

**BLUE VALLEY METROPOLITAN DISTRICT**

**RESOLUTION NO. 2019-02**

**A RESOLUTION APPROVING AN EXEMPTION FROM AUDIT  
FOR FISCAL YEAR 2018**

WHEREAS, the Blue Valley Metropolitan District (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Article 1, Colorado Revised Statutes; and

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

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


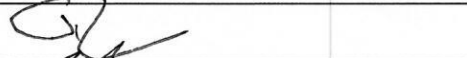
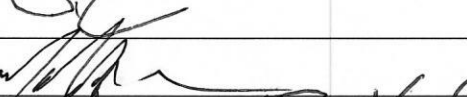
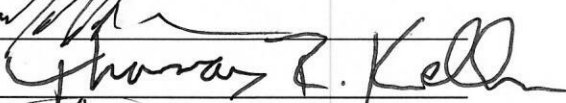
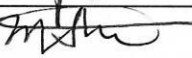
WHEREAS, neither revenues nor expenditures for Blue Valley Metropolitan District exceeded \$750,000 for Fiscal Year 2018; and

WHEREAS, an application for exemption from audit for Blue Valley Metropolitan District has been prepared by Green & Associates, LLC, 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 by the Board of Directors of the Blue Valley Metropolitan District that the application for exemption from audit for Blue Valley Metropolitan District for the Fiscal Year ended December 31, 2018, has been personally reviewed and is hereby approved by a majority of the Board of Directors of the District; that those members of the Board of Directors 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 Blue Valley Metropolitan District for the fiscal year ended December 31, 2018.

ADOPTED THIS 26<sup>th</sup> day of March, 2019.

Type or Print Names of Members of Governing Body	Date Term Expires	Signature
Kenneth McNichols	05/05/2020	
John Norton	05/05/2020	
Mark Nelson	05/05/2022	
Thomas Kellen	05/05/2022	
Michael Stoveken	05/05/2022	

# APPLICATION FOR EXEMPTION FROM AUDIT

## LONG FORM

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

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

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

### EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

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

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

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

#### READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

ALL APPLICATIONS MUST BE FILED WITH THE OSA WITHIN 3 MONTHS AFTER THE ACCOUNTING YEAREND. FOR EXAMPLE, APPLICATIONS MUST BE RECEIVED BY THE OSA ON OR BEFORE MARCH 31 FOR GOVERNMENT'S WITH A DECEMBER 31 YEAREND.

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON A 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.

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

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

<http://www.legisnetis.com/html/index.html>

### CHECKLIST

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

New for 2018: Checkout our new web portal. Register your account and submit electronic Applications for Exemption From Audit, Extension of Time to File requests, Audited Financial Statements, and more! See the link below.

[OSALG Web Portal](#)

### FLILING METHODS

#### NEW METHOD!

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

<https://apps.leg.co.gov/osalg>

MAIL: Office of the State Auditor

Local Government Audit Division

1525 Sherman St., 7th Floor

Denver, CO 80203

FAX: 303-869-3061

EMAIL: [osalg@state.co.us](mailto:osalg@state.co.us)

QUESTIONS? 303-869-3000

### IMPORTANT!

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

Governmental Activity should be reported on the Modified Accrual Basis

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

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

In that event AN AUDIT SHALL BE REQUIRED.

**APPLICATION FOR EXEMPTION FROM AUDIT**

**LONG FORM**

**NAME OF GOVERNMENT ADDRESS**  
 Blue Valley Metropolitan District  
 56 CR 1014 BRR  
 Silverthorne, CO 80498

**CONTACT PERSON**  
 Andrea Buller  
 970-724-3502  
 bluevalleyacres@gmail.com

**PHONE**  
 970-724-3502

**EMAIL**  
 bluevalleyacres@gmail.com


**FAX**

For the Year Ended  
 12/31/2018  
 or fiscal year ended:

**CERTIFICATION OF PREPARER**

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

**NAME:** David Green, CPA  
**TITLE:**  
**FIRM NAME (if applicable):** Green & Associates LLC  
**ADDRESS:** 119 E Bridge Street, Suite 210, Brighton, CO 80601  
**PHONE:** 720-839-6458  
**DATE PREPARED:** 3/25/2019  
**RELATIONSHIP TO ENTITY:** Independent Certified Public Accountant

**PREPARER (SIGNATURE REQUIRED):** 

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9-3) and 32-1-104 (3), C.R.S.]

YES	NO	If Yes, date filed:
<input type="checkbox"/>	<input checked="" type="checkbox"/>	



**PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES**

Line #	Description	Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		Fund*	Fund*	Water	Fund*	
<b>Tax Revenue</b>						
2-1	Property (include mills levied in Question 1b-6)	\$	-	\$	32,573	
2-2	Specific Ownership	\$	-	\$	2,886	
2-3	Sales and Use Tax	\$	-	\$	-	
2-4	Other Tax Revenue (specify...):	\$	-	\$	-	other revenue = late fees and misc fees / charges
2-5		\$	-	\$	-	
2-6		\$	-	\$	-	
2-7		\$	-	\$	-	
2-8	Add lines 2-1 through 2-7	\$	-	\$	35,459	
	<b>TOTAL TAX REVENUE</b>					
2-9	Licenses and Permits	\$	-	\$	-	
2-10	Highway Users Tax Funds (HURF)	\$	-	\$	-	
2-11	Conservation Trust Funds (Lottery)	\$	-	\$	-	
2-12	Community Development Block Grant	\$	-	\$	-	
2-13	Fire & Police Pension	\$	-	\$	-	
2-14	Grants	\$	-	\$	-	
2-15	Donations	\$	-	\$	-	
2-16	Charges for Sales and Services	\$	-	\$	95,753	
2-17	Rental Income	\$	-	\$	-	
2-18	Fines and Forfeits	\$	-	\$	-	
2-19	Interest/Investment Income	\$	-	\$	1,129	
2-20	Tap Fees	\$	-	\$	24,000	
2-21	Proceeds from Sale of Capital Assets	\$	-	\$	-	
2-22	All Other (specify...):	\$	-	\$	1,846	
2-23		\$	-	\$	-	
2-24	Add lines 2-8 through 2-23	\$	-	\$	158,187	
	<b>TOTAL REVENUES</b>					
<b>Other Financing Sources</b>						
2-25	Debt Proceeds	\$	-	\$	-	
2-26	Developer Advances	\$	-	\$	-	
2-27	Other (specify...):	\$	-	\$	-	
2-28	Add lines 2-25 through 2-27	\$	-	\$	-	
	<b>TOTAL OTHER FINANCING SOURCES</b>					
2-29	Add lines 2-24 and 2-28	\$	-	\$	158,187	
	<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>					
					158,187	

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 -STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-5000 for assistance.



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

Please answer the following questions by marking the appropriate boxes.

- 4-1 Does the entity have outstanding debt? YES  NO
- 4-2 Is the debt repayment schedule attached? If no, MUST explain: YES  NO
- 4-3 Is the entity current in its debt service payments? If no, MUST explain: YES  NO

Please use this space to provide any explanations or comments:

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

	Outstanding at beginning of year	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -

\*must agree to prior year ending balance

- 4-5 Please answer the following questions by marking the appropriate boxes.
- 4-5 Does the entity have any authorized, but unissued, debt? YES  NO
- If yes: How much? \$ -
- 4-6 Date the debt was authorized: -
- 4-6 Does the entity intend to issue debt within the next calendar year? YES  NO
- If yes: How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? YES  NO
- If yes: What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements? YES  NO
- If yes: What is being leased? -
- What is the original date of the lease? -
- Number of years of lease? -
- Is the lease subject to annual appropriation? YES  NO
- What are the annual lease payments? \$ -

**PART 5 - CASH AND INVESTMENTS**

Please use this space to provide any explanations or comments:

- 5-1 Please provide the entity's cash deposit and investment balances.
- 5-1 YEAR-END Total of ALL Checking and Savings accounts AMOUNT TOTAL
- 5-2 Certificates of deposit \$ 242,729 \$ 242,729

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

AMOUNT	TOTAL
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
<b>TOTAL CASH DEPOSITS</b>	<b>\$ 242,729</b>
<b>TOTAL INVESTMENTS</b>	<b>\$ -</b>
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ 242,729</b>

- 5-3 Please answer the following question by marking in the appropriate box
- 5-4 Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? YES  NO
- 5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10-5-101, et seq., C.R.S.)? If no, MUST explain: YES  NO



**PART 6 - CAPITAL ASSETS**

- Please answer the following question by marking in the appropriate box
- 6-1 Does the entity have capitalized 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

Please use this space to provide any explanations or comments:

6-3 Complete the following Capital Assets table for GOVERNMENTAL FUNDS:

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ 23,320	\$ -	\$ -	\$ 23,320
Buildings	\$ 551,021	\$ -	\$ -	\$ 551,021
Machinery and equipment	\$ 7,071	\$ -	\$ -	\$ 7,071
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ 888,656	\$ -	\$ -	\$ 888,656
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ (522,378)	\$ (35,696)	\$ -	\$ (558,074)
<b>TOTAL</b>	\$ 947,690	\$ (35,696)	\$ -	\$ 911,994

\*must agree to prior Year ending balance

**PART 7 - PENSION INFORMATION**

- Please answer the following question by marking in the appropriate box
- 7-1 Does the entity have an "old hire" fireman's pension plan? YES  NO
- 7-2 Does the entity have a volunteer firemen's pension plan? YES  NO
- If yes: Who administers the plan?

Please use this space to provide any explanations or comments:

Indicate the contributions from:

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

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

**PART 8 - BUDGET INFORMATION**

Please answer the following question by marking in the appropriate box

**8-1** Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:  YES  NO  N/A Please use this space to provide any explanations or comments:

**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

Fund Name	Budgeted Expenditures
Water Fund	\$ 193,340
	\$ -
	\$ -

**PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)**

Please answer the following question by marking in the appropriate box

**9-1** Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? government from the 3 percent emergency reserve requirement. All governments should determine if they meet this  YES  NO Please use this space to provide any explanations or comments:

**PART 10 - GENERAL INFORMATION**

Please answer the following question by marking in the appropriate box

**10-1** Is this application for a newly formed governmental entity?  YES  NO Please use this space to provide any explanations or comments:

If yes: Date of formation:

**10-2** Has the entity changed its name in the past or current year?  YES  NO

If Yes: NEW name

PRIOR name

**10-3** Is the entity a metropolitan district?  YES  NO

**10-4** Please indicate what services the entity provides:

Water

**10-5** Does the entity have an agreement with another government to provide services?  YES  NO

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

**10-6** Does the entity have a certified mill levy?  YES  NO

If yes: Please provide the number of mills levied for the year reported (do not enter \$ amounts):

Bond Redemption mills	0.000
General/Other mills	11.000
Total mills	11.000

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



**EXAMPLE - DO NOT FILL OUT THIS PAGE**

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

**RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT**

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

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

WHEREAS, the (governing body) 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, "neither revenue nor expenditures exceed seven hundred and fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

[Choose 1 or 2 below, whichever is applicable.]

(1) WHEREAS, neither revenue nor expenditures for (name of government) exceeded \$100,000 for Year 20XX; and WHEREAS, an application for exemption from audit, on (name of government) has been prepared by (name of individual), a person skilled in governmental accounting;

OR

(2) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$750,000 for Year 20XX; and WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual or firm), an independent accountant with knowledge of governmental accounting; and

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

NOW THEREFORE, be it resolved or ordered by the (governing body) of the (name of government) that the application for exemption from audit for (name of government) for the year ended \_\_\_\_\_, 20XX, has been personally reviewed and is hereby approved by a majority of the (governing body) of the (name of government); that those members of the (governing body) have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the (name of government) for the year ended \_\_\_\_\_, 20XX.

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

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

ATTEST:

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

Type or Print Names of Members of Governing Body

Date Term Expires

Signature

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

**PART 12 - GOVERNING BODY APPROVAL**

Please answer the following question by marking in the appropriate box

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?  YES  NO

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

**Policy - Requirements**

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

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

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

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

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

Print the names of all current governing board members below.

Print Board Member's Name

**Kenneth McNichols**

I, Kenneth McNichols, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.  
 Signed: [Signature] Date: 3/26/19  
 My term Expires: 5/5/2020

**Mark Nelson**

I, Mark Nelson, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.  
 Signed: [Signature] Date: 3/26/19  
 My term Expires: 5/5/2022

**Thomas Kellen**

I, Thomas Kellen, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.  
 Signed: [Signature] Date: 3/26/19  
 My term Expires: 5/5/2022

**Michael Stovcken**

I, Michael Stovcken, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.  
 Signed: [Signature] Date: 3/26/19  
 My term Expires: 5/5/2022

**John Norton**

I, John Norton, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.  
 Signed: [Signature] Date: 3/26/19  
 My term Expires: 5/5/2022

Print Board Member's Name

Print Board Member's Name

Print Board Member's Name

Board Member	1
Board Member	2
Board Member	3
Board Member	4
Board Member	5
Board Member	6
Board Member	7

I, \_\_\_\_\_, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.  
 Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
 My term Expires: \_\_\_\_\_