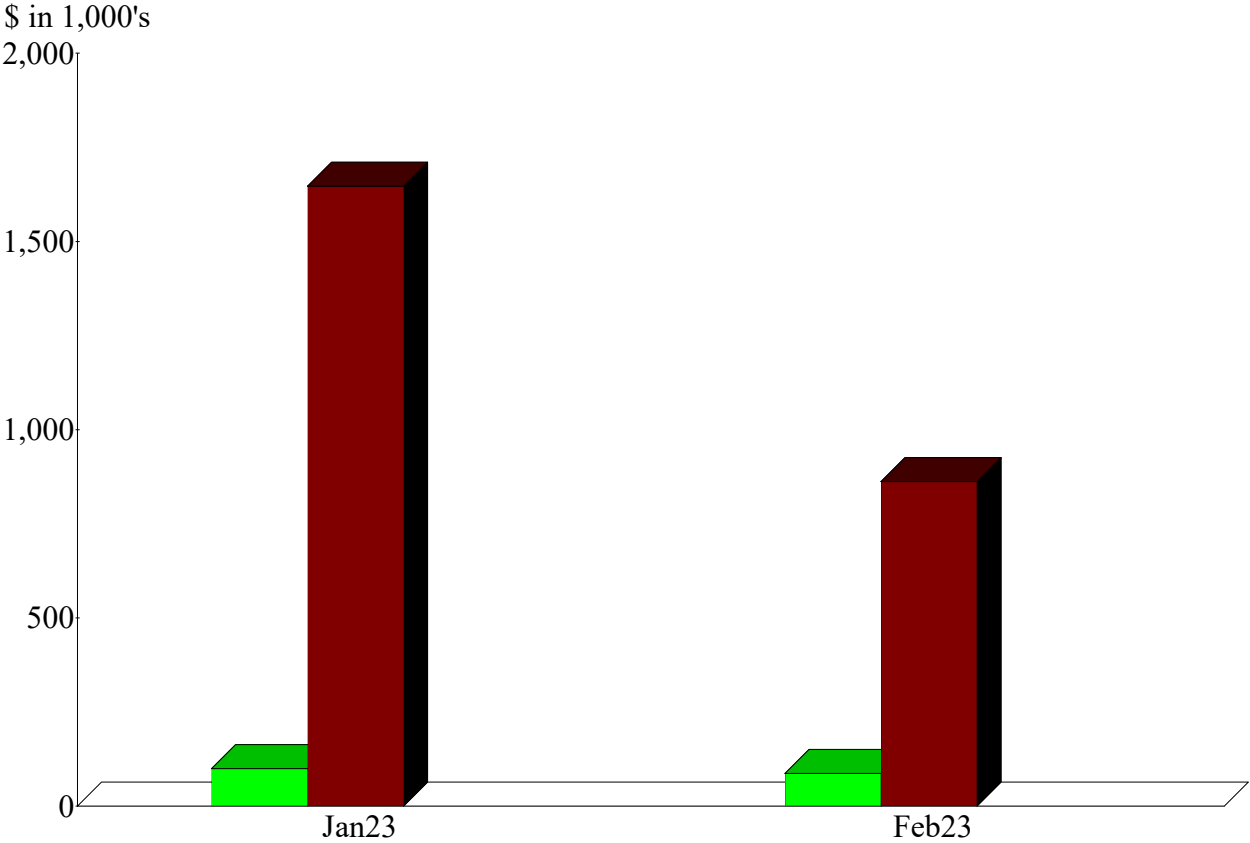
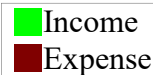
As of February 28, 2023

	Feb 28, 23
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	415.23
UMB Bond Account 156470.1	0.57
UMB - Project Fund 156470.2	23,494,482.52
Total Checking/Savings	23,494,898.32
Accounts Receivable	
Accounts Receivable	506,831.00
Total Accounts Receivable	506,831.00
Other Current Assets	
Accounts Receivable Other	39.00
Property Tax Receivable	6,260.80
Total Other Current Assets	6,299.80
Total Current Assets	24,008,029.12
Fixed Assets	
Construction in Progress	149,480.92
Total Fixed Assets	149,480.92
TOTAL ASSETS	24,157,510.04
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	4,250.00
Total Accounts Payable	4,250.00
Other Current Liabilities	
Accrued Interest	577,959.00
Due to District 1	1,200.00
Deferred Property Tax Revenue	6,260.80
Total Other Current Liabilities	585,419.80
Total Current Liabilities	589,669.80
Long Term Liabilities	
Series 2021A Bonds	35,000,000.00
Total Long Term Liabilities	35,000,000.00
Total Liabilities	35,589,669.80
Equity	
Retained Earnings	-9,109,209.76
Net Income	-2,322,950.00
Total Equity	-11,432,159.76
TOTAL LIABILITIES & EQUITY	24,157,510.04

Bradley Heights Metropolitan District No. 2
Profit & Loss Budget vs. Actual
January through February 2023

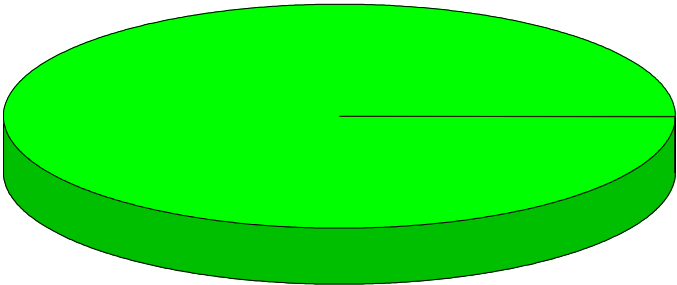
	TOTAL				
	Feb 23	Jan - Feb 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Transfer From D3 DS Taxes	0.00	0.00	788.09	-788.09	0.0%
CY Property Tax - O&M	0.00	0.00	1,565.20	-1,565.20	0.0%
Specific Ownership Tax - O&M	12.66	12.66	109.56	-96.90	11.56%
CY Property Tax - Debt	0.00	0.00	4,695.60	-4,695.60	0.0%
Specifice Ownership Tax - Debt	37.96	37.96	328.69	-290.73	11.55%
Total Income	50.62	50.62	7,487.14	-7,436.52	0.68%
Expense					
Bond Expense					
Bank Fees	5,174.84	9,537.11	20,000.00	-10,462.89	47.69%
Debt Service Interest	0.00	0.00	1,630.54	-1,630.54	0.0%
Paying Agent Fee	0.00	0.00	4,000.00	-4,000.00	0.0%
Total Bond Expense	5,174.84	9,537.11	25,630.54	-16,093.43	37.21%
Capital Outlay					
Legal Expense	2,158.79	2,158.79			
Capital Construction	745,355.86	2,360,754.82	21,000,000.00	-18,639,245.18	11.24%
Engineering/Planning	109,490.01	126,694.01	2,000,000.00	-1,873,305.99	6.34%
Project Management	0.00	10,188.75	250,000.00	-239,811.25	4.08%
Total Capital Outlay	857,004.66	2,499,796.37	23,250,000.00	-20,750,203.63	10.75%
Transfer to District 1	0.00	0.00	1,651.29	-1,651.29	0.0%
Treasurer Collection Fee - O&M	0.00	0.00	23.48	-23.48	0.0%
Treasurer Collection Fee - Debt	0.00	0.00	70.43	-70.43	0.0%
Total Expense	862,179.50	2,509,333.48	23,277,375.74	-20,768,042.26	10.78%
Net Ordinary Income	-862,128.88	-2,509,282.86	-23,269,888.60	20,760,605.74	10.78%
Other Income/Expense					
Other Income					
Interest Income - Debt	86,875.58	186,332.86	100,000.00	86,332.86	186.33%
Total Other Income	86,875.58	186,332.86	100,000.00	86,332.86	186.33%
Net Other Income	86,875.58	186,332.86	100,000.00	86,332.86	186.33%
Net Income	-775,253.30	-2,322,950.00	-23,169,888.60	20,846,938.60	10.03%

Income and Expense by Month
January through February 2023



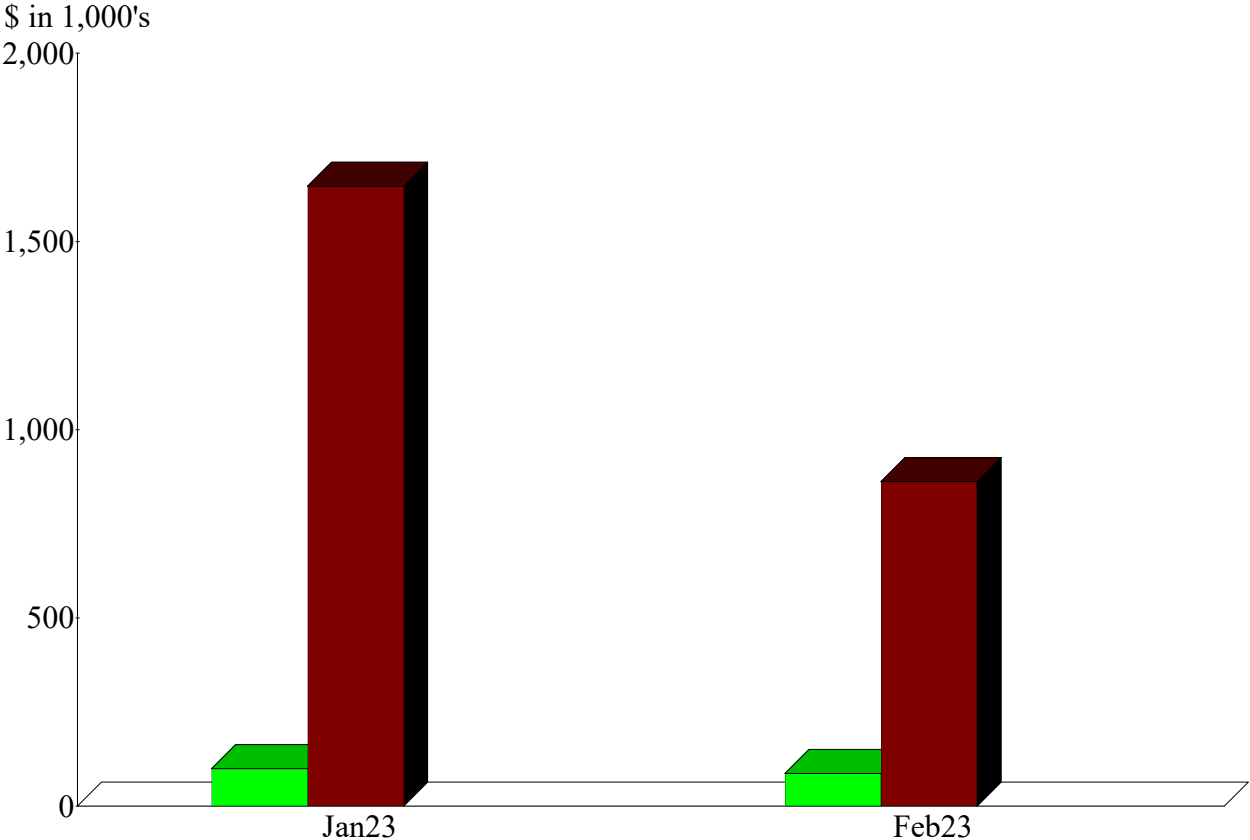
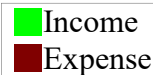
Income Summary
January through February 2023

Interest Income - Debt	99.97%
Specifice Ownership Tax - Debt	0.02
Specific Ownership Tax - O&M	0.01
Total	\$186,383.48



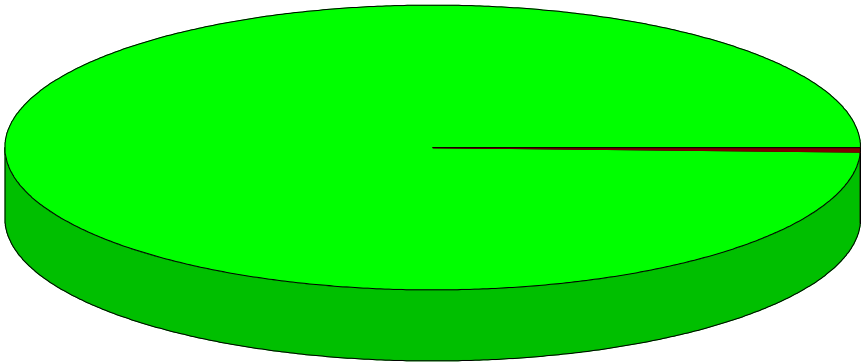
By Account

Income and Expense by Month
January through February 2023



Expense Summary
January through February 2023

Capital Outlay	99.62%
Bond Expense	0.38
Total	\$2,509,333.48



By Account

Balance Sheet

As of February 28, 2023

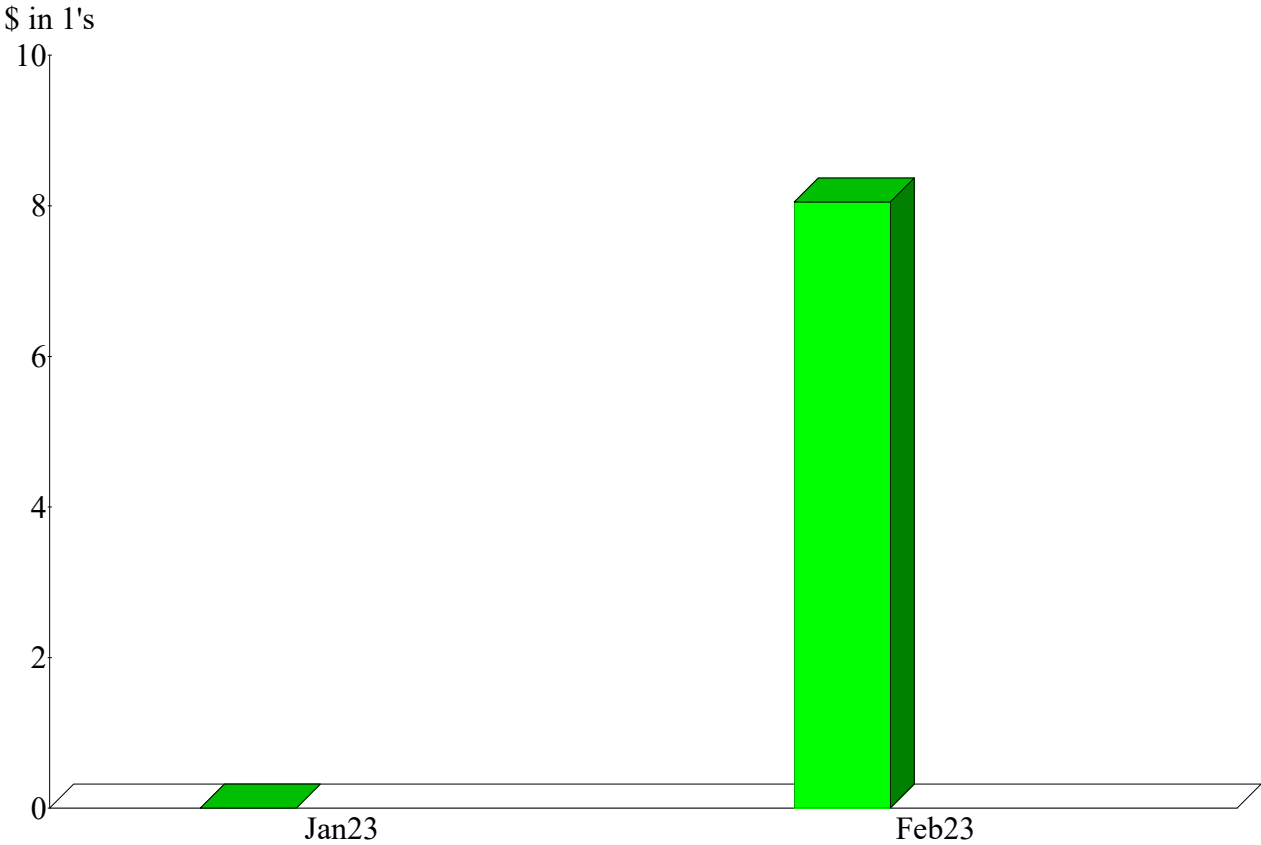
	Feb 28, 23
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	337.75
Total Checking/Savings	337.75
Other Current Assets	
Property Tax Receivable	998.80
Total Other Current Assets	998.80
Total Current Assets	1,336.55
TOTAL ASSETS	1,336.55
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due To District 1	910.00
Deferred Property Tax Revenue	998.80
Total Other Current Liabilities	1,908.80
Total Current Liabilities	1,908.80
Total Liabilities	1,908.80
Equity	
Retained Earnings	-580.30
Net Income	8.05
Total Equity	-572.25
TOTAL LIABILITIES & EQUITY	1,336.55

Bradley Heights Metropolitan District No. 3
Profit & Loss Budget vs. Actual
January through February 2023

	TOTAL				
	Feb 23	Jan - Feb 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
CY Property Tax - O&M	0.00	0.00	249.00	-249.00	0.0%
Specific Ownership Tax - O&M	2.01	2.01	17.43	-15.42	11.53%
CY Property Tax - Debt	0.00	0.00	747.00	-747.00	0.0%
Specifice Ownership Tax - Debt	6.04	6.04	52.29	-46.25	11.55%
Total Income	<u>8.05</u>	<u>8.05</u>	<u>1,065.72</u>	<u>-1,057.67</u>	<u>0.76%</u>
Expense					
Transfer to D2 DS Taxes	0.00	0.00	788.08	-788.08	0.0%
Treasurer Collection Fee - O&M	0.00	0.00	3.74	-3.74	0.0%
Treasurer Collection Fee - Debt	0.00	0.00	11.21	-11.21	0.0%
Total Expense	<u>0.00</u>	<u>0.00</u>	<u>803.03</u>	<u>-803.03</u>	<u>0.0%</u>
Net Ordinary Income	<u>8.05</u>	<u>8.05</u>	<u>262.69</u>	<u>-254.64</u>	<u>3.06%</u>
Other Income/Expense					
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	0.00	0.00	262.69	-262.69	0.0%
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>262.69</u>	<u>-262.69</u>	<u>0.0%</u>
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>262.69</u>	<u>-262.69</u>	<u>0.0%</u>
Net Other Income	<u>0.00</u>	<u>0.00</u>	<u>-262.69</u>	<u>262.69</u>	<u>0.0%</u>
Net Income	<u><u>8.05</u></u>	<u><u>8.05</u></u>	<u><u>0.00</u></u>	<u><u>8.05</u></u>	<u><u>100.0%</u></u>

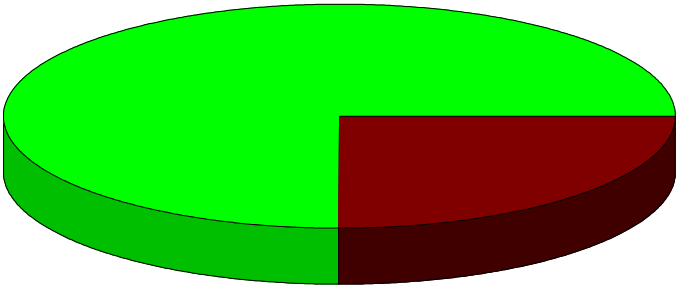
Income and Expense by Month
January through February 2023

Income



Income Summary
January through February 2023

Specific Ownership Tax - Debt	75.03%
Specific Ownership Tax - O&M	24.97
Total	\$8.05



By Account



Bradley Heights Metropolitan District No. 1

PAYMENT REQUEST

3/14/2023

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Special District Assoc of Colorado	2023	2/22/2023	\$ 316.22	D1 SDA Dues
Special District Assoc of Colorado	2023	2/22/2023	\$ 1,237.50	D2 SDA Dues
Special District Assoc of Colorado	2023	2/22/2023	\$ 225.02	D3 SDA Dues
White Bear Anekele	26649	2/28/2023	\$ 3,388.66	
WSDM District Managers	7351	2/28/2023	\$ 3,006.18	
TOTAL			\$ 8,173.58	

\$8,173.58

Bradley Heights Metropolitan District



RESOLUTION FOR EXEMPTION FROM AUDIT

(pursuant to Section 29-1-604, C.R.S)

A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT FOR FISCAL YEAR 2022 FOR THE BRADLEY HEIGHTS METROPOLITAN DISTRICT NO. 1, EL PASO COUNTY, COLORADO.

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

WHEREAS, Section 29-1-604 C.R.S. provides that any local government where neither revenue nor expenditures exceeds \$750,000, may with the approval of the state auditor, be exempt from the provisions of Section 29-1-603 C.R.S.; and

WHEREAS, neither District revenues nor expenditures exceeded \$100,000 for fiscal year 2022;

WHEREAS, an application for exemption from audit has been prepared by a person who is skilled in government accounting; 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 Bradley Heights Metropolitan District No. 1 that the application for exemption from audit for the fiscal year ending December 31, 2022 has been reviewed and is hereby approved by a majority of the Board of Directors and that those Directors have signified their approval by signing below and that this Resolutions shall be attached to and become a part of the application for exemption from audit for the fiscal year ended December 31, 2022.

Adopted this 14th day of March 2023.

**BRADLEY HEIGHTS
METROPOLITAN DISTRICT NO. 1**

Randle W. Case II, President

ATTEST:

Members of the Board of Directors:

Board of Director	Term	Signature:
Randle W Case II	May 2023	_____
Bryan T Long	May 2023	_____
Ray O'Sullivan	May 2025	_____
Robert Case	May 2025	_____
Jim Byers	May 2023	_____

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

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

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

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

EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

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

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

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

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

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

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS

PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

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

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED.

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

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

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

OSA LG Web Portal

FILING METHODS

NEW METHOD!

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

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

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

QUESTIONS? Email: osa.lg@coleg.gov or Phone: 303-869-3000

IMPORTANT!

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

Governmental Activity should be reported on the Modified Accrual Basis

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

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

In that event, AN AUDIT SHALL BE REQUIRED.

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESS

Bradley Heights Metropolitan District No. 1
614 N Tejon St
Colorado Springs, CO 80903

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

CONTACT PERSON
PHONE
EMAIL

Susan Gonzales
719-447-1777

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

Susan Gonzales
Director of District Accounting
WSDM District Managers
614 N Tejon St
719-447-1777
3/6/2023

PREPARER (SIGNATURE REQUIRED)

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]

YES

NO



If Yes, date filed:

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page	
Line #	Description	Fund*	Fund*	Description	Fund*		Fund*
Assets		Assets					
1-1	Cash & Cash Equivalents	\$ 5,660	\$ -	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ 50,000	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ 2,110	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
1-5	Property Tax Receivable	\$ -	\$ -	Other Current Assets [specify...]			
	All Other Assets [specify...]				\$ -	\$ -	
1-6	Lease Receivable (as Lessor)	\$ -	\$ -	Total Current Assets	\$ -	\$ -	
1-7		\$ -	\$ -	Capital & Right to Use Assets, net (from Part 6-4)	\$ -	\$ -	
1-8		\$ -	\$ -	Other Long Term Assets [specify...]	\$ -	\$ -	
1-9		\$ -	\$ -		\$ -	\$ -	
1-10		\$ -	\$ -		\$ -	\$ -	
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 57,770	\$ -	(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	\$ 57,770	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	
Liabilities		Liabilities					
1-16	Accounts Payable	\$ 33,496	\$ -	Accounts Payable	\$ -	\$ -	
1-17	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-18	Unearned Property Tax 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	\$ 33,496	\$ -	(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	Developer Advance	\$ 116,850	\$ -	Other Liabilities [specify...]:	\$ -	\$ -	
1-24		\$ -	\$ -		\$ -	\$ -	
1-25		\$ -	\$ -		\$ -	\$ -	
1-26		\$ -	\$ -		\$ -	\$ -	
1-27	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ 150,346	\$ -	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ -	\$ -	
Deferred Inflows of Resources:		Deferred Inflows of Resources					
1-28	Deferred Property Taxes	\$ -	\$ -	Pension/OPEB Related	\$ -	\$ -	
1-29	Lease related (as lessor)	\$ -	\$ -	Other [specify...]	\$ -	\$ -	
1-30	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ -	\$ -	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ -	\$ -	
Fund Balance		Net Position					
1-31	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-32	Nonspendable Inventory	\$ -	\$ -				
1-33	Restricted [specify...]	\$ -	\$ -	Emergency Reserves	\$ -	\$ -	
1-34	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-35	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-36	Unassigned:	\$ (92,576)	\$ -	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	\$ (92,576)	\$ -	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	\$ 57,770	\$ -	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	\$ -	\$ -	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page	
Line #	Description	Fund*	Fund*	Description	Fund*		Fund*
Tax Revenue				Tax Revenue			
2-1	Property [include mills levied in Question 10-6]	\$ -	\$ -	Property [include mills levied in Question 10-6]	\$ -	\$ -	
2-2	Specific Ownership	\$ -	\$ -	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue [specify...]:	\$ -	\$ -	Other Tax Revenue [specify...]:	\$ -	\$ -	
2-5	O&M Taxes Transferred from BHMD #2	\$ 209	\$ -		\$ -	\$ -	
2-6	O&M Taxes Transferred from BHMD #3	\$ 81	\$ -		\$ -	\$ -	
2-7		\$ -	\$ -		\$ -	\$ -	
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ 290	\$ -	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	\$ -	\$ -	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 Developer Advance	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -	
2-23		\$ -	\$ -		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 290	\$ -	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	\$ 108,500	\$ -	Developer Advances	\$ -	\$ -	
2-28	Other [specify...]:	\$ -	\$ -	Other [specify...]:	\$ -	\$ -	
2-29	Add lines 2-25 through 2-28 TOTAL OTHER FINANCING SOURCES	\$ 108,500	\$ -	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	\$ 108,790	\$ -	Add lines 2-24 and 2-29 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	\$ -	\$ 108,790

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

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES/EXPENSES							
		Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page	
Line #	Description	Fund*	Fund*	Description	Fund*		
Expenditures				Expenses			
3-1	General Government	\$ 82,822	\$ -	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 TOTAL EXPENDITURES	\$ 82,822	\$ -	Add lines 3-1 through 3-21 TOTAL EXPENSES	\$ -	\$ -	GRAND TOTAL
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) TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ -	\$ -	(Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-30, less line 3-22, less line 3-29	\$ 25,968	\$ -	Net Increase (Decrease) in Net Position 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	\$ (118,545)	\$ -	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 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37.	\$ (92,577)	\$ -	Net Position, December 31 Sum of Lines 3-30, 3-31, and 3-32 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?

☐
☒

4-2 Is the debt repayment schedule attached? If no, MUST explain:

☐
☐

4-3 Is the entity current in its debt service payments? If no, MUST explain:

☐
☐

4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)

	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease Liabilities	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must agree to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

YES

NO

4-5 Does the entity have any authorized, but unissued, debt [Section 29-1-605(2) C.R.S.]?

☐
☒

If yes:

How much?

\$ -

Date the debt was authorized:

4-6 Does the entity intend to issue debt within the next calendar year?

☐
☐

If yes:

How much?

\$ -

4-7 Does the entity have debt that has been refinanced that it is still responsible for?

☐
☐

If yes:

What is the amount outstanding?

\$ -

4-8 Does the entity have any lease agreements?

☐
☐

If yes:

What is being leased?

What is the original date of the lease?

Number of years of lease?

Is the lease subject to annual appropriation?

☐
☐

What are the annual lease payments?

\$ -

PART 5 - CASH AND INVESTMENTS

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

AMOUNT

TOTAL

Please use this space to provide any explanations or comments:

5-1 YEAR-END Total of ALL Checking and Savings accounts

\$ 5,660

5-2 Certificates of deposit

\$ -

TOTAL CASH DEPOSITS

\$ 5,660

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

5-3

\$ -

\$ -

\$ -

\$ -

TOTAL INVESTMENTS

\$ -

TOTAL CASH AND INVESTMENTS

\$ 5,660

Please answer the following question by marking in the appropriate box

YES

NO

N/A

5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?

☐
☐
☐

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:

☐
☐
☐

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?				<input type="checkbox"/>	<input 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, MUST explain:				<input type="checkbox"/>	<input type="checkbox"/>	
6-3	Complete the following Capital & Right-To-Use Assets table for GOVERNMENTAL FUNDS:	Balance - beginning of the year ¹	Additions ²	Deletions	Year-End Balance		
	Land	\$ -	\$ -	\$ -	\$ -		
	Buildings	\$ -	\$ -	\$ -	\$ -		
	Machinery and equipment	\$ -	\$ -	\$ -	\$ -		
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -		
	Infrastructure	\$ -	\$ -	\$ -	\$ -		
	Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -		
	Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -		
	Intangible Assets	\$ -	\$ -	\$ -	\$ -		
	Other (explain):	\$ -	\$ -	\$ -	\$ -		
	Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -		
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -		
	TOTAL	\$ -	\$ -	\$ -	\$ -		
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 Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -		
	Intangible Assets	\$ -	\$ -	\$ -	\$ -		
	Other (explain):	\$ -	\$ -	\$ -	\$ -		
	Accumulated Amortization Right to Use Leased Assets (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -		
	Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -		
	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?				<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.):				\$	-	
	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	\$ 68,300
	\$ -
	\$ -
	\$ -

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)]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
<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>						

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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
If yes: Date of formation: <div style="border: 1px solid black; width: 150px; height: 30px; display: inline-block;"></div>						
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
If Yes: NEW name <div style="border: 1px solid black; width: 400px; height: 20px; display: inline-block;"></div>						
PRIOR name <div style="border: 1px solid black; width: 400px; height: 20px; display: inline-block;"></div>						
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
If yes: List the name of the other governmental entity and the services provided: <div style="border: 1px solid black; width: 450px; height: 20px; display: inline-block;"></div>						
10-6	Does the entity have a certified mill levy?	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
If yes: Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts):						
Bond Redemption mills		0.000				
General/Other mills		0.000				
Total mills		0.000				

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	\$	5,660	Unrestricted Fund Balan	\$	(92,576) Total Tax Revenue	\$ 290	
Current Liabilities	\$	33,496	Total Fund Balance	\$	(92,576) Revenue Paying Debt Service	\$ -	
Deferred Inflow	\$	-	PY Fund Balance	\$	(118,545) Total Revenue	\$ 108,790	
			Total Revenue	\$	108,790 Total Debt Service Principal	\$ -	
			Total Expenditures	\$	82,822 Total Debt Service Interest	\$ -	
			Interfund In	\$	-		
Governmental			Interfund Out	\$	-	Enterprise Funds	
Total Cash & Investments	\$	5,660	-			Net Position	\$ -
Transfers In	\$		Proprietary			- PY Net Position	\$ -
Transfers Out	\$		- Current Assets	\$		-	
Property Tax	\$		- Deferred Outflow	\$		Government-Wide	
Debt Service Principal	\$		- Current Liabilities	\$		- Total Outstanding Debt	\$ -
Total Expenditures	\$	82,822	Deferred Inflow	\$		- Authorized but Unissued	\$ -
Total Developer Advances	\$		- Cash & Investments	\$		- Year Authorized	1/0/1900
Total Developer Repayments	\$		- Principal Expense	\$		-	

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

YES

NO



Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedures

Policy - Requirements

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

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

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

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

Below is the certification and approval of the governing body. By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$750,000 or less must have an application prepared by an independent accountant with knowledge of governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of ALL members of the governing body below.

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

	Full Name	
1	Randle Case, II	I, Randle Case, II, 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: May 2023
2	Bryan Long	I, Bryan Long, 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: May 2023
3	Ray O'Sullivan	I, Ray O'Sullivan, 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: May 2025
4	Robert Case	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: May 2025
5	Jim Byers	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: May 2023
6		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		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: _____

EXAMPLE - DO NOT FILL OUT THIS PAGE

This sample resolution/ordinance for exemption from audit is provided as an example of the documentation that is required, the wording may be used as a basis for your own local government document, if needed, however you MUST draft your own ordinance or resolution making any changes where applicable. Legal counsel should be consulted regarding any questions.

RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 20XX FOR THE (name of government), STATE OF COLORADO.

WHEREAS, the (governing body) of (name of government) 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

[Choose 1 or 2 below, whichever is applicable]

(1) WHEREAS, neither revenue nor expenditures for (name of government) exceeded \$100,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual), a person skilled in governmental accounting; and

OR

(2) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$750,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual or firm), an independent accountant with knowledge of governmental accounting; 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/ordained by the (governing body) of the (name of government) that the application for exemption from audit for (name of government) for the year ended _____, 20XX, has been personally reviewed and is hereby approved by a majority of the (governing body) of the (name of government); that those members of the (governing body) have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the (name of government) for the year ended _____, 20XX.

ADOPTED THIS ____ day of _____, A.D. 20XX.

Mayor/President/Chairman, etc.

ATTEST:

Town Clerk, Secretary, etc.

Type or Print Names of Members of Governing Body	Date Term Expires	Signature
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____