

**FOUR MILE RANCH METROPOLITAN DISTRICT NOS. 2, 3 AND 4
CONSOLIDATED ANNUAL REPORT
TO
CITY OF CANON CITY**

FISCAL YEAR ENDING DECEMBER 31, 2022

I. ANNUAL REPORT REQUIREMENT

Pursuant to Sections 32-1-207(3)(c)(I) and (II), C.R.S., the Four Mile Ranch Metropolitan District Nos. 2-4 are required to provide an annual report to the City of Canon City by October 1st for the preceding fiscal year. Such annual report shall include information concerning the following matters:

- A. Boundary changes made or proposed;
- B. Intergovernmental Agreements entered into or terminated with other governmental entities;
- C. Access information to obtain a copy of rules and regulations adopted by the board;
- D. A summary of any litigation involving the Districts;
- E. Status of construction of public improvements;
- F. A list of all facilities or improvements constructed by any District that were conveyed or dedicated to the County or City;
- G. The final assessed valuations as of December 31 of the reporting year;
- H. The current budget of the Districts;
- I. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the applications for exemption from audit, as applicable;
- J. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special districts; and
- K. Any inability of the special districts to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

II. FOR THE YEAR ENDING DECEMBER 31, 2022, THE DISTRICTS MAKES THE FOLLOWING REPORT:

A. Boundary changes made or proposed to any District.

There were no changes made to the Districts' boundaries in 2022, nor are any changes proposed.

B. Intergovernmental Agreements entered into or terminated with other governmental entities.

None.

C. Access information to obtain a copy of rules and regulations adopted by the board.

The Districts have not adopted Rules and Regulations. District documents are available on its website: <https://www.fourmileranchmetro2-4.org/>

D. A summary of any litigation involving the Districts.

We are not aware of any current or pending litigation against any of the Districts.

E. Status of construction of public improvements.

There are no public improvements currently planned or under construction.

F. A list of all facilities or improvements constructed by the Districts that were conveyed or dedicated to the City.

None.

G. The final assessed valuations as of December 31 of the reporting year.

District No. 2 - \$859, 310

District No. 3 - \$261,976

District No. 4 - \$50,273

H. The current budget of the District.

The adopted Budgets for fiscal year 2023 are attached as Exhibit A.

I. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

Copies of the Districts' applications for audit exemption for fiscal year 2022 are attached as Exhibit B.

J. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district.

The Districts are not in default on any debt instrument.

K. Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

None.

Respectfully submitted this 28th day of September, 2023.

FRITSCHER LAW LLC


By 
Joan M. Fritsche
Attorney for the District

EXHIBIT A
2023 BUDGETS
ATTACHED

FOUR MILE RANCH METROPOLITAN DISTRICT NO.2

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

	2021	2022	8 months ending 8/31	2022	Variance	2022	2023
	Actual	Approved Budget	2022 Actual	Projected Year End	Favorable (Unfav.)	Approved Amended	Approved Budget
Assessors Valuation	862,552	996,744.00	891,474	891,474	-105,270.00	891,474	850,140
Mil Levy	0.0150	0.02	0.0150	0.0150		0.0150	0.0150
Treasurer fee	3%	0.03	3%	3%		3%	3%
GENERAL FUND Revenues							
Fremont County Property Tax Revenues	12,943	14,951	10,922	13,372	(1,579)	13,372	12,752
Delinquent collections							
Specific ownership tax	2,126	2,300	999	1,999	(301)	1,999	1,500
Interest on tax collections	106				0		
Net GENERAL FUND - Revenue	15,175	17,251	11,921	15,371	(1,880)	15,371	14,252
Deferred revenue	(14,783)						
GENERAL FUND Expenditures							
Administration Expenses							
Collection Fees	391	449	328	401		401	383
Total GENERAL FUND Expenses	391	449	328	401	0	401	383
REVENUE OVER (UNDER) EXPENDITURES	(0)	16,803	11,593	14,970	(5,210)	14,970	13,870
OTHER FINANCING SOURCES (USES)							
Deferred Revenue Collections	0		65,738	65,738	65,738	65,738	
Owner/Developer Contributions	150						
Transfer (OUT) to Four Mile Metro No.3	0	(16,803)	(30,000)	(30,000)	(13,197)	(30,000)	(60,000)
Total Other Financing Sources & Uses	150	(16,803)	35,738	35,738	52,540	35,738	(60,000)
FUND BALANCE - BEGINNING	0	0	150	150	150	150	50,858
Restricted Funds:							
Emergency reserves		0	1,424	1,526		1,526	416
Unrestricted Fund Balance		0	46,056	49,332		49,332	4,311
FUND BALANCE - ENDING	150	0	47,481	50,858	47,481	50,857	4,727

2023 Appropriation	81,258	65,110
2023 Expenditures	(30,401)	(60,383)
	50,857	4,727

FOUR MILE RANCH METROPOLITAN DISTRICT NO. 3

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

	2021	2022	8 months ending 8/31	2022	Variance	2023
	Actual	Approved Budget	2022 Actual	Projected Year End	Favorable (Unfav.)	Approved Budget
Assessors Valuation	274,554	268,058.00	268,058	268,058		261,976
Mil Levy	0.0150	0.0150	0.0150	0.0150		0.0150
Treasurer fee	3%	3%	3%	3%		3%
GENERAL FUND Revenues						
Fremont County Property Tax Revenues	4,021	4,021	837	4,021	0	3,930
Specific ownership tax	644		340	514	514	500
Interest on tax collections	64					
Net GENERAL FUND - Revenue	4,728	4,021	1,177	4,535	514	4,430
Deferred revenue	(4,606)					
GENERAL FUND Expenditures						
Accounting	3,191	12,000	2,956	4,500	7,500	4,500
Legal	27,290	30,000	3,456	8,000	22,000	38,000
Insurance		5,000	750	750	4,250	
Collection Fees (FC Treas.)	123	121	25	121	(0)	118
Office Expenses (Banking & postage)	145		35	50	(50)	50
Misc & Contingency		23,000		0	23,000	2,000
Total GENERAL FUND Expenses	30,749	70,121	7,222	13,421	56,700	44,668
REVENUE OVER (UNDER) EXPENDITURES	(30,627)	(66,100)	(6,045)	(8,885)	57,214	(40,238)
OTHER FINANCING SOURCES (USES)						
Deferred Revenue Collections	0		16,380	16,380	16,380	
Transfers (IN) from Four Mile Metro No. 2	0	16,803	30,000	30,000	13,197	60,000
Debt forgiven previous developer			499			
Owner/Developer Contributions	30,777		(30,777)	(30,777)	(30,777)	
Total Other Financing Sources & Uses	30,777	16,803	16,103	15,603	(1,199)	60,000
FUND BALANCE - BEGINNING	0	57,062	150	150	(56,912)	150
Restricted Funds:						
Emergency reserves	0	121	25	121	96	118
Unrestricted Fund Balance	150	7,644	10,183	6,747	(3,435)	19,794
FUND BALANCE - ENDING	150	7,765	10,208	6,868	(3,340)	19,912

2023 Appropriation	64,580
2023 Expenditures	(44,668)
	19,912

FOUR MILE RANCH METROPOLITAN DISTRICT NO. 4

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

	2021	2022	8 months ending 8/31	2022	Variance	2023
	Actual	Approved Budget	2022 Actual	Projected Year End	Favorable (Unfav.)	Approved Budget
Assessors Valuation	49,901	50,273.00		50,273		50,273
Mil Levy	0.0000	0.0100		0.0100		0.0100
Treasurer fee	3%	3%		3%		3%
GENERAL FUND Revenues						
Fremont County Property Tax Revenues	0	503	14	503	0	503
Interest on tax collections						
Specific Ownership Tax			37	50	50	50
Net GENERAL FUND - Revenue	0	503	51	553		553
GENERAL FUND Expenditures						
Administration Expenses						
Collection Fees		15	0	15	(0)	15
Contingency						
Total GENERAL FUND Expenses	0	15	0	15	(0)	15
REVENUE OVER (UNDER) EXPENDITURES	0	488	51	538	(50)	538
OTHER FINANCING SOURCES (USES)						
Contributions (Developer Advance)	150			(150)		
Debt forgiven previous developer			2,010	2,010		
Transfers (OUT) to District 3						
Total Other Financing Sources & Uses	150	0	2,010	1,860		0
FUND BALANCE - BEGINNING	(2,010)	(2,010)	(1,860)	(1,860)		538
Restricted Funds:						
Emergency reserves		0	6	16		32
Unrestricted Fund Balance		(1,522)	195	522		1,043
FUND BALANCE - ENDING	(1,860.00)	(1,522.35)	200.87	537.65		1,075
				2023 Appropriation		1,090
				2023 Expenditures		(15)
						1,075

EXHIBIT B

2022 AUDIT EXEMPTIONS

ATTACHED

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

- 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?
- 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/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

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**

Four Mile Ranch Metropolitan District No.2
c/o Fritsche Law LLC
3900 E. Mexico Ave., Suite 300
Denver, CO 80210
Joan M. Fritsche
719-991-4444
joan@fritschelaw.com

**For the Year Ended
12/31/22
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL**

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**

Leslie Monroe
District Accountant
Accounting Associates, LLC
PO Box 1892, Gypsum, CO 81637
970-379-2729
03/21/2023

PREPARER (SIGNATURE REQUIRED)

DocuSigned by:

Leslie Monroe

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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	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 13,430	
2-2	Specific ownership	\$ 1,780	
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 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	interest on tax collections	\$ 148	
2-23	previous years tax collections	\$ 65,738	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 81,096	

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	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 422	
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)	\$ 150	
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	Intergovernmental (Administrative Agreement)	\$ 30,000	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 30,572	

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.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Service plan authorizing debt is consolidated for Four Mile Ranch Metro Districts No.1,2,3&4. District 1 is the only district that has issued debt. This district has not.</div>	<input type="checkbox"/>	<input type="checkbox"/>		
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; height: 20px; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>		
4-4	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 during year	Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -	\$ -	\$ -
	Developer Advances	\$ 150	\$ -	\$ 150	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ 150	\$ -	\$ 150	\$ -

*must tie 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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If yes:	How much?	\$ 39,298,600.00		
	Date the debt was authorized:	04/22/2038		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	How much?	\$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	What is the amount outstanding?	\$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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?	<input type="checkbox"/>	<input type="checkbox"/>	
	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.

Amount Total

5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 50,517		
5-2	Certificates of deposit	\$ -		
	Total Cash Deposits			\$ 50,517
	Investments (if investment is a mutual fund, please list underlying investments):			
5-3		\$ -		
		\$ -		
		\$ -		
		\$ -		
	Total Investments			\$ -
	Total Cash and Investments			\$ 50,517

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

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

6-3 Complete the following capital & right-to-use assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization <small>(Please enter a negative, or credit, balance)</small>	\$ -	\$ -	\$ -	\$ -
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.

Yes No

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

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.

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.? Yes No N/A
-
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 81,258

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.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

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

Yes No

- 10-1** Is this application for a newly formed governmental entity?
- If yes: **Date of formation:**
- 10-2** Has the entity changed its name in the past or current year?

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

- 10-3** Is the entity a metropolitan district?
- Please indicate what services the entity provides:**

- 10-4** Does the entity have an agreement with another government to provide services?

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

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

If yes: **Date Filed:**

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

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

Bond Redemption mills	-
General/Other mills	15.000
Total mills	15.000

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

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	Richard Day	I <u>Ricky Day</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>12/23/2023</u> My term Expires: <u>2025</u>
Board Member 2	Print Board Member's Name	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 3	Print Board Member's Name	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 4	Print Board Member's Name	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 5	Print Board Member's Name	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 6	Print Board Member's Name	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	Print Board Member's Name	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: _____

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

- 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?
- 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@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

**NAME OF GOVERNMENT
ADDRESS**

Four Mile Ranch Metropolitan District No.3
c/o Fritsche Law LLC
3900 E. Mexico Ave., Suite 300
Denver, CO 80210
Joan M. Fritsche
719-991-4444
joan@fritschelaw.com

**For the Year Ended
12/31/22
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL**

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**

Leslie Monroe
District Accountant
Accounting Associates, LLC
PO Box 1892, Gypsum, CO 81637
970-379-2729
03/21/2023

PREPARER (SIGNATURE REQUIRED)

DocuSigned by:  EE6E16CBED6249F...

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 4,021	
2-2	Specific ownership	\$ 535	
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): Administrative Agreements	\$ 30,000	
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 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): Write off Developer Debt (contribution)	\$ 499	
2-22	interest on tax collections	\$ 223	
2-23	previous years tax collections	\$ 16,380	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 51,657	

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	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 206	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 750	
3-7	Accounting and legal fees	\$ 16,649	
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)	\$ 30,777	
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		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 48,382	

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.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid red; padding: 2px; margin: 5px 0;">Service plan authorizing debt is consolidated for Four Mile Ranch Metro Districts No.1,2,3&4. District 1 is the only district that has issued debt. This district has not.</div>	<input type="checkbox"/>	<input type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid gray; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-4	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 during year
	General obligation bonds	\$ -	\$ -
	Revenue bonds	\$ -	\$ -
	Notes/Loans	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -
	Developer Advances	\$ 30,777	\$ 30,777
	Other (specify):	\$ -	\$ -
	TOTAL	\$ 30,777	\$ 30,777

*must tie 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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:	\$ 39,298,600.00 04/22/2038	
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?	\$ -	
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?	\$ -	
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>
	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.

Amount Total

5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 4,466	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ 4,466
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ 4,466

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

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

6-3 Complete the following capital & right-to-use assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization <small>(Please enter a negative, or credit, balance)</small>	\$ -	\$ -	\$ -	\$ -
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.

Yes No

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

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.

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.? Yes No N/A
-
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 48,383

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.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

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

Yes No

- 10-1** Is this application for a newly formed governmental entity?
- If yes: **Date of formation:**
- 10-2** Has the entity changed its name in the past or current year?
- If yes: **Please list the NEW name & PRIOR name:**
- 10-3** Is the entity a metropolitan district?
- Please indicate what services the entity provides:**
- 10-4** Does the entity have an agreement with another government to provide services?
- If yes: **List the name of the other governmental entity and the services provided:**
 Four Mile Ranch Metropolitan District No.3 - Administrative Services
- 10-5** Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during
- If yes: **Date Filed:**
- 10-6** Does the entity have a certified Mill Levy?
- If yes: **Please provide the following mills levied for the year reported (do not report \$ amounts):**

Bond Redemption mills	-
General/Other mills	15.000
Total mills	15.000

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

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	Richard Day	I <u>Ricky Day</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>3/23/2025</u> My term Expires: <u>2025</u>
Board Member 2	Print Board Member's Name	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 3	Print Board Member's Name	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 4	Print Board Member's Name	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 5	Print Board Member's Name	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 6	Print Board Member's Name	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	Print Board Member's Name	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: _____

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.

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<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?
- 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?

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Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

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

IMPORTANT!

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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**

Four Mile Ranch Metropolitan District No.4
c/o Fritsche Law LLC
3900 E. Mexico Ave., Suite 300
Denver, CO 80210
Joan M. Fritsche
719-991-4444
joan@fritschelaw.com

**For the Year Ended
12/31/22
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL**

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**

Leslie Monroe
District Accountant
Accounting Associates, LLC
PO Box 1892, Gypsum, CO 81637
970-379-2729
03/21/2023

PREPARER (SIGNATURE REQUIRED)

DocuSigned by:

EE9E16CBED5249F...

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 509	
2-2	Specific ownership	\$ 56	
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 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	interest on tax collections	\$ 34	
2-23	Write off debt previous developer (contribution)	\$ 2,010	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 2,609	

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	Please use this space to provide any necessary explanations
3-1	Administrative	\$ 31	
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)	\$ 150	
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		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 181	

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.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin: 5px 0;">Service plan authorizing debt is consolidated for Four Mile Ranch Metro Districts No.1,2,3&4. District 1 is the only district that has issued debt. This district has not.</div>	<input type="checkbox"/>	<input type="checkbox"/>		
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; height: 20px; margin: 5px 0;"></div>	<input type="checkbox"/>	<input type="checkbox"/>		
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
	General obligation bonds	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
	Revenue bonds	\$ -	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -	\$ -
	Lease Liabilities	\$ -	\$ -	\$ -	\$ -
	Developer Advances	\$ 150	\$ -	\$ 150	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ 150	\$ -	\$ 150	\$ -

*must tie 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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much?	<div style="border: 1px solid black; padding: 2px; width: 100%;">\$ 39,298,600.00</div>	
	Date the debt was authorized:	<div style="border: 1px solid black; padding: 2px; width: 100%;">04/22/2038</div>	
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?	<div style="border: 1px solid black; padding: 2px; width: 100%;">\$ -</div>	
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?	<div style="border: 1px solid black; padding: 2px; width: 100%;">\$ -</div>	
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased?	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
	What is the original date of the lease?	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
	Number of years of lease?	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments?	<div style="border: 1px solid black; padding: 2px; width: 100%;">\$ -</div>	

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.

Amount Total

5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 562	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ 562
	Investments (if investment is a mutual fund, please list underlying investments):		
5-3		\$ -	
		\$ -	
		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ 562

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

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

6-3 Complete the following capital & right-to-use assets table:

	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization <small>(Please enter a negative, or credit, balance)</small>	\$ -	\$ -	\$ -	\$ -
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.

Yes No

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

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.

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.? Yes No N/A
-
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 488

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.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

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

Yes No

- 10-1** Is this application for a newly formed governmental entity?
- If yes: Date of formation:
- 10-2** Has the entity changed its name in the past or current year?

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

- 10-3** Is the entity a metropolitan district?
- Please indicate what services the entity provides:

- 10-4** Does the entity have an agreement with another government to provide services?

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

Four Mile Ranch Metropolitan District No.3 - Administrative Services

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

If yes: Date Filed:

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

If yes:

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

Bond Redemption mills	-
General/Other mills	10.000
Total mills	10.000

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

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	Richard Day	I <u>Richard Day</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>3/23/2023</u> My term Expires: <u>2025</u>
Board Member 2	Print Board Member's Name	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 3	Print Board Member's Name	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 4	Print Board Member's Name	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 5	Print Board Member's Name	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 6	Print Board Member's Name	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	Print Board Member's Name	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: _____