

**ANNUAL INFORMATION REPORT**  
**for the year 2022**  
**EAST CREEK METROPOLITAN DISTRICT NO. 2**  
**(the “District”)**

As required by Section VIII of the Service Plan for the above-referenced District, approved by the City of Aurora (“City”) on March 5, 2018, and pursuant to Section 32-1-207(3)(c), C.R.S., we present the following report of the District's activities from January 1, 2022 to December 31, 2022.

1. **Boundary changes made or proposed to the District’s boundaries as of December 31, 2022:**

No boundary changes were made or proposed during 2022.

2. **Intergovernmental Agreements with other governmental entities, either entered into, proposed or terminated as of December 31, 2022:**

- An Intergovernmental Agreement between the District and the City of Aurora dated March 5, 2018.
- Memorandum of Understanding between the District and East Creek Metropolitan District No. 1 dated June 18, 2018.
- Capital Pledge Agreement between the District and East Creek Metropolitan District No. 1 dated April 16, 2019.
- Eligible Governmental Entity Agreement between the District and the Statewide Internet Portal Authority of Colorado.

3. **Copies of the District’s Rules and Regulations, if any as of December 31, 2022 / Access information to obtain a copy of rules and regulations adopted:** The District has not adopted any Rules and Regulations.

4. **A summary of any litigation which involves the District’s Public Improvements as of December 31, 2022.**

The District’s public improvements were not involved in any litigation during 2022.

5. **The status of the District’s construction of the Public Improvements as of December 31, 2022.** No capital improvements were constructed by the District in 2022.

6. **A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31, 2022:**

There were no facilities and improvements constructed by the District that have been dedicated to and accepted by the City in 2022.

7. **The assessed valuation of the District for the current year.**

A copy of the 2022 Certification of Valuation from Arapahoe County is attached hereto as **Exhibit A**.

8. **Current year budget, including a description of the Public Improvements to be constructed in such year.**

A copy of the 2023 Budget is attached hereto as **Exhibit B**. No Public Improvements are anticipated to be constructed by the District in 2023.

9. **Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

A copy of the Application for Exemption from Audit is Attached hereto as **Exhibit C**.

10. **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt Instrument.**

None.

11. **Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

None.

**EXHIBIT A**  
**2022 Final Assessed Valuation**



PK Kaiser, MBA, MS

Assessor

OFFICE OF THE ASSESSOR

5334 S. Prince Street

Littleton, CO 80120-1136

Phone: 303-795-4600

TDD: Relay-711

Fax: 303-797-1295

<http://www.arapahoegov.com/assessor>

[assessor@arapahoegov.com](mailto:assessor@arapahoegov.com)

November 23, 2022

AUTH 4263 EAST CREEK METRO DIST #2  
SPECIAL DISTRICT MANAGEMENT  
SERVICES INC  
C/O PEGGY RIPKO  
141 UNION BLVD SUITE 150  
LAKEWOOD CO 80228

Code # 4263

### RECERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2022 of:

\$1,504,609

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

PK Kaiser, MBA, MS  
Arapahoe County Assessor

enc

DEC 02 2022

# RECERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity

☒ YES ☐ NO

Date: November 23, 2022

**NAME OF TAX ENTITY:** EAST CREEK METRO DIST #2

## USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$	1,121,981
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$	1,504,609
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$	1,504,609
5. NEW CONSTRUCTION: *	5. \$	440,413
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6. \$	0
7. ANNEXATIONS/INCLUSIONS:	7. \$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8. \$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9. \$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$	19
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11. \$	0

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution

\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

## USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1. \$	4,578,290
--	-------	-----------

### ADDITIONS TO TAXABLE REAL PROPERTY

2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2. \$	1,518,664
3. ANNEXATIONS/INCLUSIONS:	3. \$	0
4. INCREASED MINING PRODUCTION: §	4. \$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7. \$	0

### DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$	0
9. DISCONNECTIONS/EXCLUSIONS:	9. \$	0
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$	0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

\* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1. \$	0
---	-------	---

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	\$	78
--	----	----

\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

**EXHIBIT B**  
**2023 Budget**

# **EAST CREEK METROPOLITAN DISTRICT NO.2**

## **2023 Budget Message**

### **Introduction**

The District was formed in 2018 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements. Some of these improvements will be dedicated to the City of Aurora, Arapahoe County, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

In June 2018, the District entered into a Memorandum of Understanding (the “MOU”) with East Creek Metropolitan District No. 1 (“District No. 1”). Under the MOU, District No. 1 “shall provide for the financing, construction, design, operation and maintenance of the Improvements, as well as overall administration of the Districts.” The District is to reimburse District No. 1 for all costs incurred by District No. 1 pursuant to the MOU, on an allocable basis.

The 2023 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2023 fiscal year based on available revenues.

The District’s 2022 assessed value is \$1,504,609 an increase from \$1,121,981 in the prior year. The District certified 10.000 mills in the General Fund, 30.000 mills in the Debt Service Fund and 1.000 mill for the Aurora Regional Improvement for taxes collected in the 2023 fiscal year, for a total mill levy of 41.000.

### **Budgetary Basis of Accounting**

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District’s funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid.

### **Fund Summaries**

The **General Fund** is used to account for resources traditionally associated with government such as property taxes, specific ownership tax, developer advances, and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government.

**Debt Service Fund** is used to account for property taxes and other revenues dedicated to

pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. The primary source of revenue for the Debt Service Fund comes from property taxes.

**Emergency Reserve**

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.



# EAST CREEK METROPOLITAN DISTRICT NO.2

## 2023 Budget Message

### **Introduction**

The District was formed in 2018 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements. Some of these improvements will be dedicated to the City of Aurora, Arapahoe County, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

In June 2018, the District entered into a Memorandum of Understanding (the “MOU”) with East Creek Metropolitan District No. 1 (“District No. 1”). Under the MOU, District No. 1 “shall provide for the financing, construction, design, operation and maintenance of the Improvements, as well as overall administration of the Districts.” The District is to reimburse District No. 1 for all costs incurred by District No. 1 pursuant to the MOU, on an allocable basis.

The 2023 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2023 fiscal year based on available revenues.

The District’s 2022 assessed value is \$1,504,609 an increase from \$1,121,981 in the prior year. The District certified 10.000 mills in the General Fund, 30.000 mills in the Debt Service Fund and 1.000 mill for the Aurora Regional Improvement for taxes collected in the 2023 fiscal year, for a total mill levy of 41.000.

### **Budgetary Basis of Accounting**

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District’s funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid.

### **Fund Summaries**

The **General Fund** is used to account for resources traditionally associated with government such as property taxes, specific ownership tax, developer advances, and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government.

**Debt Service Fund** is used to account for property taxes and other revenues dedicated to

pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. The primary source of revenue for the Debt Service Fund comes from property taxes.

**Emergency Reserve**

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.

**EAST CREEK METROPOLITAN DISTRICT #2**  
**Assessed Value, Property Tax and Mill Levy Information**

2021 Actual	2022 Adopted Budget	2023 Adopted Budget
----------------	------------------------	------------------------

Assessed Valuation	\$	854,256	\$	1,121,981	\$	1,504,609
--------------------	----	---------	----	-----------	----	-----------

**Mill Levy**

General Fund	10.000	10.000	10.000
Debt Service Fund	30.000	30.000	30.000
Aurora Regional Improvement	1.000	1.000	1.000

<b>Total Mill Levy</b>	41.000	41.000	41.000
------------------------	--------	--------	--------

**Property Taxes**

General Fund	\$	8,543	\$	11,220	\$	15,046
Debt Service Fund		25,628		33,659		45,138
Aurora Regional Improvement		854		1,122		1,505

<b>Actual/Budgeted Property Taxes</b>	\$	35,024	\$	46,001	\$	61,688
---------------------------------------	----	--------	----	--------	----	--------

# EAST CREEK METROPOLITAN DISTRICT #2

## GENERAL FUND

### 2023 Adopted Budget

with 2021 Actual, 2022 Adopted Budget and 2022 Estimated

	2021 Actual	2022 Adopted Budget	2022 Estimated	2023 Adopted Budget
<b>Beginning Fund Balance</b>	\$ -	\$ 459,222	\$ (30,868)	\$ (35,827)
<b>REVENUE</b>				
Property Tax Revenue	-	-	11,220	15,046
Specific Ownership Taxes	-	-	673	903
ARI Fees	-	-	1,122	1,505
Interest Income	238	250	-	-
<b>Total Revenue</b>	238	250	13,015	17,453
<b>Total Funds Available</b>	238	459,472	(17,853)	(18,374)
<b>EXPENDITURES</b>				
Accounting	-	-	3,500	3,800
Audit	3,400	-	-	-
Election	-	4,000	-	500
Insurance/SDA Dues	3,612	4,000	-	-
Legal	20,407	18,000	-	-
Management	-	-	3,000	3,300
Miscellaneous	3,688	3,000	200	200
Treasurer's Fees	-	-	168	226
<b>Total Expenditures</b>	31,106	29,000	6,868	8,026
<b>Transfers and Other Sources (Uses)</b>				
Emergency Reserve	-	(8)	-	(451)
ARI Fees	-	-	(1,122)	(1,505)
	-	-	1,791	-
Transfer to District 1	-	-	(11,775)	-
<b>Total Expenditures Requiring Appropriation</b>	31,106	29,008	19,765	9,982
<b>Ending Funds Available</b>	\$ (30,868)	\$ 430,464	\$ (35,827)	\$ (28,356)

# EAST CREEK METROPOLITAN DISTRICT #2

## DEBT SERVICE FUND 2023 Adopted Budget with 2021 Actual, 2022 Adopted Budget and 2022 Estimated

	2021 Actual	2022 Adopted Budget	2022 Estimated	2023 Adopted Budget
<b>Beginning Fund Balance</b>	\$ -	\$ -	\$ -	\$ (144)
<b>Revenue</b>				
Property Tax Revenue	-	-	33,659	45,138
Specific Ownership Tax	-	-	2,020	2,708
<b>Total Revenue</b>	-	-	35,679	47,847
<b>Total Funds Available</b>	-	-	35,679	47,703
<b>Expenditures</b>				
Treasurer's Fees	-	-	505	677
<b>Total Expenditures</b>	-	-	505	677
<b>Transfers and Other Sources (Uses)</b>				
Transfer to District 1	-	-	(35,318)	(47,170)
<b>Total Expenditures Requiring Appropriation</b>	-	-	35,823	47,847
<b>Ending Funds Available</b>	\$ -	\$ -	\$ (144)	\$ (145)

**EXHIBIT C**  
**Application for Exemption from 2022 Audit**

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

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

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

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

**CHECKLIST**

- ☐ Has the preparer signed the application?
- ☐ Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- ☐ Has the application been PERSONALLY reviewed and approved by the governing body?
- ☐ 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](mailto:osa.lg@coleg.gov) OR Phone: 303-869-3000

## IMPORTANT!

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

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

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

In that event, AN AUDIT SHALL BE REQUIRED.



**APPLICATION FOR EXEMPTION FROM AUDIT****SHORT FORM****NAME OF GOVERNMENT  
ADDRESS**

East Creek Metropolitan District No. 2
c/o Special District Management Services, Inc.
141 Union Blvd., Suite 150
Lakewood, CO 80228-1898

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

**CONTACT PERSON  
PHONE  
EMAIL**

Peggy Ripko
303-987-0835
<a href="mailto:pripko@sdmsi.com">pripko@sdmsi.com</a>

**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**

James H. Ruthven
Director of Finance
Special District Management Services, Inc.
141 Union Blvd., Suite 150, Lakewood, CO 80228-1898
303-987-0835
3/16/2023

**PREPARER (SIGNATURE REQUIRED)**


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

**GOVERNMENTAL**  
(MODIFIED ACCRUAL BASIS)



**PROPRIETARY**  
(CASH OR BUDGETARY BASIS)



## PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 46,092	
2-2	Specific ownership	\$ 2,836	
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: Transfer from District No. 1	\$ 1,791	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 93	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 50,812	

## 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	\$ 6,369	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ 4,928	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other: Transfer to District No. 1	\$ 13,030	
3-24	Treasurer's fees	\$ 692	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 25,019	

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; height: 20px; width: 100%; margin-top: 5px;"></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; 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	\$ -	\$ -
Other (specify):	\$ -	\$ -
TOTAL	\$ -	\$ -

\*must tie to prior year ending balance

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes: How much?	\$ 9,737,479.00	
Date the debt was authorized:	5/8/2018	
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	\$ -	
5-2 Certificates of deposit	\$ -	
<b>Total Cash Deposits</b>		\$ -
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>Total Investments</b>		\$ -
<b>Total Cash and Investments</b>		\$ -

Please answer the following questions by marking in the appropriate boxes

	Yes	No	N/A
5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input 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?

☐☒

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:

☐☐

6-3 Complete the following capital &amp; 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 (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -

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?

☐☒

7-2 Does the entity have a volunteer firefighters' pension plan?

☐☒

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.?

☒☐☐

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

☒☐☐

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General	\$ 13,015
Debt Service	\$ 35,679

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)]? <small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Date of formation: <input type="text"/>		
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Please list the NEW name & PRIOR name: <input type="text"/>		
10-3	Is the entity a metropolitan district? Please indicate what services the entity provides: <input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-4	Does the entity have an agreement with another government to provide services? List the name of the other governmental entity and the services provided: <input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during Date Filed: <input type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-6	Does the entity have a certified Mill Levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts):		
	Bond Redemption mills	<input type="text" value="30.000"/>	
	General/Other mills	<input type="text" value="11.000"/>	
	Total mills	<input type="text" value="41.000"/>	

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 checked="" 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 <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.
Board Member 1	Chelsey Green	I _____ Chelsey Green _____, 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: _____ 03/16/2023 _____ My term Expires: _____ May 2025 _____
Board Member 2	Vacant	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	Vacant	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	Matthew Larsen	I _____ Matthew Larsen _____, 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: _____ 03/16/2023 _____ My term Expires: _____ May 2023 _____
Board Member 5	Vacant	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		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

## 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 FISCAL 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 Fiscal 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 Fiscal 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 Fiscal 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 fiscal year ended \_\_\_\_\_, 20XX.

ADOPTED THIS \_\_\_\_ day of \_\_\_\_\_, A.D. 20XX.



EXAMPLE - DO NOT FILL OUT THIS PAGE

\_\_\_\_\_  
Mayor/President/Chairman, etc.

ATTEST:

\_\_\_\_\_  
Town Clerk, Secretary, etc.

Type or Print Names of  
Members of Governing Body

Date  
Term  
Expires

Signature

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Title	East Creek MD No. 2, Audit Exemption Form
File name	2022 Short Form E...n - ECMD2 (2).pdf
Document ID	b4b98fe23abbfe5aeadd650449030c453fe94c03
Audit trail date format	MM / DD / YYYY
Status	● Signed

## Document History



**04 / 06 / 2023**  
14:48:42 UTC

Sent for signature to James Ruthven (jruthven@sdmsi.com)  
from apadilla@sdmsi.com  
IP: 50.78.200.153



**04 / 06 / 2023**  
15:10:22 UTC

Viewed by James Ruthven (jruthven@sdmsi.com)  
IP: 50.78.200.153



**04 / 06 / 2023**  
15:10:38 UTC

Signed by James Ruthven (jruthven@sdmsi.com)  
IP: 50.78.200.153



COMPLETED

**04 / 06 / 2023**  
15:10:38 UTC

The document has been completed.