#### **BIG SKY METROPOLITAN DISTRICT NOS. 1-7**

#### 2017 CONSOLIDATED ANNUAL REPORT

Pursuant to Section VII of the Consolidated Service Plan for Big Sky Metropolitan District Nos. 1-7, (the "Districts"), the Districts are required to annually file a special district annual report in accordance with the provisions of Sec. 32-1-207(3)(d), C.R.S. The annual reports shall be filed with the City Manager of the City of Lakewood, the Division of Local Government and the State Auditor, and shall be on file with the Jefferson County Clerk and Recorder's office for public inspection.

This report covers the period from January 1, 2017 to December 31, 2017 (the "Reporting Period"). Pursuant to Sec. 32-1-104(3), C.R.S., the Districts remained on inactive status throughout the Reporting Period.

1. Boundary changes made or proposed to the Districts' boundaries as of December 31 of the prior year.

There were no changes to the Districts' boundaries during the Reporting Period.

2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.

The Districts did not enter into any intergovernmental agreements during the Reporting Period.

3. Copies of the Districts' rules and regulations, and resolution imposing fees, if any, as of December 31 of the prior year.

The Districts did not adopt any rules and regulations, nor did they adopt a resolution imposing fees during the Reporting Period.

4. A summary of any litigation which involves the Districts' Public Improvements as of December 31 of the prior year.

To our actual knowledge, based on review of the court records in Jefferson County, there is no litigation involving the District as of December 31, 2017.

5. Status of the Districts' construction of the Public Improvements as of December 31 of the prior year.

There was no construction of Public Improvements during the Reporting Period.

6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of December 31 of the prior year.

There were no facilities or improvements constructed by the Districts that were dedicated to the City as of December 31, 2017.

7. The assessed valuation of the Districts for the current year.

The Districts received certifications of valuation from the Jefferson County Assessor that report taxable assessed valuations for 2018 as follows:

District No. 1	\$27	District No. 5	\$27
District No. 2	\$35,019	District No. 6	\$27
District No. 3	\$27	District No. 7	\$27
District No. 4	\$27		

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

*The 2018 Budget for District No. 1 is attached hereto as Exhibit A. District Nos. 2-6 remain on inactive status and did not adopt budgets for 2018.* 

9. Audit of the Districts' 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.

The 2017 Audit Exemption Applications for the Districts are attached hereto as **Exhibit B.** 

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

The Districts are not aware of any uncured events of default during the Reporting Period.

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

The Districts are not aware of any inability to pay obligations during the Reporting Period.

The foregoing filing is submitted this 1<sup>st</sup> day of August, 2018.

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Zachary P. White, Esq.

## EXHIBIT A

District No. 1 2018 Budget

#### **BIG SKY METROPOLITAN DISTRICT NO. 1**

#### 2018 BUDGET MESSAGE

Attached is the proposed 2018 budget for the Big Sky Metropolitan District No. 1 (the "District").

The District has adopted a General Fund to provide for operating expenditures, and a Capital Projects Fund to provide for the capital expenditures.

The District has utlized the modified accrual basis of accounting.

In 2018 the District intends to impose a mill levy of 0 mills on property within the District in order to fund operations costs within the District. The District's operating costs will be funded by advances from the developer of the property within the District.

		2016		2017		2017	2018
	4	Actual		opted Budget		Estimated	Proposed Budget
Assessed Valuation				\$25.00		\$25.00	\$27.00
Mill Levy							
General Fund	\$	-	\$	-	\$	-	\$0.00
Debt Service Fund	\$	-	\$	-	\$	-	\$0.00
Temporary Mill Levy Reduction	\$	-	\$	-	\$	-	\$0.00
Refunds and Abatements	\$	-	\$	-	\$	-	\$0.00
Total Mill Levy							\$0.00
Property Taxes							
General Fund	\$	-	\$	-	\$	-	\$0.00
Debt Service Fund	\$	-	\$	-	\$	-	\$0.00
Temporary Mill Levy Reduction	\$	-	\$	-	\$	-	\$0.00
Refunds and Abatements	\$	-	\$	-	\$	=	\$0.00
Actual/Budgeted Property Taxes							\$0.00

#### GENERAL FUND 2018 PROPOSED BUDGET with 2016 Actual, 2017 Adopted and 2018 Estimated Budget

	2016 Actual		2017 Adopted		2017 Estimated	Propo	2018 sed Budget
BEGINNING FUND BALANCE	\$ -	\$0.00		\$0.00		\$0.00	
REVENUE							
Property Tax Revenue	\$ -	\$	-	\$	-	\$	-
Specific Ownership Taxes	\$ -	\$	-	\$	-	\$	-
Developer Advance	\$ -	\$	55,000.00	\$	-	•	\$55,000.00
Interest Income	\$ -	\$		\$	-	\$	-
Miscellaneous Income	\$ -	\$	-	\$	-	\$	-
Total Revenue	 \$0.00		\$55,000.00		\$0.00		\$55,000.00
Total Funds Available	 \$0.00		\$55,000.00		\$0.00		\$55,000.00
EXPENDITURES							
Accounting	\$ _	\$	5,000.00		\$0.00		\$5,000.00
Audit	\$ -	\$	-	\$	-	\$	-
Directors' Fees	\$ -	\$	-	\$	-	\$	-
Election	\$ -	\$	_	\$	-	\$	-
Insurance/SDA Dues	\$ -	\$	2,500.00	\$	-		\$2,500.00
Legal	\$ -	\$	15,000.00	\$	-		\$15,000.00
Management	\$ -	\$	-	\$	-	\$	-
Engineering	\$ -	\$	-	\$	-	\$	-
Office Supplies/Miscellaneous	\$ -	\$	-	\$	-	\$	-
Payroll Taxes	\$ -	\$	-	\$	-	\$	-
Treasurer's Fees (1.5%)	\$	\$	825.00	\$	-	\$	825.00
Contingency	\$ -	\$	5,000.00	\$	- ,		\$5,000.00
Total Expenditures	 \$0.00		\$28,325.00		\$0.00		\$28,325.00
Emergency Reserve (3%)	\$0.00		\$849.75		\$0.00		\$849.75
Total Expenditures Requiring Appropriation	\$0.00		\$29,174.75		\$0.00		\$29,174.75
ENDING FUND BALANCE	 \$0.00		\$25,825.25		\$0.00		\$25,825.25

#### CAPITAL PROJECTS FUND 2018 PROPOSED BUDGET with 2016 Actual, 2017 Adopted and 2018 Estimated Budget

		2016		2017	2017		2018	
	A	ctual	Α	dopted	Estimated		Pr	oposed Budget
BEGINNING FUND BALANCE	\$	-	\$	-	\$	-	\$	-
REVENUE								
Bond Proceeds	\$	-	\$	-	\$	-	\$	-
System Development Fees	\$	-	\$	-	\$	-	\$	-
Developer Advance	\$	-	\$	-	\$	-	\$	11,000,000.00
Interest Income	\$	-	\$	-	\$	-	\$	-
Transfer from Debt Service	\$	-	\$	-	\$	-	\$	-
Total Revenue		\$0.00		\$0.00		\$0.00		\$11,000,000.00
Total Funds Available		\$0.00		\$0.00		\$0.00		\$11,000,000.00
EXPENDITURES								
Accounting	\$	-	\$		\$	-	\$	5,000.00
Bond Issuance Costs	\$	-	\$	-	\$	-	\$	· -
Organization Costs	\$	-	\$	-	\$	-	\$	-
Legal	\$	-	\$	-	\$	-	\$	-
Management	\$	-	\$	-	\$	-	\$	60,000.00
Capital Outlay	\$	-	\$	-	\$	-	\$	10,000,000.00
Contributed Assets	\$	-	\$	-	\$	-	\$	-
Utilities	\$	-	\$	-	\$	-	\$	-
Project Management	\$	-	\$	-	\$	-	\$	500,000.00
Engineering	\$	-	\$	2-1	\$	-	\$	250,000.00
Transfer to Debt Service	\$	-	\$	-	\$	-	\$	-
Total Expenditures		\$0.00		\$0.00		\$0.00		\$10,815,000.00
Total Expenditures Requiring		<b>\$0.00</b>		<b>#0.00</b>		<b>#0.00</b>		<b>#40.045.000.00</b>
Appropriation		\$0.00		\$0.00		\$0.00		\$10,815,000.00
ENDING FUND BALANCE		\$0.00		\$0.00		\$0.00		\$185,000.00

#### DEBT SERVICE FUND 2018 PROPOSED BUDGET with 2016 Actual, 2017 Adopted and 2018 Estimated Budget

		0040 L 0047 L		2047		2040		
		2016		2017	2017		2018	
	A	ctual		Adopted	E	stimated	Pre	oposed Budget
BEGINNING FUND BALANCE	\$	-	\$	-	\$	-	\$	-
REVENUE								
Property Tax Revenue	\$	-	\$	-	\$	-	\$	-
Specific Ownership Taxes	\$	-	\$	-	\$	-	\$	-
Bond Proceeds	\$	-	\$	-	\$	-	\$	-
Developer Advance	\$	-	\$	-	\$	-	\$	-
Interest Income	\$	-	\$	-	\$	-	\$	-
Miscellaneous Income	\$	-	\$	-	\$	-	\$	-
Total Revenue		\$0.00		\$0.00		\$0.00		\$0.00
Total Funds Available		\$0.00		\$0.00		\$0.00		\$0.00
EXPENDITURES								
Bond Principal	\$	-	\$	-	\$	-	\$	-
Bond Interest	\$	-	\$	-	\$	-	\$	-
Bond Issuance Costs	\$	-	\$	-	\$	-	\$	-
Letter of Credit Fees	\$	-	\$	-	\$	-	\$	-
Paying Agent Fees	\$	-	\$	-	\$	-	\$	-
Treasurer's Fees (1.5%)	\$	-	\$	-	\$	-	\$	-
Transfer to Capital Projects	\$	-	\$	-	\$	-	\$	-
Total Expenditures		\$0.00		\$0.00		\$0.00		\$0.00
Total Expenditures Requiring								
Appropriation		\$0.00		\$0.00		\$0.00		\$0.00
ENDING FUND BALANCE		\$0.00		\$0.00		\$0.00		\$0.00

### EXHIBIT B

2017 Audit Exemption Applications

## APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT	Big Sky Metropolitan District No. 1		For the Year Ended						
ADDRESS	2154 E. Commons Ave., Suite 2000	12/31/17							
	Centennial, CO 80122		or fiscal year ended:						
CONTACT PERSON	Zachary P. White, Esq.								
PHONE	303-858-1800								
EMAIL	zwhite@wbapc.com								
FAX	303-858-1801								
	PART 1 - CERTIFICAT	TION OF PREPARE	R						
I certify that I am skilled in g	governmental accounting and that the	information in the application is c	omplete and accurate, to the						
best of my knowledge.									
NAME:	Zachary P. White, Esq.								
TITLE	General Counsel								
FIRM NAME (if applicable)	White Bear Ankele Tanaka & Waldron								
ADDRESS									
PHONE	303-858-1800								
DATE PREPARED									
(Must be prepared prior to	3/28/2018								
Board approval)			3/2						
	and the second se	and the second second							
PREPARER (SIGNA	TURE REQUIRED)		internation of the second seco						
	/								
$\sim$	$\sim$								
11	1.								
		GOVERNMENTAL	PROPRIETARY						
	following financial information is	(MODIFIED ACCRUAL BASIS)	(CASH OR BUDGETARY BASIS)						
recorded using Governmenta	al or Proprietary fund types	<u>را</u>	П						

### 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
2-1	Taxes: Property		\$ -	space to provide
2-2	Specific ov	nership	\$ -	any necessary
2-3	Sales and u	Ise	\$ -	explanations
2-4	Other (spec	cify):	\$ -	
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	5	\$ -	
2-15	Debt proceeds	(should agree with line 4-4, column 2)	\$	
2-16	Lease proceeds		\$ -	
2-17	Developer Advances receiv	ecl (should agree with line 4-4)	\$	
2-18	Proceeds from sale of cap	tal assets	\$ -	
2-19	Fire and police pension		\$ -	
2-20	Donations		\$ -	
2-21	Other (specify):		\$ -	
2-22			\$	1
2-23	<u>.</u>		\$	1 A A
2-24	(a)	td lines 2-1 through 2-23) TOTAL REVENUE		

## PART 3 - EXPENDITURES

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

- "Line#•	Description	Round to nearest Dollar	
3-1	Administrative	\$ -	space to provide
3-2	Salaries	\$ -	any necessary explanations
3-3	Payroll taxes	\$ -	explanations
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	Culture and recreation	\$ -	
3-15	Utility operations	\$ -	
3-16	Capital outlay	\$	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)		
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):		
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$	11
If τοται	REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER	than \$100.000 - STOP. You	i may not use
	Please use the "Application for Exemption from Audit - LONG FORM".		

	PART 4 - DEBT OUTSTANDI				
4-1	Please answer the following questions by marking <b>Does the entity have outstanding debt?</b>	the appropriate box	(es.	Yes	No
	If Yes, please attach a copy of the el	ntity's Debt Repa	ayment Schedu		
4-2	Is the debt repayment schedule attached? If no. MUST None	explain:			
4-3	Is the entity current in its debt service payments? If no,	MUST explain:	a the second		
10	None				
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	Retired during year	Outstanding at year-end
	General obligation bonds	\$ -	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -	\$ -
	Leases	\$ -	\$ -	\$ -	\$ -
	Developer Advances	\$ -	\$ -	\$ -	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$-
	Please answer the following questions by marking the appropriate	*must tie to prior ye	ear ending balance	Yes	No
4-5	Does the entity have any authorized, but unissued, deb				
If yes:	How much?	\$ 6	00,000,000.00		
	Date the debt was authorized:	11/4/2	2014	11 <u>1</u>	
4-6	Does the entity intend to issue debt within the next cale	endar year?			
If yes:	How much?	\$	-		1.5%
4-7	Does the entity have debt that has been refinanced that	percent in the second sec	sible for?		
If yes:	What is the amount outstanding?	\$	-	e	
4-8	Does the entity have any lease agreements? What is being leased?	r			
If yes:	What is the original date of the lease?				
	Number of years of lease?				
	Is the lease subject to annual appropriation?				
	What are the annual lease payments?	\$	-	_	
<b>4-9</b>	Does the entity have a certified Mill Levy? Please provide the following <u>mills</u> levied for the year rep	oorted (do not re	nort \$	4	
If yes:	amounts):		ροιτφ		
	anouncey	Bond Redempti	ion		-
		General/Other			-
		TOTAL			-
	Please use this space to provide a	ny explanations	or comments:		
Concernance of the second				ISC.	
	PART 5 - CASH AN	ID INVEST	MENIS	at P	
an na talan an ang talan.	Please provide the entity's cash deposit and investment balances.		lika kan ji nga sa	Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Account	S		\$ -	
5-2	Certificates of deposit		· · ·	\$ -	\$ -
	Total Cash Deposits Investments (if investment is a mutual fund, please list unge	ulving investment	<u>e)</u>	· 1	φ -
	nivestinents in investment is a mutual tunid, piease list unge	anying investment	57.	\$ -	
				\$ -	
5-3				\$ -	
			0	\$ -	
	Total Investments		-		\$ -
	Total Cash and Investments				\$ -
	Please answer the following questions by marking in the appr	opriate boxes	Yes	No 😥	N/A
5-4	Are the entity's Investments legal in accordance with Se				V
	601, et. seq., C.R.S.?				Ľ
5-5	Are the entity's deposits in an eligible (Public Deposit P	rotection Act)			Ø
	public depository (Section 11-10.5-101, et seq. C.R.S.)?	•			لتنا
lf no, MU	ST use this space to provide any explanations:				

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6-1	Does the entity have capital assets?							$\checkmark$
6-2	Has the entity performed an annual inventory of ca Section 29-1-506, C.R.S.,? If no, MUST explain:	ipital assets in a	ccor	dance with				
6-3	Complete the following capital assets:table:	Balance beginning c year*		Additions (M be included Part 3)	31	Deletions		ear-End Jalance
	Land	\$	-	\$ -	\$	-	\$	-
	Buildings	\$	-	<u>\$</u> -	\$		\$	
	Machinery and equipment Furniture and fixtures	\$	-	\$ - \$ -	\$	-	\$	
	Construction In Progress (CIP)	\$	-	\$ -	\$	-	\$	_
	Other (explain):	\$	-	\$ -	\$	=	\$	
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$	-	\$-	\$	-	\$	-
	TOTAL	\$		\$ -	\$	-	S	

						11
	PA	RT 7 - PENSION INFORM	IATIO	N		
an a	Please answer the following question	s by marking in the appropriate boxes.		E Park	· Yes	hart in No.
7-1	Does the entity have an "old him	e" firemen's pension plan?				7
7-2	Does the entity have a voluntee					$\overline{\mathbf{V}}$
If yes:	Who administers the plan?	n/a				
	Indicate the contributions from:					
	Tax (proper	ty, SO, sales, etc.):	\$			
	- State contri	bution amount:	\$	-		
	Other (gifts	donations, etc.):	\$	-		
	TOTAL		\$	-		
	What is the monthly benefit pai	d for 20 years of service per retiree as of	¢			
	Jan 1?		φ	-		
	Please us	e this space to provide any explanations	or comm	ents:		a dharan a da shekara 1997 a shekara a s

ца,	PART 8 - BUDGE	T INFORM	ATION		
17	Please answer the following questions by marking in the appropria		Yes	No	N/A
8-1	Did the entity file a budget with the Department of Local current year in accordance with Section 29-1-113 C.R.S. If no, MUST explain:				
8-2	Did the entity pass an appropriations resolution, in according Section 29-1-108 C.R.S.? If no, MUST explain:	ordance with	7	4	
	· · · ·				
If yes:	Please indicate the amount appropriated for each fund f	for the year repor	ted:		
	General Fund	\$	28,325		

\$ 28,325
\$

## PART 9 - TAXPAYER'S BILLOF RICHTS (TABOR)

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Please answer the following question by marking in the appropriate box

Is the entity in compliance with all the provisions of TABOR [State Constitution, 9-1 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. 

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PART 10 - GENERAL INFORMATION				
a de la companya de l	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?	1	$\Box$	
	Please indicate what services the entity provides:			
	None			
10-4	Does the entity have an agreement with another government to provide services?		1	
If yes:	List the name of the other governmental entity and the services provided:			
, 00.				
	The second secon			
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status	Г		
	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.]			
If yes:	Date Filed:			
and seal general at	Please use this space to provide any explanations or comments:	化化合体 化合体合体合体合体合体		

	PART 11 - GOVERNING BODY APPRO	DVAL	
i ali Tanzi osmo M	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?	(J	

## 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 current governing board members below.	
Board	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
Member 1	Thomas Morton	exemption from audit. Signed Date:
		My term Expires:
Board	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
Member 2	Todd Johnson	exemption from audit. Signed Date:
		My term Expires:
Board Member	. 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.
3		Signed Date:
		My term Expires:
Board Member	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.
4		Signed Date:
		My term Expires:
	Print Board Member's Name	, attest I am a duly elected or appointed board
Board Member		member, and that I have personally reviewed and approve this application for exemption from audit.
5		Signed Date:
The second		My term Expires:
Board	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
Member		exemption from audit. Signed
6		Date:
	Patrick Danciel Many have been	My term Expires:
Board Member	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.
7		Signed Date:
		My term Expires:

#### JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF THE BIG SKY METROPOLITAN DISTRICT NOS. 1-7

#### APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the "District") is a quasimunicipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the "Board") wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

WHEREAS, the 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 AS FOLLOWS:

1. <u>APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT</u>. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29<sup>TH</sup> DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7 Officer of Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law

General Counsel to the Districts

## APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT	Big Sky Metropolitan District No. 2	For the Year Ended
ADDRESS	2154 E. Commons Ave., Suite 2000	12/31/17
	Centennial, CO 80122	or fiscal year ended:
CONTACT PERSON	Zachary P. White, Esq.	
PHONE	303-858-1800	
EMAIL	zwhite@wbapc.com	
FAX	303-858-1801	
	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:	Zachary P. White, Esq.
TITLE	General Counsel
FIRM NAME (if applicable)	White Bear Ankele Tanaka & Waldron
ADDRESS	2154 E. Commons Ave., Suite 2000, Centennial, CO 80122
PHONE	303-858-1800
DATE PREPARED	
(Must be prepared prior to	3/28/2018
Board approval)	

PREPARER (SIGNATURE REQUIRED)

7 <

Please indicate whether the following financial information is	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
recorded using Governmental or Proprietary fund types	2	

## 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
2-1	Taxes: Property		\$ -	space to provide
2-2	Specific owne	rship	\$ -	any necessary
2-3	Sales and use		\$ -	explanations
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			\$ -	
2-23		e children and a second s	\$ -	
2-24	(add I	ines 2-1 through 2-23) TOTAL REVENUE	Same and the second sec	

## **PART 3 - EXPENDITURES**

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 Dolla	
3-1	Administrative		\$	space to provide
3-2	Salaries		\$	any necessary
3-3	Payroll taxes		\$	explanations
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	Culture and recreation		\$	-
3-15	Utility operations		\$	-
3-16	Capital outlay		\$	
3-17	Debt service principal (	should agree with Part 4)	\$	-
3-18	Debt service interest		\$	-
3-19	The second se	hould 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) TOTA	LEXPENDITURES	\$	
ITOTAL	REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line	3-26) are GREATER	than \$100,000 - STOP.	You may not use
	Please use the "Application for Exemption from Audit - L(			

	PART 4 - DEBT OUTSTANDI Please answer the following questions by marking				高门 No
4-1	Does the entity have outstanding debt?				I
4-2	If Yes, please attach a copy of the er Is the debt repayment schedule attached? If no. MUST of None	yment ochedu			
4-3	Is the entity current in its debt service payments? If no, None	MUST explain:			I
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 Leases Developer Advances Other (specify): TOTAL	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -	\$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -	\$     -       \$     -       \$     -       \$     -       \$     -       \$     -       \$     -       \$     -       \$     -       \$     -       \$     -
	Please answer the following questions by marking the appropriate	boxes.		Yes	No
4-5 If yes: 4-6	Does the entity have any authorized, but unissued, deb How much? Date the debt was authorized: Does the entity intend to issue debt within the next cale	\$ 6	00,000,000.00 2014	]	
lf yes: <b>4-7</b>	How much? Does the entity have debt that has been refinanced that	\$ it is still respons	- sible for?	]	7
If yes: <b>4-8</b>	What is the amount outstanding? Dces the entity have any lease agreements?	\$	-		~
If yes:	What is being leased? What is the original date of the lease?			-	
	Number of years of lease? Is the lease subject to annual appropriation?				7
<b>4-9</b> If yes:	What are the annual lease payments? Does the entity have a certified Mill Levy? Please provide the following <u>mills</u> levied for the year rep	sorted (do not re	- port \$	2	
	amounts):	Bond Redempti General/Other TOTAL	on		
	Please use this space to provide a	ny explanations	or comments:	and the second	
	PART 5 - CASH AN Please provide the entity's cash deposit and investment balances.		MENTS	Amount	and the second s
5-1	YEAR-END Total of ALL Checking and Savings Account	s		\$ -	
5-2	Certificates of deposit			\$	\$-
	Total Cash Deposits Investments (if investment is a mutual fund, please list unde	rlying investments	s):*/_*_1*		Ψ
				\$ - \$ -	
5-3				\$ - \$ -	
	Total Investments			¥	\$-
	Total Cash and Investments				\$ -
5-4	Please answer the following questions by marking in the appr Are the entity's Investments legal in accordance with Se	opriate boxes	Yes	No	N/A
5-5	601, et. seq., C.R.S.? Are the entity's deposits in an eligible (Public Deposit Pr public depository (Section 11-10.5-101, et seq. C.R.S.)?	rotection Act)			J
lf no. MU	ST use this space to provide any explanations:				

6-1	Please answer the following questions by marking in the ap Does the entity have capital assets?	spropriate boxe.	and the second second	A REAL PROPERTY.		Yes	No I
6-2	Has the entity performed an annual inventory of c Section 29-1-506, C.R.S.,? If no, MUST explain:	apital assets	in accord	dance with			- -
6-3	Complete the following capital assets table:		ance - ing of the ear*	Additions ( be include Part 3)	din	Deletions	 Year-Enc Balance
	Land	\$	-	\$	-	<u>\$</u> -	\$
	Buildings Machinery and equipment	\$	-	<u>&gt;</u> \$	-	<u> </u>	\$ 
	Furniture and fixtures	\$	-	\$	-	\$ -	\$ -
	Construction In Progress (CIP)	\$	-	\$		\$ -	\$ -
	Other (explain):	\$	-	\$		\$ -	\$ -
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$	-	\$	-	\$ -	\$ -
	TOTAL	\$		\$	-	\$ -	\$ -

		and the second
Diango lico this engeo	to provide any explanations or c	ommonte.
Fiedde ude illig space	to provide any explanations of c	WITH CHINS.

		0				
and the second	Marka PA	RT 7 - PENSION INFORI	ΜΑΤ	ION		
i ta ka	Please answer the following question	is by marking in the appropriate boxes.		ng n	Yes	No
7-1	Does the entity have an "old hi	re" firemen's pension plan?				7
7-2	Does the entity have a voluntee	r firemen's pension plan?				
If yes:	Who administers the plan?	n/a				
•	Indicate the contributions from	nan sa ang ang ang ang ang ang ang ang ang an				
	Tax (proper	ty, SO, sales, etc.):	\$	-		
	State contri	bution amount:	\$	-		
	Other (gifts	, donations, etc.):	\$			
	TOTAL		\$	-		
	What is the monthly benefit pai Jan 1?	d for 20 years of service per retiree as o	of \$	-		-
	Please us	e this space to provide any explanation	s or co	amments:		

	PART 8 - BUDGE		ATION	
8-1	Please answer the following questions by marking in the appropria Did the entity file a budget with the Department of Local current year in accordance with Section 29-1-113 C.R.S. If no, MUST explain:	Affairs for the	¥es 	N/A
8-2	Did the entity pass an appropriations resolution, in acco Section 29-1-108 C.R.S.? If no, MUST explain:	ordance with	V	
	· 40			
If yes:	Please indicate the amount appropriated for each fund f	or the year repo	rted:	
	General Fund	\$	28,325	

## PART 9 - TAXPAYER'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)]?

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		
R. R. S.	Please answer the following questions by marking in the appropriate boxes.	Yes	No
10-1	Is this application for a newly formed governmental entity?		I
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		7
If yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	1	
	Please indicate what services the entity provides:		
	None		
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 the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-	<b>v</b>	
	1-103 (9.3) and <u>32-1-104 (3), C.R.S.1</u>		
If yes:	Date Filed: 28-Nov-17		
	Please use this space to provide any explanations or comments:	a far an	<b>S</b>

Notice of Continuing Inactive Status was filed and rejected. The District was required by the State to become in compliance with audit law for 2015, 2016, and 2017, which has been done and filed as required.

 $\square$ 

No

	PART 11 - GOVERNING BODY APPRO	VAL	
t ng <sup>10</sup> Recep <sub>t</sub> 1	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?	V	

## 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.

E.	Print the names of ALL current governing board members below.	A MAJORITY of the governing board members must complete and signim the column below,
Board	👾 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
Member 1	Thomas Morton	exemption from audit. Signed Date: My term Expires:
Board	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.
Member 2		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	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
- 4		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	Brint 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:

#### JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF THE BIG SKY METROPOLITAN DISTRICT NOS. 1-7

#### APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the "District") is a quasimunicipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the "Board") wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

WHEREAS, the 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 AS FOLLOWS:

1. <u>APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT</u>. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29<sup>TH</sup> DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7 Officer of Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law

General Counsel to the Districts

## APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT ADDRESS	Big Sky Metropolitan District No. 3 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122	154 E. Commons Ave., Suite 2000		
CONTACT PERSON PHONE EMAIL FAX	Zachary P. White, Esq. 303-858-1800 zwhite@wbapc.com 303-858-1801		-	
		ION OF PREPARE	R	
I certify that I am skilled in g best of my knowledge.	governmental accounting and that the i	nformation in the application is c	complete and accurate, to the	
NAME:	Zachary P. White, Esq.			
TITLE	General Counsel			
FIRM NAME (if applicable)	White Bear Ankele Tanaka & Waldron			
ADDRESS	2154 E. Commons Ave., Suite 2000, C	entennial, CO 80122		
PHONE	303-858-1800			
DATE PREPARED				
(Must be prepared prior to Board approval)	3/28/2018			
PREPARER (SIGNA	TURE REQUIRED)			
~	ma			
	ollowing financial information is	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)	
recorded using Governmenta	al or Proprietary fund types	[J]		

## PART 2 - REVENUE

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

Line#			Description	Round to nearest Dollar	
2-1	Taxes:	Property		\$ -	space to provide
2-2		Specific owner	ship	\$ -	any necessary
2-3		Sales and use		\$ -	explanations
2-4		Other (specify)	:	\$ -	
2-5	Licenses and	permits		\$ -	
2-6	Intergovernme	ental:	Grants	\$ -	
2-7	-		Conservation Trust Funds (Lottery)	\$ -	
2-8			Highway Users Tax Funds (HUTF)	\$ -	
2-9			Other (specify):	\$ -	
2-10	Charges for se	ervices		\$ -	
2-11	Fines and forf	eits		\$ -	
2-12	Special assess	sments		\$ -	
2-13	Investment inc	come		\$ -	
2-14	Charges for ut	ility services		\$ -	
2-15	Debt proceeds	3	(should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceed	ls		\$ -	
2-17	Developer Adv	ances received	(should agree with line 4-4)	\$ -	
2-18	<b>Proceeds from</b>	sale of capital	assets	\$ -	
2-19	Fire and police	e pension		\$ -	
2-20	Donations			\$ -	
2-21	Other (specify	):			
2-22	., .			\$ -	
2-23				\$ -	
2-24		(add li	nes 2-1 through 2-23) TOTAL REVENUE	\$	

## **PART 3 - EXPENDITURES**

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

Line#	Description	Round to nearest Dollar	
3-1	Administrative	\$	space to provide
3-2	Salaries	\$ -	any necessary explanations
3-3	Payroll taxes	\$ -	a de la companya de la
3-4	Contract services	\$ -	See Sector States
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	Culture and recreation	\$ -	
3-15	Utility operations	\$ -	
3-16	Capital outlay	\$	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):		
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$ . 📲 -	
	• REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATEI		umay not use
this form	Please use the "Application for Exemption from Audit - LONG FORM".	<del>, man \$ 100,000 - <u>0101</u>.</del> 10	a may not ase
uns ionn.	<u>Please use the Application of Exemption from Audit - LONOT ONM</u> .		· · · · · · · · · · · · · · · · · · ·

	PART 4 - DEBT OUTSTAND				
4-1	Please answer the following questions by marking Does the entity have outstanding debt? If Yes, please attach a copy of the end o		8	Yes	No
4-2	Is the debt repayment schedule attached? If no. MUST		раутен эспеси		V
4-3	Is the entity current in its debt service payments? If no None	, MUST explain	1:		2
4-4	Please complete the following debt schedulc, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding a end of prior ye	ar* year	Retired during year	Outstanding at year-end
	General obligation bonds Revenue bonds	<u>\$</u> - \$-	<u>\$                                    </u>	\$ - \$ -	<del>\$ -</del> \$ -
	Notes/Loans	\$ -	\$ -	\$	\$ -
	Leases	\$ -	\$ -	\$	\$ -
	Developer Advances	\$ -	\$ -	\$ -	\$ -
	Other (specify): TOTAL	\$ - \$ -	\$ - \$ -	\$ -	\$ - \$ -
	TOTAL		r year ending balance		φ -
	Please answer the following questions by marking the appropriat	e boxes.	r year chaing balance	Yes	No
4-5 If yes:	Does the entity have any authorized, but unissued, deb How much? Date the debt was authorized:	\$	600,000,000.00 /4/2014	7	
4-6	Does the entity intend to issue debt within the next cal	And a state of the	4/2014		
If yes: <b>4-7</b>	How much? Does the entity have debt that has been refinanced tha	ه t it is still respo	onsible for?		V
If yes: 4-8	What is the amount outstanding? Does the entity have any lease agreements?	\$	-		J
If yes:	What is being leased? What is the original date of the lease?				6.
	Number of years of lease? Is the lease subject to annual appropriation?	L	···		V
	What are the annual lease payments?	\$			
4-9 If yes:	Does the entity have a certified Mill Levy? Please provide the following <u>mills</u> levied for the year re	Acres	report \$		
	amounts):	Bond Redem General/Othe TOTAL			
N.	Please use this space to provide a	any explanatio	ns or comments:		an an an ann an Anna an Anna an Anna. Anna an Anna an
5-1	PART 5 - CASH AN Please provide the entity's cash deposit and Investment balances. YEAR-END Total of ALL Checking and Savings Account		TMENTS	Amount \$ -	Total
5-2	Certificates of deposit Total Cash Deposits			\$ -	\$ -
	Investments (if investment is a mutual fund, please list'und	erlying investme	ents):	\$-	
5-3	· · · ·			<u>\$</u> - \$-	
				\$ -	
	Total Investments Total Cash and Investments		artes Antonio de Carlos Antonio de Carlos		\$
	Please answer the following questions by marking in the app		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Se 601, et. seq., C.R.S.?	ection 24-75-			V
5-5	Are the entity's deposits in an eligible (Public Deposit P public depository (Section 11-10.5-101, et seq. C.R.S.)?				1
lf no, MU	ST use this space to provide any explanations:	an a			

6-1	Please answer the following questions by marking in the ap <b>Does the entity have capital assets?</b>	propriate nove					res		No 2
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:						2		
6-3	Complete the following capital assets table	beginn	ance - ing of the ear*	Additions be inclu Part	ded in	Del	etions		ar-End Nance
	Land Buildings	\$		\$	-	\$ \$	-	\$ \$	-
	Machinery and equipment Furniture and fixtures Construction In Progress (CIP)	3 \$	-	\$ \$	-	<del>3</del> \$ \$	-	\$	-
	Other (explain):	\$	-	\$		\$	-	\$	
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$	-	\$	-	\$	-	\$	-
	TOTAL	\$	-	\$	-	\$	-	\$	848 

n a san an a				and an include the state of the state	
		RT 7 - PENSION INFORN s by marking in the appropriate boxes.	IATION	Yes	No
7-1 7-2	Does the entity have an "old hin Does the entity have a voluntee				2
If yes:	Who administers the plan? Indicate the contributions from	n/a	<u> </u>		
		ty, SO, sales, etc.): bution amount:	\$ - \$ -		
	Other (gifts, TOTAL	donations, etc.):	<u>\$</u> - \$-		
	Jan 1?	d for 20 years of service per retiree as of	\$ -		
	Please us	e this space to provide any explanations	or comments:		

					*)
	PART 8 - BUDGE		ATION -	1. Pra	
	Please answer the following questions by marking in the approp		Yes	No	N/A
8-1	Did the entity file a budget with the Department of Loc current year in accordance with Section 29-1-113 C.R. If no, MUST explain:				
8-2	Did the entity pass an appropriations resolution, in ac Section 29-1-108 C.R.S.? If no, MUST explain:	cordance with		V	
If yes:	Please indicate the amount appropriated for each fund	for the year repo			
	· · · · · · · · · · · · · · · · · · ·				
	General Fund	\$	28,325		

# PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR) Please answer the following question by marking in the appropriate box Is the entity in compliance with all the provisions of TABOR [State Constitution,

9-1 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:	Pro 14	
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:		
	None		
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 A
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status	_	<b>Second</b>
	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.1		
If yes:	Date Filed: 28-Nov-17		
	Please use this space to provide any explanations or comments:	North State	an a

Notice of Continuing Inactive Status was filed and rejected. The District was required by the State to become in compliance with audit law for 2015, 2016, and 2017, which has been done and filed as required.

	PART 11 - GOVERNING BODY APPROVA		
urun IV. Vitan	. Please answer the following question by marking in the appropriate box	YES	NO
2.4	If you plan to submit this form electronically, have you read the new Electronic	2	

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

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

#### Policy - Requirements

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

• The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.

• The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.

• Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods: 1) Submit the application in hard copy via the US Mail including original signatures.

2) Submit the application electronically via email and either,

a. Include a copy of an adopted resolution that documents formal approval by the Board, or

b. Include electronic signatures obtained through a software program such as Docusign or Echosign in accordance with the requirements noted above.

≈ <sub>#.2</sub> 211	Print the names of ALL current governing board members below.	A <u>MAJORITY</u> of the governing board members must complete and sign in the column below.
Board	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.
Member 1	Thomas Morton	Signed Date: My term Expires:
Board Member	Print Board Member's Name Todd Johnson	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.
2		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:

#### JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF THE BIG SKY METROPOLITAN DISTRICT NOS. 1-7

#### APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the "District") is a quasimunicipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the "Board") wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

WHEREAS, the 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 AS FOLLOWS:

1. <u>APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT</u>. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29<sup>TH</sup> DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7 Officer of Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law

General Counsel to the Districts

# APPLICATION FOR EXEMPTION FROM AUDIT

# SHORT FORM

NAME OF GOVERNMENT	Big Sky Metropolitan District No. 4		For the Year Ended		
ADDRESS	2154 E. Commons Ave., Suite 2000		12/31/17		
	Centennial, CO 80122		or fiscal year ended:		
CONTACT PERSON	Zachary P. White, Esq.				
PHONE	303-858-1800				
EMAIL	zwhite@wbapc.com				
FAX	303-858-1801				
	PART 1 - CERTIFICA	<b>FION OF PREPARE</b>	R M		
I certify that I am skilled in	governmental accounting and that the				
best of my knowledge.					
NAME:	Zachary P. White, Esg.				
TITLE	General Counsel				
FIRM NAME (if applicable)	White Bear Ankele Tanaka & Waldron				
ADDRESS	2154 E. Commons Ave., Suite 2000, C				
PHONE	303-858-1800				
DATE PREPARED					
(Must be prepared prior to	3/28/2018				
Board approval)		L SH			
	and the second				
PREPARER (SIGNA	ATURE REQUIRED)		and the second se		
	1				
-	2 4				
	and				
Please indicate whether the	following financial information is	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)		
recorded using Government	al or Proprietary fund types	2			

### 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:
2-1	Taxes: Propert	/	\$ -	space to provide
2-2	Specific	ownership	\$ -	any ne <b>cessary</b>
2-3	Sales a	nd use	\$ -	explanations
2-4	Other (s	pecify):	\$ -	
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 servi	ces	\$ -	
2-15	Debt proceeds	(should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds		\$ -	
2-17	Developer Advances re	ceived (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of c	apital 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	\$ The second sec	

### **PART 3 - EXPENDITURES**

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

Line#	Description		Round to nearest Dollar	
3-1	Administrative		\$ -	space to provide
3-2	Salaries		\$ -	any necessary explanations
3-3	Payroll taxes		\$ -	107 10 AG
3-4	Contract services		\$	jen statu Pier status Base anti-
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	Culture and recreation		\$ -	
3-15	Utility operations		\$ -	
3-16	Capital outlay		\$	
3-17	Debt service principal	(should agree with Part 4)	\$ -	No. of Contract of
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)			
f TOTAL	REVENUE (Line 2-24) or TOTAL EXPENDITURES	(Line 3-26) are GREATER	R than \$100,000 - <u>STOP</u> . Y	ou may not use

this form. Please use the "Application for Exemption from Audit - LONG FORM"

	PART 4 - DEBT OUTSTANDI	NG, IS	SU	ED, A	AND				No.
4-1	Please answer the following questions by marking, Does the entity have outstanding debt?				1	Ye	22	Ŀ	No
4-2	If Yes, please attach a copy of the entity's Debt Repayment Scheo							5	
4-2	Is the debt repayment schedule attached? If no. MUST of None	explain:			********			Ľ	1
4-3	Is the entity current in its debt service payments? If no,	MUST ex	plain:			, D			7
	None	1 534 1/180 (J2 11 11)							
4-4	Please complete the following debt schedule, if applicable:	Outstan	ding at	Issuer	during	Retired	durina	Outsta	nding at
	(please only include principal amounts)(enter all amount as positive numbers)	end of pri			ear	yea			r-end
	General obligation bonds	C.	$2^{-2}$	6	ار الای مواقعه به مارد. ایرون ا	e e	a an ann a fhad	¢	ан
	Revenue bonds	\$		\$	-	\$ \$	-	\$ \$	
	Notes/Loans	\$	-	\$	-	\$	_	\$	-
	Leases	\$	-	\$	-	\$	-	\$	
	Developer Advances	\$	-	\$	-	\$	-	\$	-
	Other (specify):	\$	-	\$	-	\$		\$	-
	TOTAL	\$	-	\$	-	\$	-	\$	-
t see Second		*must tie t	o prior ye	ear ending	g balance				
4-5	Please answer the following questions by marking the appropriate Does the entity have any authorized, but unissued, debt	boxes.	a sanga			Ye:	ð .	יז 	10
if yes:	How much?	\$	6	00,000,	000.00			L	1
n yee.	Date the debt was authorized:		11/4/2						
4-6	Does the entity intend to issue debt within the next cale	ndar year	?					1	]
If yes:	How much?	\$			-				
4-7	Does the entity have debt that has been refinanced that	it is still r	espon	sible fo	r?			7	]
If yes:	What is the amount outstanding?	\$			-	anatas			
4-8	Does the entity have any lease agreements?	r						7	]
If yes:	What is being leased? What is the original date of the lease?			,					
	Number of years of lease?	Г. Г.							
	Is the lease subject to annual appropriation?							1 I	]
	What are the annual lease payments?	\$			-				r
<b>4-9</b> If yes:	Does the entity have a certified Mill Levy? Please provide the following <u>mills</u> levied for the year rep	oorted (do	not re	port \$		$\checkmark$			
	amounts):	Bond Re	demoti	on	ſ				-
		General/							-
		TOTAL			ĺ				-
Mary .	Please use this space to provide a	ny explan	ations	or com	ments:				
the second second second									
	📼 PART 5 - CASH AN	D INV	<b>EST</b>	MEN					
staar of get	Please provide the entity's cash deposit and investment balances.					Αποι	int	Тс	tal
5-1	YEAR-END Total of ALL Checking and Savings Accounts	s				\$	-		
5-2	Certificates of deposit		-			\$	-	•	
	Total Cash Deposits	rhuinn inun	ationant	-			L	\$	-
	Investments (if investment is a mutual fund, please list unde	riying inve	siment	<b>s)</b>		\$	_		
			· · · ·	17-10000 Autorot		\$ .			
5-3						\$	_		
						\$	-		
	Total Investments			т. Т. р	9 <u>5</u>			\$	-
	Total Cash and Investments							\$	-
	Please answer the following questions by marking in the appro	opriate box	es	Y	es 🔛	No			/A
5-4	Are the entity's Investments legal in accordance with Se	ction 24-7	75-	Г	1			4	
	601, et. seq., C.R.S.?			L				<u> </u>	
5-5	Are the entity's deposits in an eligible (Public Deposit Pr	rotection	Act)					1	
	public depository (Section 11-10.5-101, et seq. C.R.S.)?					لسببا 		لت ا	c
lf no, MU	ST use this space to provide any explanations:						۲	an a	and and

	PART 6 - CA Please answer the following guestions by marking in the appro			ETS	S.		Yes	No
6-1	Does the entity have capital assets?				and the second second	[		2
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:				l		Ø	
6-3	None	1	×	printe atta		• •		
	Complete the following capital assets table:	begin	llance - ning of the year*    ⊾	be inc	ns (Must luded in rt 3)		etions	Year-End Balance
	Land	\$	-	\$	-	\$	-	\$ -
	Buildings	\$	_	\$	-	\$	-	\$ 
	Machinery and equipment	\$	-	\$	-	\$		\$ -
	Furniture and fixtures Construction in Progress (CIP)	\$		\$ \$	-	<u>ф</u>	-	\$ -
	Other (explain):	\$	-	\$	-	\$	-	\$ -
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$		\$	-	\$	-	\$ 
	TOTAL	\$	-	\$	-	\$	-	\$ -
		*must	ie to prior ye	ar ending	g balance			

Please use this space to provide any explanations or comments:

	PA	<b>RT 7 - PENSION</b>	INFORM	ATION		
	Please answer the following question	is by marking in the appropriate	boxes. 🗿 🚽		Yes	No
7-1	Does the entity have an "old hi					
7-2	Does the entity have a volunted	er firemen's pension plan?				1
If yes:	Who administers the plan?	r	/a			
	Indicate the contributions from	1 1 1 1				
	Tax (prope	ty, SO, sales, etc.):	[	\$ -		
	State contr	ibution amount:	[	\$ -		
	Other (gifts	, donations, etc.):		\$ -		
	TOTAL			\$		
	What is the monthly benefit pa	d for 20 years of service pe	r retiree as of	\$ -		
	Jan 1?			Ψ		
a san an	Please us	e this space to provide any	explanations (	or comment	9. 📷 🖓 🖓	

Well Street					
	PART 8 - BUDGE	<b>FINFORM</b>	ΙΑΤΙΟΝ		
	Please answer the following questions by marking in the appropria	te boxes.	Yes	No	N/A
8-1	Did the entity file a budget with the Department of Local current year in accordance with Section 29-1-113 C.R.S. If no, MUST explain:				
			]		
8-2	Did the entity pass an appropriations resolution, in acco Section 29-1-108 C.R.S.? If no, MUST explain:	ordance with			
		a e pe			
If yes:	Please indicate the amount appropriated for each fund f	or the year repo	orted:		
	General Fund	\$	28,325		

General Fund	\$ 28,325		

### PART 9 - TAXPAYER'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)]?

 $\bigtriangledown$ 

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		1999 L 44
	Please answer the following questions by marking in the appropriate boxes.	Yes 1	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:	_	
	None		
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:		
40.5	New the distribution of the state of the sta		
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status	2- 🖓	
	during the year? [Applicable to Title 32 special districts only, pursuant to Sections 3	<b>2</b> - 🖸	
Friday	1-103 (9.3) and <u>32-1-104 (3)</u> , C.R.S.] Date Filed: 28-Nov-17	Г	
If yes:	Date Filed: 28-Nov-17 Please use this space to provide any explanations or comments		
	Flease use this space to provide any explanations of comments	All the second second second	an in the second se

Notice of Continuing Inactive Status was filed and rejected. The District was required by the State to become in compliance with audit law for 2015, 2016, and 2017, which has been done and filed as required.

	PART 11 - GOVERNING BODY APPROVA		
	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	7	

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

### Policy - Requirements

Signature Policy?

The Office of the State Auditor Local Government Audit Division may accept **a**n 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 current governing board members below.	A <u>MAJORITY</u> of the governing board members must complete and sign in the column below.
	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
Board Member 1	Thomas Morton	exemption from audit. Signed Date: My term Expires:
Board	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
Member 2	Todd Johnson	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	Prinț 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:

#### JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF THE BIG SKY METROPOLITAN DISTRICT NOS. 1-7

#### APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the "District") is a quasimunicipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the "Board") wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

WHEREAS, the 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 AS FOLLOWS:

1. <u>APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT</u>. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29<sup>TH</sup> DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7 Officer of Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law

General Counsel to the Districts

# APPLICATION FOR EXEMPTION FROM AUDIT

### SHORT FORM

NAME OF GOVERNMENT ADDRESS	For the Year Ended 12/31/17 or fiscal year ended:		
CONTACT PERSON	Zachary P. White, Esq.		
PHONE	303-858-1800		
EMAIL	zwhite@wbapc.com		
FAX	303-858-1801		
-	PART 1 - CERTIFICAT		
I certify that I am skilled in best of my knowledge.	governmental accounting and that the i	nformation in the application is c	omplete and accurate, to the
NAME:	Zachary P. White, Esq.		
TITLE	General Counsel		
FIRM NAME (if applicable)	White Bear Ankele Tanaka & Waldron		
ADDRESS	2154 E. Commons Ave., Suite 2000, C	entennial, CO 80122	
PHONE	303-858-1800		
DATE PREPARED (Must be prepared prior to Board approval)	3/28/2018		
PREPARER (SIGNA	ATURE REQUIRED)		
	mat		
	following inancial information is	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
recorded using Government	al or Proprietary fund types		

#### 2 - REVENUE PAR

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#	and the state of the state	Description	Round to nearest Dollar	Please use this
2-1	Taxes: Property		\$ -	space to provide
2-2	Specific owne	rship	\$ -	any necessary
2-3	Sales and use		\$ -	explanations
2-4	Other (specify	):	\$ -	i gana i s
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	<b>Developer Advances received</b>	(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):	8	\$ -	
2-22	e P		\$ -	
2-23			\$ -	i i i
2-24	(add l	nes 2-1 through 2-23) TOTAL REVENUE	\$ -	

### **PART 3 - EXPENDITURES**

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.

15.20

Line#	Description	$t_{\rm spin}$ , $t_{\rm spin}^{\rm c}$	Round to nearest Dolla	<b>ir</b> !	Please use this
3-1	Administrative		\$	-	space to provide
3-2	Salaries		\$	-	any necessary
3-3	Payroll taxes		\$	-	explanations
3-4	Contract services		\$	10	an a
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	ļ	\$	-	
3-13	Public health		\$	-	
3-14	Culture and recreation		\$	-	
3-15	Utility operations		\$	-	
3-16	Capital outlay		\$	-	
3-17	Debt service principal (should ag	ree with Part 4)	\$	-	
3-18	Debt service interest		\$	-	
3-19		ee with line 4-4)	\$	-	
3-20	Repayment of Developer Advance Interest		\$	-	
3-21	Contribution to pension plan (should a	gree to line 7-2)	\$		
3-22	Contribution to Fire & Police Pension Assoc. (should a	gree to line 7-2)	\$	-	
3-23	Other (specify):	l			
3-24			\$	-	
3-25			\$	-	
3-26	(add lines 3-1 through 3-24) TOTAL EXPE	NDITURES	\$ 20 gan taken		
If TOTAL	REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) a	re GREATER	than \$100,000 - <u>STOP</u> .	You	nay not use

this form. Please use the "Application for Exemption from Audit - LONG FORM"

	PART 4 - DEBT OUTSTAND	ING, ISSUED	D, AND I		
4-1	Blease answer the following questions by marking Does the entity have outstanding debt?			Yes	No V
4-2	If Yes, please attach a copy of the e Is the debt repayment schedule attached? If no. MUST None		nent Schedu		1 I I
4-3	Is the entity current in its debt service payments? If no	, MUST explain:			
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers) General obligation bonds Revenue bonds Notes/Loans Leases Developer Advances Other (specify): TOTAL	Outstanding at		Retired during year S - S - S - S - S - S - S - S -	Outstanding at year-end           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -           \$         -
4 5	Please answer the following questions by marking the appropriate	e boxes.	onding building	Yes	No
<b>4-5</b> If yes: <b>4-6</b>	Does the entity have any authorized, but unissued, deb How much? Date the debt was authorized: Does the entity intend to issue debt within the next cal	\$ 600 11/4/201	,000,000.00  4		
If yes: <b>4-7</b>	How much? Does the entity have debt that has been refinanced that	\$	- le for?		
lf yes: <b>4-8</b> If yes:	What is the amount outstanding? Does the entity have any lease agreements? What is being leased?	\$			
	What is the original date of the lease? Number of years of lease? Is the lease subject to annual appropriation? What are the annual lease payments?	<u> </u>			
4-9 If yes:	Does the entity have a certified Mill Levy? Please provide the following <u>mills</u> levied for the year re amounts):	·····		Ó	
	,	Bond Redemption General/Other TOTAL			-
2# <sup>11</sup>	Please use this space to provide a	iny explanations or	comments:	terret in the second	
5-1	PART 5 - CASH AN Please provide the entity's cosh deposit and Investment balances. YEAR-END Total of ALL Checking and Savings Account	a Martina 🗛 🖌 🙀	IENTS	Amount \$ -	ﷺ Total
5-2	Certificates of deposit Total Cash Deposits Investments (if investment is a mutual fund, please list under			\$ -	\$ -
5-3				\$ - \$ - \$ -	
	Total Investments Total Cash and Investments			\$ -	\$- \$-
	Please answer the following questions by inarking in the app		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Se 601, et. seq., C.R.S.?	ection 24-75-			✓
5-5	Are the entity's deposits in an eligible (Public Deposit P public depository (Section 11-10.5-101, et seq. C.R.S.)?	rotection Act)			7
lf no, MU	ST use this space to provide any explanations:				

-1	Please answer the following questions by marking in the <b>Does the entity have capital assets?</b>						2
-2	Has the entity performed an annual inventory of Section 29-1-506, C.R.S.,? If no, MUST explain:	f capital assets	in accord	lance with			V
-3	Complete the following capital assets table	beginni	ance - ng of the ear*	Additions (I be include Part 3)		Deletions	Year-End Balance
	Land	\$	-	\$.		5 –	\$ 
	Buildings	\$	-	\$	4		\$ -
	Machinery and equipment	\$	-	<u>\$</u>			\$ 
	Furniture and fixtures Construction In Progress (CIP)	\$	-	\$ \$	. 9		\$ 
	Other (explain):	\$	-	\$ .			\$ 
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$	-	\$ -	\$		\$ -
	TOTAL	-\$	_	\$ .		\$ -	\$ 

		RT 7 - PENSION IN		ATIC	)N			Contraction of the
e.	Please answer the following question	s by marking in the appropriate boxes	S. <sup>Chara</sup> - No			Yes	No	
7-1	Does the entity have an "old him	e" firemen's pension plan?						
7-2	Does the entity have a voluntee	r firemen's pension plan?					~	
If yes:	Who administers the plan?	n/a		50 A				
	Indicate the contributions from			9 <u></u>				
	Tax (proper	ty; SO, sales, etc.):		\$			1	
	State contri	bution amount:		\$	-			
	Other (gifts,	donations, etc.):		\$	-			
	TOTAL		25 - 55	\$				
	What is the monthly benefit pair	d for 20 years of service per ret	iree as of	•				
	Jan 1?			\$	-			
	Please use	this space to provide any expl	anations	or com	nents:			

	PART 8 - BUDGET	INFORM	ATION		
1 . 1 y	Please answer the following questions by marking in the appropriate	e boxes.	Yes	No	N/A
8-1	Did the entity file a budget with the Department of Local a current year in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:				
8-2	Did the entity pass an appropriations resolution, in accor Section 29-1-108 C.R.S.? If no, MUST explain:	rdance with		V	
If yes:	Please indicate the amount appropriated for each fund for	or the year repo	rted:		
	General Fund	\$	28,325		

### PART 9 - TAXPAYER'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)]?

2

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.

lf.no, MUST explain:

	PART 10 - GENERAL INFORMATION.		
Contract of the second s	Please answer the following questions by marking in the appropriate boxes.	Yes	No
10-1	Is this application for a newly formed governmental entity?		2
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		Image: A start of the start
If yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	1	
	Please indicate what services the entity provides:		
	None		
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:		
40 5			
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status	-	<b></b>
	during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-	$\overline{\checkmark}$	
From	1-103 (9.3) and 32-1-104 (3), C.R.S.]		
If yes:	Date Filed: 28-Nov-17 Please use this space to provide any explanations or comments:		

Notice of Continuing Inactive Status was filed and rejected. The District was required by the State to become in compliance with audit law for 2015, 2016, and 2017, which has been done and filed as required.

PART 11 - GOVERNING BODY APPROVAL				
	Please answer the following question by marking in the appropriate box	YES	NO	
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?			

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

#### **Policy - Requirements**

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

• The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.

• The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.

• Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods: 1) Submit the application in hard copy via the US Mail including original signatures.

2) Submit the application electronically via email and either,

a. Include a copy of an adopted resolution that documents formal approval by the Board, or

b. Include electronic signatures obtained through a software program such as Docusign or Echosign in accordance with the requirements noted above.

	Print the names of ALL current governing board members below.	A <u>MAJORITY</u> of the governing board members must complete and sign in the column below.
Board	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
Member 1	Thomas Morton	exemption from audit. Signed Date: My term Expires:
Board	Print Board Member's Name	, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for
Member 2	Todd Johnson	exemption from audit. Signed Date: My term Expires:
Board Member 3	Print Board Member's Name	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:
in an ann an a		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:

#### JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF THE BIG SKY METROPOLITAN DISTRICT NOS. 1-7

#### APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the "District") is a quasimunicipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the "Board") wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

WHEREAS, the 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 AS FOLLOWS:

1. <u>APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT</u>. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29<sup>TH</sup> DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7 Officer of Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law

General Counsel to the Districts

# APPLICATION FOR EXEMPTION FROM AUDIT

### SHORT FORM

NAME OF GOVERNMENT	Big Sky Metropolitan District No. 6		For the Year Ended
ADDRESS	2154 E. Commons Ave., Suite 2000	12/31/17	
	Centennial, CO 80122		or fiscal year ended:
CONTACT PERSON	Zachary P. White, Esq.		
PHONE	303-858-1800		
EMAIL	zwhite@wbapc.com		
FAX	303-858-1801		
		<b>ION OF PREPARE</b>	R
I certify that I am skilled in g best of my knowledge.	governmental accounting and that the	information in the application is co	emplete and accurate, to the
NAME:	Zachary P. White, Esq.		
TITLE	General Counsel		
FIRM NAME (if applicable)	White Bear Ankele Tanaka & Waldron		
ADDRESS	2154 E. Commons Ave., Suite 2000, C	entennial, CO 80122	
PHONE	303-858-1800		
DATE PREPARED			
(Must be prepared prior to	3/28/2018		
Board approval)			
PREPARER (SIGNA	TURE REQUIRED)		
and the	nXt		
	following financial information is	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
recorded using Governmenta	al or Proprietary fund types	5	

### 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#	and the second of the		Description		Round to nearest Dolla	L. Car	Please use this
2-1	Taxes:	Property			\$	-	space to provide
2-2		Specific owner	ship		\$	Ξ.	any necessary
2-3		Sales and use			\$	-	explanations
2-4		Other (specify)	:		\$	-	
2-5	Licenses and p	ermits			\$	-	
2-6	Intergovernmer	ntal:	Grants		\$	-	
2-7			<b>Conservation Trus</b>	t Funds (Lottery)	\$	-	]
2-8			Highway Users Tax	x Funds (HUTF)	\$	-	
2-9			Other (specify):		\$	-	
2-10	Charges for sei				\$	•	
2-11	Fines and forfe	its			\$	-	
2-12	Special assess				\$	-	
2-13	Investment inco				\$	-	
2-14	Charges for util	lity services			\$	-	
2-15	Debt proceeds		(should a	agree with line 4-4, column 2)	\$	-	
2-16	Lease proceeds				\$	-	
2-17	Developer Adva			(should agree with line 4-4)	\$	-	
2-18	Proceeds from:		issets		\$	-	
2-19	Fire and police	pension			\$	-	
2-20	Donations				\$	-	
2-21	Other (specify):				\$	-	
2-22	1999 - A.	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		· · ·	\$	71	
2-23					\$	-	
2-24		(add lir	nes 2-1 through 2-23)	TOTAL REVENUE	\$	1. 1.4. 	6 

### **PART 3 - EXPENDITURES**

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
3-1	Administrative	\$ -	space to provide
3-2	Salaries	\$ -	any necessary
3-3	Payroll taxes	\$ -	explanations
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	Culture and recreation	\$ -	
3-15	Utility operations	\$	
3-16	Capital outlay	\$ -	_
3-17	Debt service principal (should agree with Part 4)	\$ -	_
3-18	Debt service interest	\$	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$	
3-20	Repayment of Developer Advance Interest	\$	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):		
3-24		\$ -	
3-25		\$	and the second s
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES	\$	
IF TOTAL	REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATEF	R than \$100,000 - <u>STOP</u> . You	may not use

this form. Please use the "Application for Exemption from Audit - LONG FORM".

	2	8	► ¥2.5	· · ·	.1
	PART 4 - DEBT OUTSTAND		), AND		
4-1	Please answer the following questions by markin Does the entity have outstanding debt?			Yes	No
4-2	If Yes, please attach a copy of the Is the debt repayment schedule attached? If no, MUS		ient Schedu	ile.	
	None				_
4-3	Is the entity current in its debt service payments? If n None	o, MUST explain:	1		2
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers) General obligation bonds	end of prior year*		Retired durin year	year-end \$
	Revenue bonds Notes/Loans	\$ - \$ \$ - \$	. –	\$ - \$ -	\$ - \$ -
	Leases	\$ - \$	· -	·\$ · · -	\$ ~
	Developer Advances	\$ - \$		\$ -	\$ -
	Other (specify): TOTAL	\$ - \$ \$ - \$	-	\$ <u> </u>	\$ - \$ -
		*must tie to prior year e	ending balance	Land and the second sec	Ψ
a an	Please answer the following questions by marking the appropria	ate boxes.		Yes	No
<b>4-5</b> If yes:	Does the entity have any authorized, but unissued, de How much?		000,000.00		<u> </u>
	Date the debt was authorized:	11/4/201		9	1 - 2 m
4-6	Does the entity intend to issue debt within the next ca	ilendar year?			
If yes: <b>4-7</b>	How much? Does the entity have debt that has been refinanced th	st it is still responsible	-		(J
If yes:	What is the amount outstanding?	\$	-		
4-8	Does the entity have any lease agreements?	L			
if yes:	What is being leased? What is the original date of the lease?				
	Number of years of lease?			_	-
	Is the lease subject to annual appropriation? What are the annual lease payments?	\$	-		<b>v</b>
4-9	Does the entity have a certified Mill Levy?				
If yes:	Please provide the following mills levied for the year r	eported (do not repor	t \$		
	amounts):	Bond Redemption	1		_
		General/Other			-
NAME AND	Please use this space to provide	TOTAL		i ta izi a	-
	Flease use this space to provide	any explanations of	comments.	a series of series of the series	
	PART 5 - CASH A Please provide the entity's cash deposit and investment balance		ENTS	Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accou	nts		\$ -	Total
5-2	Certificates of deposit			\$ -	-
	Total Cash Deposits Investments (if investment is a mutual fund, please list und	herlying invectments)	ensi ya Kalu		\$ -
	Turreditiones for interditional difficult tand, ploade list an	activity investments.		\$ -	
5-3				\$ -	
				\$ -	_
	Total Investments			\$ -	\$ -
	Total Cash and Investments				\$ -
	Please answer the following questions by marking in the ap		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with S	Section 24-75-			V
5-5	601, et. seq., C.R.S.? Are the entity's deposits in an eligible (Public Deposit	Protection Act)			-
<b>U</b> - <b>U</b>	public depository (Section 11-10.5-101, et seq. C.R.S.)				
lf no, MU	IST use this space to provide any explanations:		he in the second	a dan ar	in the general of

6-1	Does the entity have capital assets?	opropriate boxes						<b>V</b>
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:				1			
6-3	Complete the following capital assets table:	beginni	ince - ng of the ar*	Additions be includ Part 3	ed in	De	letions	ar-End lànce
	Land	\$		\$	-	\$	-	\$ -
	Buildings	\$	-	\$	-	\$	-	\$ 
	Machinery and equipment Furniture and fixtures	\$		\$	-	\$	-	\$ 
	Construction In Progress (CIP)	\$	_	\$	-	\$	-	\$ -
	Other (explain):	\$	_	\$	-	\$	-	\$ -
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$		\$	-	\$	-	\$ _
	TOTAL	S		\$	-	S		\$ -

24 15 21	PA	RT 7 - PENSIO	N INFORM	IATIO	N	····· · , 國際		
	Please answer the following question					Yes	No	
7-1	Does the entity have an "old hi	re" firemen's pension pla	in? 🤄				7	
7-2	Does the entity have a voluntee	r firemen's pension plan	?				•	
If yes:	Who administers the plan?		n/a					
	Indicate the contributions from	8 4						
	Tax (proper	ty, SO, sales, etc.):		\$	-			
		bution amount:		\$	-			
	Other (aifts	, donations, etc.):	к е.	\$				
				\$				
	What is the monthly benefit pai Jan 1?	-		Ŷ	-			
San Ala	Please us	e this space to provide a	ny explanations	or comm	ents:			

	PART 8 - BUDGET INFORM 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.? If no, MUST explain:	Ø		
8-2	Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	<b>V</b>		
		· · · · · ·	.*	
yes:	Please indicate the amount appropriated for each fund for the year report	rted:		

Contraint	the second s
n de l'agrecolaristation et la constation de la constation de la constation de la constation de la constation d	

### PART 9 - TAXPAYER'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)]?

-

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:		
	None		
10-4	Does the entity have an agreement with another government to provide services?		1
If yes:	List the name of the other governmental entity and the services provided:		
2			
10-5	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status		
10-0	during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-		
	1-103 (9.3) and <u>32-1-104 (3)</u> , C.R.S.]		
If yes:	Date Filed: 28-Nov-17		
i de la come	Please use this space to provide any explanations or comments.		in the second second

Notice of Continuing Inactive Status was filed and rejected. The District was required by the State to become in compliance with audit law for 2015, 2016, and 2017, which has been done and filed as required.

i Vite a station zero	PART 11 - GOVERNING BODY APPR	OVAL	t je stadio na stadio
in d <sup>il</sup> e , des F	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?	7	

### 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 currentgoverning board members below	, A <u>MAJORITY</u> of the governing board members must complete and sign in the column below.
Board	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
Member 1	Thomas Morton	exemption from audit. Signed Date: My term Expires:
Board	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
Member 2	Todd Johnson	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:

#### JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF THE BIG SKY METROPOLITAN DISTRICT NOS. 1-7

#### APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the "District") is a quasimunicipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the "Board") wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

WHEREAS, the 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 AS FOLLOWS:

1. <u>APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT</u>. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29<sup>TH</sup> DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7 Officer of Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law

General Counsel to the Districts

# APPLICATION FOR EXEMPTION FROM AUDIT

### SHORT FORM

NAME OF GOVERNMENT	Big Sky Metropolitan District No. 7		For the Year Ended
ADDRESS	2154 E. Commons Ave., Suite 2000		12/31/17
	Centennial, CO 80122		or fiscal year ended:
CONTACT PERSON	Zachary P. White, Esq.		
PHONE	303-858-1800		
EMAIL	zwhite@wbapc.com	100	
FAX	303-858-1801		
	PART 1 - CERTIFICA1	TION OF PREPARE	R
I certify that I am skilled in g	governmental accounting and that the	information in the application is c	omplete and accurate, to the
best of my knowledge.	A	and and the second second second second	
NAME:	Zachary P. White, Esq.		
TITLE	General Counsel		
FIRM NAME (if applicable)	White Bear Ankele Tanaka & Waldron		
ADDRESS	2154 E. Commons Ave., Suite 2000, C	Centennial, CO 80122	
PHONE	303-858-1800		
DATE PREPARED			
(Must be prepared prior to	3/28/2018		
Board approval)			100
PREPARER (SIGNA			
FREFARER (SIGNA	<u>ATURE REQUIRED)</u>		A A A A A A A A A A A A A A A A A A A
	/		
$\square$			
	following financial information is	GOVERNMENTAL (MODIFIED ACCRUAL BASIS)	PROPRIETARY (CASH OR BUDGETARY BASIS)
recorded using Government	al or Proprietary fund types	V	

10. 10.1 10

.....

### 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
2-1	Taxes: Proper		\$ -	space to provide
2-2	Specifi	c ownership	\$	any necessary explanations
2-3		ind use	\$ -	explanations
2-4	Other (	specify):	\$ -	i se este la francé. A la francé de la fr
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 service	vices	\$ -	
2-15	Debt proceeds	(should agree with line 4-4, column 2	\$ -	
2-16	Lease proceeds		\$ -	
2-17	Developer Advances r	eceived (should agree with line 4-4	\$ ~	
2-18	Proceeds from sale of		\$ -	
2-19	Fire and police pensio		\$ -	
2-20	Donations		\$ -	
2-21	Other (specify):	25	\$ -	
2-22		· · · · · · · · · · · · · · · · · · ·	\$ -	- 1991 - 1971 - 197
2-23			\$ -	
2-24		(add lines 2-1 through 2-23) TOTAL REVENUE	<u>s</u> .	
, j 1		PART 3 - EXPENDITURE	ES 🐭	
	EXPENDITURES: All expen	ditures for all funds must be reflected in this section, inclu	ding the purchase of capital assets	and principal and
	interest payments on long-	term debt. Financial information will not include fund equit	y information.	
Line#		Descriptión 🙀	Round to nearest Dollar	Please use this
3-1	Administrative		\$ -	space to provide
3-2	Salaries		\$	any necessary explanations
3-3	Payroll taxes		\$	
3-4	Contract services		\$ -	
3-5	Employee benefits		\$	
3-6	Insurance		\$	
3-7	Accounting and legal f	ees	\$ -	_

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(should agree with Part 4)

(should agree with line 4-4)

(should agree to line 7-2) \$

(should agree to line 7-2) \$

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3-24

3-25

3-26

**Repair and maintenance** 

Utilities and telephone

Streets and highways

**Culture and recreation** 

Debt service principal

Contribution to pension plan

**Repayment of Developer Advance Principal** 

Contribution to Fire & Police Pension Assoc.

this form. Please use the "Application for Exemption from Audit - LONG FORM"

**Repayment of Developer Advance Interest** 

Debt service interest

Supplies

**Fire/Police** 

**Public health** 

Capital outlay

Other (specify):

**Utility operations** 

IF TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - STOP. You may not use

(add lines 3-1 through 3-24) TOTAL EXPENDITURES \$

	PART 4 - DEBT OUTSTANDI					
4-1	Please answer the following questions by marking Does the entity have outstanding debt?			Yes 🗌	No 2	
4-2	If Yes, please attach a copy of the entity's Debt Repayment Schedule.					
4-2	Is the debt repayment schedule attached? If no. MUST None	explain:		]		
					_	
4-3	Is the entity current in its debt service payments? If no.	, MUST explain	1			
	None					
4-4		- Andrew Marriel, at the statement	المعلومة والمعاصية في المراجع المعالية المعالية المعالية والمعالية والمعالية المعالية المعالية والمعا			
	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as	Outstanding a		Retired during	Outstanding at	
	positive numbers)	end of prior yea	ır* year	year .	year-end	
	General obligation bonds	\$-	\$ -	\$ -	\$ -	
	Revenue bonds	\$ -	\$ -	\$ -	\$ -	
	Notes/Loans	\$ -	\$ -	\$ -	\$ -	
	Leases	\$ -	\$ -	\$ -	\$ - \$ -	
	Developer Advances Other (specify):	\$	<u>\$</u> - \$-	\$ - \$ -	\$ -	
	TOTAL	\$ -	\$ -	\$ -	\$ -	
		*must tie to prior	year ending balance	1		
A F	Please answer the following questions by marking the appropriate Does the entity have any authorized, but unissued, deb	boxes.		Yes	No	
4-5 If yes:	How much?	\$	600,000,000.00			
n your	Date the debt was authorized:	11/	4/2014			
4-6	Does the entity intend to issue debt within the next cale	endar year?	1			
If yes:	How much?	\$	-	وحسنتم		
4-7	Does the entity have debt that has been refinanced that	t it is still respo	onsible for?	1	D	
If yes: <b>4-8</b>	What is the amount outstanding? Does the entity have any lease agreements?	<b></b>				
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?	L			7	
	What are the annual lease payments?	\$	-	]		
4-9	Does the entity have a certified Mill Levy?		na ma mé é			
If yes:	Please provide the following <u>mills</u> levied for the year reparcements):	portea (ao not	report a			
	amounta).	Bond Redem	otion	· · · ·	2 - 2 <u>-</u>	
		General/Othe	r		<b></b>	
C. C. L. T.	Please use this space to provide a	TOTAL	a or comments		- 11	
	Thease use this space to provide a		is of confidence.			
N. S. Serve	PART 5 - CASH AN		TMENTS			
	Please provide the entity's cash deposit and investment balances.			Amount	Total	
5-1	YEAR-END Total of ALL Checking and Savings Account	ts	£	\$ -		
5-2	Certificates of deposit			\$ -		
	Total Cash Deposits	The second states of the se	NUMBER OF STREET		\$ -	
	Investments (if investment is a mutual fund, please list unde	erlying investme	nts); 🦾 🤤 🔬 👘	\$ -	1	
				\$ -		
5-3				\$ -		
	U		i i i	\$ -		
	Total Investments		2		\$ -	
	Total Cash and Investments				\$ -	
F 4	Please answer the following questions by marking in the app		Yes	No	N/A	
5-4	Are the entity's Investments legal in accordance with Se 601, et. seq., C.R.S.?	5011011 24-7 3-				
5-5	Are the entity's deposits in an eligible (Public Deposit P	rotection Act)	m		<b>I</b>	
	public depository (Section 11-10.5-101, et seq. C.R.S.)?	,				
If no MU	ST use this space to provide any explanations:					

-1	Does the entity have capital assets?					1		1	$\checkmark$
-2	Has the entity performed an annual inventory of ca Section 29-1-506, C.R.S.,? If no, MUST explain:	pital assets	in accord	dance witl	1	I			7
	None								
-3	Complete the following capital assets table:	beginni	ince - ng of the ar*	Additions be includ Part 3	ed in	De	letions		ar-Enc lance
	Land	\$	-	\$	-	\$	-	\$	-
	Buildings	\$	-	\$	-	\$	-	\$	-
	Machinery and equipment	\$	-	\$	-	<u>\$</u> \$		\$	
	Furniture and fixtures Construction in Progress (CIP)	ф Ф	-	\$	-	\$		ŝ	
	Other (explain):	\$		\$	-	\$	-	\$	
	Accumulated Depreciation (Please enter a negative, or credit, balance)	\$	-	\$	-	\$	-	\$	
	TOTAL	\$		\$	_	S		\$	

,		4 4			-		
		PA	RT7-PENSI	ON INFORM	IATION		
	Please answer the	following question	s by marking in the approp	priate boxes. 🔛	<ul> <li>equilation (p) = (p) = (p) (p)</li> </ul>	Yes	No
7-1	Does the entity	have an "old hir	re" firemen's pension	plan?			
7-2	Does the entity have a volunteer firemen's pension plan?					1	
If yes:							
	Indicate the contributions from:						
			ty, SO, sales, etc.):		\$ -		
	0	State contri	bution amount:		\$ -		
		Other (gifts,	donations, etc.):		\$ -		
		TOTAL			\$ -		
	What is the mon	thly benefit pai	d for 20 years of servi	ce per retiree as of	¢		
	Jan 1?	•	-		φ -		
		Please us	e this space to provide	e any explanations	or commen	ts:	

		0			
	PART 8 - BUDGET	INFORMAT			
8-1	Please answer the following questions by marking in the appropriate Did the entity file a budget with the Department of Local A current year in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:	Affairs for the	Yes		N/A
8-2	Did the entity pass an appropriations resolution, in accor Section 29-1-108 C.R.S.? If no, MUST explain:	dance with		7	
If yes:	Please indicate the amount appropriated for each fund fo	r the year reported	28,325		

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

Please answer the following question by marking in the appropriate box Is the entity in compliance with all the provisions of TABOR [State Constitution, 9-1

#### Article X, Section 20(5)]?

195

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	11.	
77-1	Please answer the following questions by marking in the appropriate boxes.	Yes	No .
10-1	Is this application for a newly formed governmental entity?		<b>V</b>
If yes:	Date of formation:	_	
10-2	Has the entity changed its name in the past or current year?		2
If yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	7	
	Please indicate what services the entity provides:		
	None		
40.4	Does the entity have an agreement with another government to provide services?		D
10-4		<u> </u>	
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 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.]		
If yes:	Date Filed: 27-Nov-17		
NEW OF THE	Please use this space to provide any explanations or comments:		

Notice of Continuing Inactive Status was filed and rejected. The District was required by the State to become in compliance with audit law for 2015, 2016, and 2017, which has been done and filed as required.

	PART 11 - GOVERNING BODY APPROVAL	1	194 194 19
• • •	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?	V	

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

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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 current governing board members below.	A <u>MAJORITY</u> of the governing board members must complete and sign in the column below.
	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
Board Member	Thomas Morton	exemption from audit. Signed
		Date: My term Expires:
	Print Board Member's Name 🤟	
Board Member 2	Todd Johnson	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	Prinț 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 ∹	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:

#### JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF THE BIG SKY METROPOLITAN DISTRICT NOS. 1-7

#### APPROVING THE APPLICATION FOR EXEMPTION FROM AUDIT FOR FISCAL YEAR 2017

WHEREAS, the Big Sky Metropolitan District Nos. 1-7 (each the "District") is a quasimunicipal corporation and political subdivision of the State of Colorado and is a duly organized and existing special district pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604, C.R.S., any local government where neither revenues nor expenditures for any fiscal year exceed Seven Hundred Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the audit provisions of § 29-1-603, C.R.S.; and

WHEREAS, the Board of Directors of the District (the "Board") wishes to apply to the State Auditor for exemption from the audit requirements of § 29-1-603, C.R.S.; and

WHEREAS, neither the revenues nor expenditures of the District exceeded \$750,000 for fiscal year 2017; and

WHEREAS, an application for exemption from audit for the District has been prepared by a person skilled in governmental accounting; and

WHEREAS, the 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 AS FOLLOWS:

1. <u>APPROVAL OF APPLICATION FOR EXEMPTION FROM AUDIT</u>. The application for exemption from audit for the District for the fiscal year ending December 31, 2017, has been reviewed by the Board and is hereby approved by a majority of the Board. This Resolution shall be attached to and shall become a part of the application for exemption for fiscal year ending December 31, 2017.

[Remainder of Page Intentionally Left Blank].

ADOPTED THIS 29<sup>TH</sup> DAY OF MARCH, 2018.

BIG SKY METROPOLITAN DISTRICT NOS. 1-7 Officer of Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law

General Counsel to the Districts